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OF THE

LEGISLATURE

STATE OF MINNESOTA

1981

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STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FORTY-FOURTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 30, 1981

The House of Representatives convened at 2:00 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Pastor Frederick O. Atkinson, United Methodist Church, Preston, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | O'Connor | Sieben, M. |
| Ainley | Evans | Knickerbocker | Ogren | Simoneau |
| Anderson, B. | Ewald | Kostohryz | Olsen | Skoglund |
| Anderson, G. | Fjoslien | Kvam | Onnen | Stadum |
| Anderson, I. | Forsythe | Laidig | Otis | Staten |
| Anderson, R. | Friedrich | Lehto | Peterson, B. | Stowell |
| Battaglia | Greenfield | Lemen | Peterson, D. | Stumpf |
| Begich | Gruenes | Levi | Piepho | Sviggum |
| Berkelman | Gustafson | Long | Pogemiller | Swanson |
| Blatz | Halberg | Ludeman | Redalen | Tomlinson |
| Brandl | Hanson | Luknic | Reding | Valan |
| Brinkman | Harens | Mann | Rees | Valento |
| Byrne | Hauge | Marsh | Reif | Vanasek |
| Carlson, D. | Haukoos | McCarron | Rice | Vellenga |
| Carlson, L. | Heap | McDonald | Rodriguez, C. | Voss |
| Clark, J. | Himle | McEachern | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Mehrkens | Rose | Welch |
| Clawson | Hokanson | Metzen | Rothenberg | Welker |
| Dahlvang | Hokr | Minne | Samuelson | Wenzel |
| Dean | Jacobs | Munger | Sarna | Wieser |
| Dempsey | Jennings | Murphy | Schafer | Wigley |
| Den Ouden | Johnson, C. | Nelsen, B. | Schoenfeld | Wynia |
| Drew | Johnson, D. | Nelson, K. | Schreiber | Zubay |
| Eken | Jude | Niehaus | Searles | Spkr. Sieben, H. |
| Elioff | Kahn | Norton | Shea | |
| Ellingson | Kaley | Novak | Sherman | |
| Erickson | Kalis | Nysether | Sherwood | |

A quorum was present.

Heinitz was excused until 5:15 p.m. Osthoff was excused until 2:30 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. Nos. 977, 1081, 1277, 1392, 936, 1322, 499, 673, 691 and 1446 and S. F. Nos. 642, 460, 536, 657, 937, 1125, 1265, 1104, 830, 18, 74, 77, 537 and 525 have been placed in the members' files.

S. F. No. 937 and H. F. No. 726, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that S. F. No. 937 be substituted for H. F. No. 726 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 915 and H. F. No. 1042, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Valento moved that the rules be so far suspended that S. F. No. 915 be substituted for H. F. No. 1042 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 830 and H. F. No. 1392, 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. 830 be substituted for H. F. No. 1392 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

April 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 349 | 54 | April 28 | April 28 |
| | 521 | 55 | April 28 | April 28 |
| 263 | | 56 | April 28 | April 28 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 763, A bill for an act relating to taxation; imposing certain requirements and restrictions on the use of tax increment financing; amending Minnesota Statutes 1980, Sections 273.73, Subdivision 10; 273.74, Subdivisions 1, 2, 3, and 4; and 273.77.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1980, Section 124.212, Subdivision 10, is amended to read:

Subd. 10. (a) The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, the commissioner of agriculture, and the commissioner of revenue, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. When such reviews disclose reasonable evidence that the assessed valuation of any district furnished by any county auditor is not based upon the

market value of taxable property in such district, then said committee shall call upon the department of revenue to ascertain the market value of such property, and adjust such values as required by law to determine the adjusted assessed valuation. The department of revenue shall take such steps as are necessary in the performance of that duty and may incur such expense as is necessary therefor. The commissioner of revenue is authorized to reimburse any county or governmental official for services performed at his request in ascertaining such adjusted valuation. On or before March 15, annually, the department of revenue shall submit its report on the assessed values established by the previous year's assessment to said committee for approval or rejection and, if approved, such report shall be filed not later than the following July 1 with the commissioner of education and each county auditor for those school districts for which he has the responsibility for determination of mill rates. A copy of the adjusted assessed value so filed shall be forthwith mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which such district is located.

(b) For purposes of determining the adjusted assessed value of agricultural lands for the calculation of 1977 adjusted assessed values and thereafter, the market value of agricultural lands shall be the arithmetic average of (1) the price for which the property would sell in an arms length transaction, and (2) the income which could be derived from its free market gross rental rate capitalized at a rate of nine percent.

(c) The committee shall include in the adjusted assessed value of each district the captured assessed value as defined in section 273.73, subdivision 4, of all parcels included in each economic development district as defined in section 273.73, subdivision 12, located within the district."

Page 6, after line 21, insert:

"Sec. 7. Minnesota Statutes 1980, Section 273.75, Subdivision 4, is amended to read:

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

chapter 472A, by a municipality or redevelopment agency to finance or otherwise pay premiums for insurance guaranteeing the payment of net rentals when due under the project lease or to accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds pursuant to chapter 474. These revenues shall not be used to circumvent existing levy limit law. *No revenues derived from tax increment shall be used for the construction or renovation of a municipally owned building used primarily and regularly for conducting the business of the municipality. This provision shall not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure, a commons area used as a public park or a facility used for social or recreational purposes and not primarily for conducting the business of the municipality.*"

Page 10, line 18, before "Sections" insert "Section 1 is effective with respect to a district for which certification is requested the day following final enactment and thereafter."

Page 10, line 18, delete "1 to 6" and insert "2 to 8"

Renumber the sections

Amend the title as follows:

Page 1, line 4, after "Sections" insert "124.212, Subdivision 10;"

Page 1, line 6, after the semicolon insert "273.75, Subdivision 4;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 792, A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; establishing maximum downpayment requirements; eliminating the exemption of income limits for loans in certain areas of municipalities; providing that multifamily housing loans may be used to acquire structures for purposes of conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1, 3, and 7; and 462C.05, Subdivision 1; repealing Minnesota Statutes 1980, Sections 462C.03, Subdivision 8; and 462C.05, Subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 462C.03, Subdivision 1, is amended to read:

Subdivision 1. The housing plan shall set forth:

(a) The housing needs of the city and the data demonstrating those needs;

(b) The plan of the city to meet identified housing needs, and the specific methods to be used to carry out the plan;

(c) Target areas, if any, of the city for each method;

(d) The financing program or programs to be included in the plan;

(e) The number and qualifications of lenders eligible to participate in the program;

(f) The estimated amount of mortgage loans to be made or purchased in each program and the estimated amounts and timing of the sale of revenue bonds required to finance such loans, fund appropriate reserves, and pay costs of issuance;

(g) Methods for monitoring the implementation by participants to insure that the programs will be consistent with the plan and its objectives;

(h) The administrative capacity of the city to monitor and supervise housing finance programs;

(i) The cost to the city, including administrative costs;
(AND)

(j) An analysis of how the programs will meet the needs of low and moderate income families in the city; and

(k) A description of the city's strategies to minimize displacement of low and moderate income persons and families and an outline of policies which will be implemented to mitigate adverse effects which do occur as a result of developments financed through programs in this chapter.

The governing body of the city or a committee thereof shall review the plan at a public hearing and shall consider the comments presented at the hearing. The city shall cause to be published, in a newspaper of general circulation, notice of the public hearing at least 15 and not more than 30 days prior to the public

hearing. Amendments to the plan considered at the public hearing may be adopted at that hearing or a subsequent meeting.

Sec. 2. Minnesota Statutes 1980, Section 462C.03, is amended by adding a subdivision to read:

Subd. 10. Notwithstanding any provision of this chapter to the contrary, after December 31, 1981 any city of the first class issuing bonds subject to this chapter, for the purpose of financing single family housing, including condominiums or cooperatives, and subject to section 103A of the Internal Revenue Code, shall allocate at least ten percent of the proceeds of bonds issued during each calendar year for the purpose of making single family housing loans for, or purchasing single family housing loans made to families whose adjusted gross income does not exceed 80 percent of the median family income, as estimated by the department of housing and urban development for the applicable standard metropolitan statistical area. Provided, however, that if on May 1 of each year, the city determines that it is unable to issue bonds during that calendar year in the amount allocated pursuant to this subdivision, then any amount which the city determines will not be so issued may be issued for any purpose authorized by this chapter.

For the purpose of this subdivision, "single family housing" includes dwelling units owned under a condominium or cooperative form of ownership which are to be occupied by families as a principal residence.

Sec. 3. Minnesota Statutes 1980, Section 462C.03, is amended by adding a subdivision to read:

Subd. 11. Notwithstanding any provision of this chapter to the contrary, any city of the first class issuing bonds for single family housing subject to this chapter and not subject to sections 1102 and 1103 of the Mortgage Subsidy Bond Tax Act of 1980, but not including bonds issued to finance the Minneapolis/St. Paul joint housing program, shall allocate at least 20 percent of the proceeds of the bonds issued for the purpose specified in section 2. For the purpose of this subdivision, "single family housing" includes dwelling units owned under a condominium or cooperative form of ownership which are to be occupied by families as a principal residence.

Sec. 4. Minnesota Statutes 1980, Section 462C.05, Subdivision 1, is amended to read:

Subdivision 1. A city may also plan, administer, and make or purchase a loan or loans to finance one or more multifamily housing developments within its boundaries, of the kind described in subdivision 2, 3 or 4, and upon the conditions set

forth in this section. A loan may be made or purchased for the acquisition and preparation of a site and the construction of a new development, (OR) for the acquisition of an existing building and site and the rehabilitation thereof, *or for the acquisition of an existing building and site for purposes of conversion to limited equity cooperative ownership by low or moderate income families*, provided that:

(a) *Except in the case of acquisition for purposes of conversion to limited equity cooperative ownership*, the cost of rehabilitation of an existing building is estimated to equal at least \$5,000 per dwelling unit or 50 percent of the appraised value of the original building and site, whichever is less or if the rehabilitation is financed in part by proceeds from a program provided by the federal government pursuant to 24 C.F.R. Sections 882.401 to 882.519 or pursuant to section 312 of the Housing Act of 1964 (42 U.S.C. Section 1452b), the cost of rehabilitation of an existing building is estimated to equal at least \$2,000 per dwelling unit or 20 percent of the appraised value of the original building and site whichever is less;

(b) At least a substantial portion of such rehabilitation cost is estimated to be incurred for compliance with building codes or conservation of energy;

(c) Each development upon completion shall comply with all applicable code requirements;

(d) A loan or loans may be made or purchased for either the construction or the long term financing of a development, or both, including the financing of the acquisition of dwelling units and interests in common facilities provided therein, by persons to whom such units and facilities may be sold as contemplated in chapter 515 or any supplemental or amendatory law thereof; (AND)

(e) Substantially all of the proceeds of each loan shall be used to pay the cost of a multifamily housing development, including property functionally related and subordinate to it; but nothing herein prevents the construction of the development over, under, or adjacent to, and in conjunction with facilities to be used for purposes other than housing; *and*

(f) *The owner or borrower utilizing loans provided under this chapter certifies that he or she will not displace current tenants either during or after the rehabilitation, except as provided for in section 1.*

Sec. 5. [APPLICABILITY.]

The provisions of section 2 shall not apply to any programs which were approved or are considered approved pursuant to

section 462C.04, subdivision 2, by the Minnesota housing finance agency on or before the date of final enactment, nor to the Minneapolis/St. Paul joint housing program specifically exempted from the provisions of section 103A of the Internal Revenue Code.

Sec. 6. [EFFECTIVE DATE.]

This act is effective the day following its final enactment."

Delete the title and insert:

"A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement; requiring cities to hold public hearings for review of their municipal housing plans; placing income limits on certain loans made or purchased with certain local housing bond proceeds; providing that multi-family loans may be used to acquire structures for purposes of conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivision 1, and by adding subdivisions; and 462C.05, Subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

S. F. No. 539, A bill for an act relating to family law; allowing joint custody of minor children; providing for acknowledgments of paternity; changing provisions related to venue; providing expedited hearings; changing determination of maintenance and support orders; changing the division of marital property; providing for enforcement of maintenance and support orders; changing requirements for evidence, orders, and decrees; adopting the revised uniform reciprocal enforcement of support act; amending Minnesota Statutes 1980, Sections 257.34, Subdivision 1; 518.003, by adding a subdivision; 518.09; 518.131, Subdivisions 3 and 4, and by adding subdivisions; 518.145; 518.17; 518.54, Subdivision 5; 518.551; 518.58; and 518.64, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41; 518.42; 518.43; 518.44; 518.45; 518.46; 518.47; 518.48; 518.49; 518.491; 518.50; 518.51; 518.52; and 518.53.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 257.34, Subdivision 1, is amended to read:

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) *at any time* before or up to 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) 257.57 and (257.252) 257.66;

(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.

Sec. 2. Minnesota Statutes 1980, Section 518.003, is amended by adding a subdivision to read:

Subd. 3. [CUSTODY.] Unless otherwise agreed by the parties:

(a) *“Legal custody” means the right to determine the child’s upbringing, including education, health care and religious training.*

(b) *“Joint legal custody” means that both parents have equal rights and responsibilities, including the right to participate in major decisions determining the child’s upbringing, including education, health care and religious training.*

(c) *“Physical custody and residence” means the routine daily care and control and the residence of the child.*

(d) *“Joint physical custody” means that the routine daily care and control and the residence of the child is structured between the parties.*

(e) *Wherever used in this chapter, the term “custodial parent” or “custodian” means the person who has the physical custody of the child at any particular time.*

Sec. 3. Minnesota Statutes 1980, Section 518.09, is amended to read:

518.09 [PROCEEDING; HOW AND WHERE BROUGHT; VENUE.]

A proceeding for dissolution or legal separation may be brought by either or both spouses and shall be commenced by personal service of the summons and petition venued in the county where (THE PETITIONER) *either spouse resides (OR, IF THE PETITIONER IS NOT A RESIDENT OF THE STATE, THEN VENUED IN THE COUNTY WHERE THE RESPONDENT RESIDES)*. If neither party resides in the state and jurisdiction is based on the domicile of (ONE OR BOTH OF THE PARTIES) *either spouse*, the proceeding may be brought in the county where either party is domiciled. *If neither party resides or is domiciled in this state and jurisdiction is premised upon one of the parties being a member of the armed services stationed in this state for not less than 180 days immediately preceding the commencement of the proceeding, the proceeding may be brought in the county where the member is stationed.* This venue shall be subject to the power of the court to change the place of hearing by consent of the parties, or when it appears to the court that an impartial hearing cannot be had in the county where the proceedings are pending, or when the convenience of the parties or the ends of justice would be promoted by the change. No summons shall be required if a joint petition is filed.

Sec. 4. Minnesota Statutes 1980, Section 518.145, is amended to read:

518.145 [DECREE.]

A decree of dissolution of marriage or of legal separation is final when entered, subject to the right of appeal. *When entered, the findings of fact and conclusions of law may constitute the judgment and decree.* An appeal from the decree of dissolution that does not challenge the finding that the marriage is irretrievably broken does not delay the finality of that provision of the decree which dissolves the marriage beyond the time for appealing from that provision. A party may remarry before the time for appeal has run if it is not contested that the marriage is irretrievably broken or if a stipulation that the marriage is irretrievably broken is incorporated in the decree of dissolution.

Sec. 5. Minnesota Statutes 1980, Section 518.17, is amended to read:

518.17 [CUSTODY AND SUPPORT OF CHILDREN ON JUDGMENT.]

Subdivision 1. [THE BEST INTERESTS OF THE CHILD.] "The best interests of the child" means all relevant factors to be considered and evaluated by the court including:

(a) The wishes of the child's parent or parents as to his custody;

(b) The reasonable preference of the child, if the court deems the child to be of sufficient age to express preference;

(c) The interaction and interrelationship of the child with his parent or parents, his siblings, and any other person who may significantly affect the child's best interests;

(d) The child's adjustment to his home, school, and community;

(e) The length of time the child has lived in a stable, satisfactory environment and the desirability of maintaining continuity;

(f) The permanence, as a family unit, of the existing or proposed custodial home;

(g) The mental and physical health of all individuals involved;

(h) The capacity and disposition of the parties to give the child love, affection, and guidance, and to continue educating and raising the child in his culture and religion or creed, if any; and

(i) The child's cultural background.

The court shall not consider conduct of a proposed custodian that does not affect his relationship to the child.

Subd. 2. [FACTORS WHEN JOINT CUSTODY IS SOUGHT.] *In addition to the factors listed in subdivision 1, where either joint legal or joint physical custody is contemplated or sought, the court shall consider the following relevant factors:*

(a) *The ability of parents to cooperate in the rearing of their children;*

(b) *Methods for resolving disputes regarding any major decision concerning the life of the child, and the parents' willingness to use those methods; and*

(c) *Whether it would be detrimental to the child if one parent were to have sole authority over the child's upbringing.*

Subd. 3. [CUSTODY ORDER.] Upon adjudging the nullity of a marriage, or a dissolution or separation, or a child custody proceeding, the court (MAY) shall make such further order as it deems just and proper concerning (THE CARE, CUSTODY, AND MAINTENANCE OF THE MINOR CHILDREN OF THE PARTIES AND MAY DETERMINE WITH WHICH OF THE PARENTS THEY, OR ANY OF THEM, SHALL REMAIN): (a) *the legal custody of the minor children of the parties which shall be sole or joint; (b) their physical custody and residence; and (c) their support.* In determining (THE PARENT WITH WHOM A CHILD SHALL REMAIN) custody, the court shall consider the best interests of the child and shall not prefer one parent over the other solely on the basis of the sex of the parent.

Subd. (3) 4. [CHILD SUPPORT.] The court may order either or both parents owing a duty of support to a child of the marriage to pay an amount reasonable or necessary for his support, without regard to marital misconduct, after considering all relevant factors including:

- (a) The financial resources and needs of the child;
- (b) The financial resources and needs of the custodial parent;
- (c) The standard of living the child would have enjoyed had the marriage not been dissolved;
- (d) The physical and emotional condition of the child, and his educational needs; and
- (e) The financial resources and needs of the noncustodial parent.

Sec. 6. Minnesota Statutes 1980, Section 518.551, is amended to read:

518.551 [MAINTENANCE AND SUPPORT PAYMENTS MADE TO WELFARE AGENCIES.]

Subdivision 1. [ORDER FOR PAYMENTS.] A court having jurisdiction over proceedings for dissolution or legal separation shall direct that all payments ordered for maintenance and support shall be made to the agency responsible for the welfare payments, when it appears that the party who is to receive the maintenance and support payments will receive public assistance. Amounts received by the agency greater than the amount granted to the party receiving public assistance shall be remitted to that party.

The petitioner shall notify the agency responsible for the welfare payments of all proceedings for dissolution, legal separation or for the custody of a child if either party is receiving aid to families of dependent children or applies for such aid subsequent to the commencement of the proceeding. After receipt of the notice, the agency shall recommend to the court the support that is proper and adequate for the care and support of the child or children before the issuance of the order for judgment and decree in the proceeding.

If the court finds in a dissolution or legal separation proceeding before issuing the order for judgment and decree that notification has not been given to the agency responsible for the welfare payments, the court shall order that notification be made and shall not issue its order for judgment and decree until the agency has made its recommendations. In those proceedings in which no notification has been made pursuant to this section and in which the agency determines that the judgment is not proper and adequate for the care and support of the child or children, it may petition the court for a redetermination of the support payments ordered.

Subd. 2. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. No fee shall be imposed on the party who requests child support collection services.

Sec. 7. Minnesota Statutes 1980, Section 518.58, is amended to read:

518.58 [DISPOSITION OF MARITAL PROPERTY.]

Upon a dissolution of a marriage, an annulment, or in a proceeding for disposition of property following a dissolution of marriage by a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to dispose of the property and which has since acquired jurisdiction, the court shall make a just and equitable disposition of the marital property of the parties without regard to marital misconduct, after making findings regarding the disposition of the property. The court shall base its findings on all relevant factors including the length of the marriage, any prior marriage of a party, the age, health, station, occupation, amount and sources of income, vo-

ational skills, employability, estate, liabilities, needs, and opportunity for future acquisition of capital assets, the amount of support, maintenance and income of each party, whether the property award is in lieu of or in addition to maintenance or support. The court shall also consider the contribution of each in the acquisition, preservation, depreciation or appreciation in the amount or value of the marital property, as well as the contribution of a spouse as a homemaker. It shall be presumed that each spouse made a substantial contribution to the acquisition of income and property while they were living together as husband and wife. The court may also award to either spouse the household goods and furniture of the parties, whether or not acquired during the marriage.

If the court finds that either spouse's resources or property, including his portion of the marital property as defined in section 518.54, subdivision 5 are so inadequate as to work an unfair hardship, considering all relevant circumstances, the court may, in addition to the marital property, apportion up to one-half of the property otherwise excluded under section 518.54, subdivision 5, clauses (a) to (d) to prevent the unfair hardship. If the court apportions property other than marital property, it shall make findings in support of the apportionment. The findings shall be based on all relevant factors including the length of the marriage, any prior marriage of a party, the age, health, station, occupation, amount and sources of income, vocational skills, employability, estate, liabilities, needs, and opportunity for future acquisition of capital assets and income of each party.

(UNLESS OTHERWISE SPECIFICALLY SET FORTH IN THE DECREE, IF IN A DECREE OF DISSOLUTION ONE PARTY IS AWARDED THE HOMESTEAD AND THE OTHER PARTY IS AWARDED A FIXED DOLLAR AMOUNT BASED ON AN ASSUMED OR APPRAISED MARKET VALUE OF THE HOMESTEAD AND WITHIN 24 MONTHS FOLLOWING THE DECREE THE HOMESTEAD IS SOLD, WITHIN SIX MONTHS OF THE SALE EITHER PARTY MAY PETITION, AND THE COURT MAY GRANT, AN APPORTIONMENT OF THE PROCEEDS IN THE PROPORTION AWARDED IN THE DECREE, BASED UPON THE NET SALE PRICE RATHER THAN THE ASSUMED OR APPRAISED MARKET VALUE. THIS PARAGRAPH SHALL NOT APPLY TO A DECREE OF DISSOLUTION ENTERED BEFORE MAY 30, 1979.)

If the court finds that it is necessary to preserve the marital assets of the parties, the court may order the sale of the homestead of the parties or the sale of other marital assets, as the individual circumstances may require, during the pendency of a proceeding for a dissolution of marriage or an annulment. If the court orders a sale, it may further provide for the disposition of the funds received from the sale during the pendency of the proceeding.

Sec. 8. [EFFECTIVE DATE.]

Sections 3 and 7 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to family law; allowing joint custody of minor children; providing for acknowledgements of paternity; changing provisions related to venue; providing for disposition of certain marital property; providing for child support enforcement fees; amending Minnesota Statutes 1980, Sections 257.34, Subdivision 1; 518.003, by adding a subdivision; 518.09; 518.145; 518.17; 518.551; and 518.58."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

S. F. No. 574, A bill for an act relating to judicial procedures; changing certain provisions relating to guardianship and conservatorship; amending Minnesota Statutes 1980, Sections 525.539, Subdivision 3, and by adding a subdivision; 525.54; 525.541; 525.542; 525.543; 525.55; 525.551; 525.5515; 525.56, Subdivisions 3 and 4; 525.58; 525.591, Subdivisions 2 and 3; 525.618, Subdivision 1; 525.6185; 525.619; 525.6192; 525.6196; 525.6198; 525.62; 525.67; 525.69; and 525.703; proposing new law coded in Minnesota Statutes, Chapter 525; repealing Minnesota Statutes 1980, Section 525.504.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 525.539, is amended by adding a subdivision to read:

Subd. 6. [VISITOR.] "Visitor" means a person who is trained in law, health care, or social work and is an officer, employee, or special appointee of the court with no personal interest in the proceedings.

Sec. 2. Minnesota Statutes 1980, Section 525.54, is amended to read:

525.54 [ADULTS SUBJECT TO GUARDIANSHIP AND CONSERVATORSHIP.]

Subdivision 1. [ADULTS SUBJECT TO GUARDIANSHIP AND CONSERVATORSHIP.] Upon petition as provided in

this chapter, the court, if satisfied of the need therefor, may appoint one or two persons suitable and competent to discharge the trust as guardians of the person or estate or of both or as conservators of the person or the estate or of both, of any incapacitated person (THE STANDARD OF PROOF IN CONTESTED CASES SHALL BE THAT OF CLEAR AND CONVINCING EVIDENCE.)

Subd. 2. [GUARDIANSHIP OR CONSERVATORSHIP OF THE PERSON.] "Incapacitated person" means, in the case of guardianship or conservatorship of the person, any adult person who is impaired (BY REASON OF MENTAL CONDITION) to the extent that he lacks sufficient understanding or capacity to make or communicate responsible decisions concerning his person, and who has demonstrated deficits in behavior which (EVIDENCES) *evidence* his inability to meet (ESSENTIAL REQUIREMENTS FOR HIS HEALTH OR SAFETY. "UNABLE TO MEET ESSENTIAL REQUIREMENTS FOR HIS HEALTH OR SAFETY" MEANS UNABLE TO MEET) his needs for medical care, nutrition, clothing, shelter, or safety (SO THAT, IN THE ABSENCE OF GUARDIANSHIP OR CONSERVATORSHIP, INJURY OR ILLNESS IS LIKELY TO OCCUR IN THE NEAR FUTURE).

Subd. 3. [GUARDIANSHIP OR CONSERVATORSHIP OF THE ESTATE.] Appointment of a guardian or conservator may be made in relation to the estate and financial affairs of an adult person: (a) voluntarily, upon the person's (REQUEST) *petition or consent in writing* if the court is satisfied of the need thereof, or (b) involuntarily, upon the court's determination that (1) (THAT) *the* person is unable to manage his property and affairs effectively because he is an incapacitated person, and (2) he has property which will be (WASTED OR) dissipated unless proper management is provided, or that funds are needed for the support, care and welfare of the person or those entitled to be supported by him and (3) (NO LESS RESTRICTIVE FORM OF INTERVENTION IS AVAILABLE WHICH WILL) *a guardian or conservator is necessary to adequately protect his estate or financial affairs.* "Incapacitated person" means, in the case of guardianship or conservatorship of the estate of an adult, any adult person who is impaired (BY REASON OF MENTAL CONDITION) to the extent that he lacks sufficient understanding or capacity to make or communicate responsible decisions concerning his estate or financial affairs, and who has demonstrated deficits in behavior which (EVIDENCES) *evidence* his inability to manage his estate, or who is unable to *manage his estate or financial affairs effectively by reason of detention by a foreign power or disappearance.*

Subd. 4. [(APPOINTMENT AS EVIDENCE OF CAPACITY) VOTING.] (APPOINTMENT OF A GUARDIAN IS EVIDENCE OF THE INCOMPETENCY OF THE INCAPACITATED PERSON.) *The appointment of a conservator shall*

not deprive the conservatee of the right to vote, unless the right is restricted by court order.

Subd. 5. [COMPETENCY.] (APPOINTMENT OF A CONSERVATOR IS NOT EVIDENCE OF INCOMPETENCY OF THE INCAPACITATED PERSON, AND DOES NOT REMOVE OR MODIFY ANY CIVIL OR LEGAL RIGHT OF THE INCAPACITATED PERSON EXCEPT AS SPECIFICALLY ORDERED BY THE COURT, PURSUANT TO SECTION 525.551. THE APPOINTMENT OF A CONSERVATOR SHALL NOT DEPRIVE THE CONSERVATEE OF THE RIGHT TO VOTE OR TO MARRY IF OTHERWISE COMPETENT.) *Appointment of a guardian is evidence of the incompetency of the incapacitated person. Appointment of a conservator is not evidence of incompetency.*

Subd. 6. [AUTHORITY TO APPOINT GUARDIAN.] *Nothing contained in this section shall diminish the power of the court to appoint a guardian to serve or protect the interest of any person under disability in any proceedings therein.*

Subd. 7. [CERTAIN PROTECTIVE ARRANGEMENTS.] *If it is established in a proper proceeding under section 525.551 that a basis exists for the appointment of a guardian or conservator, the court, instead of appointing a guardian or conservator, may (a) authorize, direct or ratify any transaction necessary or desirable to achieve any security, service, or care arrangement meeting the foreseeable needs of the protected person. Protective arrangements include, but are not limited to: payment, delivery, deposit or retention of funds or property; sale, mortgage, lease or other transfer of property; entry into an annuity contract, a contract for life care, a deposit contract or a contract for training and education; or addition to or establishment of a suitable trust; or (b) authorize, direct or ratify any contract, trust or other transaction relating to the protected person's financial affairs or involving his estate if the court determines that the transaction is in the best interests of the protected person.*

Before approving a protective arrangement or other transaction under this subdivision, the court shall consider the interests of creditors and dependents of the protected person and, in view of his disability, whether the protected person needs the continuing protection of a guardian or conservator. The court may appoint a special conservator with or without bond to assist in the accomplishment of any protective arrangement or other transaction authorized under this subdivision, who shall have the authority conferred by the order and serve until discharged by order after making a report to the court of all matters done pursuant to the order of appointment.

Sec. 3. *Minnesota Statutes 1980, Section 525.541, is amended to read:*

525.541 [PETITIONERS.]

Any person may petition for the appointment of a guardian (OR GUARDIANS) or conservator (OR CONSERVATORS) or for a protective order for any person believed to be subject to guardianship or conservatorship. The petition of an adult person for the appointment of a guardian (OR GUARDIANS) or conservator (OR CONSERVATORS) of his own person or estate shall have priority over the petition of any other person.

Sec. 4. Minnesota Statutes 1980, Section 525.542, is amended to read:

525.542 [CONTENTS OF PETITION.]

Subdivision 1. [INFORMATION.] The petition shall show (1) the name and address of the person for whom a guardian or conservator, is sought, (2) the date (AND PLACE) of his birth, (3) the names and addresses of his *living* parents, children, (AND SIBLINGS) *brothers and sisters*, or in the event that none of these persons are living, the names and addresses of his nearest kindred, (4) if he is married, the name and address of his spouse, (5) the (REASONS) *grounds* for the guardianship or conservatorship, (INCLUDING SPECIFIC FACTUAL INFORMATION WHICH THE PETITIONER BELIEVES SUPPORTS THE NEED FOR APPOINTMENT OF A GUARDIAN OR CONSERVATOR, SUCH AS MENTAL AND PHYSICAL CONDITION, FINANCIAL TRANSACTIONS, PERSONAL ACTIONS, OR ACTUAL OCCURRENCES WHICH ARE CLAIMED TO DEMONSTRATE HIS INABILITY TO MANAGE HIS ESTATE, OR TO PROVIDE FOR PERSONAL NEEDS FOR FOOD, CLOTHING, SHELTER OR HEALTH CARE) *with a statement that the proposed ward or conservatee may demand a written bill of particulars*, (6) *if conservatorship is requested*, the powers the petitioner believes are necessary in order for a (GUARDIAN OR) conservator to protect and supervise the proposed (WARD'S OR) conservatee's person or property, (7) the probable value and general character of his real and personal property and the probable amount of his debts, (8) the names, ages, addresses, and occupations of the proposed guardians or conservators.

Subd. 2. [BILL OF PARTICULARS.] *A bill of particulars may be requested from the petitioner by the proposed ward or conservatee, and when so requested shall be delivered to the proposed ward or conservatee within ten days or prior to the hearing, whichever is sooner. The bill of particulars shall be in writing and shall include specific factual information which the petitioner believes supports the need for appointment of a guardian or conservator, such as mental and physical condition, financial transactions, personal actions, or actual occurrences which are claimed to demonstrate the proposed ward's or conservatee's in-*

ability to manage his estate, or to provide for personal needs for food, clothing, shelter or health care.

Sec. 5. Minnesota Statutes 1980, Section 525.543, is amended to read:

525.543 [LIS PENDENS.]

After the filing of the petition, a certificate of the probate court certified to that fact may be filed for record in the office of the county recorder of any county in which any real estate owned by the proposed ward or conservatee is situated and if a resident of this state, in the county of his residence. The certificate shall state that a petition is pending and the name and address of the person for whom a guardian or conservator is sought. If a guardian or conservator is appointed on the petition, and, in the case of a conservatorship, if the (LETTERS OF) conservatorship (REMOVE) *order removes* or (RESTRICT) *restricts* the right of the conservatee to transfer property or to contract, then all contracts except for necessities, and all transfers of real or personal property made by the ward or conservatee after the filing and before the termination of the guardianship or conservatorship shall be void.

Sec. 6. Minnesota Statutes 1980, Section 525.55, is amended to read:

525.55 [NOTICE OF HEARING.]

Subdivision 1. [TIME OF NOTICE; TO WHOM GIVEN.] In all cases, upon the filing of the petition the court shall fix the time and place for the hearing and shall order that notice be given thereof. At least 14 days prior to the hearing, personal service of the notice shall be made upon the proposed ward or conservatee. Notice shall also be served on his spouse, parents, adult children, (SIBLINGS) *brothers and sisters*, (NEXT OF KIN) *and, if none of those are alive or can be located, on his nearest kindred as determined by the court*, and on any other persons the court may direct, by mail postmarked at least 14 days prior to the hearing. If he is a patient or resident of any hospital or other institution, notice by mail shall be given to the administrative head thereof *and to the patient or resident*. If he is a non-resident or if after diligent search he cannot be found in this state, notice shall be given in the manner and to such persons as the court may determine.

Subd. 2. [FORM; SERVICE.] The notice shall be written in language which can be easily understood. Included with the notice shall be a copy of the petition. The notice shall contain information regarding the nature, purpose and legal effects of the guardianship or conservatorship proceedings on the proposed ward or conservatee. The notice shall state that he may

be adjudged incapable of caring for his person or property, and by reason thereof, a guardian or conservator may be appointed for him, and that the adjudication may transfer to the appointed guardian or conservator certain rights, including his right to manage and control property, to enter into contracts and to determine his residence. The notice shall further contain information regarding the rights of the proposed ward or conservatee in the proceeding, including his right to attend the hearing, to be represented by an attorney, to oppose the proceeding, and to present evidence. The notice shall state that if the proposed ward or conservatee wishes to exercise the right to be represented by an attorney, he must either obtain counsel of his own choice, or ask the court to appoint an attorney to represent him, and that the county shall pay a reasonable attorney's fee if he is indigent. The procedure for requesting a court appointed attorney shall be described in the notice.

The process server shall inquire whether the proposed ward or conservatee desires the notice and petition to be read to him, and shall read the notice and petition if requested to do so. *In place of a process server, the court may appoint a visitor to deliver the notice and petition and explain them to the proposed ward or conservatee.*

Subd. 3. [DEFECTIVE NOTICE OR SERVICE.] A defect in the service of notice or process shall not invalidate any guardianship or conservatorship proceedings.

Sec. 7. Minnesota Statutes 1980, Section 525.551, is amended to read:

525.551 [HEARING; APPOINTMENT; BOND; PROSECUTION; NOTICE.]

Subdivision 1. [ATTENDANCE AT HEARING.] If the proposed ward or conservatee is within the state, he shall be present at the hearing unless *in a meeting with a visitor he specifically waives his right to appear in person* or he is not able to attend by reason of medical condition as evidenced by a (LETTER) *written statement* from a licensed physician. The (LETTER) *written statement* shall be evidence only of the proposed ward's or conservatee's medical inability to attend the hearing, and shall not be considered in determining the issue of his incapacity. In any instance in which a proposed ward or conservatee is absent from the hearing, the court shall specify in its findings of fact the reason for nonattendance.

If a visitor delivered the notice and petition pursuant to section 525.55 and the proposed ward or conservatee has waived the right to attend the hearing, the visitor may testify as to the notice and any waiver of the right to appear in person, and as to other matters which may assist the court in determining

the need for a guardian or conservator and the extent of the power to be granted.

Subd. 2. [INTERCHANGEABILITY OF PETITION.] If the circumstances warrant, the court may treat a petition for guardianship as a petition for conservatorship.

Subd. 3. [CONDUCT OF HEARING; (BURDEN OF) PROOF.] The proposed ward or conservatee has the right to summon and cross-examine witnesses. (THE RULES OF EVIDENCE SHALL APPLY, AND NO HEARSAY EVIDENCE WHICH IS NOT OTHERWISE ADMISSIBLE BY EXCEPTION IN A COURT OF LAW SHALL BE ADMITTED INTO EVIDENCE.) In the proceedings, there is a legal presumption of capacity and the burden of proof shall be on the petitioner. *The standard of proof shall be that of clear and convincing evidence.*

Subd. 4. [RECORD OF PROCEEDINGS.] In all (CONTESTED) proceedings the court shall take and preserve an accurate stenographic record or tape recording of the proceedings.

Subd. 5. [FINDINGS.] In all cases the court shall find the facts specifically, state separately its conclusions of law thereon, and direct the entry of an appropriate judgment *or order.*

If upon completion of the hearing and consideration of the record the court finds: (a) *that the requirements for the voluntary appointment of a conservator or guardian have been met, or (b) (1) that the proposed ward or conservatee is incapacitated as defined in section 525.54; and (2) in need of the supervision and protection of a guardian or conservator; and (3) that no appropriate alternatives to the guardianship or conservatorship exist which are less restrictive of the person's civil rights and liberties, such as those set forth in section 525.54, subdivision 6, it shall enter its order or judgment granting all of the powers set out in section 525.56, subdivision 3, in the case of a guardian of the person, and section 525.56, subdivision 4, in the case of a guardian of the estate, or specifying the powers of the (GUARDIAN OR) conservator pursuant to section 525.56. (BEFORE APPOINTING A GUARDIAN OR CONSERVATOR) Except as provided in section 525.544, the court shall make a finding that the person to be appointed as guardian or conservator is the most suitable and best qualified person among those who have indicated to the court that they are available and willing to discharge the trust before making the appointment.*

The court (SHALL) *may* enumerate in its findings which legal rights the proposed ward or conservatee is incapable of exercising.

Subd. 6. [BOND.] Upon the filing of a bond *by the guardian or conservator of an estate* in an amount the court may direct and an oath according to law, or upon the filing of an acceptance of the trust pursuant to section 48.79, letters of guardianship or conservatorship shall issue. If there is no personal property, the court may waive the filing of a bond, but if the guardian or conservator receives or becomes entitled to any property of the ward or conservatee he shall immediately file a report thereof and a bond in an amount the court may direct. In case of breach of a condition of the bond an action thereon may be prosecuted by leave of the court by any interested person *or by the court on its own motion.*

Subd. 7. [NOTIFICATION OF COMMISSIONER OF PUBLIC WELFARE.] If the ward or conservatee is a patient of a state hospital for the mentally ill, or committed to the guardianship or conservatorship of the commissioner of public welfare as mentally retarded or dependent and neglected or is under the temporary custody of the commissioner of public welfare, the court shall notify the commissioner of public welfare of the appointment of a *guardian, conservator or successor guardian or conservator of the estate of the ward or conservatee.*

Sec. 8. Minnesota Statutes 1980, Section 525.5515, is amended to read:

525.5515 [LETTERS OF GUARDIANSHIP OR CONSERVATORSHIP.]

Subdivision 1. [COPY OF ORDER TO WARD OR CONSERVATEE.] A copy of the order appointing the guardian or conservator shall be served *by mail* upon the ward or conservatee and his counsel, if he was represented at the hearing. The order shall be accompanied by a notice which advises the ward or conservatee of his right to appeal the guardianship or conservatorship appointment within 30 days.

Subd. 2. [CONTENTS OF LETTERS.] Letters of guardianship or conservatorship shall contain: (a) the name, address and telephone number of the guardian or conservator; (b) the name, address and telephone number of the ward or conservatee; (c) *whether it is of the estate or of the person or both; and (THE NATURE AND SCOPE OF THE GUARDIANSHIP OR CONSERVATORSHIP;)* (d) the (SPECIFIC POWERS AND) legal limitations, *if any*, imposed by the court on the guardian or conservator (; AND (E) A SPECIFIC LISTING OF THE LEGAL RIGHTS THE WARD OR CONSERVATEE IS NOT ABLE TO EXERCISE).

Subd. 3. [ISSUANCE OF LETTERS.] Letters of guardianship or conservatorship shall issue to the guardian or conservator. (COPIES SHALL BE MAILED OR PERSONALLY

SERVED ON THE WARD OR CONSERVATEE, HIS COUNSEL, IF HE WAS REPRESENTED AT THE HEARING, THE RELATIVES OF THE WARD OR CONSERVATEE WHOSE NAMES AND ADDRESSES APPEAR ON THE ORIGINAL PETITION, AND ANY OTHER PERSON, INSTITUTION, ORGANIZATION OR AGENCY WHICH THE COURT DEEMS REASONABLE TO NOTIFY UNDER THE CIRCUMSTANCES OF THE GUARDIANSHIP OR CONSERVATORSHIP.)

Sec. 9. Minnesota Statutes 1980, Section 525.56, Subdivision 3, is amended to read:

Subd. 3. [DUTIES OF GUARDIAN OR CONSERVATOR OF THE PERSON.] The court may appoint a guardian of the person if it determines that all (OF) the powers and duties listed in this subdivision are needed to provide for the needs of the incapacitated person. The court may appoint a conservator of the person if it determines that a conservator is needed to provide for the needs of the incapacitated person through the exercise of some, but not all, of the powers and duties listed in this subdivision. The duties and powers of a *guardian or those* which the court may grant to a (GUARDIAN OR) conservator of the person include, but are not limited to:

(1) The power to have custody of the ward or conservatee and the power to establish his place of abode within or without the state, except as otherwise provided in this clause. The ward or conservatee or any person interested in his welfare may petition the court to prevent or to initiate a change in abode. A ward or conservatee may not be admitted to any state institution by his guardian or conservator except after a hearing pursuant to section 253A.07.

(2) The duty to provide for the ward's or conservatee's care, comfort and maintenance needs, including food, clothing, shelter, health care, social and recreational requirements, and, whenever appropriate, training, education and rehabilitation. The guardian or conservator has no duty to pay for these requirements out of his own funds. Whenever possible and appropriate, the guardian or conservator (HAS THE DUTY TO) *should* meet these requirements through governmental benefits or services to which the ward or conservatee is entitled, rather than from the ward's or conservatee's estate. *Failure to satisfy the needs and requirements of this clause shall be grounds for removal, but the guardian or conservator shall have no personal or monetary liability.*

(3) The duty to take reasonable care of the ward's or conservatee's clothing, furniture, vehicles and other personal effects, and, if other property requires protection, the power to seek appointment of a guardian or conservator of the estate. The guardian or conservator must give notice in the manner required and to those persons specified in section 525.55 prior to the disposition of the ward's or conservatee's clothing, furniture, vehicles

or other personal effects. The notice must inform the person that he has the right to object to the disposition of the property within ten days and to petition the court for a review of the guardian's or conservator's proposed actions. Notice of the objection (AND OF THE DATE OF THE HEARING) must be (PERSONALLY) served *by mail or personal service* on the guardian or conservator and the ward or conservatee *unless he be the objector*. If the guardian or conservator is served with notice of an objection to the disposition of the property he may not dispose of the property unless the court approves the disposition after a hearing.

(4) (a) The power to give any necessary consent to enable the ward or conservatee to receive necessary medical or other professional care, counsel, treatment or service, except that no guardian or conservator may give consent for psychosurgery, electroshock, sterilization or experimental treatment of any kind unless the procedure is first approved by order of the court as provided in this clause. The guardian or conservator shall not consent to any medical care for the ward or conservatee which violates the known conscientious, religious, or moral belief of the ward or conservatee.

(b) A guardian or conservator who believes a procedure described in clause (4)(a) requiring prior court approval to be necessary for the proper care of the ward or conservatee shall petition the court for an order. The court shall fix the time and place for the hearing and shall give notice to the ward or conservatee and to the other persons specified in section 525.55, subdivision 1. The notice shall comply with the requirements of, and be served in the manner provided in section 525.55, subdivision 2. The court shall appoint an attorney to represent the ward or conservatee, unless he has counsel of his own choice. In every case the court shall determine if the procedure is in the best interests of the ward or conservatee. In making its determination the court shall consider a written medical report which specifically considers the medical risks of the procedure and whether alternative, less restrictive methods of treatment could be used to protect the best interests of the ward or conservatee.

(c) In the case of a petition for sterilization of a mentally retarded ward or conservatee, the court shall appoint a licensed physician, a psychologist who is qualified in the diagnosis and treatment of mental retardation, and a social worker who is familiar with the ward's or conservatee's social history and adjustment to examine or evaluate the ward or conservatee and to provide written reports to the court. The reports shall indicate whether sterilization is necessary and whether it is in the best interests of the ward or conservatee. The medical report shall specifically consider the medical risks of sterilization and whether alternative methods of contraception could be used to protect the best interests of the ward or conservatee.

(5) The power to approve or withhold approval of any contract, except for necessities, which the ward or conservatee may make or wish to make.

(6) The duty and power to exercise supervisory authority over the ward or conservatee in a manner which limits his civil rights and restricts his personal freedom only to the extent necessary to provide needed care and services.

Sec. 10. Minnesota Statutes 1980, Section 525.56, Subdivision 4, is amended to read:

Subd. 4. [DUTIES OF GUARDIAN OR CONSERVATOR OF THE ESTATE.] The court may appoint a guardian of the estate if it determines that all (OF) the powers and duties listed in this subdivision are needed to provide for the needs of the incapacitated person. The court may appoint a conservator of the estate if it determines that a conservator is necessary to provide for the needs of the incapacitated person through the exercise of some, but not all, of the powers and duties listed in this subdivision. The duties and powers of a guardian or those which the court may (ORDER) grant to a conservator include, but are not limited to:

(1) The duty to pay the reasonable charges for the support, maintenance, and education of the ward or conservatee in a manner suitable to his station in life and the value of his estate. Nothing herein contained shall release parents from obligations imposed by law for the support, maintenance, and education of their children. The guardian or conservator has no duty to pay for these requirements out of his own funds. Wherever possible and appropriate, the guardian or conservator (HAS THE DUTY TO) *should* meet these requirements through governmental benefits or services to which the ward or conservatee is entitled, rather than from the ward's or conservatee's estate. *Failure to satisfy the needs and requirements of this clause shall be grounds for removal, but the guardian or conservator shall have no personal or monetary liability;*

(2) The duty to pay out of the ward's or conservatee's estate all just and lawful debts of the ward or conservatee and the reasonable charges incurred for the support, maintenance, and education of the ward's or conservatee's spouse and dependent children and, upon order of the court, pay such sum as the court may fix as reasonable for the support of any person unable to earn a livelihood who is legally entitled to support from the ward or conservatee;

(3) The duty to possess and manage the estate, collect all debts and claims in favor of the ward or conservatee, or, with the approval of the court, compromise them, institute suit on behalf of the ward or conservatee and represent the ward or conservatee in any court proceedings, and invest all funds not

currently needed for the debts and charges named in clauses (1) and (2) and the management of the estate, in accordance with the provisions of sections 48.84 and 501.125, subdivision 1, *or as otherwise ordered by the court.* (WHERE A BANK OR TRUST COMPANY IS A GUARDIAN OR CONSERVATOR, WITH OR WITHOUT COGUARDIANS OR COCONSERVATORS, IT MAY INVEST IN SECURITIES WITHOUT APPROVAL OF THE PROBATE COURT, BUT THE INVESTMENTS BY OTHER GUARDIANS OR CONSERVATORS IN SECURITIES SHALL BE SUBJECT TO THE APPROVAL OF THE PROBATE COURT EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED BY LAW.) *The standard of a fiduciary shall be applicable to all investments by a guardian or conservator.* A guardian or conservator shall also have the power to purchase certain contracts of insurance as provided in section 50.14, subdivision 14, clause (b) ;

(4) Where a ward or conservatee has inherited an undivided interest in real estate, the court, on a showing that it is for the best interest of the ward or conservatee, may authorize an exchange or sale of the ward's or conservatee's interest or a purchase by the ward or conservatee of any interest other heirs may have in the real estate.

Sec. 11. Minnesota Statutes 1980, Section 525.58, is amended to read:

525.58 [FILING OF ACCOUNTS; FILING OF AFFIDAVIT.]

Subdivision 1. [ANNUAL ACCOUNT.] Except where expressly waived by the court, every guardian or conservator of the estate annually shall file with the court within 30 days of the anniversary date of the guardian's or conservator's appointment a verified account covering the period from the date of appointment or his last account. The guardian or conservator of the estate shall give a copy of the annual account to the ward or conservatee *except where expressly waived by the court after a finding that the ward or conservatee is so incapacitated as to be unable to understand the account or there is a serious likelihood of harm to the ward or conservatee.* The court or its designee shall annually review the court file to insure that the account has been filed and that the account contains the information required by this section. If an account has not been filed or if the account does not contain the information required by this section the court shall order the guardian or conservator to file an appropriate account. The examination and acceptance shall not constitute an adjudication or determination of the merits of the account filed nor shall it constitute the court's approval of the account. At the termination of the guardianship or conservatorship, or upon the guardian's or conservator's removal or resignation, he or his surety, or in the event of his death or disability, his representative or surety

shall file a verified final account with a petition for the settlement and allowance thereof. Every account shall show in detail all property received and disbursed, the property on hand, the present address of the ward or conservatee and of the guardian or conservator, and unless the guardian or conservator be a corporation, the amount of the bond, the names and addresses of all sureties thereon, that each unincorporated surety is a resident of this state, is not under disability, and is worth the amount in which he justified.

Subd. 2. [NOTICE OF RIGHT TO PETITION FOR RESTORATION OF CAPACITY.] Except where expressly waived by the court after a finding that the ward or conservatee is so incapacitated as to be unable to understand any notice, *or there is a serious likelihood of harm to the ward or conservatee*, every guardian or conservator shall annually give notice to the ward or conservatee of his right to petition for restoration to capacity, discharge of guardian or conservator, or modification of the orders of guardianship or conservatorship. *A waiver shall not be effective for more than two years without a redetermination by the court.* The notice shall describe the procedure for preparing and filing such a petition. Notice shall also inform the ward or conservatee that after a petition is filed the court will hold a hearing on the matter and that he has the right to be present and to be represented by counsel at the hearing. The form of the notice shall be approved or supplied by the court.

Subd. 3. [AFFIDAVIT.] Except where expressly waived by the court as provided in subdivision 2, every guardian or conservator shall file annually with the court an affidavit stating that he has given (A COPY OF THE ANNUAL ACCOUNT AND) the notice required by subdivision 2 to the ward or conservatee *and every guardian or conservator of an estate shall file an affidavit stating that a copy of the annual account has been given to the ward or conservatee.*

Sec. 12. Minnesota Statutes 1980, Section 525.591, Subdivision 2, is amended to read:

Subd. 2. [SPECIAL GUARDIAN OR CONSERVATOR.] Upon a clear showing of necessity, the court with notice may appoint a special guardian or conservator *of the person or estate* or both of any adult person designated in section 525.54, whether a petition for general guardianship or conservatorship has been filed or not. Notice shall be given in language which can be easily understood at least 24 hours prior to the hearing, and shall contain the information required by section 525.55, subdivision 2, regarding the purpose of the hearing and the rights of the proposed ward or conservatee. A copy of the petition shall be served with the notice. The court may waive the 24 hour notice requirement upon a showing that immediate and reasonably foreseeable harm to the person or his estate will result from the 24 hour delay. Notice of the court's order shall be given to the proposed ward or conservatee.

Sec. 13. Minnesota Statutes 1980, Section 525.591, Subdivision 3, is amended to read:

Subd. 3. [NO APPEAL.] (AN) *There shall be no appeal (MAY BE TAKEN) from any order appointing or refusing to appoint a special guardian or conservator. (THE APPEAL SHALL BE HANDLED ON AN EXPEDITED BASIS BY THE DISTRICT COURT.)*

Sec. 14. Minnesota Statutes 1980, Section 525.618, Subdivision 1, is amended to read:

Subdivision 1. [TIME OF NOTICE; TO WHOM.] Notice of the time and place of hearing of a petition for the appointment of a guardian of a minor shall be given by the petitioner in the following manner and to the following persons:

(a) The minor, if he is 14 or more years of age, by personal service at least 14 days prior to the date of hearing;

(b) The person who has had the principal care and custody of the minor during the 60 days preceding the date of the petition by personal service, at least 14 days prior to the date of hearing;

(c) Any living parent of the minor *residing in Minnesota* by personal service, at least 14 days prior to the date of hearing;

(d) *Any living parent of the minor residing outside of Minnesota, and any adult (SIBLINGS) brothers and sisters of the minor, service by mail, at least 14 days prior to the date of hearing; and*

(e) To any other persons that the court may direct.

Sec. 15. Minnesota Statutes 1980, Section 525.6185, is amended to read:

525.6185 [CONSENT TO SERVICE BY ACCEPTANCE OF APPOINTMENT; NOTICE.]

By accepting a testamentary or court appointment as guardian, a guardian submits personally to the jurisdiction of the court in any proceeding relating to the guardianship that may be instituted by any interested person. Notice of any proceeding shall be given by *mail or personal service* upon the guardian at least 14 days prior to the date of the hearing. (LETTERS OF GUARDIANSHIP MUST INDICATE WHETHER THE GUARDIAN WAS APPOINTED BY WILL OR BY COURT ORDER.)

Sec. 16. Minnesota Statutes 1980, Section 525.619, is amended to read:

525.619 [POWERS AND DUTIES OF GUARDIAN OF MINOR.]

A guardian of a minor has the powers and responsibilities of a parent who has not been deprived of custody of his minor and unemancipated child, except that a guardian is not legally obligated to provide from his own funds for the ward. In particular, and without qualifying the foregoing, a guardian has the following powers and duties:

(a) He must take reasonable care of his ward's personal effects and commence protective proceedings if necessary to protect other property of the ward.

(b) He may receive money payable for the support of the ward to the ward's parent, guardian or custodian under the terms of any statutory benefit or insurance system, or any private contract, devise, trust, conservatorship or custodianship. He also may receive money or property of the ward paid or delivered by virtue of section 525.6196. Any sums so received shall be applied to the ward's current needs for support, care and education. He must exercise due care to conserve any excess for the ward's future needs unless a conservator has been appointed for the estate of the ward, in which case the excess shall be paid over at least annually to the conservator. Sums so received by the guardian are not to be used for compensation for his services except as approved by order of court or as determined by a duly appointed conservator other than the guardian. A guardian may institute proceedings to compel the performance by any person of a duty to support the ward or to pay sums for the welfare of the ward.

(c) The guardian is empowered to facilitate the ward's education, social, or other activities and to authorize medical or other professional care, treatment or advice. A ward may not be committed to any state institution except pursuant to sections 253A.01 to 253A.21 and no guardian may give consent for psychosurgery, electroshock, sterilization or experimental treatment of any kind unless the procedure is first approved by the order of the court, after a hearing as prescribed by section 525.56, subdivision 2.

A guardian is not liable by reason of his consent for injury to the ward resulting from the negligence or acts of third persons unless it would have been illegal for a parent to have consented, or unless he fails to comply with the requirements of this section which provide that a court order is necessary for commitment and for certain types of medical procedures. A guardian may consent to the marriage or adoption of his ward.

(d) A guardian must report the condition of his ward and of the ward's estate which has been subject to his possession or control, as ordered by the court *on its own motion* or on petition of any person interested in the minor's welfare and as required by (SECTION 525.58, SUBDIVISION 1) *court rule*.

Sec. 17. Minnesota Statutes 1980, Section 525.6192, is amended to read:

525.6192 [TERMINATION OF APPOINTMENT OF GUARDIAN; GENERAL.]

A guardian's authority and responsibility terminates upon the death, resignation or removal of the guardian or upon the minor's death, adoption, marriage or attainment of majority, but termination does not affect his liability for prior acts, nor his obligation to account for funds and assets of his ward. *A guardian may be discharged without notice or hearing on petition and acceptance of the guardian's accounts by the ward after the ward marries or attains majority, or, in the case of the ward's death, by the personal representative of the ward's estate. In other cases the court may discharge the guardian upon approval of his accounts after notice and a hearing.* Resignation of a guardian does not terminate the guardianship until it has been approved by the court. A testamentary appointment under an informally probated will terminates if the will is later denied probate in a formal proceeding.

Sec. 18. Minnesota Statutes 1980, Section 525.6196, is amended to read:

525.6196 [FACILITY OF PAYMENT OR DELIVERY.]

Any person under a duty to pay or deliver money or personal property to a minor may perform this duty, in amounts not exceeding \$5,000 per annum, by paying or delivering the money or property to, (1) the minor, if he has attained the age of (18) 16 years or is married; (2) any person having the care and custody of the minor with whom the minor resides; (3) a guardian of the minor; or (4) a financial institution incident to a deposit in a federally insured savings account in the sole name of the minor and giving notice of the deposit to the minor. This section does not apply if the person making payment or delivery has actual knowledge that a conservator has been appointed or proceedings for appointment of a conservator of the estate of the minor are pending. The persons, other than the minor or any financial institution under (4) above, receiving money or property for a minor, are obligated to apply the money to the support and education of the minor, but may not pay themselves except by way of reimbursement for out-of-pocket expenses for goods and services necessary for the minor's support. Any excess sums shall be preserved for future support of the minor and any

balance not so used and any property received for the minor must be turned over to the minor when he attains majority. Persons who pay or deliver in accordance with provisions of this section are not responsible for the proper application thereof.

Sec. 19. Minnesota Statutes 1980, Section 525.6198, is amended to read:

525.6198 [PROTECTIVE PROCEEDINGS; APPOINTMENT OF CONSERVATOR OF ESTATE OF MINOR.]

Upon petition and after notice and hearing in accordance with the provisions of section 525.618 the court may appoint a conservator or make other protective order for cause as follows:

(1) Appointment of a conservator or other protective order may be made in relation to the estate and affairs of a minor if the court determines that a minor owns money or property that requires management or protection which cannot otherwise be provided, has or may have business affairs which may be jeopardized or prevented by his minority, or that funds are needed for his support and education and that protection is necessary or desirable to obtain or provide funds.

(2) The court may grant to the conservator of the estate of a minor any or all of the powers and duties enumerated in section 525.56, subdivision 3, and the conservator shall be subject to the requirements of sections 525.58 (TO), *subdivision 1*, 525.581 and 525.582 regarding an inventory and accounting, *except that the court may waive the requirement that the annual account be served on the ward*. The conservator shall file a bond with the court in such amount as the court may direct.

Sec. 20. Minnesota Statutes 1980, Section 525.62, is amended to read:

525.62 [MORTGAGE AND LEASE.]

Sections 525.62 to 525.702 shall be applicable only to guardianships and conservatorships and not to decedents' estates. As used in sections 525.62 to 525.702, the word "mortgage" includes an extension of an existing mortgage, subject to the provisions of section 525.691, *and the word "lease" means a lease for one or more years, unless the context indicates otherwise*.

Sec. 21. Minnesota Statutes 1980, Section 525.67, is amended to read:

525.67 [AGREEMENT AND SALE FOR PUBLIC PURPOSE.]

When any real estate of a ward or conservatee is desired by any person, firm, association, corporation, or governmental agency having the power of eminent domain, the guardian or conservator may agree, in writing, upon the compensation to be made for the taking, injuring, damaging, or destroying thereof, subject to the approval of the court. When the agreement has been made, the guardian or conservator shall file a petition, of which the agreement shall be a part, setting forth the facts relative to the transaction. The court, with notice as provided in section 525.83, *except that no publication is required unless it is ordered by the court*, shall hear, determine, and act upon the petition. If the court approves the agreement, the guardian or conservator, upon payment of the agreed compensation, shall convey the real estate sought to be acquired and execute any release which may be authorized.

Sec. 22. Minnesota Statutes 1980, Section 525.69, is amended to read:

525.69 [CONVEYANCE OF VENDOR'S TITLE.]

When any ward or conservatee is legally bound to make a conveyance or lease, the court, (WITH) *without further* notice (AS PROVIDED IN SECTION 525.83, EXCEPT THAT NO PUBLICATION IS REQUIRED), may direct the guardian or conservator to make the conveyance or lease to the person entitled thereto. The petition may be made by any person claiming to be entitled to the conveyance or lease, or by the guardian or conservator, or by any person interested in the estate or claiming an interest in the real estate or contract, and shall show the description of the land and the facts upon which the claim for conveyance or lease is based. Upon proof of the petition, the court may order the guardian or conservator to execute and deliver an instrument of conveyance or lease upon performance of the contract.

Sec. 23. Minnesota Statutes 1980, Section 525.703, is amended to read:

525.703 [COSTS.]

In proceedings under sections 525.54 to 525.702 (, AND EXCEPT IN CASES IN WHICH THE PETITIONER FILED A PETITION IN BAD FAITH, FEES FOR COUNSEL REPRESENTING THE PROPOSED WARD OR CONSERVATEE SHALL BE BORNE BY THE PROPOSED WARD OR CONSERVATEE. IN CASES IN WHICH THE PETITIONER ACTED IN BAD FAITH, HE SHALL BEAR THE COSTS. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE FEE OF PETITIONER'S COUNSEL SHALL BE BORNE BY THE PETITIONER. IN UNCONTESTED CASES THE COURT MAY ORDER THE FEE CHARGED TO THE WARD

OR CONSERVATEE IF THE PETITION IS GRANTED. IF THE PROPOSED WARD OR CONSERVATEE IS INDIGENT, THE FEES FOR WHICH THE WARD OR CONSERVATEE IS RESPONSIBLE SHALL BE BORNE BY THE COUNTY HAVING JURISDICTION OVER THE GUARDIANSHIP PROCEEDINGS) *a lawyer or health professional rendering necessary services with regard to the appointment of a guardian or conservator, the administration of the ward's or conservatee's estate or personal affairs or the restoration of his capacity, shall be entitled to reasonable compensation from the estate of the ward or conservatee or from the county having jurisdiction over the proceedings if the ward or conservatee is indigent. When the court determines that other necessary services have been provided for the benefit of the ward or conservatee, the court may order reasonable fees to be paid from the estate of the ward or conservatee or from the county having jurisdiction over the proceedings if the ward or conservatee is indigent. If, however, the court determines that a petitioner, guardian or conservator has not acted in good faith, the court shall order some or all of the fees or costs incurred in the proceedings to be borne by those not acting in good faith.*

Sec. 24. [525.705.] [PRE-EXISTING GUARDIANSHIPS AND CONSERVATORSHIPS.]

All guardians and conservators serving prior to August 1, 1981, shall have all powers and duties of section 525.56, subdivision 3, as to the person and section 525.56, subdivision 4, as to the estate, unless restricted by any existing court order, until those powers or duties are restricted or changed by court order.

Sec. 25. Minnesota Statutes 1980, Section 540.08, is amended to read:

540.08 [INJURY TO CHILD OR WARD; SUIT BY PARENT OR GUARDIAN.]

A father may maintain an action for the injury of his minor child. When such father has deserted his family or is dead the mother of such minor child may maintain the action. When custody of the injured child has been granted to either parent by a court having jurisdiction, that parent may maintain the action. A general guardian may maintain an action for the injury of his ward. A guardian of a dependent, neglected, or delinquent child, appointed by a court having jurisdiction, may maintain an action for the injury of such child. If no such action is brought by the father or mother, an action for the injury may be brought by a guardian ad litem, either before or after the death of such parent. Before any such parent receives any property as a result of any such action, he shall file such bond as the court prescribes and approves as security therefor. In lieu of this bond, upon petition of the parent, the court may order that the property so received shall be invested in securities issued by the United States, which shall be deposited pursuant to the order

of the court, or such property shall be invested in a savings account, savings certificate, or certificate of deposit, in a bank, savings and loan association, or trust company, or an annuity or other form of structured settlement, subject to the order of the court. A copy of the court's order and the evidence of such deposit shall be filed with the clerk of such court. No settlement or compromise of any such action is valid unless it is approved by a judge of the court in which the action is pending.

Sec. 26. [REPEALER.]

Minnesota Statutes 1980, Section 525.504, is repealed."

Delete the title and insert:

"A bill for an act relating to judicial procedures; changing certain provisions relating to guardianship, conservatorship, and actions brought on behalf of minor children; amending Minnesota Statutes 1980, Sections 525.539, by adding a subdivision; 525.54; 525.541; 525.542; 525.543; 525.55; 525.551; 525.5515; 525.56, Subdivisions 3 and 4; 525.58; 525.591, Subdivisions 2 and 3; 525.618, Subdivision 1; 525.6185; 525.619; 525.6192; 525.-6196; 525.6198; 525.62; 525.67; 525.69; 525.703; and 540.08; proposing new law coded in Minnesota Statutes, Chapter 525; repealing Minnesota Statutes 1980, Section 525.504."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 763 and 792 were read for the second time.

Clark, K., moved that S. F. No. 368 be recalled from the Committee on General Legislation and Veterans Affairs and together with H. F. No. 792, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 937, 915, 830, 539 and 574 were read for the second time.

HOUSE ADVISORIES

The following House Advisory was introduced:

Brandl; Clark, J.; Swanson; Onnen and Blatz introduced:

H. A. No. 26, A proposal to examine and evaluate incentives for cost containment in the medical assistance program.

The advisory was referred to the Committee on Health and Welfare.

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. 189, A bill for an act relating to governmental operations; prohibiting the use of state government vehicles for non-governmental functions; prohibiting compensation of employees for use of personal vehicles for nongovernmental purposes; amending Minnesota Statutes 1980, Section 16.753.

H. F. No. 277, A bill for an act relating to insurance; broadening the investment authority of township mutual insurance companies; prescribing recordkeeping duties; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 67A; repealing Minnesota Statutes 1980, Sections 67A.23 and 67A.24.

H. F. No. 365, A bill for an act relating to building code inspectors; authorizing certain municipalities to choose between two options to enforce the provisions of the building code related to access for handicapped persons; amending Minnesota Statutes 1980, Section 16.861, by adding a subdivision.

H. F. No. 395, A bill for an act relating to state government; allowing other public employees, as well as spouses of state and other public employees, to participate in state employee van pools under certain circumstances; amending Minnesota Statutes 1980, Section 16.756, by adding a subdivision.

H. F. No. 436, A bill for an act relating to financial institutions; setting application fees for industrial loan and thrifts; providing for publication of notices; establishing procedures for consideration of applications for consent to sell and issue certificates; increasing the minimum amounts for insurance of accounts; amending Minnesota Statutes 1980, Sections 53.03, Subdivision 1, and by adding subdivisions; and 53.10, Subdivision 1.

H. F. No. 449, A bill for an act relating to courts; providing that court reporter salaries shall be set by the district court administrator after consultation with the chief judge; amending Minnesota Statutes 1980, Sections 486.05, Subdivision 1; and 487.11, Subdivision 2.

H. F. No. 536, A bill for an act relating to retirement; city of St. Paul public housing agency; transferring retirement cover-

age for certain public employees; amending Laws 1977, Chapter 228, Section 3.

H. F. No. 681, A bill for an act relating to retirement; reducing a certain deduction from amounts available to pay post-retirement adjustments; appropriating funds; amending Minnesota Statutes 1980, Section 11A.18, Subdivision 9.

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. 564, A bill for an act relating to insurance; allowing a township mutual fire insurance company to insure certain property; amending Minnesota Statutes 1980, Section 67A.14, Subdivision 5.

H. F. No. 775, A bill for an act relating to public utilities; removing municipal utilities from public utilities commission jurisdiction and granting an option in regard thereto; amending Minnesota Statutes 1980, Section 216B.11; proposing new law coded in Minnesota Statutes, Chapter 216B; repealing Minnesota Statutes 1980, Sections 216B.10, Subdivision 6; 216B.12, Subdivision 2; and 216B.13, Subdivision 2.

H. F. No. 893, A bill for an act relating to transportation; authorizing the purchase of the closed combination railroad and highway bridge connecting St. Paul Park in Washington County and Inver Grove Heights in Dakota County, and authorizing its operation as a toll bridge by a private business entity; providing for the regulation of the operation and maintenance of the bridge and the establishment of maximum toll charges by the counties of Washington and Dakota.

H. F. No. 928, A bill for an act relating to the city of Isanti; authorizing the city to issue general obligation bonds for the acquisition and betterment of a municipal building.

H. F. No. 996, A bill for an act relating to retirement; making various administrative changes in the teachers retirement law; authorizing a medical advisor; payment of shortages in member deductions; amending Minnesota Statutes 1980, Sections 354.06, Subdivisions 2 and 2a; 354.091; 354.092; 354.41, by adding a subdivision; 354.44, Subdivisions 4 and 8; 354.48, Subdivisions 2, 4, and by adding a subdivision; 354.51, Subdivision 5; 354.52, Subdivision 4; and 354.62, Subdivisions 4 and 5.

H. F. No. 1015, A bill for an act relating to education; modifying the provisions governing teachers placed on unrequested

leave of absence in experimental paired districts; amending Minnesota Statutes 1980, Section 122.85, Subdivision 4.

H. F. No. 1075, A bill for an act relating to social and charitable organizations; increasing the threshold dollar amount required for the use of a certified financial statement; determining what is properly included in cost of goods or services; amending Minnesota Statutes 1980, Sections 309.53, Subdivision 3; and 309.555, Subdivision 2.

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. 1059, A bill for an act relating to crimes; providing for the type of proof of the fact of killing in murder and manslaughter cases; amending Minnesota Statutes 1980, Section 634.051.

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. 484, A bill for an act relating to commerce; clarifying the definition of "continuing care"; providing for implementation of the continuing care facilities disclosure and rehabilitation act in a self-executing manner; amending Minnesota Statutes 1980, Sections 80D.01; 80D.02, Subdivision 2, and by adding a subdivision; 80D.03, Subdivision 1; 80D.04; 80D.05; 80D.06; 80D.08; 80D.09; 80D.11; 80D.13, Subdivision 1; 80D.14, Subdivisions 1 and 2; 80D.15; 80D.16; and 82.18; repealing Minnesota Statutes 1980, Sections 80D.02, Subdivision 3; 80D.-03, Subdivisions 3 and 4; 80D.10; 80D.12; 80D.14, Subdivision 3; 80D.17; and 80D.18.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Blatz moved that the House concur in the Senate amendments to H. F. No. 484 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 484, A bill for an act relating to commerce; clarifying the definition of "continuing care"; providing for implementation of the continuing care facilities disclosure and rehabilitation act in a self-executing manner; amending Minnesota Statutes 1980, Sections 80D.01; 80D.02, Subdivision 2, and by adding a subdivision; 80D.03, Subdivision 1; 80D.04; 80D.05; 80D.06; 80D.08; 80D.09; 80D.11; 80D.13, Subdivision 1; 80D.16; and 82.18; repealing Minnesota Statutes 1980, Sections 80D.02, Subdivision 3; 80D.03, Subdivisions 3 and 4; 80D.10; 80D.12; 80D.14; 80D.15; 80D.17; and 80D.18.

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 | Esau | Kelly | Nysether | Sherwood |
| Ainley | Evans | Knickerbocker | O'Connor | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Olsen | Skoglund |
| Anderson, I. | Forsythe | Laidig | Onnen | Stadum |
| Anderson, R. | Friedrich | Lehto | Otis | Staten |
| Battaglia | Greenfield | Lemen | Peterson, D. | Stowell |
| Begich | Gruenes | Levi | Piepho | Stumpf |
| Berkelman | Gustafson | Long | Pogemiller | Sviggum |
| Blatz | Halberg | Ludeman | Redalen | Swanson |
| Brandl | Hanson | Luknic | Reding | Tomlinson |
| Brinkman | Harens | Mann | Rees | Valan |
| Byrne | Hauge | Marsh | Reif | Valento |
| Carlson, D. | Haukoos | McCarron | Rice | Vanasek |
| Carlson, L. | Heap | McDonald | Rodriguez, C. | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, F. | Voss |
| Clawson | Hoberg | Mehrkens | Rose | Weaver |
| Dahlvang | Hokanson | Metzen | Rothenberg | Welch |
| Dean | Hokr | Minne | Samuelson | Welker |
| Dempsey | Jacobs | Munger | Sarna | Wenzel |
| Den Ouden | Jennings | Murphy | Schafer | Wieser |
| Drew | Johnson, C. | Nelsen, B. | Schoenfeld | Wigley |
| Eken | Jude | Nelson, K. | Schreiber | Wynia |
| Elioff | Kahn | Niehaus | Searles | Zubay |
| Ellingson | Kaley | Norton | Shea | Spkr. Sieben, H. |
| Erickson | Kalis | Novak | Sherman | |

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. 413, A bill for an act relating to handicapped persons; prohibiting persons serving as foreign language inter-

preters or interpreters for persons with hearing or speaking impairments from disclosing communications made to them during the course of civil, criminal or administrative proceedings; amending Minnesota Statutes 1980, Sections 546.44, by adding a subdivision; 595.02; 611.30; 611.31; and 611.33, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Lemen moved that the House concur in the Senate amendments to H. F. No. 413 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 413, A bill for an act relating to persons handicapped in communication; prohibiting persons serving as foreign language interpreters or interpreters for persons with hearing or speaking impairments from disclosing communications made to them during the course of civil, criminal or administrative proceedings; amending Minnesota Statutes 1980, Sections 546.42; 546.44, by adding a subdivision; 595.02; 611.30; 611.31; and 611.33, 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 | Esau | Kelly | Nysether | Sherwood |
| Ainley | Evans | Knickerbocker | O'Connor | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Olsen | Skoglund |
| Anderson, I. | Forsythe | Laidig | Onnen | Stadum |
| Anderson, R. | Friedrich | Lehto | Otis | Staten |
| Battaglia | Greenfield | Lemen | Peterson, D. | Stowell |
| Begich | Gruenes | Levi | Piepho | Stumpf |
| Berkelman | Gustafson | Long | Pogemiller | Sviggum |
| Blatz | Halberg | Ludeman | Redalen | Swanson |
| Brandl | Hanson | Luknic | Reding | Valan |
| Brinkman | Harens | Mann | Rees | Valento |
| Byrne | Hauge | Marsh | Reif | Vanasek |
| Carlson, D. | Haukoos | McCarron | Rice | Vellenga |
| Carlson, L. | Heap | McDonald | Rodriguez, C. | Voss |
| Clark, J. | Himle | McEachern | Rodriguez, F. | Weaver |
| Clawson | Hoberg | Mehrkens | Rose | Welch |
| Dahlvang | Hokanson | Metzen | Rothenberg | Welker |
| Dean | Hokr | Minne | Samuelson | Wenzel |
| Dempsey | Jacobs | Munger | Sarna | Wieser |
| Den Ouden | Jennings | Murphy | Schafer | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Schoenfeld | Wynia |
| Eken | Jude | Nelson, K. | Schreiber | Zubay |
| Eloff | Kahn | Niehaus | Searles | Spkr. Sieben, H. |
| Ellingson | Kaley | Norton | Shea | |
| Erickson | Kalis | Novak | Sherman | |

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. 258, A bill for an act relating to commerce; allowing the manufacture, sale, and shipment of gambling devices for use in other states; amending Minnesota Statutes 1980, Sections 349.31, Subdivision 1; 609.75, Subdivision 1; 609.76; proposing new law coded in Minnesota Statutes, Chapter 349.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Evans moved that the House concur in the Senate amendments to H. F. No. 258 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 258, A bill for an act relating to commerce; allowing the manufacture, sale, and shipment of gambling devices for use in jurisdictions where use of the gambling device is legal; amending Minnesota Statutes 1980, Sections 349.31, Subdivision 1; 609.75, Subdivision 1; 609.76; proposing new law coded in Minnesota Statutes, Chapter 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 105 yeas and 18 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|--------------|
| Ainley | Clark, K. | Gustafson | Kaley | Minne |
| Anderson, B. | Clawson | Halberg | Kalis | Munger |
| Anderson, G. | Dahlvang | Harens | Knickerbocker | Murphy |
| Anderson, I. | Dean | Hauge | Kostohryz | Nelsen, B. |
| Anderson, R. | Dempsey | Haukoos | Lehto | Nelson, K. |
| Battaglia | Drew | Himle | Long | Norton |
| Begich | Eken | Hoberg | Ludeman | Novak |
| Berkelman | Elioff | Hokanson | Luknic | Nysether |
| Blatz | Ellingson | Hokr | Mann | O'Connor |
| Brandl | Evans | Jacobs | Marsh | Ogren |
| Brinkman | Ewald | Jennings | McCarron | Olsen |
| Byrne | Forsythe | Johnson, C. | McDonald | Otis |
| Carlson, D. | Friedrich | Johnson, D. | McEachern | Peterson, D. |
| Carlson, L. | Greenfield | Jude | Mehrkens | Piepho |
| Clark, J. | Gruenes | Kahn | Metzen | Pogemiller |

| | | | | |
|---------------|------------|------------|----------|------------------|
| Redalen | Rose | Sherman | Stumpf | Welker |
| Reding | Rothenberg | Sieben, M. | Sviggum | Wenzel |
| Rees | Samuelson | Simoneau | Valan | Wieser |
| Reif | Sarna | Skoglund | Valento | Wigley |
| Rodriguez, C. | Schoenfeld | Stadum | Vanasek | Zubay |
| Rodriguez, F. | Schreiber | Stowell | Vellenga | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|----------|---------|----------|--------|
| Aasness | Fjoslien | Laidig | Schafer | Weaver |
| Den Ouden | Hanson | Niehaus | Sherwood | Wynia |
| Erickson | Kelly | Onnen | Swanson | |
| Esau | Kvam | Rice | 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. 168, A bill for an act relating to motor vehicle carriers; providing procedures for granting permits to courier service carriers in certain cases; amending Minnesota Statutes 1980, Section 221.121, Subdivision 4.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE.

Novak moved that the House concur in the Senate amendments to H. F. No. 168 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 168, A bill for an act relating to motor vehicle carriers; providing procedures for granting permits to courier service carriers in certain cases.

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, R. | Brandl | Clark, J. | Dempsey |
| Ainley | Battaglia | Brinkman | Clark, K. | Den Ouden |
| Anderson, B. | Begich | Byrne | Clawson | Drew |
| Anderson, G. | Berkelman | Carlson, D. | Dahlvang | Eken |
| Anderson, I. | Blatz | Carlson, L. | Dean | Elioff |

| | | | | |
|------------|---------------|--------------|---------------|------------------|
| Ellingson | Jacobs | McCarron | Pogemiller | Stadum |
| Erickson | Jennings | McDonald | Redalen | Staten |
| Esau | Johnson, C. | McEachern | Reding | Stowell |
| Evans | Johnson, D. | Mehrkens | Rees | Stumpf |
| Ewald | Jude | Metzen | Reif | Sviggum |
| Fjoslien | Kahn | Minne | Rice | Swanson |
| Forsythe | Kaley | Munger | Rodriguez, C. | Valan |
| Friedrich | Kalis | Murphy | Rodriguez, F. | Valento |
| Greenfield | Kelly | Nelsen, B. | Rose | Vanasek |
| Gruenes | Knickerbocker | Nelson, K. | Rothenberg | Vellenga |
| Gustafson | Kostohryz | Niehaus | Samuelson | Voss |
| Halberg | Kvam | Norton | Sarna | Weaver |
| Hanson | Laidig | Novak | Schafer | Welch |
| Harens | Lehto | Nysether | Schoenfeld | Welker |
| Hauge | Lemen | O'Connor | Schreiber | Wenzel |
| Haukoos | Levi | Ogren | Shea | Wieser |
| Heap | Long | Olsen | Sherman | Wigley |
| Himle | Ludeman | Onnen | Sherwood | Wynia |
| Hoberg | Luknic | Otis | Sieben, M. | Zubay |
| Hokanson | Mann | Peterson, D. | Simoneau | Spkr. Sieben, H. |
| Hokr | Marsh | Piepho | Skoglund | |

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. 601, A bill for an act relating to cemeteries; requiring public cemeteries having permanent care and improvement funds to file a notice and an annual report with the county auditor; amending Minnesota Statutes 1980, Section 306.761.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Ogren moved that the House concur in the Senate amendments to H. F. No. 601 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 601, A bill for an act relating to cemeteries; requiring public cemeteries having permanent care and improvement funds to file a notice and an annual report with the county auditor; increasing the filing fee for the report; amending Minnesota Statutes 1980, Section 306.761.

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 | Esau | Kalis | Novak | Sherwood |
| Ainley | Evans | Kelly | Nysether | Sieben, M. |
| Anderson, B. | Ewald | Knickerbocker | O'Connor | Simoneau |
| Anderson, G. | Fjoslien | Kostohryz | Ogren | Skoglund |
| Anderson, I. | Forsythe | Kvam | Olsen | Stadum |
| Anderson, R. | Friedrich | Laidig | Onnen | Staten |
| Battaglia | Greenfield | Lehto | Otis | Stowell |
| Begich | Gruenes | Lemen | Peterson, D. | Stumpf |
| Berkelman | Gustafson | Levi | Piepho | Sviggum |
| Blatz | Halberg | Long | Pogemiller | Swanson |
| Brandl | Hanson | Ludeman | Redaleu | Tomlinson |
| Brinkman | Harens | Luknic | Reding | Valan |
| Byrne | Hauge | Mann | Rees | Valento |
| Carlson, D. | Haukoos | Marsh | Reif | Vanasek |
| Carlson, L. | Heap | McCarron | Rice | Vellenga |
| Clark, J. | Himle | McDonald | Rodriguez, C. | Voss |
| Clawson | Hoberg | McEachern | Rodriguez, F. | Weaver |
| Dahlvang | Hokanson | Mehrkens | Rose | Welch |
| Dean | Hokr | Metzen | Rothenberg | Welker |
| Dempsey | Jacobs | Minne | Samuelson | Wenzel |
| Den Ouden | Jennings | Munger | Sarna | Wieser |
| Drew | Johnson, C. | Murphy | Schafer | Wigley |
| Eken | Johnson, D. | Nelsen, B. | Schoenfeld | Wynia |
| Elioff | Jude | Nelson, K. | Schreiber | Zubay |
| Ellingson | Kahn | Niehaus | Shea | Spkr. Sieben, H. |
| Erickson | Kaley | Norton | Sherman | |

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. 57, A bill for an act relating to real estate; directing a conveyance of the states right, title and interest in certain lands to Independent School District No. 417 of Tracy, Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Ludeman moved that the House concur in the Senate amendments to H. F. No. 57 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 57, A bill for an act relating to real estate; directing a conveyance of the states right, title and interest in certain lands to Independent School District No. 417 of Tracy, Minnesota.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kaley | Norton | Sherman |
| Ainley | Esau | Kalis | Novak | Sherwood |
| Anderson, B. | Evans | Kelly | Nysether | Sieben, M. |
| Anderson, G. | Ewald | Knickerbocker | O'Connor | Simoneau |
| Anderson, I. | Fjoslien | Kostohryz | Ogren | Skoglund |
| Anderson, R. | Forsythe | Kvam | Olsen | Stadum |
| Battaglia | Friedrich | Laidig | Onnen | Staten |
| Begich | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, D. | Stumpf |
| Blatz | Gustafson | Levi | Piepho | Sviggum |
| Brandl | Halberg | Long | Pogemiller | Swanson |
| Brinkman | Hanson | Ludeman | Redalen | Tomlinson |
| Byrne | Harens | Luknic | Reding | Valan |
| Carlson, D. | Hauge | Mann | Rees | Valento |
| Carlson, L. | Haukoos | Marsh | Reif | Vanasek |
| Clark, J. | Heap | McCarron | Rice | Vellenga |
| Clark, K. | Himle | McDonald | Rodriguez, C. | Voss |
| Clawson | Hoberg | McEachern | Rodriguez, F. | Weaver |
| Dahlvang | Hokanson | Mehrkens | Rose | Welch |
| Dean | Hokr | Metzen | Rothenberg | Welker |
| Dempsey | Jacobs | Minne | Samuelson | Wenzel |
| Den Ouden | Jennings | Munger | Sarna | Wieser |
| Drew | Johnson, C. | Murphy | Schafer | Wigley |
| Eken | Johnson, D. | Nelsen, B. | Schoenfeld | Wynia |
| Elioff | Jude | Nelson, K. | Schreiber | Zubay |
| Ellingson | Kahn | Niehaus | Shea | Spkr. 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. 739, A bill for an act relating to local government; regulating the tax levy of the joint recreation and park board of the city of Hibbing and Independent School District 701; amending Laws 1971, Chapter 573, Section 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Minne moved that the House concur in the Senate amendments to H. F. No. 739 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 739, A bill for an act relating to local government; regulating the tax levy of the joint recreation and park board

of the city of Hibbing and Independent School District 701; amending Laws 1971, Chapter 573, Section 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 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kaley | Norton | Sherman |
| Ainley | Esau | Kalis | Novak | Sherwood |
| Anderson, B. | Evans | Kelly | Nysether | Sieben, M. |
| Anderson, G. | Ewald | Knickerbocker | O'Connor | Simoneau |
| Anderson, I. | Fjoslien | Kostohryz | Ogren | Skoglund |
| Anderson, R. | Forsythe | Kvam | Olsen | Stadum |
| Battaglia | Friedrich | Laidig | Onnen | Staten |
| Begich | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, D. | Stumpf |
| Blatz | Gustafson | Levi | Piepho | Sviggum |
| Brandl | Halberg | Long | Pogemiller | Swanson |
| Brinkman | Hanson | Ludeman | Redalen | Tomlinson |
| Byrne | Harens | Luknic | Reding | Valan |
| Carlson, D. | Hauge | Mann | Rees | Valento |
| Carlson, L. | Haukoos | Marsh | Reif | Vanasek |
| Clark, J. | Heap | McCarron | Rodriguez, C. | Vellenga |
| Clark, K. | Himle | McDonald | Rodriguez, F. | Voss |
| Clawson | Hoberg | McEachern | Rose | Weaver |
| Dahlvang | Hokanson | Mehrkens | Rothenberg | Welch |
| Dean | Hokr | Metzen | Samuelson | Welker |
| Dempsey | Jacobs | Minne | Sarna | Wenzel |
| Den Ouden | Jennings | Munger | Schafer | Wieser |
| Drew | Johnson, C. | Murphy | Schoenfeld | Wigley |
| Eken | Johnson, D. | Nelsen, B. | Schreiber | Wynia |
| Eloff | Jude | Nelson, K. | Searles | Zubay |
| Ellingson | Kahn | Niehaus | Shea | Spkr. Sieben, H. |

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. 976, A bill for an act relating to retirement; Minneapolis teachers retirement fund association; authorizing the establishment of a lump sum post retirement adjustment program; authorizing service credit for parental leaves.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Sarna moved that the House concur in the Senate amendments to H. F. No. 976 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 976, A bill for an act relating to retirement; Minneapolis teachers retirement fund association; authorizing the establishment of a lump sum post retirement adjustment program; authorizing service credit for parental leaves.

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 | Esau | Kalis | Novak | Sherwood |
| Ainley | Evans | Kelly | Nysether | Sieben, M. |
| Anderson, B. | Ewald | Knickerbocker | O'Connor | Simoneau |
| Anderson, G. | Fjoslien | Kostohryz | Ogren | Skoglund |
| Anderson, I. | Forsythe | Kvam | Olsen | Stadum |
| Anderson, R. | Friedrich | Laidig | Onnen | Staten |
| Battaglia | Greenfield | Lehto | Otis | Stowell |
| Begich | Gruenes | Lemen | Peterson, D. | Stumpf |
| Berkelman | Gustafson | Levi | Piepho | Sviggum |
| Blatz | Halberg | Long | Pogemiller | Swanson |
| Brandl | Hanson | Ludeman | Redalen | Tomlinson |
| Brinkman | Harens | Luknic | Reding | Valan |
| Byrne | Hauge | Mann | Rees | Valento |
| Carlson, D. | Haukoos | Marsh | Reif | Vanasek |
| Carlson, L. | Heap | McCarron | Rice | Vellenga |
| Clark, J. | Himle | McDonald | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | McEachern | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Mehrkens | Rose | Welch |
| Dahlvang | Hokr | Metzen | Rothenberg | Welker |
| Dean | Jacobs | Minne | Samuelson | Wenzel |
| Dempsey | Jennings | Munger | Sarna | Wieser |
| Drew | Johnson, C. | Murphy | Schafer | Wigley |
| Eken | Johnson, D. | Nelsen, B. | Schoenfeld | Wynia |
| Elioff | Jude | Nelson, K. | Schreiber | Zubay |
| Ellingson | Kahn | Niehaus | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Norton | Sherman | |

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. 567, A bill for an act relating to retirement; teachers retirement association and teacher retirement fund associations in cities of the first class; allowing certain types of survivor coverage be provided to a designated beneficiary instead of a surviving spouse; requiring public pension funds to provide information concerning optional annuity forms with retirement application form; requiring the signature of the spouse of a member on the retirement application form in certain instances; amending Minnesota Statutes 1980, Sections 354.46, Subdivisions 1 and 2, and by adding a subdivision; 354.47, Subdivision 1; and 354A.35, by adding a subdivision; and proposing new law coded in Minnesota Statutes, Chapter 356.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Olsen 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.

H. F. No. 567, A bill for an act relating to retirement; teachers retirement association and teacher retirement fund associations in cities of the first class; allowing certain types of survivor coverage be provided to a designated beneficiary instead of a surviving spouse; requiring public pension funds to provide information concerning optional annuity forms with retirement application form; requiring notice to the spouse of a member in certain instances; amending Minnesota Statutes 1980, Sections 354.46, Subdivisions 1 and 2, and by adding a subdivision; 354.47, Subdivision 1; and 354A.35, by adding a subdivision; and proposing new law coded in Minnesota Statutes, Chapter 356.

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 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|----------|---------------|
| Aasness | Byrne | Elioff | Halberg | Johnson, C. |
| Ainley | Carlson, D. | Ellingson | Hanson | Johnson, D. |
| Anderson, B. | Carlson, L. | Erickson | Harens | Jude |
| Anderson, G. | Clark, J. | Esau | Hauge | Kahn |
| Anderson, I. | Clark, K. | Evans | Haukoos | Kaley |
| Anderson, R. | Clawson | Ewald | Heap | Kalis |
| Battaglia | Dahlvang | Fjoslien | Himle | Kelly |
| Begich | Dean | Forsythe | Hoberg | Knickerbocker |
| Berkelman | Dempsey | Friedrich | Hokanson | Kostohryz |
| Blatz | Den Ouden | Greenfield | Hokr | Kvam |
| Brandl | Drew | Gruenes | Jacobs | Laidig |
| Brinkman | Eken | Gustafson | Jennings | Lehto |

| | | | | |
|------------|--------------|---------------|------------|------------------|
| Lemen | Nelson, K. | Reding | Shea | Vanasek |
| Levi | Niehaus | Rees | Sherman | Vellenga |
| Long | Norton | Reif | Sherwood | Voss |
| Luknie | Novak | Rice | Sieben, M. | Weaver |
| Mann | Nysether | Rodriguez, C. | Simoneau | Welch |
| McCarron | O'Connor | Rodriguez, F. | Skoglund | Wenzel |
| McDonald | Ogren | Rose | Stadum | Wieser |
| McEachern | Olsen | Rothenberg | Staten | Wigley |
| Mehrkens | Onnen | Samuelson | Stowell | Wynia |
| Metzen | Otis | Sarna | Stumpf | Zubay |
| Minne | Peterson, D. | Schafer | Sviggum | Spkr. Sieben, H. |
| Munger | Piepho | Schoenfeld | Tomlinson | |
| Murphy | Pogemiller | Schreiber | Valan | |
| Nelsen, B. | Redalen | Searles | Valento | |

Those who voted in the negative were:

Ludeman Marsh 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. 1080, A bill for an act relating to children; authorizing counties to establish multidisciplinary child protection teams; proposing new law coded in Minnesota Statutes, Chapter 626.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Anderson, R., moved that the House concur in the Senate amendments to H. F. No. 1080 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1080, A bill for an act relating to children; authorizing counties to establish multidisciplinary child protection teams; proposing new law coded in Minnesota Statutes, Chapter 626.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | O'Connor | Simoneau |
| Ainley | Evans | Knickerbocker | Ogren | Skoglund |
| Anderson, B. | Ewald | Kostohryz | Olsen | Stadum |
| Anderson, G. | Fjoslien | Kvam | Onnen | Staten |
| Anderson, I. | Forsythe | Laidig | Otis | Stowell |
| Anderson, R. | Friedrich | Lehto | Peterson, D. | Stumpf |
| Battaglia | Greenfield | Lemen | Piepho | Sviggum |
| Begich | Gruenes | Levi | Pogemiller | Swanson |
| Berkelman | Gustafson | Long | Redalen | Tomlinson |
| Blatz | Halberg | Ludeman | Reding | Valan |
| Brandl | Hanson | Luknic | Rees | Valento |
| Brinkman | Harens | Mann | Reif | Vanasek |
| Byrne | Hauge | Marsh | Rice | Vellenga |
| Carlson, D. | Haukoos | McCarron | Rodriguez, C. | Voss |
| Carlson, L. | Heap | McDonald | Rodriguez, F. | Weaver |
| Clark, J. | Himle | McEachern | Rose | Welch |
| Clark, K. | Hoberg | Mehrkens | Rothenberg | Welker |
| Clawson | Hokanson | Metzen | Samuelson | Wenzel |
| Dahlvang | Hokr | Minne | Sarna | Wieser |
| Dean | Jacobs | Munger | Schafer | Wigley |
| Dempsey | Jennings | Murphy | Schoenfeld | Wynia |
| Den Ouden | Johnson, C. | Nelsen, B. | Schreiber | Zubay |
| Drew | Johnson, D. | Nelson, K. | Searles | Spkr. Sieben, H. |
| Eken | Jude | Niehaus | Shea | |
| Elioff | Kahn | Norton | Sherman | |
| Ellingson | Kaley | Novak | Sherwood | |
| Erickson | Kalis | 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. 579, A bill for an act relating to financial institutions; allowing new mortgage instruments; modifying rate restrictions on certain loans; providing a maximum late charge on certain loans; amending Minnesota Statutes 1980, Section 47.20, Subdivisions 1, 2, 4, 4a, 6, 12 and by adding subdivisions.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Berkelman moved that the House concur in the Senate amendments to H. F. No. 579 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 579, A bill for an act relating to financial institutions; allowing new mortgage instruments; modifying rate restrictions on certain loans; providing a maximum late charge

on certain loans; amending Minnesota Statutes 1980, Section 47.20, Subdivisions 1, 2, 4, 4a, 6, 12, and by adding subdivisions.

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 58 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Forsythe | Kalis | Norton | Sherman |
| Ainley | Friedrich | Knickerbocker | Nysether | Sherwood |
| Anderson, B. | Gruenes | Kvam | Olsen | Stadum |
| Anderson, R. | Harens | Laidig | Otis | Stowell |
| Berkelman | Hauge | Levi | Peterson, B. | Sviggum |
| Blatz | Haukoos | Ludeman | Piepho | Valan |
| Brinkman | Heap | Luknic | Redalen | Valento |
| Dean | Himle | Mann | Reding | Voss |
| Dempsey | Hoberg | Marsh | Rees | Welker |
| Den Ouden | Hokr | McDonald | Reif | Wigley |
| Drew | Jacobs | Mehrkens | Rose | Zubay |
| Erickson | Jennings | Metzen | Rothenberg | |
| Esau | Johnson, C. | Murphy | Schafer | |
| Evans | Johnson, D. | Nelsen, B. | Schreiber | |
| Ewald | Kaley | Niehaus | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, G. | Eken | Lehto | Peterson, D. | Stumpf |
| Anderson, I. | Elioff | Lemen | Rice | Swanson |
| Battaglia | Ellingson | McCarron | Rodriguez, C. | Tomlinson |
| Begich | Fjoslien | McEachern | Rodriguez, F. | Vellenga |
| Brandl | Greenfield | Minne | Samuelson | Weaver |
| Byrne | Halberg | Munger | Sarna | Welch |
| Carlson, D. | Hanson | Nelson, K. | Schoenfeld | Wenzel |
| Carlson, L. | Hokanson | Novak | Shea | Wieser |
| Clark, J. | Jude | O'Connor | Sieben, M. | Wynia |
| Clark, K. | Kahn | Ogren | Simoneau | Spkr. Sieben, H. |
| Clawson | Kelly | Onnen | Skoglund | |
| Dahlvang | Kostohryz | Osthoff | Staten | |

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. 1304, A bill for an act relating to state government; providing for deficiencies in and supplementing appropriations for the expenses of state government; appropriating money.

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. 1304 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1304, A bill for an act relating to state government; providing for deficiencies in and supplementing appropriations for the expenses of state government; appropriating money.

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 | Esau | Kostohryz | Ogren | Sherwood |
| Ainley | Evans | Kvam | Olsen | Sieben, M. |
| Anderson, B. | Ewald | Laidig | Onnen | Simoneau |
| Anderson, G. | Fjoslien | Lehto | Osthoff | Skoglund |
| Anderson, I. | Forsythe | Lemen | Otis | Staten |
| Anderson, R. | Greenfield | Levi | Peterson, B. | Stowell |
| Battaglia | Gruenes | Long | Peterson, D. | Stumpf |
| Begich | Gustafson | Ludeman | Piepho | Sviggum |
| Berkelman | Halberg | Luknic | Pogemiller | Swanson |
| Blatz | Hanson | Mann | Redalen | Tomlinson |
| Brandl | Harens | Marsh | Reding | Valan |
| Brinkman | Hauge | McCarron | Rees | Valento |
| Byrne | Haukoos | McDonald | Reif | Vanasek |
| Carlson, D. | Heap | McEachern | Rice | Vellenga |
| Carlson, L. | Himle | Mehrkens | Rodriguez, C. | Voss |
| Clark, J. | Hokanson | Metzen | Rodriguez, F. | Weaver |
| Clawson | Hokr | Minne | Rose | Welch |
| Dahlvang | Jacobs | Munger | Rothenberg | Welker |
| Dean | Jennings | Murphy | Samuelson | Wenzel |
| Dempsey | Johnson, C. | Nelsen, B. | Sarna | Wieser |
| Den Ouden | Johnson, D. | Nelson, K. | Schafer | Wigley |
| Drew | Jude | Niehaus | Schoenfeld | Wynia |
| Eken | Kahn | Norton | Schreiber | Zubay |
| Elioff | Kalis | Novak | Searles | Spkr. Sieben, H. |
| Ellingson | Kelly | Nysether | Shea | |
| Erickson | Knickerbocker | O'Connor | Sherman | |

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. 1088, A bill for an act relating to the secretary of state; requiring that government survey documents be main-

tained on microfilm; providing for filing certain documents with the Minnesota historical society; amending Minnesota Statutes 1980, Section 5.03.

PATRICK E. FLAHAVEN, Secretary of the Senate

Pogemiller moved that the House refuse to concur in the Senate amendments to H. F. No. 1088, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House request 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. 704, A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; increasing the tax thereon; amending Minnesota Statutes 1980, Section 168.10, Subdivision 1b.

PATRICK E. FLAHAVEN, Secretary of the Senate

Brinkman moved that the House refuse to concur in the Senate amendments to H. F. No. 704, 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 H. F. No. 1088:

Pogemiller, Rodriguez, F., and Kaley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 704:

Brinkman, Gruenes and Kostohryz.

Mr. Speaker:

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

S. F. Nos. 207, 558, 945, 1132 and 1174.

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. 167, 823, 1126, 1188, 1248 and 1278.

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. 56, 373, 556, 641 and 655.

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. 690, 694, 814, 890, 909 and 1074.

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. 662 and 672.

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. 1321 and 1106.

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. 445 and 1122.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 207, A bill for an act relating to retirement; making various changes in the laws governing the operation of the public employees retirement association; amending Minnesota Statutes 1980, Section 353.01, Subdivision 19; 353.03, Subdivisions 1, 2, and 3a; 353.15; 353.27, Subdivision 4; 353.28, Subdivision 5; 353.29, Subdivision 8; 353.31, Subdivision 1; 353.32, Subdivision 9; 353.33, Subdivisions 4, 5, and 6; 353.64, Subdivisions 1 and 6; 353.656, Subdivision 2; and 353.657, Subdivision 3; repealing Minnesota Statutes 1980, Sections 353.272; 353.37, Subdivision 1a; and 353.46, Subdivision 1.

The bill was read for the first time.

Sarna moved that S. F. No. 207 and H. F. No. 251, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 558, A bill for an act relating to the city of Robbinsdale; providing that certain tax increment backed bond issues shall be exempt from net debt limits.

The bill was read for the first time.

Heap moved that S. F. No. 558 and H. F. No. 478, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 945, A bill for an act relating to public welfare; defining homestead for purposes of receiving medical assistance and aid to families with dependent children; amending Minnesota Statutes 1980, Sections 256.73, Subdivision 2; and 256B.06, Subdivision 1.

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

S. F. No. 1132, A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

The bill was read for the first time.

Heap moved that S. F. No. 1132 and H. F. No. 1225, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1174, A bill for an act relating to retirement; local police relief associations; authorizing the payment of benefits outside the United States in certain instances; proposing new law coded in Minnesota Statutes, Chapter 423; repealing Minnesota Statutes 1980, Section 423.811.

The bill was read for the first time.

Rodriguez, F., moved that S. F. No. 1174 and H. F. No. 1124, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 167, A bill for an act relating to the city of Moorhead; increasing the amount which the city may expend for public transportation services; amending Laws 1969, Chapter 192, Section 1.

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

S. F. No. 823, A bill for an act relating to transportation; regulating apportionment from the municipal state-aid street fund; providing for the inclusion of certain cities in the 1981 apportionment of municipal state-aid street funds.

The bill was read for the first time.

Den Ouden moved that S. F. No. 823 and H. F. No. 873, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1126, A bill for an act relating to insurance; providing for continued health and accident coverage for former spouses and children after dissolution of the marriage in certain circumstances; amending Minnesota Statutes 1980, Section 62A.21, Subdivision 3; and by adding subdivisions; repealing Minnesota Statutes 1980, Section 62A.21, Subdivision 2.

The bill was read for the first time.

Berkelman moved that S. F. No. 1126 and H. F. No. 1322, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1188, A bill for an act relating to human rights; clarifying the meaning of reprisal; permitting the filing of a charge of unfair discriminatory practice directly in district

court; permitting access to certain documents; granting certain powers to the commissioner of human rights; amending Minnesota Statutes 1980, Sections 363.03, Subdivision 7; 363.06, Subdivisions 1, 3, and 4, and by adding a subdivision; 363.14, Subdivision 1; repealing Minnesota Statutes 1980, Section 363.04, Subdivision 3.

The bill was read for the first time.

Greenfield moved that S. F. No. 1188 and H. F. No. 1277, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1248, A bill for an act relating to local improvements; regulating the issuance of temporary improvement bonds; amending Minnesota Statutes 1980, Section 429.091, Subdivision 3, and by adding subdivisions.

The bill was read for the first time.

Schreiber moved that S. F. No. 1248 and H. F. No. 978, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1278, A bill for an act relating to elections; providing for special elections to fill vacancies in statutory city offices; amending Minnesota Statutes 1980, Sections 205.10; 205.17, by adding a subdivision; and 412.02, Subdivision 2, and by adding a subdivision.

The bill was read for the first time.

Minne moved that S. F. No. 1278 and H. F. No. 1221, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 56, A bill for an act relating to insurance; broadening the scope of mandated group accident and health coverage for ambulatory mental health services; modifying certain comprehensive health insurance benefit requirements; amending Minnesota Statutes 1980, Sections 62A.152; and 62E.06, Subdivision 1.

The bill was read for the first time.

Battaglia moved that S. F. No. 56 and H. F. No. 83, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 373, A bill for an act relating to public safety; requiring the state fire marshal to grant or deny variances from

the provisions of the state fire code within 30 days; amending Minnesota Statutes 1980, Section 299F.011, Subdivision 5.

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

S. F. No. 556, A bill for an act relating to motor vehicles; providing for registration and regulating the display of plates and insignia; providing exemptions from registration and taxation for nonresident servicemen; specifying the time when the tax is due and payable; amending Minnesota Statutes 1980, Sections 168.04, Subdivision 1; 168.09, Subdivisions 1 and 3; and 168.31, Subdivision 1.

The bill was read for the first time.

Schoenfeld moved that S. F. No. 556 and H. F. No. 945, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 641, A bill for an act relating to financial institutions; providing for uniform administration of liquidity reserve requirements among deposit institutions; amending Minnesota Statutes 1980, Sections 46.04, Subdivision 1; 50.175; and 52.17; proposing new law coded in Minnesota Statutes, Chapters 48; and 51A; and repealing Minnesota Statutes 1980, Sections 48.22; and 51A.36.

The bill was read for the first time.

Berkelman moved that S. F. No. 641 and H. F. No. 922, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 655, A bill for an act relating to financial institutions; permitting the sale of certain loans of credit unions; providing for the withdrawal of credit union members; amending Minnesota Statutes 1980, Sections 52.04 and 52.19.

The bill was read for the first time.

Simoneau moved that S. F. No. 655 and H. F. No. 499, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 690, A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

The bill was read for the first time.

Reding moved that S. F. No. 690 and H. F. No. 779, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 694, A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, Subdivision 2.

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

S. F. No. 814, A bill for an act relating to metropolitan government; removing the city of Victoria from the metropolitan transit taxing district; amending Minnesota Statutes 1980, Section 473.446, Subdivision 2.

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

S. F. No. 890, A bill for an act relating to wild animals; increasing the amount of the reward which may be paid for information relating to game law violations; amending Minnesota Statutes 1980, Section 97.51.

The bill was read for the first time.

Nelsen, B., moved that S. F. No. 890 and H. F. No. 1081, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 909, A bill for an act relating to agriculture; excluding pipeline companies from certain restrictions on acquisition of agricultural land; amending Minnesota Statutes 1980, Section 500.221, Subdivision 2.

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

S. F. No. 1074, A bill for an act relating to natural resources; extending the permissible term of agricultural leases of state peat lands; amending Minnesota Statutes 1980, Section 92.50, Subdivision 1.

The bill was read for the first time.

Clawson moved that S. F. No. 1074 and H. F. No. 1260, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 662, A bill for an act relating to commerce; providing for examinations of financial institutions; providing for the proportioning of annual assessments; providing a penalty for failure to pay certain fees and assessments; providing uniform retention periods for records; clarifying the definition of financial institution; expanding the definition of municipality to include townships with a bank; clarifying the distance drive-in or walk-up facilities may be located from a detached facility under certain circumstances; clarifying the notice and approval procedures and judicial review procedures for detached facilities; providing that voting equity in a bank's holding company satisfies the stock requirement of a director; providing additional time for submitting certain bank reports and authorizes acceptance of certain substitute reports; modifying the definition of "demand deposits"; clarifying certain withdrawal provisions applicable to savings associations; requiring credit unions to obtain a commitment for insurance of accounts prior to approval of its application for organization; expanding the exemption from the licensing requirement for sales finance companies to include certain other financial institutions; providing for a compliance exam of sales finance companies once every two years instead of annually; removing the requirement that a state bank's name contain the words "state bank"; removing an obsolete provision; amending Minnesota Statutes 1980, Sections 46.04, Subdivision 1; 46.131, Subdivisions 4 and 9; 46.21; 47.015, Subdivision 1; 47.-51; 47.52; 47.54; 48.06; 48.34; 48.48; 48.51; 51A.33; 52.01; 168.-67; 168.705; and 300.025; repealing Minnesota Statutes 1980, Sections 46.131, Subdivision 6; and 47.17.

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

S. F. No. 672, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to convey certain lands acquired for trail purposes.

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

S. F. No. 1321, A bill for an act relating to the city of Granite Falls; authorizing the establishment of a community development program and providing powers for it.

The bill was read for the first time.

Anderson, G., moved that S. F. No. 1321 and H. F. No. 1294, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1106, A bill for an act relating to retirement; clarifying certain ambiguous provisions; correcting certain oversights, inconsistencies, unintended results and erroneous provisions; eliminating certain redundant, obsolete or conflicting provisions; amending Minnesota Statutes 1980, Sections 3.85, Subdivision 3; 3A.01, Subdivisions 2 and 7; 3A.02, Subdivision 1; 3A.04, Subdivisions 1, 1a, 2 and 4; 3A.05; 3A.09; 3A.11, Subdivisions 1 and 2; 3A.12, Subdivision 1; 11A.17, Subdivision 11; 11A.23, Subdivision 2; 15A.083, Subdivision 3; 16A.19; 48.051, Subdivision 4; 69.011, Subdivision 1; 69.031, Subdivisions 5 and 6; 69.051, Subdivision 1; 69.77, Subdivisions 1, 1a, 2 and 2a; 69.772, Subdivisions 2 and 2a; 69.773, Subdivision 2; 118.01, Subdivision 11; 136.80, Subdivision 1; 136.81; 136.82; 136.83; 136.85; 136.87, Subdivisions 1 and 2; 275.125, Subdivision 6a; 275.50, Subdivision 5; 352.01, Subdivisions 2A, 11, 19 and 23; 352.029, Subdivision 1; 352.03, Subdivision 6; 352.113, Subdivision 4; 352.115, Subdivision 10; 352.116, Subdivision 3; 352.12, Subdivision 11; 352.22, Subdivisions 2a, 3 and 10; 352.72, Subdivisions 2 and 4; 352.75; 352.85, by adding a subdivision; 352.90; 352.91, Subdivision 2; 352B.02, Subdivision 1; 352B.08, Subdivision 2; 352B.11, Subdivision 2; 352B.26, Subdivisions 1 and 3; 352C.031, by adding a subdivision; 352C.04, Subdivision 1; 352D.02, Subdivisions 1 and 2; 352D.04, Subdivision 2; 352D.09, Subdivision 1; 352E.01, Subdivision 1; 353.01, Subdivisions 6, 7 and 10; 353.023; 353.03, Subdivision 1; 353.16; 353.28, Subdivisions 6 and 8; 353.29, Subdivision 4; 353.30, Subdivision 1c; 353.31, Subdivisions 1 and 9; 353.32, Subdivision 1a; 353.33, Subdivision 2; 353.34, Subdivision 3; 353.36, Subdivision 2; 353.37, Subdivisions 1 and 1a; 353.46, Subdivision 1a, and by adding a subdivision; 353.64, by adding a subdivision; 353.656, Subdivision 6; 353.71, Subdivision 1; 354.05, Subdivisions 2, 13, 24, 25 and 26; 354.06, Subdivision 1; 354.07, Subdivision 1; 354.43, Subdivision 4; 354.44, Subdivisions 1a, 4, 5, 6, 7 and 8; 354.47, Subdivision 1; 354.48, Subdivision 10, and by adding a subdivision; 354.50, Subdivision 2; 354.51, Subdivisions 1, 4 and 5; 354.52, Subdivisions 2, 3 and 4; 354.53, Subdivisions 1 and 3; 354.55, Subdivision 11; 354.56; 354.57; 354.60; 354.62, Subdivision 5; 354.66; 354.69; 354A.011, Subdivision 27; 354A.091, Subdivisions 1 and 6; 354A.092; 354A.094, Subdivisions 3, 8, 11, and by adding a subdivision; 354A.31, Subdivision 3; 354A.35, Subdivisions 2 and 3; 355.07; 355.11, Subdivisions 2, 4 and 5; 355.13, Subdivision 2; 355.21, Subdivisions 2 and 4; 355.22; 355.23, Subdivision 1; 355.29, Subdivisions 1, 3 and 4; 355.311, Subdivisions 1, 2 and 4; 355.41, Subdivisions 2, 3, 4 and 7; 355.46, Subdivision 3; 355.71, Subdivision 6; 355.72; 355.73, by adding a subdivision; 356.18, Subdivision 1; 356.20; 356.215; 356.216; 356.22, Subdivision 1; 356.24; 356.25; 356.32, Subdivision 1; 356.39; 356.45, Subdivision 2; 356.60, Subdivision 1; 422A.01, Subdivision 11; 422A.06, Subdivisions 2, 3 and 5; 422A.08, Subdivisions 1 and 5; 422A.09, Subdivision 3; 422A.101; 422A.11, Subdivision 1; 422A.15, Subdivision 1; 422A.16, Subdivision 8; 422A.22, Subdivision 2; 422A.23, Subdivision 5; 422A.24; 422A.26; 423.075, Subdivision 1; 423.38; 423.801, Subdivision 2; 423.802; 423.805; 423.806,

Subdivision 1; 423.807, Subdivisions 1 and 2; 423.808; 423.809, Subdivisions 1 and 2; 423.810, Subdivision 1; 423.815, Subdivision 1; 423A.04; 424A.02, Subdivisions 1 and 8; 424A.04; 424A.05, Subdivision 1; 458.18, Subdivision 1; 484.61; 484.68, Subdivision 8; 487.01, Subdivisions 7 and 9; 488A.115; 488A.285; 490.101, Subdivision 2; 490.106; 490.107; 490.12, by adding a subdivision; 490.121, Subdivisions 1, 4, 6 and 7; 490.122; 490.123, Subdivision 1; 490.124, Subdivisions 1, 2, 6 and 10; 490.126, Subdivision 1; 490.129; and 490.132; Laws 1955, Chapter 75, Section 12, Subdivision 2, as amended; Laws 1959, Chapter 131, Section 10, Subdivision 1, as amended; Laws 1965, Chapters 446, Section 7, Subdivision 1, as amended; 458, Section 3, Subdivision 2, as amended; and 498, Section 1, Subdivision 1, as amended; Laws 1967, Chapters 575, Section 9, Subdivision 2; 742, Section 2; 775, Section 8, as amended; 798, Section 1, Subdivision 1, as amended; and 815, Section 8, Subdivision 1; Laws 1969, Chapters 526, Section 11, Subdivision 1; 576, Section 1, Subdivision 1, as amended; 641, Section 2, Subdivision 1, as amended; 719, Section 2; 1088, Section 8, Subdivision 1, as amended; and 1105, Section 4; Laws 1971, Chapters 51, Sections 9, as amended, and 10, Subdivision 2, as amended; 114, Section 8, Subdivision 1; 184, Sections 4 and 5; 214, Section 10; 407, Section 1, Subdivisions 2 and 3; 614, Section 2; and 810, Section 7, as amended; Laws 1973, Chapters 304, Section 3, Subdivision 1; and 587, Section 1, Subdivisions 3, as amended, and 5, as amended; Laws 1974, Chapter 251, Section 1, Subdivisions 2 and 3; Laws 1975, Chapter 424, Section 11, as amended; Laws 1976, Chapter 36, Sections 2, 3 and 4; Laws 1977, Chapter 61, Section 5, Subdivision 2, as amended; and Laws 1978, Chapter 689, Sections 4, Subdivision 2, and 8; proposing new law coded in Minnesota Statutes, Chapters 345, 352, 353, 355 and 356; repealing Minnesota Statutes 1980, Sections 136.86; 352.115, Subdivision 13; 352.1181; 352B.075; 352D.10; 354.09, Subdivisions 1 and 4; 354.41, Subdivisions 6 and 8; 355.302; 355.303; 355.304; 355.305; 355.306; 355.307; 355.308; 355.309; 355.53; 355.73, Subdivisions 5, 6 and 7; 356.18, Subdivision 2; 422A.01, Subdivisions 14, 15 and 16; 422A.08, Subdivisions 2, 3, 4 and 6; 422A.081; 422A.091; 422A.30; 422A.31; 422A.32; 422A.33; 422A.34; 422A.35; 422A.39; 423.075, Subdivision 2; 423.815, Subdivision 3; 487.06; 490.104; 490.127; 490.128; and 490.13; Laws 1969, Chapter 252; Laws 1973, Chapter 481; Laws 1975, Chapter 429; Laws 1978, Chapter 538, Section 6; and Laws 1980, Chapters 342, Section 20; and 509, Section 135.

The bill was read for the first time.

Reding moved that S. F. No. 1106 and H. F. No. 1158, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 445, A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts,

juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

The bill was read for the first time.

Blatz moved that S. F. No. 445 and H. F. No. 308, now on the Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1122, A bill for an act relating to veterans; changing the method of appointment and termination of the administrator of the Minnesota veterans home; amending Minnesota Statutes 1980, Section 198.06.

The bill was read for the first time.

Harens moved that S. F. No. 1122 and H. F. No. 1182, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSENT CALENDAR

S. F. No. 671, A bill for an act relating to crimes; conforming the definition of trade secret in the law proscribing theft to the definition of trade secret in the uniform trade secrets act; amending Minnesota Statutes 1980, Section 609.52, 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Dean | Halberg | Kaley | McDonald |
| Ainley | Dempsey | Hanson | Kalis | McEachern |
| Anderson, B. | Den Ouden | Harens | Kelly | Mehrkens |
| Anderson, G. | Drew | Hauge | Knickerbocker | Metzen |
| Anderson, I. | Eken | Haukoos | Kostohryz | Minne |
| Anderson, R. | Elioff | Heap | Kvam | Munger |
| Battaglia | Ellingson | Himle | Laidig | Murphy |
| Begich | Erickson | Hoberg | Lehto | Nelsen, B. |
| Berkelman | Esau | Hokanson | Lemen | Nelson, K. |
| Blatz | Evans | Hokr | Levi | Niehaus |
| Brandl | Ewald | Jacobs | Long | Norton |
| Brinkman | Fjoslien | Jennings | Ludeman | Novak |
| Carlson, D. | Forsythe | Johnson, C. | Luknic | Nysether |
| Carlson, L. | Friedrich | Johnson, D. | Mann | O'Connor |
| Clark, J. | Greenfield | Jude | Marsh | Ogren |
| Dahlvang | Gruenes | Kahn | McCarron | Olsen |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Onnen | Reif | Schreiber | Stowell | Weaver |
| Osthoff | Rice | Searles | Stumpf | Welch |
| Otis | Rodriguez, C. | Shea | Sviggum | Welker |
| Peterson, B. | Rodriguez, F. | Sherman | Swanson | Wenzel |
| Peterson, D. | Rose | Sherwood | Tomlinson | Wieser |
| Piepho | Rothenberg | Sieben, M. | Valan | Wigley |
| Pogemiller | Samuelson | Simoneau | Valento | Wynia |
| Redalen | Sarna | Skoglund | Vanasek | Zubay |
| Reding | Schafer | Stadum | Vellenga | Spkr. Sieben, H. |
| Rees | Schoenfeld | Staten | Voss | |

The bill was passed and its title agreed to.

S. F. No. 825, A bill for an act relating to courts; abolishing the maintenance of certain court records; amending Minnesota Statutes 1980, Sections 485.07; 548.08; 548.15; 548.22; 548.24; and 572.22, 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 | Evans | Kostohryz | Olsen | Simoneau |
| Ainley | Ewald | Kvam | Onnen | Skoglund |
| Anderson, B. | Fjoslien | Laidig | Osthoff | Stadum |
| Anderson, G. | Forsythe | Lehto | Otis | Staten |
| Anderson, I. | Friedrich | Lemen | Peterson, B. | Stowell |
| Anderson, R. | Greenfield | Levi | Peterson, D. | Stumpf |
| Battaglia | Gruenes | Long | Piepho | Sviggum |
| Begich | Halberg | Ludeman | Pogemiller | Swanson |
| Berkelman | Hanson | Luknic | Redalen | Tomlinson |
| Blatz | Harens | Mann | Reding | Valan |
| Brandl | Hauge | Marsh | Rees | Valento |
| Brinkman | Haukoos | McCarron | Reif | Vanasek |
| Byrne | Heap | McDonald | Rice | Vellenga |
| Carlson, D. | Himle | McEachern | Rodriguez, C. | Voss |
| Carlson, L. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clark, J. | Hokanson | Metzen | Rose | Welch |
| Clawson | Hokr | Minne | Rothenberg | Welker |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dean | Jennings | Murphy | Sarna | Wieser |
| Dempsey | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Jude | Niehaus | Schreiber | Zubay |
| Eken | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kaley | Novak | Shea | |
| Ellingson | Kalis | Nysether | Sherman | |
| Erickson | Kelly | O'Connor | Sherwood | |
| Esau | Knickerbocker | Ogren | Sieben, M. | |

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, I., requested immediate consideration of H. F. No. 161, S. F. No. 432 and H. F. No. 1132.

H. F. No. 161, A bill for an act relating to the city of Cloquet; permitting the city to contract, pay, and tax for certain public transportation services.

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 | Evans | Knickerbocker | Ogren | Sieben, M. |
| Ainley | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, G. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, I. | Friedrich | Lehto | Otis | Staten |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Stowell |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Piepho | Sviggum |
| Berkelman | Halberg | Ludeman | Pogemiller | Swanson |
| Blatz | Hanson | Luknic | Redalen | Tomlinson |
| Brandl | Harens | Mann | Reding | Valan |
| Byrne | Hauge | Marsh | Rees | Valento |
| Carlson, D. | Haukoos | McCarron | Reif | Vanasek |
| Carlson, L. | Heap | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Metzen | Rose | Welker |
| Dahlvang | Hokr | Minne | Rothenberg | Wenzel |
| Dean | Jacobs | Munger | Samuelson | Wieser |
| Dempsey | Jennings | Murphy | Sarna | Wigley |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Zubay |
| Eken | Jude | Niehaus | Schreiber | Spkr. Sieben, H. |
| Elioff | Kahn | Norton | Searles | |
| Ellingson | Kaley | Novak | Shea | |
| Erickson | Kalis | Nysether | Sherman | |
| Esau | Kelly | O'Connor | Sherwood | |

The bill was passed and its title agreed to.

S. F. No. 432, A bill for an act relating to taxation; providing dates for settlement of mortgage registry and deed tax receipts; providing for payment of excise tax on special fuel by bulk purchasers; clarifying responsibilities and authority of commissioner of revenue in administering and auditing mineral taxes; providing for filing requirements for royalty reports; amending Minnesota Statutes 1980, Sections 287.12; 287.29, Subdivision 1; 296.12, Subdivisions 3, 4, and 5, and by adding a subdivision; 298.09, by adding a subdivision; 298.15; 299.03; 299.05; and 299.12; and repealing Minnesota Statutes 1980, Section 287.29, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherman |
| Ainley | Evans | Kelly | O'Connor | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, R. | Friedrich | Laidig | Osthoff | Stadum |
| Battaglia | Greenfield | Lehto | Otis | Staten |
| Begich | Gruenes | Lemen | Peterson, B. | Stowell |
| Berkelman | Gustafson | Levi | Peterson, D. | Stumpf |
| Blatz | Halberg | Long | Piepho | Sviggum |
| Brandl | Hanson | Ludeman | Pogemiller | Swanson |
| Byrne | Harens | Luknic | Redalen | Tomlinson |
| Carlson, D. | Hauge | Mann | Reding | Valan |
| Carlson, L. | Haukoos | Marsh | Rees | Valento |
| Clark, J. | Heap | McDonald | Reif | Vanasek |
| Clark, K. | Himle | McEachern | Rice | Vellenga |
| Clawson | Hoberg | Mehrkens | Rodriguez, C. | Voss |
| Dahlvang | Hokanson | Metzen | Rodriguez, F. | Weaver |
| Dean | Hokr | Minne | Rose | Welch |
| Dempsey | Jacobs | Munger | Rothenberg | Welker |
| Den Ouden | Jennings | Murphy | Sarna | Wenzel |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wieaer |
| Eken | Johnson, D. | Nelson, K. | Schoenfeld | Wigley |
| Elioff | Jude | Niehaus | Schreiber | Wynia |
| Ellingson | Kahn | Norton | Searles | Zubay |
| Erickson | Kaley | Novak | Shea | Sprk. Sieben, H. |

The bill was passed and its title agreed to.

H. F. No. 1132 was reported to the House.

Hokanson moved to amend H. F. No. 1132, as follows:

Amend the title as follows:

Page 1, line 3, after "counties" insert "and state district courts"

The motion prevailed and the amendment was adopted.

H. F. No. 1132, A bill for an act relating to the revenue recapture act; expanding the definition of claimant agencies to include counties and state district courts; amending Minnesota Statutes 1980, Sections 270A.02; and 270A.03, Subdivisions 2 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kaley | Novak | Searles |
| Ainley | Esau | Kalis | Nysether | Shea |
| Anderson, B. | Evans | Kelly | O'Connor | Sherman |
| Anderson, G. | Ewald | Knickerbocker | Ogren | Sherwood |
| Anderson, I. | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, R. | Forsythe | Kvam | Onnen | Simoneau |
| Battaglia | Friedrich | Laidig | Osthoff | Skoglund |
| Begich | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, B. | Sviggum |
| Blatz | Gustafson | Levi | Peterson, D. | Swanson |
| Brandl | Halberg | Long | Piepho | Tomlinson |
| Brinkman | Hanson | Ludeman | Pogemiller | Valan |
| Byrne | Harens | Luknic | Redalen | Valento |
| Carlson, D. | Hauge | Mann | Reding | Vanasek |
| Carlson, L. | Haukoos | McCarron | Rees | Vellenga |
| Clark, J. | Heap | McDonald | Reif | Voss |
| Clark, K. | Himle | McEachern | Rice | Weaver |
| Clawson | Hoberg | Mehrkens | Rodriguez, C. | Welch |
| Dahlvang | Hokanson | Metzen | Rodriguez, F. | Welker |
| Dean | Hokr | Minne | Rose | Wenzel |
| Dempsey | Jacobs | Munger | Rothenberg | Wieser |
| Den Ouden | Jennings | Murphy | Samuelson | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Sarna | Wynia |
| Eken | Johnson, D. | Nelson, K. | Schafer | Zubay |
| Eloff | Jude | Niehaus | Schoenfeld | Spkr. Sieben, H. |
| Ellingson | Kahn | Norton | Schreiber | |

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

CALENDAR

H. F. No. 673, A bill for an act relating to commerce; increasing the amount of the surety bond required of collection agencies; authorizing the commissioner of securities and real estate to investigate and examine certain collection agencies; broadening the classification of prohibited practices; amending Minnesota Statutes 1980, Sections 332.34; 332.37; and 332.40.

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 102 yeas and 29 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-----------|---------------|------------|
| Anderson, B. | Clark, J. | Gustafson | Johnson, C. | Mann |
| Anderson, G. | Clark, K. | Halberg | Jude | Marsh |
| Anderson, I. | Clawson | Hanson | Kahn | McCarron |
| Anderson, R. | Dahlvang | Harens | Kaley | Mehrkens |
| Battaglia | Drew | Hauge | Kelly | Metzen |
| Begich | Eken | Haukoos | Knickerbocker | Minne |
| Berkelman | Eloff | Heap | Kostohryz | Munger |
| Blatz | Ellingson | Himle | Lehto | Murphy |
| Brandl | Evans | Hoberg | Lemen | Nelsen, B. |
| Byrne | Ewald | Hokanson | Levi | Nelson, K. |
| Carlson, D. | Friedrich | Hokr | Long | Norton |
| Carlson, L. | Greenfield | Jacobs | Luknic | Novak |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Nysether | Pogemiller | Samuelson | Simoneau | Vellenga |
| O'Connor | Reding | Sarna | Skoglund | Voss |
| Ogren | Rees | Schoenfeld | Stadum | Weaver |
| Olsen | Reif | Schreiber | Staten | Wenzel |
| Onnen | Rice | Searles | Stumpf | Wynia |
| Osthoff | Rodriguez, C. | Shea | Sviggum | Spkr. Sieben, H. |
| Otis | Rodriguez, F. | Sherman | Tomlinson | |
| Peterson, B. | Rose | Sherwood | Valan | |
| Peterson, D. | Rothenberg | Sieben, M. | Vanasek | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|-------------|-----------|---------|
| Aasness | Erickson | Johnson, D. | McEachern | Valento |
| Ainley | Esau | Kalis | Niehaus | Welch |
| Brinkman | Fjoslien | Kvam | Piepho | Welker |
| Dean | Forsythe | Laidig | Redalen | Wieser |
| Dempsey | Gruenes | Ludeman | Schafer | Zubay |
| Den Ouden | Jennings | McDonald | Swanson | |

The bill was passed and its title agreed to.

H. F. No. 788. A bill for an act relating to courts; conciliation courts; authorizing actions to recover amounts lost due to worthless checks in the county of issuance and where the plaintiff resides; amending Minnesota Statutes 1980, Section 487.30, by adding a subdivision; 488A.12, Subdivision 3; and 488A.29, 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 | Elioff | Johnson, D. | Munger | Rodriguez, F. |
| Ainley | Ellingson | Jude | Murphy | Rose |
| Anderson, B. | Esau | Kahn | Nelsen, B. | Rothenberg |
| Anderson, G. | Evans | Kaley | Nelson, K. | Samuelson |
| Anderson, I. | Ewald | Kalis | Niehaus | Sarna |
| Anderson, R. | Fjoslien | Kelly | Norton | Schafer |
| Battaglia | Forsythe | Knickerbocker | Novak | Schoenfeld |
| Begich | Friedrich | Kostohryz | Nysether | Schreiber |
| Berkelman | Greenfield | Kvam | O'Connor | Searles |
| Blatz | Gruenes | Laidig | Ogren | Shea |
| Brandl | Gustafson | Lehto | Olsen | Sherman |
| Brinkman | Halberg | Lemen | Onnen | Sherwood |
| Byrne | Hanson | Levi | Osthoff | Sieben, M. |
| Carlson, D. | Harens | Long | Otis | Simoneau |
| Carlson, L. | Hauge | Ludeman | Peterson, B. | Skoglund |
| Clark, J. | Haukoos | Luknic | Peterson, D. | Stadum |
| Clark, K. | Heap | Mann | Piepho | Staten |
| Clawson | Himle | Marsh | Pogemiller | Stowell |
| Dahlvang | Hoberg | McCarron | Redalen | Stumpf |
| Dean | Hokanson | McDonald | Reding | Sviggum |
| Dempsey | Hokr | McEachern | Rees | Swanson |
| Den Ouden | Jacobs | Mehrkens | Reif | Tomlinson |
| Drew | Jennings | Metzen | Rice | Valan |
| Eken | Johnson, C. | Minne | Rodriguez, C. | Valento |

Vanasek
Vellenga
Voss

Weaver
Welch
Welker

Wenzel
Wieser
Wigley

Wynia
Zubay

Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 904, A bill for an act relating to unemployment compensation; including retroactive wage awards within the definition of wages for unemployment compensation purposes; amending Minnesota Statutes 1980, Section 268.04, Subdivisions 25, 26, and 29.

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 | Esau | Kelly | O'Connor | Sherwood |
| Ainley | Evans | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, I. | Forsythe | Laidig | Osthoff | Staten |
| Anderson, R. | Friedrich | Lehto | Otis | Stowell |
| Battaglia | Greenfield | Lemen | Peterson, B. | Stumpf |
| Begich | Gruenes | Levi | Peterson, D. | Sviggum |
| Berkelman | Gustafson | Long | Piepho | Swanson |
| Blatz | Halberg | Ludeman | Pogemiller | Tomlinson |
| Brandt | Hanson | Luknic | Redalen | Valan |
| Brinkman | Harens | Mann | Reding | Valento |
| Byrne | Hauge | Marsh | Rees | Vanasek |
| Carlson, D. | Haukoos | McCarron | Reif | Vellenga |
| Carlson, L. | Heap | McDonald | Rice | Voss |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Weaver |
| Clark, K. | Hoberg | Mehrrens | Rodriguez, F. | Welch |
| Clawson | Hokanson | Metzen | Rose | Welker |
| Dahlvang | Hokr | Minne | Rothenberg | Wenzel |
| Dean | Jacobs | Munger | Samuelson | Wieser |
| Dempsey | Jennings | Murphy | Sarna | Wigley |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Zubay |
| Eken | Jude | Niehaus | Schreiber | Spkr. Sieben, H. |
| Elioff | Kahn | Norton | Searles | |
| Ellingson | Kaley | Novak | Shea | |
| Erickson | Kalis | Nysether | Sherman | |

The bill was passed and its title agreed to.

H. F. No. 923, A bill for an act relating to education; tax levies; authorizing Independent School District No. 256 to adjust its 1981 levy for school maintenance purposes.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | O'Connor | Sherwood |
| Ainley | Evans | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, I. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, R. | Friedrich | Lehto | Otis | Staten |
| Battaglia | Greenfield | Lemen | Peterson, B. | Stowell |
| Begich | Gruenes | Levi | Peterson, D. | Stumpf |
| Berkelman | Gustafson | Long | Piepho | Sviggum |
| Blatz | Halberg | Ludeman | Pogemiller | Swanson |
| Brandl | Hanson | Luknic | Redalen | Tomlinson |
| Brinkman | Harens | Mann | Reding | Valan |
| Byrne | Hauge | Marsh | Rees | Valento |
| Carlson, D. | Haukoos | McCarron | Reif | Vanasek |
| Carlson, L. | Heap | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Metzen | Rose | Welch |
| Dahlvang | Hohr | Minne | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Niehaus | Schreiber | Zubay |
| Elioff | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Ellingson | Kaley | Novak | Shea | |
| Erickson | Kalis | Nysether | Sherman | |

The bill was passed and its title agreed to.

H. F. No. 936, A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

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:

| | | | | |
|--------------|-------------|-------------|-----------|-----------|
| Aasness | Berkelman | Carlson, L. | Den Ouden | Evans |
| Ainley | Blatz | Clark, J. | Eken | Ewald |
| Anderson, B. | Brandl | Clark, K. | Elioff | Fjoslien |
| Anderson, G. | Brinkman | Clawson | Ellingson | Forsythe |
| Anderson, R. | Byrne | Dahlvang | Erickson | Friedrich |
| Battaglia | Carlson, D. | Dean | Esau | Gruenes |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Gustafson | Kelly | Nelsen, B. | Rice | Stumpf |
| Halberg | Knickerbocker | Nelson, K. | Rodriguez, C. | Sviggum |
| Hanson | Kostohryz | Niehaus | Rodriguez, F. | Swanson |
| Harens | Kvam | Norton | Rose | Tomlinson |
| Hauge | Laidig | Novak | Rothenberg | Valan |
| Haukoos | Lehto | Nysether | Samuelson | Valento |
| Heap | Lemen | O'Connor | Schafer | Vanasek |
| Himle | Levi | Ogren | Schoenfeld | Vellenga |
| Hoberg | Long | Olsen | Schreiber | Voss |
| Hokanson | Ludeman | Onnen | Searles | Weaver |
| Hokr | Luknic | Otis | Shea | Welch |
| Jacobs | Mann | Peterson, B. | Sherman | Welker |
| Jennings | Marsh | Peterson, D. | Sherwood | Wenzel |
| Johnson, C. | McDonald | Piepho | Sieben, M. | Wieser |
| Johnson, D. | McEachern | Pogemiller | Simoneau | Wigley |
| Jude | Mehrkens | Redalen | Skoglund | Wynia |
| Kahn | Metzen | Reding | Stadum | Zubay |
| Kaley | Minne | Rees | Staten | Spkr. Sieben, H. |
| Kalis | Munger | Reif | Stowell | |

Those who voted in the negative were:

Anderson, I. Osthoff Sarna

The bill was passed and its title agreed to.

H. F. No. 966, A resolution memorializing the President and Congress to maintain the present schedule for natural gas price decontrol.

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 82 yeas and 43 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Elioff | Knickerbocker | Ogren | Simoneau |
| Anderson, G. | Ellingson | Kostohryz | Olsen | Skoglund |
| Anderson, I. | Evans | Laidig | Osthoff | Staten |
| Anderson, R. | Greenfield | Lehto | Otis | Stumpf |
| Battaglia | Gruenes | Levi | Peterson, D. | Swanson |
| Begich | Gustafson | Luknic | Pogemiller | Tomlinson |
| Berkelman | Halberg | Mann | Reding | Vanasek |
| Blatz | Hanson | McCarron | Rees | Vellenga |
| Brandl | Harens | McEachern | Rice | Voss |
| Brinkman | Hauge | Metzen | Rodriguez, C. | Weaver |
| Byrne | Hokanson | Minne | Rodriguez, F. | Welch |
| Carlson, D. | Jacobs | Munger | Samuelson | Wenzel |
| Carlson, L. | Johnson, C. | Murphy | Sarna | Wynia |
| Clark, J. | Jude | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Clawson | Kahn | Norton | Schreiber | |
| Dahlvang | Kalis | Novak | Shea | |
| Eken | Kelly | O'Connor | Sieben, M. | |

Those who voted in the negative were:

Ainley Dempsey Erickson Fjoslien Friedrich
Dean Den Ouden Esau Forsythe Haukoos

| | | | | |
|-------------|------------|--------------|----------|---------|
| Heap | Kvam | Nysether | Schafer | Valento |
| Himle | Lemen | Onnen | Searles | Welker |
| Hoberg | Ludeman | Peterson, B. | Sherman | Wieser |
| Hokr | Marsh | Piepho | Sherwood | Wigley |
| Jennings | McDonald | Redalen | Stadum | Zubay |
| Johnson, D. | Nelsen, B. | Rose | Sviggum | |
| Kaley | Niehaus | Rothenberg | Valan | |

The bill was passed and its title agreed to.

Kvam and Searles were excused at 4:20 p.m. Anderson, B., was excused at 5:00 p.m. McDonald was excused at 6:15 p.m. Luknic and Stadum were excused at 6:45 p.m.

GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole, with Sieben, H., in the Chair, for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

REPORT OF COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 1007, 1044, 1065, 1092, 1125, 253, 560, 583, 619, 636 and 774 which it recommended to pass.

H. F. Nos. 1016, 1185, 234, 298, 491 and 586 which it recommended progress.

H. F. Nos. 1150, 534 and 616 which it recommended progress until Monday, May 4, 1981.

H. F. No. 544 which it recommended progress until Wednesday, May 6, 1981.

H. F. No. 1305 which it recommended progress until Thursday, May 7, 1981.

H. F. No. 170 which it recommended progress until Thursday, May 14, 1981.

S. F. Nos. 168, 562 and 1259 which it recommended to pass.

S. F. No. 443 which it recommended progress.

H. F. No. 1040 which it recommended progress with the following amendment offered by Kahn and Lehto:

Page 1, line 21, after "food" insert ", provided that the licensee establishment is in conformance with the Minnesota Clean Indoor Air Act"

H. F. No. 715 which it recommended to pass with the following amendment offered by Schafer:

Page 1, line 9, delete "5,000" and insert "7,500"

Page 1, line 15, delete "5,000" and insert "7,500"

Amend the title as follows:

Page 1, line 3, delete "5,000" and insert "7,500"

S. F. No. 625 which it recommended to pass with the following amendments:

Offered by Peterson, B.:

Page 3, line 34, after the first "or" delete "section" and insert "sections"

Page 4, after line 10, insert:

"Sec. 2. [504.28] [TERMINATION OF LEASE UPON DEATH OF LESSEE.]

Subdivision 1. [TERMINATION OF LEASE.] Any party to a lease of residential premises other than a lease at will may terminate the lease prior to its expiration date in the manner provided in subdivision 2 upon the death of the lessee or, if there is more than one lessee, upon the death of all lessees.

Subd. 2. [NOTICE.] Either the lessor or the personal representative of the lessee's estate may terminate the lease upon at least two months' written notice, to be effective on the last day of a calendar month, and hand delivered or mailed by postage prepaid, first class United States mail, to the address of the other party. The lessor may comply with the notice requirement of this subdivision by delivering or mailing the notice to the premises formerly occupied by the lessee. The termination of a lease under this section shall not relieve the lessee's estate from liability either for the payment of rent or other sums owed prior to or during the notice period, or for the payment of amounts necessary to restore the premises to their condition at the commencement of the tenancy, ordinary wear and tear excepted.

Subd. 3. [WAIVER PROHIBITED.] Any attempted waiver by a lessor and lessee or lessee's personal representative,

by contract or otherwise, the right of termination provided by this section, and any lease provision or agreement requiring a longer notice period than that provided by this section, shall be void and unenforceable; provided, however, that the lessor and lessee or lessee's personal representative may agree to otherwise modify the specific provisions of this section.

Subd. 4. [APPLICABILITY.] The provisions of this section shall apply to leases entered into or renewed after the effective date of this section."

Renumber the remaining sections.

Page 5, line 11, reinstate the stricken language

Page 5, line 12, reinstate "shall be prima facie proof,"

Amend the title as follows:

Page 1, line 4, after the semicolon insert "permitting termination of a residential lease upon the death of the tenant;"

Page 1, line 11, before the period insert "; proposing new law coded in Minnesota Statutes, Chapter 504"

Offered by Peterson, B.:

Page 3, line 30, before the semicolon insert ", except that the provision of this clause does not authorize a person who is not a licensed attorney at law to conduct a jury trial or to appear before a district court or the supreme court pursuant to an appeal"

On the motion of Eken the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole.

The question was taken on the motion to recommend passage of H. F. No. 1040, as amended, and the roll was called. There were 50 yeas and 75 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|---------------|-----------|
| Anderson, I. | Clark, K. | Greenfield | Hokr | Long |
| Begich | Dahlvang | Gustafson | Jacobs | Marsh |
| Brandl | Dempsey | Hauge | Kahn | McCarron |
| Brinkman | Evans | Heap | Knickerbocker | McEachern |
| Clark, J. | Ewald | Himle | Levi | Metzen |

| | | | | |
|------------|--------------|---------------|------------|-----------|
| Minne | O'Connor | Pogemiller | Sarna | Tomlinson |
| Murphy | Otis | Rees | Searles | Wenzel |
| Nelson, K. | Peterson, B. | Rice | Sieben, M. | Wieser |
| Norton | Peterson, D. | Rodriguez, F. | Simoneau | Wynia |
| Novak | Piepho | Samuelson | Staten | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-------------|---------------|----------|
| Aasness | Ellingson | Johnson, D. | Nelsen, B. | Sherwood |
| Ainley | Erickson | Jude | Niehaus | Skoglund |
| Anderson, B. | Esau | Kaley | Nysether | Stadum |
| Anderson, G. | Fjoslien | Kalis | Ogren | Stowell |
| Anderson, R. | Forsythe | Kelly | Onnen | Stumpf |
| Battaglia | Friedrich | Kostohryz | Redalen | Sviggum |
| Byrne | Gruenes | Kvam | Reding | Swanson |
| Carlson, D. | Halberg | Laidig | Rodriguez, C. | Valan |
| Carlson, L. | Hanson | Lehto | Rose | Vanasek |
| Clawson | Harens | Lemen | Rothenberg | Vellenga |
| Dean | Haukoos | Ludeman | Schafer | Voss |
| Den Ouden | Hoberg | Luknic | Schoenfeld | Weaver |
| Drew | Hokanson | Mann | Schreiber | Welch |
| Eken | Jennings | Mehrkens | Shea | Welker |
| Elioff | Johnson, C. | Munger | Sherman | Wigley |

The motion did not prevail.

Schafer moved to amend H. F. No. 715, as follows:

Page 1, line 9, delete "5,000" and insert "7,500"

Page 1, line 15, delete "5,000" and insert "7,500"

Amend the title as follows:

Page 1, line 3, delete "5,000" and insert "7,500"

The question was taken on the amendment and the roll was called. There were 68 yeas and 58 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|--------------|----------|
| Aasness | Esau | Johnson, D. | Nysether | Sherwood |
| Ainley | Evans | Kaley | O'Connor | Stadum |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Stowell |
| Anderson, R. | Fjoslien | Laidig | Olsen | Sviggum |
| Battaglia | Forsythe | Lemen | Onnen | Valan |
| Begich | Friedrich | Levi | Peterson, B. | Valento |
| Blatz | Gruenes | Ludeman | Piepho | Weaver |
| Carlson, D. | Halberg | Marsh | Redalen | Welker |
| Dean | Haukoos | McDonald | Rees | Wenzel |
| Dempsey | Heap | Mehrkens | Reif | Wieser |
| Den Ouden | Himle | Minne | Rose | Wigley |
| Drew | Hoberg | Murphy | Rothenberg | Zubay |
| Elioff | Hokr | Nelsen, B. | Schafer | |
| Erickson | Jennings | Niehaus | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|--------------|-----------|--------|----------|
| Anderson, G. | Anderson, I. | Berkelman | Brandl | Brinkman |
|--------------|--------------|-----------|--------|----------|

| | | | | |
|-------------|-------------|------------|---------------|-----------|
| Byrne | Harens | Long | Peterson, D. | Skoglund |
| Carlson, L. | Hauge | Mann | Pogemiller | Staten |
| Clark, J. | Hokanson | McCarron | Reding | Stumpf |
| Clark, K. | Jacobs | McEachern | Rice | Swanson |
| Clawson | Johnson, C. | Metzen | Rodriguez, C. | Tomlinson |
| Dahlvang | Jude | Munger | Rodriguez, F. | Vanasek |
| Eken | Kahn | Nelson, K. | Sarna | Vellenga |
| Ellingson | Kalis | Norton | Schoenfeld | Voss |
| Greenfield | Kelly | Novak | Shea | Wynia |
| Gustafson | Kostohryz | Osthoff | Sieben, M. | |
| Hanson | Lehto | Otis | Simoneau | |

The motion prevailed and the amendment was adopted.

Lehto moved to amend H. F. No. 298, as follows:

Page 1, delete line 16

Page 1, line 17, delete "air."

The question was taken on the amendment and the roll was called. There were 40 yeas and 67 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------|---------------|----------|
| Aasness | Forsythe | Kaley | O'Connor | Stadum |
| Ainley | Friedrich | Kalis | Onnen | Sviggum |
| Anderson, G. | Gruenes | Laidig | Reding | Valento |
| Brinkman | Haukoos | Lehto | Rodriguez, C. | Vellenga |
| Den Ouden | Heap | Lemen | Schafer | Weaver |
| Drew | Jennings | Ludeman | Schoenfeld | Welch |
| Erickson | Johnson, C. | Mann | Sherman | Welker |
| Esau | Johnson, D. | Niehaus | Sherwood | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|------------|---------------|----------|
| Anderson, I. | Evans | Levi | Osthoff | Simoneau |
| Battaglia | Ewald | Long | Otis | Skoglund |
| Begich | Fjoslien | McCarron | Peterson, D. | Staten |
| Berkelman | Greenfield | McDonald | Piepho | Stowell |
| Brandl | Gustafson | McEachern | Pogemiller | Stumpf |
| Byrne | Halberg | Mehrkens | Redalen | Swanson |
| Carlson, D. | Hanson | Metzen | Rees | Vanasek |
| Carlson, L. | Heinitz | Minne | Reif | Voss |
| Clark, J. | Hokanson | Murphy | Rice | Wenzel |
| Dahlvang | Jacobs | Nelsen, B. | Rodriguez, F. | Wieser |
| Dean | Jude | Nelson, K. | Rose | Wigley |
| Dempsey | Kahn | Novak | Samuelson | |
| Elioff | Kelly | Ogren | Sarna | |
| Ellingson | Knickerbocker | Olsen | Sieben, M. | |

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

Weaver moved to amend H. F. No. 298, as follows:

Page 1, line 14, after "compressor" insert ", foot operated or hand operated tire inflating device"

The question was taken on the amendment and the roll was called. There were 53 yeas and 61 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|------------|----------|
| Aasness | Evans | Kaley | Nysether | Stowell |
| Ainley | Ewald | Kalis | Onnen | Sviggum |
| Anderson, R. | Fjoslien | Knickerbocker | Piepho | Valento |
| Brinkman | Forsythe | Laidig | Redalen | Vellenga |
| Carlson, D. | Friedrich | Lemen | Rees | Weaver |
| Dean | Halberg | Ludeman | Reif | Weiker |
| Dempsey | Haukoos | Marsh | Rose | Wieser |
| Den Ouden | Heap | McDonald | Rothenberg | Wigley |
| Drew | Heinitz | Mehrkens | Schafer | Zubay |
| Erickson | Jennings | Nelsen, B. | Sherman | |
| Esau | Johnson, D. | Niehaus | Sherwood | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Elioff | Mann | Otis | Staten |
| Anderson, I. | Ellingson | McCarron | Peterson, D. | Stumpf |
| Battaglia | Greenfield | McEachern | Pogemiller | Swanson |
| Begich | Gruenes | Metzen | Reding | Valan |
| Berkelman | Gustafson | Minne | Rice | Vanasek |
| Brandl | Hanson | Munger | Rodriguez, F. | Voss |
| Byrne | Hokanson | Murphy | Samuelson | Welch |
| Carlson, L. | Jacobs | Nelson, K. | Sarna | Wenzel |
| Clark, J. | Johnson, C. | Norton | Schoenfeld | Spkr. Sieben, H. |
| Clark, K. | Jude | Novak | Shea | |
| Clawson | Kahn | O'Connor | Sieben, M. | |
| Dahlvang | Kelly | Ogren | Simoneau | |
| Eken | Long | Osthoff | Stadium | |

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

The question was taken on the motion to recommend passage of H. F. No. 298 and the roll was called. There were 52 yeas and 68 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, G. | Elioff | Long | Ogren | Skoglund |
| Anderson, I. | Ellingson | Mann | Osthoff | Staten |
| Battaglia | Greenfield | McCarron | Otis | Swanson |
| Begich | Gustafson | McEachern | Peterson, D. | Voss |
| Brandl | Hanson | Metzen | Pogemiller | Welch |
| Byrne | Harens | Minne | Rice | Wenzel |
| Carlson, L. | Hokanson | Munger | Rodriguez, F. | Wynia |
| Clark, J. | Jacobs | Murphy | Samuelson | Spkr. Sieben, H. |
| Clark, K. | Jude | Nelson, K. | Sarna | |
| Dahlvang | Kahn | Norton | Sieben, M. | |
| Eken | Kelly | Novak | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-----------|---------------|------------|
| Aasness | Den Ouden | Friedrich | Jennings | Lemen |
| Ainley | Drew | Gruenes | Johnson, C. | Levi |
| Anderson, R. | Erickson | Halberg | Johnson, D. | Ludeman |
| Brinkman | Esau | Hauge | Kaley | Marsh |
| Carlson, D. | Evans | Haukoos | Kalis | McDonald |
| Clawson | Ewald | Heap | Knickerbocker | Mehrkens |
| Dean | Fjoslien | Heinitz | Laidig | Nelsen, B. |
| Dempsey | Forsythe | Hokr | Lehto | Niehaus |

| | | | | |
|--------------|---------------|----------|-----------|--------|
| Nysether | Reding | Shea | Sviggum | Welker |
| O'Connor | Rees | Sherman | Tomlinson | Wieser |
| Onnen | Rodriguez, C. | Sherwood | Valan | Wigley |
| Peterson, B. | Rose | Stadum | Valento | Zubay |
| Piepho | Rothenberg | Stowell | Vellenga | |
| Redalen | Schafer | Stumpf | Weaver | |

The motion did not prevail.

Sviggum moved to amend S. F. No. 562, as follows:

Page 2, line 11, after "*building*" insert "*when the value of the home improvement is \$500 or more*"

The question was taken on the amendment and the roll was called. There were 57 yeas and 66 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|------------|---------|
| Aasness | Friedrich | Knickerbocker | Onnen | Stowell |
| Ainley | Gruenes | Laidig | Piepho | Sviggum |
| Anderson, R. | Halberg | Lemen | Redalen | Valan |
| Carlson, D. | Harens | Levi | Rees | Valento |
| Dean | Haukoos | Ludeman | Rose | Weaver |
| Dempsey | Heap | Marsh | Rothenberg | Welker |
| Den Ouden | Heinitz | McDonald | Sarna | Wieser |
| Drew | Hokr | McEachern | Schafer | Wigley |
| Erickson | Jennings | Mehrkens | Schoenfeld | Zubay |
| Esau | Johnson, D. | Nelsen, B. | Sherman | |
| Evans | Kaley | Niehaus | Sherwood | |
| Fjoslien | Kalis | Nysether | Stadum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, I. | Ellingson | Kostohryz | Osthoff | Stumpf |
| Battaglia | Ewald | Lehto | Otis | Swanson |
| Begich | Forsythe | Long | Peterson, D. | Tomlinson |
| Berkelman | Greenfield | Mann | Pogemiller | Vanasek |
| Brandl | Gustafson | McCarron | Reding | Vellenga |
| Brinkman | Hanson | Metzen | Reif | Voss |
| Byrne | Hauge | Minne | Rice | Welch |
| Carlson, L. | Himle | Munger | Rodriguez, C. | Wenzel |
| Clark, J. | Hokanson | Murphy | Rodriguez, F. | Wynia |
| Clark, K. | Jacobs | Nelson, K. | Samuelson | Spkr. Sieben, H. |
| Clawson | Johnson, C. | Norton | Sieben, M. | |
| Dahlvang | Jude | Novak | Simoneau | |
| Eken | Kahn | O'Connor | Skoglund | |
| Elioff | Kelly | Ogren | Staten | |

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

The question was taken on the motion to recommend passage of H. F. No. 636 and the roll was called. There were 70 yeas and 55 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Elioff | Kostohryz | O'Connor | Sieben, M. |
| Anderson, I. | Ellingson | Lehto | Ogren | Simoneau |
| Battaglia | Greenfield | Lemen | Osthoff | Skoglund |
| Begich | Gustafson | Levi | Otis | Staten |
| Berkelman | Hanson | Long | Peterson, D. | Stumpf |
| Brandl | Harens | Mann | Pogemiller | Swanson |
| Byrne | Hauge | McCarron | Reding | Tomlinson |
| Carlson, D. | Hokanson | McEachern | Rees | Vanasek |
| Carlson, L. | Jacobs | Metzen | Rice | Vellenga |
| Clark, J. | Johnson, C. | Minne | Rodriguez, C. | Voss |
| Clark, K. | Jude | Murphy | Rodriguez, F. | Weaver |
| Clawson | Kahn | Nelson, K. | Samuelson | Wenzel |
| Dahlvang | Kaley | Norton | Sarna | Wynia |
| Eken | Kelly | Novak | Schoenfeld | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|--------------|----------|
| Aasness | Ewald | Jennings | Olsen | Sherwood |
| Ainley | Fjoslien | Johnson, D. | Onnen | Stadum |
| Anderson, R. | Forsythe | Kalis | Peterson, B. | Stowell |
| Blatz | Friedrich | Knickerbocker | Piepho | Sviggum |
| Dean | Gruenes | Laidig | Redalen | Valan |
| Dempsey | Halberg | Ludeman | Reif | Valento |
| Den Ouden | Haukoos | Marsh | Rose | Weich |
| Drew | Heap | Mehrkens | Rothenberg | Welker |
| Erickson | Himle | Nelsen, B. | Schafer | Wieser |
| Esau | Hoberg | Niehaus | Schreiber | Wigley |
| Evans | Hokr | Nysether | Sherman | Zubay |

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. 1443, A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1980, Sections 3.005, Subdivision 3; 3.304, by adding a subdivision; 4.16, by adding subdivisions; 5.08, Subdivision 2; 9.061,

Subdivision 5; 11A.20, Subdivision 3; 16A.123; 17.59, by adding a subdivision; 17A.04, Subdivision 5; 17B.15, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 43.46, Subdivisions 2 and 3; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 97.49, Subdivision 1; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, 19 and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 116C.69, Subdivisions 2 and 2a; 139.16; 139.17; 139.18; 139.19; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 179.72, Subdivision 3; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 270.66; 271.02; 284.28, Subdivision 8; 290.431; 299A.03, Subdivisions 1, 8 and 13; 322A.16; 322A.71; 352E.04; 354.43, Subdivision 3; 362.10; 362.12, Subdivisions 1a and 2; 362.121; 362.125; 362.13; 480.0595; 546.27; 638.08; and 648.39; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; proposing new law coded in Minnesota Statutes, Chapters 85; 116H; 270; 299A; and 362; repealing Minnesota Statutes 1980, Sections 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 299A.03, Subdivisions 1, 2, 3, 5, 6, 7, 9, 10, 11 and 14; 362.07; 362.08; 362.09; 362.11; 362.12, Subdivisions 3 and 4; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 473.56, Subdivision 15; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sieben, M., moved that the House refuse to concur in the Senate amendments to H. F. No. 1443, 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. 1052, A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

PATRICK E. FLAHAVEN, Secretary of the Senate

Aasness moved that the House refuse to concur in the Senate amendments to H. F. No. 1052, that the Speaker appoint a Con-

ference 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.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1052:

Aasness, Lehto and Norton.

MOTIONS AND RESOLUTIONS

Jacobs moved that his name be stricken as an author on H. F. No. 1435. The motion prevailed.

Wenzel moved that the name of Welch be added as an author on H. F. No. 1376. The motion prevailed.

Kaley moved that H. F. No. 1103 be returned to its author. The motion prevailed.

ADJOURNMENT

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Friday, May 1, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FORTY-FIFTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 1, 1981

The House of Representatives convened at 2:00 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Pastor Kent Palmquist, Bethlehem Covenant Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | O'Connor | Sherwood |
| Ainley | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, I. | Friedrich | Laidig | Osthoff | Stadum |
| Anderson, R. | Greenfield | Lehto | Otis | Staten |
| Battaglia | Gruenes | Lemen | Peterson, B. | Stowell |
| Begich | Gustafson | Levi | Peterson, D. | Stumpf |
| Berkelman | Halberg | Long | Piepho | Sviggum |
| Blatz | Hanson | Ludeman | Pogemiller | Swanson |
| Brandl | Harens | Luknic | Redalen | Tomlinson |
| Brinkman | Hauge | Mann | Reding | Valan |
| Byrne | Haukoos | Marsh | Rees | Valento |
| Carlson, D. | Heap | McCarron | Reif | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Metzen | Rose | Welch |
| Dahlvang | Hokr | Minne | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Niehaus | Schreiber | Zubay |
| Elioff | Kahn | Norton | Searles | Sprk. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |
| Esau | Kalis | Nysether | Sherman | |

A quorum was present.

Ellingson was excused until 5:30 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. 792, 763, 1040, 715 and 1132 and S. F. Nos. 207, 558, 945, 1132, 1174, 167, 823, 1126, 1188, 1248, 1278, 56, 373, 556, 641, 655, 1321, 1106, 445, 1122, 690, 694, 814, 890, 909, 1074, 672, 662, 539, 574 and 625 have been placed in the members' files.

S. F. No. 558 and H. F. No. 478, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Heap moved that S. F. No. 558 be substituted for H. F. No. 478 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 823 and H. F. No. 873, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Den Ouden moved that S. F. No. 823 be substituted for H. F. No. 873 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1174 and H. F. No. 1124, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Rodriguez, F., moved that S. F. No. 1174 be substituted for H. F. No. 1124 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1248 and H. F. No. 978, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Schreiber moved that S. F. No. 1248 be substituted for H. F. No. 978 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1278 and H. F. No. 1221, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Minne moved that S. F. No. 1278 be substituted for H. F. No. 1221 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 655 and H. F. No. 499, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Simoneau moved that the rules be so far suspended that S. F. No. 655 be substituted for H. F. No. 499 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 690 and H. F. No. 779, 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. 690 be substituted for H. F. No. 779 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 641 and H. F. No. 922, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Berkelman moved that the rules be so far suspended that S. F. No. 641 be substituted for H. F. No. 922 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1074 and H. F. No. 1260, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clawson moved that the rules be so far suspended that S. F. No. 1074 be substituted for H. F. No. 1260 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 890 and H. F. No. 1081, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Nelsen, B., moved that the rules be so far suspended that S. F. No. 890 be substituted for H. F. No. 1081 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 556 and H. F. No. 945, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Schoenfeld moved that the rules be so far suspended that S. F. No. 556 be substituted for H. F. No. 945 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1321 and H. F. No. 1294, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Anderson, G., moved that the rules be so far suspended that S. F. No. 1321 be substituted for H. F. No. 1294 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 56 and H. F. No. 83, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Battaglia moved that the rules be so far suspended that S. F. No. 56 be substituted for H. F. No. 83 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1188 and H. F. No. 1277, 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. 1188 be substituted for H. F. No. 1277 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 207 and H. F. No. 251, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Sarna moved that the rules be so far suspended that S. F. No. 207 be substituted for H. F. No. 251 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1132 and H. F. No. 1225, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Heap moved that the rules be so far suspended that S. F. No. 1132 be substituted for H. F. No. 1225 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1126 and H. F. No. 1322, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Berkelman moved that the rules be so far suspended that S. F. No. 1126 be substituted for H. F. No. 1322 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 445 and H. F. No. 308, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Blatz moved that the rules be so far suspended that S. F. No. 445 be substituted for H. F. No. 308, that the House File be indefinitely postponed, and that the Senate File be placed at the top of General Orders for Monday, May 4, 1981. The motion prevailed.

S. F. No. 1122 and H. F. No. 1182, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Harens moved that the rules be so far suspended that S. F. No. 1122 be substituted for H. F. No. 1182 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 368 and H. F. No. 792, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clark, K., moved that the rules be so far suspended that S. F. No. 368 be substituted for H. F. No. 792 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1106 and H. F. No. 1158, 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. 1106 be substituted for H. F. No. 1158 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
SAINT PAUL 55155

April 30, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 30, relating to Independent School District No. 219, Elmore; requiring revision of its certified statutory operating debt.

H. F. No. 241, relating to local government; removing a limit on advertising budgets of certain statutory cities;

H. F. No. 518, relating to education; including institutions as eligible employers for the purpose of work-study grants;

H. F. No. 420, relating to the bureau of criminal apprehension; including the superintendent within workers' compensation coverage;

H. F. No. 401, relating to commerce, regulating the licensing of electricians;

Sincerely,

ALBERT H. QUIE
Governor

45th Day]

FRIDAY, MAY 1, 1981

2333

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 30, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 332, relating to franchises; providing for the regulation of motor vehicle franchises; prohibiting certain practices by motor vehicle manufacturers; removing motor vehicle franchises from the general statutory provisions regarding franchises; requiring motor fuel franchises to extend to and bind the successors of both parties; prescribing penalties; providing remedies;

H. F. No. 435, relating to taxation, income; property tax refund; adopting certain federal income tax amendments;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 642 | | 57 | April 29 | April 29 |
| 718 | | 58 | April 29 | April 29 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

April 30, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 332 | 59 | April 30 | April 30 |
| | 435 | 60 | April 30 | April 30 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 242, A bill for an act relating to taxation; increasing the deduction for tuition, textbooks, and transportation of de-

pendents attending certain schools; amending Minnesota Statutes 1980, Section 290.09, Subdivision 22.

Reported the same back with the following amendments:

Page 1, line 11, delete "\$1,000" and insert "\$800"

Page 1, line 12, delete "\$1,400" and insert "\$1,120"

Page 2, after line 5, insert:

"Sec. 2. [EFFECTIVE DATE.]

This act shall be effective for taxable years beginning after December 31, 1980."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

H. F. No. 931, A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, confidential nonpublic and protected nonpublic; amending Minnesota Statutes 1980, Sections 15.1693, by adding a subdivision; 15.1695, Subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 15.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1980, Section 15.1611, Subdivision 2, is amended to read:

Subd. 2. [CITATION.] Sections 15.1611 to (15.1698) 15.-1699 may be cited as the "Minnesota government data practices act."

Sec. 2. Minnesota Statutes 1980, Section 15.162, Subdivision 1a, is amended to read:

Subd. 1a. [ARREST INFORMATION.] "Arrest information" shall include (a) the name, age, and address of an arrested individual; (b) the nature of the charge against the arrested individual; (c) the time and place of the arrest; (d) the identity of the arresting agency; (e) information as to whether an individual has been incarcerated and the place of incarceration. "Arrest information" does not include data specifically made private,

confidential or nonpublic pursuant to section 260.161 or any other statute. *Arrest information is public data on individuals.*

Sec. 3. Minnesota Statutes 1980, Section 15.162, Subdivision 2a, is amended to read:

Subd. 2a. [CONFIDENTIAL DATA ON INDIVIDUALS.] "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) *the* 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, statewide 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, 1981, whichever occurs first.

Sec. 4. Minnesota Statutes 1980, Section 15.162, Subdivision 5a, is amended to read:

Subd. 5a. [PRIVATE DATA ON INDIVIDUALS.] "Private data on individuals" means data which is made by statute or federal law applicable to the data: (a) not public; and (b) accessible to the individual subject of that data. (PRIVATE DATA ON INDIVIDUALS DOES NOT INCLUDE ARREST INFORMATION THAT IS REASONABLY CONTEMPORANEOUS WITH AN ARREST OR INCARCERATION.)

Sec. 5. Minnesota Statutes 1980, Section 15.162, Subdivision 5b, is amended to read:

Subd. 5b. [PUBLIC DATA ON INDIVIDUALS.] "Public data on individuals" means data which is accessible to the public in accordance with the provisions of section (15.17) 15.1621.

Sec. 6. Minnesota Statutes 1980, Section 15.162, Subdivision 5c, is amended to read:

Subd. 5c. [NONPUBLIC DATA.] "(NON-PUBLIC) *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, *if any*, of the data.

Sec. 7. Minnesota Statutes 1980, Section 15.162, Subdivision 8, is amended to read:

Subd. 8. [STATEWIDE SYSTEM.] "Statewide system" includes any record-keeping system in which (DATA ON INDIVIDUALS) *government data* is collected, stored, disseminated and used by means of a system common to one or more state agencies or more than one of its political subdivisions or any combination of state agencies and political subdivisions.

Sec. 8. Minnesota Statutes 1980, Section 15.163, Subdivision 4, is amended to read:

Subd. 4. [COLLECTION AND USE OF DATA; GENERAL RULE.] Private or confidential data on an individual shall not be collected, stored, used or disseminated by political subdivisions, statewide systems or state agencies for any purposes other than those stated to the individual at the time of collection in accordance with section 15.165, except as provided in this subdivision.

(a) Data collected prior to August 1, 1975, and which have not been treated as public data, may be used, *stored*, and disseminated for the purposes for which the data was originally collected or for purposes which are specifically approved by the commissioner as necessary to public health, safety, or welfare.

(b) Private or confidential data may be used and disseminated to individuals or agencies specifically authorized access to that data by state, *local*, or federal law subsequent to the collection of the data.

(c) Private or confidential data may be used and disseminated to individuals or agencies subsequent to the collection of the data when *the responsible authority maintaining the data has requested approval for a new or different use or dissemination of the data and that request has been specifically approved* by the commissioner as necessary to carry out a function assigned by law.

(d) Private data may be used by and disseminated to any person or agency if the individual subject or subjects of the data have given their informed consent. Whether a data subject has given informed consent shall be determined by rules of the commissioner. Informed consent shall not be deemed to have been given by an individual subject of the data by the signing of any statement authorizing any person or agency to disclose information about him or her to an insurer or its authorized representative, unless the statement is:

(1) In plain language;

(2) Dated;

(3) Specific in designating the particular persons or agencies the data subject is authorizing to disclose information about him or her;

(4) Specific as to the nature of the information he or she is authorizing to be disclosed;

(5) Specific as to the persons or agencies to whom he or she is authorizing information to be disclosed;

(6) Specific as to the purpose or purposes for which the information may be used by any of the parties named in clause (5), both at the time of the disclosure and at any time in the future;

(7) Specific as to its expiration date which should be within a reasonable period of time, not to exceed one year except in the case of authorizations given in connection with applications for life insurance or noncancelable or guaranteed renewable health insurance and identified as such, two years after the date of the policy.

Sec. 9. Minnesota Statutes 1980, Section 15.1642, Subdivision 2a, is amended to read:

Subd. 2a. [CONTENTS OF APPLICATION FOR (NON-PUBLIC) *NONPUBLIC* DATA.] An application for temporary classification of government data not on individuals shall include and the applicant shall have the burden of clearly establishing that no statute currently exists which either allows or forbids classification as (NON-PUBLIC) *nonpublic* or *protected nonpublic*; and either

(a) That data similar to that for which the temporary classification is sought has been treated as (NON-PUBLIC) *nonpublic* or *protected nonpublic* by other state agencies or political subdivisions, and by the public; or

(b) Public access to the data would render unworkable a program authorized by law; or

(c) That a compelling need exists for immediate temporary classification, which if not granted could adversely affect the health, safety or welfare of the public.

Sec. 10. Minnesota Statutes 1980, Section 15.165, Subdivision 3, is amended to read:

Subd. 3 [INDIVIDUAL ACCESS.] 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 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."

Page 1, line 11, delete "[15.1682]"

Page 1, line 27, delete "[15.1683]"

Page 2, line 8, delete "[15.1684]"

Page 2, lines 15 to 27, delete Section 4

Page 2, line 28, delete "[15.1686]"

Page 2, line 36, delete "[15.1687]"

Page 3, lines 13 to 27, delete Section 7

Page 3, line 28, delete "[15.1689]"

Page 4, line 2, delete "[15.1672]"

Pages 4, 5, and 6, delete Sections 10 and 11 and insert:

"Sec. 18. [MEDICAL EXAMINER DATA.]

Subdivision 1. [DEFINITION.] As used in this section, "medical examiner data" means data relating to deceased individuals and the manner and circumstances of their death which is created, collected, used or maintained by a county coroner or

medical examiner in the fulfillment of his official duties pursuant to chapter 390, or any other general or local law on county coroners or medical examiners.

Subd. 2. [PUBLIC DATA.] Unless specifically classified otherwise by state statute or federal law, the following data created or collected by a medical examiner or coroner on a deceased individual is public: name of the deceased; date of birth; date of death; address; sex; race; citizenship; height; weight; hair color; eye color; build; complexion; age, if known, or approximate age; identifying marks, scars and amputations; a description of the decedent's clothing; marital status; location of death including name of hospital where applicable; name of spouse; whether or not the decedent ever served in the armed forces of the United States; social security number; occupation; business; father's name; mother's maiden name; birthplace; birthplace of parents; cause of death; causes of cause of death; whether an autopsy was performed and if so, whether it was conclusive; date and place of injury, if applicable, including work place; how injury occurred; whether death was caused by accident, suicide, homicide, or was of undetermined cause; certification of attendance by physician; physician's name and address; certification by coroner or medical examiner; name and signature of coroner or medical examiner; type of disposition of body; burial place name and location, if applicable; date of burial, cremation or removal; funeral home name and address; and name of local register or funeral director.

Subd. 3. [UNIDENTIFIED INDIVIDUAL; PUBLIC DATA.] Whenever a county coroner or medical examiner is unable to identify a deceased individual subject to his investigation, he may release to the public any relevant data which would assist in ascertaining identity.

Subd. 4. [CONFIDENTIAL DATA.] Data created or collected by a county coroner or medical examiner which is part of an active investigation mandated by Minnesota Statutes, Chapter 390, or any other general or local law relating to coroners or medical examiners is confidential data on individuals pursuant to Minnesota Statutes, Section 15.162, Subdivision 2a, until the completion of the coroner's or medical examiner's final summary of his findings at which point the data collected in the investigation and the final summary thereof shall become private data on individuals, except that nothing in this subdivision shall be construed to make private or confidential the data elements identified in subdivision 2 at any point in the investigation or thereafter.

Subd. 5. [PRIVATE DATA.] All other medical examiner data on deceased individuals is private pursuant to Minnesota Statutes, Section 15.162, Subdivision 5a, and shall not be dis-

closed except pursuant to the provisions of Minnesota Statutes, Chapter 390, or any other general or local law on county coroners or medical examiners, or pursuant to a valid court order.

Subd. 6. [OTHER DATA.] Unless a statute specifically provides a different classification, all other data created or collected by a county coroner or medical examiner that is not data on deceased individuals or the manner and circumstances of their death is public pursuant to Minnesota Statutes, Section 15.1621.

Subd. 7. [COURT REVIEW.] Any person may petition the district court located in the county where medical examiner data is being maintained to authorize disclosure of private or confidential medical examiner data. The person petitioning shall notify the medical examiner or coroner. The court may notify other interested persons and require their presence at a hearing. A hearing may be held immediately if the parties so agree, and in any event shall be held as soon as practicable. After examining the data in camera, the court shall order disclosure of the data to the extent that disclosure would be in the public interest."

Page 6, line 16, delete "[15.16724]"

Page 6, line 25, delete "[15.16725]"

Page 7, lines 12 to 21, delete Section 14

Page 7, line 32, delete "[15.16727]"

Page 8, line 2, delete "[15.16728]"

Page 8, line 8, delete "[15.16729]"

Page 8, line 16, delete "[15.16731]"

Page 9, line 9, after the semicolon insert: "*provided that the financial records of any program involving the payment of rewards to informants shall be protected nonpublic data with regard to data not on individuals and confidential data with regard to data on individuals;*"

Page 9, lines 21 to 31, delete Section 21

Page 9, line 32, delete "[15.16732]"

Page 10, line 31, delete "[15.16733]"

Page 11, line 4, delete "[15.16734]"

Pages 11 and 12, delete Section 25

Page 12, line 15, delete "[15.16736]"

Page 13, line 2, delete "[15.16737]"

Page 13, line 13, delete "[15.16738]"

Page 13, line 30, delete "[15.16739]"

Page 15, line 28, delete "[15.16741]"

Page 16, lines 9 to 31, delete Section 31

Page 16, line 32, delete "[15.16743]"

Page 17, line 15, delete "[15.16744]"

Renumber the sections

Page 18, after line 9, insert:

Sec. 37. [LAW ENFORCEMENT DATA.]

Subdivision 1. [APPLICATION.] This section shall apply to law enforcement agencies including municipal police departments, county sheriff departments, fire departments, the bureau of criminal apprehension and the Minnesota state patrol.

Subd. 2. [ARREST DATA.] The following data created or collected by law enforcement agencies which documents any actions taken by them to cite, arrest, incarcerate or otherwise substantially deprive an adult individual of his liberty shall be public at all times:

(a) Time, date and place of the action;

(b) Any resistance encountered by the agency;

(c) Any pursuit engaged in by the agency;

(d) Whether any weapons were used by the agency or other individual;

(e) The charge, arrest or search warrants, or other legal basis for the action;

(f) The identities of the agencies, units within the agencies and individual persons taking the action;

(g) Whether and where the individual is being held in custody or is being incarcerated by the agency;

(h) *The date, time and legal basis for any transfer of custody and the identity of the agency or person who received custody;*

(i) *The date, time and legal basis for any release from custody or incarceration;*

(j) *The name, age, sex and last known address of the adult person cited, arrested, incarcerated or otherwise substantially deprived of his liberty;*

(k) *Whether the agency employed wiretaps or other eavesdropping techniques, unless the release of this specific data would jeopardize an ongoing investigation; and*

(l) *The manner in which the agencies received the information that led to the arrest and the names of individuals who supplied the information unless the identities of those individuals qualify for protection under subdivision 9.*

Subd. 3. [REQUEST FOR SERVICE DATA.] *The following data created or collected by law enforcement agencies which documents requests by the public for law enforcement services shall be public government data:*

(a) *The nature of the request or the activity complained of;*

(b) *The name and address of the individual making the request unless the identity of the individual qualifies for protection under subdivision 9;*

(c) *The time and date of the request or complaint; and*

(d) *The response initiated and the response or incident report number.*

Subd. 4. [RESPONSE OR INCIDENT DATA.] *The following data created or collected by law enforcement agencies which documents the agency's response to a request for service or which describes actions taken by the agency on its own initiative shall be public government data:*

(a) *Date, time and place of the action;*

(b) *Agencies, units of agencies and individual agency personnel participating in the action unless the identities of agency personnel qualify for protection under subdivision 9;*

(c) *Any resistance encountered by the agency;*

(d) *Any pursuit engaged in by the agency;*

(e) *Whether any weapons were used by the agency or other individuals;*

(f) *A brief factual reconstruction of events associated with the action;*

(g) *Names and addresses of witnesses to the agency action unless the identity of any witness qualifies for protection under subdivision 9;*

(h) *Names and addresses of any victims or casualties unless the identities of those individuals qualify for protection under subdivision 9; and*

(i) *The name and location of the health care facility to which victims or casualties were taken.*

Subd. 5. [DATA COLLECTION.] *Except for the data defined in subdivisions 2, 3 and 4, investigative data collected or created by a law enforcement agency in order to prepare a case against a person, whether known or unknown, for the commission of a crime or civil wrong is confidential while the investigation is active. Inactive investigative data is public unless the release of the data would jeopardize another ongoing investigation or would reveal the identity of individuals protected under subdivision 9. An investigation becomes inactive upon the occurrence of any of the following events:*

(a) *A conscious decision by the agency or appropriate prosecutorial authority not to pursue the case;*

(b) *Expiration of the time to bring a charge or file a complaint under the applicable statute of limitations; and*

(c) *Exhaustion of all rights of appeal by an individual convicted on the basis of the investigative data.*

Any investigative data presented as evidence in court shall be public. Data determined to be inactive under clause (a) of this subdivision may become active if the agency of appropriate prosecutorial authority determines to renew the investigation.

During the time when an investigation is active, any person may bring an action in the district court located in the county where the data is being maintained to authorize disclosure of investigative data. The court may order that all or part of the data relating to a particular investigation be released to the public or to the person bringing the action. In making the determination as to whether investigative data shall be disclosed, the court shall consider whether the benefit to the person bringing the action or to the public outweighs any harm to

the public, to the agency or to any person identified in the data. The data in dispute shall be examined by the court in camera.

Subd. 6. [WITHHOLDING PUBLIC DATA.] A law enforcement agency may temporarily withhold response or incident data from public access if the agency reasonably believes that public access would be likely to endanger the physical safety of an individual or cause a perpetrator to flee, evade detection or destroy evidence. In such instances, the agency shall, upon the request of any person, provide a statement which explains the necessity for its action. Any person may apply to a district court for an order requiring the agency to release the data being withheld. If the court determines that the agency's action is not reasonable, it shall order the release of the data and may award costs and attorney's fees to the person who sought the order.

Subd. 7. [PUBLIC BENEFIT DATA.] Any law enforcement agency may make any data classified as confidential pursuant to subdivision 5 accessible to any person, agency or the public if the agency determines that the access will aid the law enforcement process, promote public safety or dispel widespread rumor or unrest.

Subd. 8. [PUBLIC ACCESS.] Wherever certain data is referred to as being public in this section, the law enforcement agency shall not be required to make the actual physical data available to the public. However, the agency must make the public data available to the public in a reasonable fashion. At the time when investigative data becomes inactive, as described in subdivision 5, the actual physical data associated with that investigation, including the public data, shall be available for public access.

Subd. 9. [PROTECTION OF IDENTITIES.] A law enforcement agency may withhold public access to data on individuals to protect the identity of individuals in the following circumstances:

(a) When access to the data would reveal the identity of an undercover law enforcement officer;

(b) When access to the data would reveal the identity of a victim of criminal sexual conduct;

(c) When access to the data would reveal the identity of a paid or unpaid informant being used by the agency if the agency reasonably determines that revealing the identity of the informant would threaten the personal safety of the informant; or

(d) When access to the data would reveal the identity of a victim of or witness to a crime if the victim or witness specifi-

cally requests that their identity not be revealed and the agency reasonably determines that revealing identity of the victim or witness would threaten the personal safety of the individual.

Sec. 38. [EXTENSION OF CERTAIN TEMPORARY CLASSIFICATIONS.]

Court services data, criminal history data, corrections and detention data, corrections ombudsman data, and attorney general's data classified by temporary classifications granted prior to January 1, 1981, pursuant to Minnesota Statutes, Section 15.1642, shall retain their temporary classification until July 1, 1982.

Sec. 39. [REVISOR'S INSTRUCTIONS.]

The revisor of statutes shall codify the provisions of sections 1 to 39 and recodify the provisions of Minnesota Statutes 1980, Sections 15.1611 to 15.1699 in an appropriate place in the next edition of Minnesota Statutes. He shall also correct all statutory cross references to provisions of sections 15.1611 to 15.1699."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "making certain changes in laws relating to the collection and dissemination of data;"

Page 1, delete lines 6, 7 and 8 and insert "15.1611, Subdivision 2; 15.162, Subdivisions 1a, 2a, 5a, 5b, 5c, and 8; 15.163, Subdivision 4; 15.1642, Subdivision 2a; 15.165, Subdivision 3; 15.1693, by adding a subdivision; 15.1695, Subdivision 1; providing for the recodification of Minnesota Statutes, Sections 15.1611 to 15.1699."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1163, A bill for an act relating to the Greenway joint recreation board; regulating its tax levies.

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

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1375, A bill for an act relating to local government; Lake County, Independent School District No. 381, and the town of Beaver Bay; providing for the valuation and assessment for property taxes of certain unique mining property.

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

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

S. F. No. 279, A bill for an act relating to taxation; providing that certain emergency shelters are exempt from the property tax; amending Minnesota Statutes 1980, Section 272.02, Subdivision 1.

Reported the same back with the following amendments:

Page 5, line 7, delete "*notwithstanding*" and insert "*notwithstanding*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

S. F. No. 476, A bill for an act relating to crimes; providing the court with discretion to require a presentence investigation in the case of felony convictions; requiring a presentence sentencing worksheet for a defendant convicted of a felony; amending Minnesota Statutes 1980, Section 609.115, Subdivision 1.

Reported the same back with the following amendments:

Page 2, after line 18, insert:

"Section 2. [65B.605] [LIABILITY FOR LOSS SUFFERED AS A RESULT OF PEACE OFFICER PURSUIT; PROHIBITING INSURANCE POLICY EXCLUSION; PENALTIES.]

Subdivision 1. [FLEE; DEFINITION.] For purposes of this section, the term "flee" means to increase speed, extinguish motor vehicle headlights or taillights, or to use other means with intent to attempt to elude a peace officer following a signal given by any peace officer to the driver of a motor vehicle.

Subd. 2. [PEACE OFFICER; DEFINITION.] For purposes of this section, "peace officer" means an employee of a political subdivision or state law enforcement agency who is licensed by the Minnesota board of peace officer standards and training, 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.

Subd. 3. [LIABILITY FOR LOSS.] Any person fleeing a peace officer by means of a motorized vehicle, if the officer is acting in the exercise of reasonable care and lawful discharge of an official duty, shall be liable for any loss suffered by another person arising out of the operation of that fleeing person's vehicle or, if the peace officer is pursuing in a vehicle, the peace officer's vehicle if that vehicle is the cause of the loss. For purposes of this section, "loss" shall include any economic detriment, including but not limited to medical expenses for personal injury and property damage.

**Sec. 3. [609.487] [FLEEING A PEACE OFFICER IN
MOTORIZED VEHICLE.]**

Subdivision 1. [FLEE; DEFINITION.] For purposes of this section, the term "flee" means to increase speed, extinguish motor vehicle headlights or taillights, or to use other means with intent to attempt to elude a peace officer following a signal given by any peace officer to the driver of a motor vehicle.

Subd. 2. [PEACE OFFICER; DEFINITION.] For purposes of this section, "peace officer" means an employee of a political subdivision or state law enforcement agency who is licensed by the Minnesota board of peace officer standards and training, 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.

Subd. 3. [FLEEING AN OFFICER.] Whoever by means of a motorized vehicle flees or attempts to flee a peace officer who is acting in the lawful discharge of an official duty, and the perpetrator knows or should reasonably know the same to be a peace officer, may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$1,000, or both.

Subd. 4. [FLEEING AN OFFICER; DEATH; BODILY INJURY.] Whoever flees or attempts to flee by means of a motorized vehicle a peace officer who is acting in the lawful discharge of an official duty, and the perpetrator knows or should reasonably know the same to be a peace officer, and who in the course of fleeing causes the death of a human being not constitut-

ing murder or manslaughter or any bodily injury to any person other than himself may be sentenced to imprisonment as follows:

(a) If the course of fleeing results in death, to imprisonment for ten years or to payment of a fine of not more than \$10,000, or both; or

(b) If the course of fleeing results in great bodily harm, to imprisonment for five years or to payment of a fine of not more than \$5,000, or both; or

(c) If the course of fleeing results in substantial bodily harm, to imprisonment for three years or to payment of a fine of not more than \$3,000, or both.

Sec. 4. [EFFECTIVE DATE.]

Sections 2 and 3 are effective August 1, 1981 and apply to all crimes committed on or after that date."

Amend the title as follows:

Page 1, line 6, after the semicolon insert "specifying the crime of fleeing from a peace officer by use of a motorized vehicle; providing that whoever flees a peace officer in a motorized vehicle shall be liable for any loss caused by such flight; prescribing penalties;"

Page 1, line 7, before the period insert " ; proposing new law coded in Minnesota Statutes, Chapters 65B and 609"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 242, 931, 1163 and 1375 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 558, 823, 1174, 1248, 1278, 655, 690, 641, 1074, 890, 556, 1321, 56, 1188, 207, 1132, 1126, 445, 1122, 368, 1106, 279 and 476 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Stumpf, Eken, Rose and Wenzel introduced:

H. F. No. 1460, A bill for an act relating to taxation; providing property tax relief for certain agricultural woodlands; providing reimbursement to the counties for lost revenue; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.

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

Olsen, Halberg, Schreiber and Dempsey introduced:

H. F. No. 1461, A bill for an act relating to taxation; providing a homestead rebate; repealing the homestead credit; appropriating money; amending Minnesota Statutes 1980, Sections 273.13, Subdivisions 6, 6a, 7, 14a, and 16; 273.135, Subdivision 5; 290A.03, Subdivision 13; 290A.04, Subdivisions 2 and 3, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 273.13, Subdivision 15a.

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

Kalis, Schreiber, Aasness, Schoenfeld and Kostohryz introduced:

H. F. No. 1462, A bill for an act relating to motor vehicles; providing for special license plates for certain motor vehicles owned and operated by members of certain fire departments; amending Minnesota Statutes 1980, Section 168.12, by adding a subdivision.

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

Kelly, O'Connor, Gustafson, Dempsey and Wieser introduced:

H. F. No. 1463, A bill for an act proposing an amendment to the Minnesota Constitution, Article I, Section 7; authorizing the legislature to enact laws permitting the district court to deny release on bail to certain accused persons.

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

Clark, J.; Battaglia; Mehrkens; Vanasek and Byrne introduced:

H. F. No. 1464, A bill for an act relating to private detectives and protective agents; requiring private detectives, protective agents and their employees to present identification cards upon request; amending Minnesota Statutes 1980, Section 326.336, Subdivision 2.

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

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. 63, A bill for an act relating to health maintenance organizations; eliminating any requirements that health maintenance organizations provide elective, induced abortions; amending Minnesota Statutes 1980, Sections 62D.02, Subdivision 7; 62D.20; and 62D.22, Subdivision 5.

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. 371, A bill for an act relating to insurance; prohibiting insurance companies which offer funeral or burial expense policies from designating as beneficiaries under the policies persons who provide funeral or burial services and supplies; removing the prohibition against an insurance company's affiliation with a funeral establishment; proposing new law coded in Minnesota Statutes, Chapter 72A; repealing Minnesota Statutes 1980, Section 72A.321.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 371 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 371, A bill for an act relating to insurance; prohibiting insurance companies which offer funeral or burial expense policies from designating as beneficiaries under the policies persons who provide funeral or burial services and supplies; removing the prohibition against an insurance company's affiliation with a funeral establishment; proposing new law coded in Minnesota Statutes, Chapter 72A; repealing Minnesota Statutes 1980, Section 72A.321.

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 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Knickerbocker | O'Connor | Sherwood |
| Ainley | Evans | Kostohryz | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kvam | Olsen | Skoglund |
| Anderson, G. | Forsythe | Lehto | Onnen | Staten |
| Anderson, I. | Friedrich | Lemen | Osthoff | Stowell |
| Anderson, R. | Gruenes | Levi | Otis | Stumpf |
| Battaglia | Gustafson | Long | Peterson, B. | Svigum |
| Begich | Halberg | Ludeman | Peterson, D. | Tomlinson |
| Berkelman | Hanson | Luknic | Piepho | Valan |
| Blatz | Harens | Mann | Pogemiller | Valento |
| Brandl | Hauge | Marsh | Redalen | Vanasek |
| Brinkman | Haukoos | McCarron | Reding | Vellenga |
| Byrne | Heap | McDonald | Rees | Weaver |
| Carlson, D. | Heinitz | McEachern | Reif | Welch |
| Carlson, L. | Himle | Mehrkens | Rodriguez, C. | Welker |
| Clark, J. | Hokanson | Metzen | Rodriguez, F. | Wenzel |
| Clark, K. | Hokr | Minne | Rose | Wieser |
| Clawson | Jacobs | Munger | Rothenberg | Wigley |
| Dahlvang | Jennings | Murphy | Samuelson | Wynia |
| Dean | Johnson, C. | Nelsen, B. | Sarna | Zubay |
| Dempsey | Johnson, D. | Nelson, K. | Schafer | Spkr. Sieben, H. |
| Den Ouden | Jude | Niehaus | Schoenfeld | |
| Drew | Kaley | Norton | Searles | |
| Elioff | Kalis | Novak | Shea | |
| Erickson | Kelly | Nysether | Sherman | |

Those who voted in the negative were:

| | | |
|------------|------|------|
| Greenfield | Kahn | 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. 98, A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 7.

PATRICK E. FLAHAVEN, Secretary of the Senate

Greenfield moved that the House concur in the Senate amendments to H. F. No. 98 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. 98, 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 Heinitz motion and the roll was called. There were 72 yeas and 51 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Forsythe | Knickerbocker | Nysether | Sherwood |
| Ainley | Friedrich | Kvam | Olsen | Stadum |
| Anderson, R. | Gruenes | Laidig | Onnen | Stowell |
| Blatz | Halberg | Lemen | Peterson, B. | Sviggum |
| Brinkman | Haukoos | Levi | Piepho | Valan |
| Carlson, D. | Heap | Ludeman | Redalen | Valento |
| Dean | Heinitz | Luknic | Rees | Weaver |
| Dempsey | Himle | Mann | Reif | Welker |
| Den Ouden | Hoberg | Marsh | Rice | Wenzel |
| Drew | Hokr | McDonald | Rose | Wieser |
| Erickson | Jennings | Mehrkens | Rothenberg | Wigley |
| Esau | Johnson, C. | Minne | Schafer | Zubay |
| Evans | Johnson, D. | Munger | Searles | |
| Ewald | Kaley | Nelsen, B. | Shea | |
| Fjoslien | Kalis | Niehaus | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Osthoff | Stumpf |
| Anderson, G. | Greenfield | Lehto | Otis | Swanson |
| Battaglia | Gustafson | Long | Peterson, D. | Vanasek |
| Brandl | Hanson | McCarron | Pogemiller | Vellenga |
| Byrne | Harens | Metzen | Rodriguez, C. | Voss |
| Carlson, L. | Hauge | Murphy | Rodriguez, F. | Wynia |
| Clark, J. | Hokanson | Nelson, K. | Samuelson | Spkr. Sieben, H. |
| Clark, K. | Jacobs | Norton | Schoenfeld | |
| Clawson | Jude | Novak | Simoneau | |
| Dahlvang | Kahn | O'Connor | Skoglund | |
| Eken | Kelly | Ogren | Staten | |

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. 462, A bill for an act relating to commerce; requiring invoices on certain repairs; amending Minnesota Statutes 1980, Sections 325F.60; and 325F.64.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 462 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 462, A bill for an act relating to commerce; requiring invoices on certain repairs; amending Minnesota Statutes 1980, Sections 325F.60; and 325F.64.

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 111 yeas and 17 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Anderson, B. | Gruenes | Kvam | Onnen | Sieben, M. |
| Anderson, I. | Gustafson | Laidig | Osthoff | Simoneau |
| Anderson, R. | Halberg | Lehto | Otis | Skoglund |
| Battaglia | Hanson | Lemen | Peterson, B. | Stadum |
| Begich | Harens | Levi | Peterson, D. | Staten |
| Blatz | Hauge | Long | Piepho | Stumpf |
| Brandl | Haukoos | Luknic | Pogemiller | Swanson |
| Brinkman | Heap | Mann | Redalen | Tomlinson |
| Byrne | Heinitz | Marsh | Reding | Valan |
| Carlson, D. | Himle | McCarron | Rees | Valento |
| Carlson, L. | Hoberg | McEachern | Reif | Vanasek |
| Clark, J. | Hokanson | Mehrkens | Rice | Vellenga |
| Clark, K. | Hokr | Metzen | Rodriguez, C. | Voss |
| Clawson | Jacobs | Minne | Rodriguez, F. | Weaver |
| Dahlvang | Jennings | Munger | Rose | Welch |
| Dean | Johnson, C. | Nelsen, B. | Rothenberg | Wenzel |
| Dempsey | Johnson, D. | Nelson, K. | Samuelson | Wigley |
| Drew | Jude | Niehaus | Sarna | Wynia |
| Eken | Kahn | Norton | Schafer | Spkr. Sieben, H. |
| Elioff | Kalis | Novak | Schoenfeld | |
| Evans | Kelly | O'Connor | Searles | |
| Ewald | Knickerbocker | Ogren | Shea | |
| Greenfield | Kostohryz | Olsen | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|----------|---------|-------|
| Aasness | Erickson | Kaley | Stowell | Zubay |
| Ainley | Esau | Ludeman | Sviggum | |
| Anderson, G. | Forsythe | McDonald | Welker | |
| Den Ouden | Friedrich | Nysether | 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. 121, A bill for an act relating to intoxicating liquor; authorizing the sale and dispensing of liquor at the I.R.A. arena in Grand Rapids.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Lemen moved that the House concur in the Senate amendments to H. F. No. 121 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. 121, 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 Osthoff motion and the roll was called. There were 41 yeas and 80 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------------|---------------|---------|
| Aasness | Harens | Metzen | Pogemiller | Swanson |
| Anderson, B. | Jacobs | Minne | Rice | Voss |
| Anderson, I. | Kahn | Murphy | Rodriguez, F. | Welch |
| Byrne | Kalis | O'Connor | Samuelson | Wenzel |
| Clawson | Kelly | Ogren | Schoenfeld | Wynia |
| Elioff | Kostohryz | Onnen | Shea | |
| Esau | Lehto | Osthoff | Sherwood | |
| Greenfield | Long | Otis | Skoglund | |
| Hanson | McCarron | Peterson, D. | Staten | |

Those who voted in the negative were:

| | | | | |
|--------|--------------|--------------|-----------|-------|
| Ainley | Anderson, G. | Anderson, R. | Battaglia | Blatz |
|--------|--------------|--------------|-----------|-------|

| | | | | |
|-------------|-------------|---------------|---------------|------------------|
| Brandl | Gruenes | Kaley | Norton | Sieben, M. |
| Carlson, D. | Gustafson | Knickerbocker | Olsen | Simoneau |
| Carlson, L. | Halberg | Kvam | Peterson, B. | Stadum |
| Clark, J. | Hauge | Laidig | Piepho | Stowell |
| Clark, K. | Haukoos | Lemen | Redalen | Sviggum |
| Dahlvang | Heap | Ludeman | Reding | Tomlinson |
| Dempsey | Heinitz | Luknic | Rees | Valan |
| Den Ouden | Himle | Mann | Reif | Valento |
| Drew | Hoberg | Marsh | Rodriguez, C. | Vanasek |
| Eken | Hokanson | McDonald | Rose | Vellenga |
| Evans | Hokr | McEachern | Rothenberg | Welker |
| Ewald | Jennings | Mehrkens | Sarna | Wieser |
| Fjoslien | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Forsythe | Johnson, D. | Nelson, K. | Schreiber | Zubay |
| Friedrich | Jude | Niehaus | Sherman | Spkr. Sieben, H. |

The motion did not prevail.

The question recurred on the Lemen motion that the House concur in the Senate amendments to H. F. No. 121 and that the bill be repassed as amended by the senate. The motion prevailed.

H. F. No. 121, A bill for an act relating to intoxicating liquor; authorizing municipalities to permit on-sale of liquor at publicly-owned sports or convention facilities by existing licensees; amending Minnesota Statutes 1980, Section 340.11, 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 101 yeas and 29 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Fjoslien | Knickerbocker | Norton | Sieben, M. |
| Anderson, G. | Forsythe | Kostohryz | Novak | Simoneau |
| Anderson, I. | Friedrich | Kvam | Ogren | Stadum |
| Anderson, R. | Greenfield | Laidig | Olsen | Staten |
| Battaglia | Gruenes | Lemen | Otis | Stowell |
| Begich | Gustafson | Levi | Peterson, B. | Stumpf |
| Berkelman | Halberg | Long | Peterson, D. | Sviggum |
| Blatz | Hauge | Ludeman | Piepho | Tomlinson |
| Brandl | Haukoos | Luknic | Pogemiller | Valan |
| Brinkman | Heap | Mann | Redalen | Valento |
| Carlson, D. | Heinitz | Marsh | Reding | Vanasek |
| Carlson, L. | Himle | McDonald | Rees | Vellenga |
| Clark, J. | Hoberg | McEachern | Reif | Welker |
| Clark, K. | Hokanson | Mehrkens | Rodriguez, F. | Wigley |
| Dahlvang | Hokr | Metzen | Rose | Wynia |
| Dean | Jacobs | Minne | Rothenberg | Zubay |
| Dempsey | Jennings | Munger | Sarna | Spkr. Sieben, H. |
| Drew | Johnson, C. | Murphy | Schreiber | |
| Eken | Johnson, D. | Nelsen, B. | Searles | |
| Evans | Jude | Nelson, K. | Shea | |
| Ewald | Kaley | Niehaus | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|--------|----------|---------------|----------|
| Aasness | Esau | Lehto | Rice | Skoglund |
| Anderson, B. | Hanson | McCarron | Rodriguez, C. | Swanson |
| Byrne | Harens | Nysether | Samuelson | Voss |
| Den Ouden | Kahn | O'Connor | Schafer | Weaver |
| Elioff | Kalis | Onnen | Schoenfeld | Wenzel |
| Erickson | Kelly | Osthoff | 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. 509, A bill for an act relating to commerce; requiring disclosure in motor vehicle transactions; proposing new law coded in Minnesota Statutes, Chapter 168.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rodriguez, C., moved that the House concur in the Senate amendments to H. F. No. 509 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 509, A bill for an act relating to commerce; requiring disclosure in motor vehicle transactions; proposing new law coded in Minnesota Statutes, Chapter 168.

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 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-------------|---------------|
| Aasness | Byrne | Erickson | Hauge | Jude |
| Ainley | Carlson, D. | Esau | Haukoos | Kahn |
| Anderson, B. | Carlson, L. | Evans | Heap | Kaley |
| Anderson, G. | Clark, J. | Ewald | Heinitz | Kalis |
| Anderson, I. | Clark, K. | Fjoslien | Himle | Kelly |
| Anderson, R. | Clawson | Forsythe | Hoberg | Knickerbocker |
| Battaglia | Dahlvang | Friedrich | Hokanson | Kostohryz |
| Begich | Dean | Greenfield | Hokr | Kvam |
| Berkelman | Dempsey | Gruenes | Jacobs | Laidig |
| Blatz | Drew | Gustafson | Jennings | Lehto |
| Brandl | Eken | Halberg | Johnson, C. | Lemen |
| Brinkman | Elioff | Harens | Johnson, D. | Levi |

| | | | | |
|------------|--------------|---------------|------------|------------------|
| Long | Niehaus | Redalen | Searles | Valan |
| Ludeman | Norton | Reding | Shea | Valento |
| Luknic | Novak | Rees | Sherman | Vanasek |
| Mann | Nysether | Reif | Sherwood | Vellenga |
| Marsh | O'Connor | Rice | Sieben, M. | Voss |
| McCarron | Ogren | Rodriguez, C. | Simoneau | Weaver |
| McDonald | Olsen | Rodriguez, F. | Skoglund | Welch |
| Mehrkens | Onnen | Rose | Stadum | Wenzel |
| Metzen | Osthoff | Rothenberg | Staten | Wieser |
| Minne | Oshtoff | Samuelson | Stowell | Wigley |
| Munger | Peterson, B. | Sarna | Stumpf | Wynia |
| Murphy | Peterson, D. | Schafer | Sviggum | Zubay |
| Nelsen, B. | Piepho | Schoenfeld | Swanson | Spkr. Sieben, H. |
| Nelson, K. | Pogemiller | Schreiber | Tomlinson | |

Those who voted in the negative were:

Den Ouden 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. 1434, A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; amending Minnesota Statutes 1980, Sections 12.14; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.242, Subdivision 4; 169.451; 173.25; 174.255, by adding a subdivision; 216B.62, Subdivision 3, and by adding a subdivision; 237.295, Subdivision 2, and by adding a subdivision; 239.10; 239.52; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402; 340.493, Subdivision 2; 340.62; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; and 414.051; proposing new law coded in Minnesota Statutes, Chapter 138.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sieben, M., moved that the House refuse to concur in the Senate amendments to H. F. No. 1434, 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 adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 3, A Concurrent Resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

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. 326, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1980, Sections 62E.52, Subdivisions 2 and 3; 62E.53, Subdivisions 1 and 2; and 62E.531, Subdivision 2.

The Senate has appointed as such committee Messrs. Sikorski, Knutson and Nelson.

House File No. 326 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. 79, A bill for an act relating to commerce; providing for the regulation and licensing of precious metal dealers; establishing identification procedures and recording requirements; prohibiting certain transactions; providing for criminal and civil penalties; providing remedies; amending Minnesota Statutes 1980, Section 609.53, Subdivision 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 325F.

The Senate has appointed as such committee Messrs. Petty, Purfeerst and Ulland.

House File No. 79 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. 1088, A bill for an act relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for filing certain documents with the Minnesota historical society; amending Minnesota Statutes 1980, Section 5.03.

The Senate has appointed as such committee Messrs. Pehler, Lindgren and Dicklich.

House File No. 1088 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. 704, A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; increasing the tax thereon; amending Minnesota Statutes 1980, Section 168.10, Subdivision 1b.

The Senate has appointed as such committee Messrs. Pehler, Engler and Menning.

House File No. 704 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 Files, herewith transmitted:

S. F. Nos. 461, 665, 767 and 804.

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. 975, 1005, 1179 and 1264.

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. 470.

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. 15, 1087 and 1247.

PATRICK E. FLAHAVEN, Secretary of the Senate

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 98:

Greenfield; Nelson, K., and Heinitz.

FIRST READING OF SENATE BILLS

S. F. No. 461, A bill for an act relating to intoxicating liquor; authorizing off-sale licensees to dispense samples of wine, liqueurs and cordials; amending Minnesota Statutes 1980, Section 340.11, Subdivision 15.

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

S. F. No. 665, A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Stat-

utes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

The bill was read for the first time.

Swanson moved that S. F. No. 665 and H. F. No. 1007, now on the Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 767, A bill for an act relating to counties; providing for publication of certain financial information; proposing new law coded in Minnesota Statutes, Chapter 375; repealing Minnesota Statutes 1980, Section 375.17.

The bill was read for the first time.

Minne moved that S. F. No. 767 and H. F. No. 1266, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 804, A bill for an act relating to motor vehicles; providing for the re-registration of certain motor vehicles and combinations of vehicles; defining gross vehicle weight; exempting certain vehicles from certain weight limitations; establishing gross weight limitations on certain highways for certain motor vehicles and combinations of vehicles; providing exceptions to certain gross weight limitations; providing for the designation and undesignation of certain routes; providing for the weighing of certain vehicles and combinations of vehicles and the enforcement of weight limitations; allowing the use of certain documents as relevant evidence of exceeding vehicle weight limits, and providing exceptions; requiring record keeping for shipments loaded or unloaded, and providing exceptions; imposing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 168.013, Subdivision 3; 169.01, Subdivision 46; 169.03, Subdivision 6; 169.832, Subdivision 11; 169.85; 169.851; 169.86, Subdivision 1a; 169.87, Subdivision 2; 169.871; 169.872; proposing new law coded in Minnesota Statutes, Chapter 169; repealing Minnesota Statutes 1980, Sections 169.83; 169.832, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 12; and 169.834.

The bill was read for the first time.

Kalis moved that S. F. No. 804 and H. F. No. 870, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 975, A bill for an act relating to commerce; eliminating the state override of the federal usury preemption on certain loans; repealing Minnesota Statutes 1980, Section 47.203.

The bill was read for the first time.

Brinkman moved that S. F. No. 975 and H. F. No. 935, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1005, A bill for an act relating to local housing programs; authorizing certain combined multifamily housing and health care facility developments; providing an exemption from the limits on aggregate amount of bonds that may be issued; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1, and by adding a subdivision.

The bill was read for the first time.

Kaley moved that S. F. No. 1005 and H. F. No. 1215, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1179, A bill for an act relating to state government; providing for the appropriation of funds equal to the value of transferred assets when certain assets are transferred among state agencies; transferring to the commissioner of finance certain duties of the state auditor related to Minnesota aeronautics bonds; providing for the state auditor to approve bonds for officers and employees of regional development commissions; providing for audits of housing and redevelopment authorities under certain conditions; transferring duties of the state auditor to the commissioner of finance related to state taxes on the sale of certain obligations; appropriating money; amending Minnesota Statutes 1980, Sections 16.73; 360.302; 462.389, Subdivision 4; and 475.73, Subdivision 2.

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

S. F. No. 1264, A bill for an act relating to taxation; correcting the formula for limiting the property tax credit for transmission lines; amending Minnesota Statutes 1980, Section 273.42, Subdivision 2.

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

S. F. No. 470, A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, confidential nonpublic and protected nonpublic; making certain changes in laws relating to the collection and dissemination of data; amending Minnesota Statutes 1980, Sections 15.1611, Subdivision 2; 15.162, Subdivisions 1a, 2a, 5a, 5b, 5c, and 8; 15.163, Subdivision 4; 15.1642, Subdivision 2a; 15.165, Subdivision 3; 15.1672; 15.1673; 15.1692, Subdivision 3, and by adding a subdivision; 15.1693, by adding a subdivision;

15.1695, Subdivision 1; 15.1698, Subdivision 1; and 15.1699; providing for the recodification of Minnesota Statutes, Sections 15.1611 to 15.1699.

The bill was read for the first time.

Ellingson moved that S. F. No. 470 and H. F. No. 931, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 15, A bill for an act relating to statutes; providing a general reference for statutes that change dollar amounts to conform to price changes; proposing new law coded in Minnesota Statutes, Chapter 645.

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

S. F. No. 1087, A bill for an act relating to insurance; providing for the examination of certain insurers; requiring certain reports and providing certain alternatives to examinations; authorizing the commissioner to promulgate rules; broadening the commissioner's power to revoke or suspend certificates of authority; expanding certain insurers' investment authority; allowing the commissioner to regulate an insurer's ratio of qualified assets to required liabilities; broadening the coverage of the financial statement requirement; providing for annual audits; providing standards for the investment of assets of insurance companies; allowing the use of certain depositories and systems; providing certain limitations on the acquisition of specified investments and holdings; providing for miscellaneous changes and clarifications; amending Minnesota Statutes 1980, Sections 60A.031, Subdivisions 1, 3, 4, 5, and by adding subdivisions; 60A.05; 60A.11, by adding subdivisions; 60A.13, Subdivisions 1 and 6, and by adding subdivisions; 61A.28, Subdivisions 2, 3, and 6; 61A.282; 61A.29, Subdivision 2; 61A.30; 61A.31, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapters 60A and 61A; repealing Minnesota Statutes 1980, Sections 60A.031, Subdivision 2; and 60A.11, Subdivisions 2 to 8.

The bill was read for the first time.

Brinkman moved that S. F. No. 1087 and H. F. No. 1199, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1247, A bill for an act relating to education; permitting districts to purchase insurance coverage for the operation of leased buses in certain circumstances; amending Minnesota Statutes 1980, Section 123.39, Subdivisions 8 and 9 and by adding a subdivision.

The bill was read for the first time.

Sherwood moved that S. F. No. 1247 and H. F. No. 1016, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

CONSENT CALENDAR

S. F. No. 18, A bill for an act relating to probate; eliminating requirement of notice to representatives of foreign countries in certain formal testacy proceedings; amending Minnesota Statutes 1980, Section 524.3-403.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | O'Connor | Sherwood |
| Ainley | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, I. | Friedrich | Laidig | Osthoff | Stadum |
| Anderson, R. | Greenfield | Lehto | Otis | Staten |
| Battaglia | Gruenes | Lemen | Peterson, B. | Stowell |
| Begich | Gustafson | Levi | Peterson, D. | Stumpf |
| Berkelman | Halberg | Long | Piepho | Sviggum |
| Blatz | Hanson | Ludeman | Pogemiller | Swanson |
| Brandl | Harens | Luknic | Redalen | Tomlinson |
| Brinkman | Hauge | Mann | Reding | Valan |
| Byrne | Haukoos | Marsh | Rees | Valento |
| Carlson, D. | Heap | McCarron | Reif | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Metzen | Rose | Welch |
| Dahlvang | Hokr | Minne | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Nichaus | Schreiber | Zubay |
| Elioff | Kahn | Norton | Searles | Sprk. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |
| Esau | Kalis | Nysether | Sherman | |

The bill was passed and its title agreed to.

S. F. No. 77, 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 1980, 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 127 yeas and 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kaley | O'Connor | Sherman |
| Ainley | Evans | Kelly | Ogren | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Olsen | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Onnen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Osthoff | Skoglund |
| Anderson, R. | Friedrich | Laidig | Otis | Staten |
| Battaglia | Greenfield | Lehto | Peterson, B. | Stowell |
| Begich | Gruenes | Lemen | Peterson, D. | Sviggum |
| Berkelman | Gustafson | Levi | Piepho | Swanson |
| Blatz | Halberg | Long | Pogemiller | Tomlinson |
| Brandl | Hanson | Ludeman | Redalen | Valan |
| Brinkman | Harens | Luknic | Reding | Valento |
| Byrne | Hauge | Mann | Rees | Vanasek |
| Carlson, D. | Haukoos | Marsh | Reif | Vellenga |
| Carlson, L. | Heap | McEachern | Rice | Voss |
| Clark, J. | Heinitz | Mehrkens | Rodriguez, C. | Weaver |
| Clark, K. | Himle | Metzen | Rodriguez, F. | Welch |
| Clawson | Hoberg | Minne | Rose | Wenzel |
| Dahlvang | Hokanson | Munger | Rothenberg | Wieser |
| Dean | Hokr | Murphy | Samuelson | Wigley |
| Dempsey | Jacobs | Nelsen, B. | Sarna | Wynia |
| Den Ouden | Jennings | Nelson, K. | Schafer | Zubay |
| Drew | Johnson, C. | Niehaus | Schoenfeld | Spkr. Sieben, H. |
| Eken | Johnson, D. | Norton | Schreiber | |
| Elioff | Jude | Novak | Searles | |
| Erickson | Kahn | Nysether | Shea | |

Those who voted in the negative were:

| | | |
|-------|----------|--------|
| Kalis | McCarron | Stumpf |
|-------|----------|--------|

The bill was passed and its title agreed to.

CALENDAR

H. F. No. 715, A bill for an act relating to the state building code; authorizing certain municipalities under 7,500 to elect that the code not apply within their jurisdictions; proposing new law coded in Minnesota Statutes, Chapter 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 99 yeas and 32 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|---------|--------|--------------|--------------|--------------|
| Aasness | Ainley | Anderson, B. | Anderson, G. | Anderson, I. |
|---------|--------|--------------|--------------|--------------|

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, R. | Ewald | Kaley | Olsen | Sherwood |
| Battaglia | Fjoslien | Kalis | Osthoff | Sieben, M. |
| Begich | Forsythe | Knickerbocker | Otis | Simoneau |
| Berkelman | Friedrich | Kostohryz | Peterson, B. | Stadum |
| Blatz | Gruenes | Kvam | Piepho | Staten |
| Brandl | Halberg | Laidig | Pogemiller | Stowell |
| Brinkman | Hauge | Lemen | Redalen | Stumpf |
| Carlson, D. | Haukoos | Levi | Reding | Sviggum |
| Carlson, L. | Heap | Ludeman | Rees | Valan |
| Dahlvang | Heinritz | Mann | Reif | Valento |
| Dean | Himle | Marsh | Rodriguez, F. | Weaver |
| Dempsey | Hoberg | McDonald | Rose | Welch |
| Den Ouden | Hokanson | Mehrkens | Rothenberg | Welker |
| Drew | Hokr | Minne | Samuelson | Wenzel |
| Eken | Jacobs | Murphy | Schafer | Wieser |
| Elioff | Jennings | Nelsen, B. | Schoenfeld | Wigley |
| Erickson | Johnson, C. | Niehaus | Searles | Zubay |
| Esau | Johnson, D. | Nysether | Shea | Spkr. Sieben, H. |
| Evans | Jude | Ogren | Sherman | |

Those who voted in the negative were:

| | | | | |
|------------|-----------|--------------|---------------|----------|
| Byrne | Harens | Metzen | Rice | Vanasek |
| Clark, J. | Kahn | Munger | Rodriguez, C. | Vellenga |
| Clark, K. | Kelly | Nelson, K. | Sarna | Voss |
| Clawson | Lehto | Norton | Schreiber | Wynia |
| Greenfield | Long | Novak | Skoglund | |
| Gustafson | McCarron | Onnen | Swanson | |
| Hanson | McEachern | Peterson, D. | Tomlinson | |

The bill was passed and its title agreed to.

H. F. No. 1044, A bill for an act relating to attachment; prescribing the grounds when a writ of attachment may be issued for purposes of securing property or acquiring quasi in rem jurisdiction over defendants; amending Minnesota Statutes 1980, Section 570.02.

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 | Carlson, L. | Ewald | Hoberg | Kvam |
| Ainley | Clark, J. | Fjoslien | Hokanson | Laidig |
| Anderson, B. | Clark, K. | Forsythe | Hokr | Lehto |
| Anderson, G. | Clawson | Friedrich | Jacobs | Lemen |
| Anderson, I. | Dahlvang | Greenfield | Jennings | Levi |
| Anderson, R. | Dean | Gruenes | Johnson, C. | Long |
| Battaglia | Dempsey | Gustafson | Johnson, D. | Ludeman |
| Begich | Den Ouden | Halberg | Jude | Luknic |
| Berkelman | Drew | Hanson | Kahn | Mann |
| Blatz | Eken | Hauge | Kaley | Marsh |
| Brandl | Elioff | Haukoos | Kalis | McCarron |
| Brinkman | Erickson | Heap | Kelly | McDonald |
| Byrne | Esau | Heinritz | Knickerbocker | McEachern |
| Carlson, D. | Evans | Himle | Kostohryz | Mehrkens |

| | | | | |
|------------|---------------|------------|-----------|------------------|
| Metzen | Osthoff | Rose | Skoglund | Weaver |
| Minne | Otis | Rothenberg | Stadum | Welch |
| Munger | Peterson, B. | Samuelson | Staten | Welker |
| Murphy | Peterson, D. | Sarna | Stowell | Wenzel |
| Nelson, K. | Piepho | Schafer | Stumpf | Wieser |
| Niehaus | Pogemiller | Schoenfeld | Sviggum | Wigley |
| Norton | Redalen | Schreiber | Swanson | Wynia |
| Novak | Reding | Searles | Tomlinson | Zubay |
| Nysether | Rees | Shea | Valan | Spkr. Sieben, H. |
| O'Connor | Reif | Sherman | Valento | |
| Ogren | Rice | Sherwood | Vanasek | |
| Olsen | Rodriguez, C. | Sieben, M. | Vellenga | |
| Onnen | Rodriguez, F. | Simoneau | Voss | |

The bill was passed and its title agreed to.

H. F. No. 1065, A bill for an act relating to public utilities; extending an option as to rate regulation by the public utilities commission to certain small telephone companies; amending Minnesota Statutes 1980, Sections 237.01; 237.075, Subdivision 9; and 237.081, Subdivision 1a.

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 | Esau | Kostohryz | Olsen | Sieben, M. |
| Ainley | Evans | Kvam | Onnen | Simoneau |
| Anderson, B. | Ewald | Laidig | Osthoff | Skoglund |
| Anderson, G. | Fjoslien | Lehto | Otis | Stadum |
| Anderson, I. | Forsythe | Lemen | Peterson, B. | Staten |
| Anderson, R. | Friedrich | Levi | Peterson, D. | Stowell |
| Battaglia | Gruenes | Long | Piepho | Stumpf |
| Begich | Gustafson | Ludeman | Pogemiller | Sviggum |
| Berkelman | Halberg | Luknic | Redalen | Swanson |
| Blatz | Hanson | Mann | Reding | Tomlinson |
| Brandl | Hauge | Marsh | Rees | Valan |
| Brinkman | Haukoos | McCarron | Reif | Valento |
| Byrne | Heap | McDonald | Rice | Vanasek |
| Carlson, D. | Heinitz | McEachern | Rodriguez, C. | Vellenga |
| Carlson, L. | Himle | Mehrkens | Rodriguez, F. | Voss |
| Clark, J. | Hoberg | Metzen | Rose | Weaver |
| Clark, K. | Hokanson | Minne | Rothenberg | Welch |
| Clawson | Hokr | Munger | Samuelson | Welker |
| Dahlvang | Jacobs | Murphy | Sarna | Wenzel |
| Dean | Jennings | Nelson, K. | Schafer | Wieser |
| Dempsey | Johnson, C. | Niehaus | Schoenfeld | Wigley |
| Den Ouden | Johnson, D. | Norton | Schreiber | Wynia |
| Drew | Jude | Novak | Searles | Zubay |
| Eken | Kaley | Nysether | Shea | Spkr. Sieben, H. |
| Elioff | Kalis | O'Connor | Sherman | |
| Erickson | Knickerbocker | Ogren | Sherwood | |

Those who voted in the negative were:

| | | | |
|------------|--------|------|-------|
| Greenfield | Harens | Kahn | Kelly |
|------------|--------|------|-------|

The bill was passed and its title agreed to.

H. F. No. 1092, A bill for an act relating to charitable organizations; providing for registration and reporting requirements applicable to certain charitable organizations; amending Minnesota Statutes 1980, Sections 309.52, by adding subdivisions; 309.53, by adding subdivisions; 309.532, by adding a subdivision; and 309.534, 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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | O'Connor | Sherwood |
| Ainley | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, I. | Friedrich | Laidig | Osthoff | Stadum |
| Anderson, R. | Greenfield | Lehto | Otis | Staten |
| Battaglia | Gruenes | Lemen | Peterson, B. | Stowell |
| Begich | Gustafson | Levi | Peterson, D. | Stumpf |
| Berkelman | Halberg | Long | Piepho | Sviggum |
| Blatz | Hanson | Ludeman | Pogemiller | Swanson |
| Brandl | Harens | Luknic | Redalen | Tomlinson |
| Brinkman | Hauge | Mann | Reding | Valan |
| Byrne | Haukoos | Marsh | Rees | Valento |
| Carlson, D. | Heap | McCarron | Reif | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Metzen | Rose | Welch |
| Dahlvang | Hokr | Minne | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Niehaus | Schreiber | Zubay |
| Elioff | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |
| Esau | Kalis | Nysether | Sherman | |

The bill was passed and its title agreed to.

H. F. No. 1125, A bill for an act relating to economic development; providing for changes in the small business finance agency law to better provide assistance for small business; making technical changes; amending Minnesota Statutes 1980, Sections 362.50, Subdivisions 4, 5, 9 and 10; 362.52, Subdivisions 2 and 4; 362.53, Subdivisions 11, 12, 15 and 17; repealing Minnesota Statutes 1980, Section 362.50, Subdivisions 6 and 7.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | O'Connor | Sherman |
| Ainley | Evans | Kelly | Ogren | Sherwood |
| Anderson, B. | Fjoslien | Knickerbocker | Olsen | Sieben, M. |
| Anderson, G. | Forsythe | Kostohryz | Onnen | Simoneau |
| Anderson, I. | Friedrich | Kvam | Osthoff | Skoglund |
| Anderson, R. | Greenfield | Laidig | Otis | Stadum |
| Battaglia | Gruenes | Lehto | Peterson, B. | Staten |
| Begich | Gustafson | Lemen | Peterson, D. | Stowell |
| Berkelman | Halberg | Levi | Piepho | Stumpf |
| Blatz | Hanson | Long | Pogemiller | Sviggum |
| Brandl | Harens | Luknic | Redalen | Swanson |
| Brinkman | Hauge | Mann | Reding | Tomlinson |
| Byrne | Haukoos | Marsh | Rees | Valan |
| Carlson, D. | Heap | McDonald | Reif | Valento |
| Carlson, L. | Heinitz | McEachern | Rice | Vanasek |
| Clark, J. | Himle | Mehrkens | Rodriguez, C. | Vellenga |
| Clark, K. | Hoberg | Metzen | Rodriguez, F. | Voss |
| Clawson | Hokanson | Minne | Rose | Weaver |
| Dahlvang | Hokr | Munger | Rothenberg | Welch |
| Dean | Jacobs | Murphy | Samuelson | Wenzel |
| Dempsey | Jennings | Nelsen, B. | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelson, K. | Schafer | Wigley |
| Drew | Johnson, D. | Niehaus | Schoenfeld | Wynia |
| Eken | Jude | Norton | Schreiber | Zubay |
| Elioff | Kahn | Novak | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Nysether | Shea | |

Those who voted in the negative were:

Ludeman

The bill was passed and its title agreed to.

H. F. No. 253, A bill for an act relating to state lands and tax-forfeited land sales; changing the interest rate on unpaid sale balances; amending Minnesota Statutes 1980, Sections 92.06, Subdivision 1; 94.11; 282.01, Subdivision 4; 282.15; 282.222, Subdivision 4; 282.261; and 282.35, Subdivisions 2 and 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 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|----------|------------|
| Aasness | Berkelman | Clawson | Elioff | Friedrich |
| Ainley | Blatz | Dahlvang | Erickson | Greenfield |
| Anderson, B. | Brandl | Dean | Esau | Gruenes |
| Anderson, G. | Brinkman | Dempsey | Evans | Gustafson |
| Anderson, R. | Byrne | Den Ouden | Ewald | Halberg |
| Battaglia | Carlson, L. | Drew | Fjoslien | Hanson |
| Begich | Clark, J. | Eken | Forsythe | Harens |

| | | | | |
|---------------|------------|---------------|---------------|------------------|
| Hauge | Kvam | Nelson, K. | Rodriguez, F. | Sviggum |
| Haukoos | Laidig | Niehaus | Rose | Swanson |
| Heap | Lehto | Norton | Rothenberg | Tomlinson |
| Heinitz | Lemen | Novak | Samuelson | Valan |
| Himle | Levi | Nysether | Sarna | Valento |
| Hoberg | Long | O'Connor | Schafer | Vanasek |
| Hokanson | Ludeman | Olsen | Schoenfeld | Vellenga |
| Hokr | Luknic | Onnen | Schreiber | Voss |
| Jacobs | Mann | Osthoff | Searles | Weaver |
| Jennings | Marsh | Otis | Shea | Welch |
| Johnson, C. | McCarron | Peterson, B. | Sherman | Welker |
| Johnson, D. | McDonald | Peterson, D. | Sherwood | Wenzel |
| Jude | McEachern | Piepho | Sieben, M. | Wieser |
| Kahn | Mehrkens | Pogemiller | Simoneau | Wigley |
| Kaley | Metzen | Reding | Skoglund | Wynia |
| Kalis | Minne | Rees | Stadum | Zubay |
| Kelly | Munger | Reif | Staten | Spkr. Sieben, H. |
| Knickerbocker | Murphy | Rice | Stowell | |
| Kostohryz | Nelsen, B. | Rodriguez, C. | Stumpf | |

Those who voted in the negative were:

Carlson, D. Ogren

The bill was passed and its title agreed to.

S. F. No. 168, A bill for an act relating to intoxicating liquor; providing for a liquor license fee to be set by a town board in certain cases; requiring town board approval of certain county liquor licenses; amending Minnesota Statutes 1980, Section 340.11, Subdivision 10.

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 7 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|------------|---------------|
| Aasness | Den Ouden | Himle | Mann | Peterson, B. |
| Ainley | Drew | Hoberg | McCarron | Peterson, D. |
| Anderson, B. | Eken | Hokanson | McDonald | Piepho |
| Anderson, I. | Elioff | Hokr | McEachern | Pogemiller |
| Anderson, R. | Erickson | Jacobs | Mehrkens | Redalen |
| Battaglia | Esau | Jennings | Metzen | Reding |
| Begich | Evans | Johnson, D. | Minne | Rees |
| Berkelman | Ewald | Jude | Munger | Reif |
| Blatz | Fjoslien | Kahn | Murphy | Rodriguez, C. |
| Brandl | Forsythe | Kaley | Nelsen, B. | Rodriguez, F. |
| Brinkman | Friedrich | Kalis | Nelson, K. | Rose |
| Byrne | Greenfield | Kelly | Niehaus | Rothenberg |
| Carlson, D. | Gruenes | Knickerbocker | Norton | Sarna |
| Carlson, L. | Halberg | Kostohryz | Novak | Schafer |
| Clark, J. | Hanson | Laidig | Nysether | Schoenfeld |
| Clark, K. | Harens | Lemen | Ogren | Schreiber |
| Clawson | Hauge | Levi | Olsen | Searles |
| Dahlvang | Haukoos | Long | Onnen | Shea |
| Dean | Heap | Ludeman | Osthoff | Sherman |
| Dempsey | Heinitz | Luknic | Otis | Sherwood |

| | | | | |
|------------|-----------|----------|--------|------------------|
| Sieben, M. | Sviggun | Vanasek | Welker | Zubay |
| Stadum | Swanson | Vellenga | Wenzel | Spkr. Sieben, H. |
| Staten | Tomlinson | Voss | Wieser | |
| Stowell | Valan | Weaver | Wigley | |
| Stumpf | Valento | Welch | Wynia | |

Those who voted in the negative were:

| | | | | |
|-------|----------|-----------|----------|----------|
| Lehto | O'Connor | Samuelson | Simoneau | Skoglund |
| Marsh | Rice | | | |

The bill was passed and its title agreed to.

S. F. No. 562, A bill for an act relating to housing; providing statutory warranties on home improvement work; establishing a cause of action for breach of warranty; providing remedies; amending Minnesota Statutes 1980, Sections 327A.01, Subdivisions 5, 8 and by adding subdivisions; 327A.02, by adding a subdivision; 327A.03; 327A.04, Subdivision 2; 327A.05; and 327A.07; proposing new law coded in Minnesota Statutes, Chapter 327A.

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 78 yeas and 50 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Anderson, I. | Greenfield | Lehto | Olsen | Simoneau |
| Battaglia | Gustafson | Levi | Osthoff | Skoglund |
| Begich | Halberg | Long | Otis | Staten |
| Berkelman | Hanson | Luknic | Peterson, D. | Stowell |
| Elatz | Harens | Mann | Pogemiller | Stumpf |
| Brandl | Hauge | McCarron | Reding | Swanson |
| Brinkman | Heinitz | Metzen | Rice | Tomlinson |
| Byrne | Himle | Minne | Rodriguez, C. | Vanasek |
| Carlson, L. | Hokanson | Munger | Rodriguez, F. | Vellenga |
| Clark, J. | Jacobs | Murphy | Rose | Voss |
| Clark, K. | Jude | Nelsen, B. | Rothenberg | Wenzel |
| Clawson | Kahn | Nelson, K. | Samuelson | Wigley |
| Dahlvang | Kelly | Norton | Sarna | Wynia |
| Drew | Knickerbocker | Novak | Searles | Spkr. Sieben, H. |
| Elioff | Kostohryz | O'Connor | Shea | |
| Evans | Laidig | Ogren | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-------------|--------------|------------|
| Aasness | Esau | Jennings | McEachern | Schoenfeld |
| Ainley | Ewald | Johnson, C. | Mehrkens | Schreiber |
| Anderson, B. | Fjoslien | Johnson, D. | Niehaus | Sherman |
| Anderson, G. | Forsythe | Kaley | Nysether | Sherwood |
| Anderson, R. | Friedrich | Kalis | Ovngun | Sviggun |
| Carlson, D. | Gruenes | Kvam | Peterson, B. | Valan |
| Dean | Haukoos | Lemen | Piepho | Weaver |
| Dempsey | Heap | Ludeman | Redalen | Welch |
| Den Ouden | Hoberg | Marsh | Rees | Welker |
| Erickson | Hokr | McDonald | Schafer | Wieser |

The bill was passed and its title agreed to.

H. F. No. 560, A bill for an act relating to courts; costs and disbursements; authorizing the awarding of attorney's fees in certain actions or proceedings; amending Minnesota Statutes 1980, Section 549.21.

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 | Esau | Kalis | Novak | Shea |
| Ainley | Evans | Kelly | Nysether | Sherman |
| Anderson, B. | Ewald | Knickerbocker | O'Connor | Sherwood |
| Anderson, G. | Fjoslien | Kostohryz | Ogren | Simoneau |
| Anderson, I. | Forsythe | Kvam | Olsen | Skoglund |
| Anderson, R. | Friedrich | Laidig | Onnen | Stadum |
| Battaglia | Greenfield | Lehto | Osthoff | Staten |
| Begich | Gruenes | Lemen | Otis | Stowell |
| Berkelman | Halberg | Levi | Peterson, B. | Stumpf |
| Blatz | Hanson | Long | Peterson, D. | Sviggum |
| Brandl | Harens | Ludeman | Piepho | Swanson |
| Brinkman | Hauge | Luknic | Pogemiller | Tomlinson |
| Byrne | Haukoos | Mann | Redalen | Valan |
| Carlson, D. | Heap | Marsh | Reding | Valento |
| Carlson, L. | Heinitz | McCarron | Rees | Vanasek |
| Clark, J. | Himle | McDonald | Rice | Vellenga |
| Clark, K. | Hoberg | McEachern | Rodriguez, C. | Voss |
| Clawson | Hokanson | Mehrkens | Rodriguez, F. | Weaver |
| Dahlvang | Hokr | Metzen | Rose | Welch |
| Dean | Jacobs | Minne | Rothenberg | Welker |
| Dempsey | Jennings | Munger | Samuelson | Wenzel |
| Den Ouden | Johnson, C. | Murphy | Sarna | Wieser |
| Drew | Johnson, D. | Nelsen, B. | Schafer | Wigley |
| Eken | Jude | Nelson, K. | Schoenfeld | Zubay |
| Elioff | Kahn | Niehaus | Schreiber | Spkr. Sieben, H. |
| Erickson | Kaley | Norton | Searles | |

The bill was passed and its title agreed to.

H. F. No. 583, 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 1980, Sections 87.021, Subdivisions 2, 3, 4 and 5; 87.0221; 87.023; 87.025; and 87.03; repealing Minnesota Statutes 1980, Section 87.022.

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 | Evans | Knickerbocker | Ogren | Sieben, M. |
| Ainley | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, G. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, I. | Friedrich | Lehto | Otis | Staten |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Stowell |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Halberg | Long | Piepho | Sviggum |
| Berkelman | Hanson | Ludeman | Pogemiller | Swanson |
| Blatz | Harens | Luknic | Redalen | Tomlinson |
| Brandl | Hauge | Mann | Reding | Valan |
| Brinkman | Haukoos | Marsh | Rees | Valento |
| Byrne | Heap | McCarron | Reif | Vanasek |
| Carlson, D. | Heinitz | McDonald | Rice | Vellenga |
| Carlson, L. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hokanson | Metzen | Rose | Welch |
| Clawson | Hokr | Minne | Rothenberg | Welker |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dean | Jennings | Murphy | Sarna | Wieser |
| Dempsey | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Jude | Niehaus | Schreiber | Zubay |
| Eken | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kaley | Novak | Shea | |
| Erickson | Kalis | Nysether | Sherman | |
| Esau | Kelly | O'Connor | Sherwood | |

The bill was passed and its title agreed to.

H. F. No. 619, A bill for an act relating to intoxicating liquor; correcting the wording of the ballot question for a municipal liquor store referendum; amending Minnesota Statutes 1980, Section 340.353, 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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Clark, K. | Gruenes | Jude | Marsh |
| Ainley | Clawson | Halberg | Kahn | McCarron |
| Anderson, B. | Dahlvang | Hanson | Kaley | McDonald |
| Anderson, G. | Dean | Harens | Kalis | McEachern |
| Anderson, I. | Dempsey | Hauge | Kelly | Mehrkens |
| Anderson, R. | Den Ouden | Haukoos | Knickerbocker | Metzen |
| Battaglia | Drew | Heap | Kostohryz | Minne |
| Begich | Elioff | Heinitz | Kvam | Munger |
| Berkelman | Erickson | Himle | Laidig | Murphy |
| Blatz | Esau | Hoberg | Lehto | Nelsen, B. |
| Brandl | Evans | Hokanson | Lemen | Nelson, K. |
| Brinkman | Ewald | Hokr | Levi | Niehaus |
| Byrne | Fjoslien | Jacobs | Long | Norton |
| Carlson, D. | Forsythe | Jennings | Ludeman | Novak |
| Carlson, L. | Friedrich | Johnson, C. | Luknic | Nysether |
| Clark, J. | Greenfield | Johnson, D. | Mann | O'Connor |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Ogren | Rees | Schoenfeld | Stowell | Weaver |
| Olsen | Reif | Schreiber | Stumpf | Welch |
| Osthoff | Rice | Searles | Swiggum | Welker |
| Otis | Rodriguez, C. | Shea | Swanson | Wenzel |
| Peterson, B. | Rodriguez, F. | Sherman | Tomlinson | Wieser |
| Peterson, D. | Rose | Sherwood | Valan | Wigley |
| Piepho | Rothenberg | Sieben, M. | Valento | Wynia |
| Pogemiller | Samuelson | Skoglund | Vanasek | Zubay |
| Redalen | Sarna | Stadum | Vellenga | Spkr. Sieben, H. |
| Reding | Schafer | Staten | Voss | |

Those who voted in the negative were:

Onnen

The bill was passed and its title agreed to.

S. F. No. 625, A bill for an act relating to landlords and tenants; permitting certain tenant remedies actions and certain actions in unlawful detainer to be done by nonattorneys; extending the time between service of the summons in unlawful detainer proceedings and the return day; providing for a stay of the writ of restitution in unlawful detainer proceedings in cases of hardship; changing obsolete terms in certain landlord and tenant statutes; amending Minnesota Statutes 1980, Sections 481.02, Subdivision 3; 566.05; 566.06; and 566.09.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Aasness | Elioff | Johnson, C. | Minne | Rodriguez, C. |
| Ainley | Erickson | Johnson, D. | Munger | Rodriguez, F. |
| Anderson, B. | Esau | Jude | Murphy | Rose |
| Anderson, G. | Evans | Kahn | Nelsen, B. | Rothenberg |
| Anderson, I. | Ewald | Kaley | Nelson, K. | Samuelson |
| Anderson, R. | Fjoslien | Kalis | Niehaus | Sarna |
| Battaglia | Forsythe | Kelly | Norton | Schafer |
| Begich | Friedrich | Knickerbocker | Novak | Schoenfeld |
| Berkelman | Greenfield | Kostohryz | Nysether | Schreiber |
| Blatz | Gruenes | Kvam | O'Connor | Searles |
| Brandl | Gustafson | Laidig | Ogren | Shea |
| Brinkman | Halberg | Lehto | Olsen | Sherman |
| Byrne | Hanson | Lemen | Onnen | Sherwood |
| Carlson, D. | Harens | Levi | Osthoff | Sieben, M. |
| Carlson, L. | Hauge | Long | Otis | Simoneau |
| Clark, J. | Haukoos | Ludeman | Peterson, B. | Skoglund |
| Clark, K. | Heap | Luknic | Peterson, D. | Stadum |
| Clawson | Heinitz | Mann | Piepho | Staten |
| Dahlvang | Himle | Marsh | Pogemiller | Stowell |
| Dean | Hoberg | McCarron | Redalen | Stumpf |
| Dempsey | Hokanson | McDonald | Reding | Swiggum |
| Den Ouden | Hokr | McEachern | Rees | Swanson |
| Drew | Jacobs | Mehrkens | Reif | Tomlinson |
| Eken | Jennings | Metzen | Rice | Va'an |

| | | | | |
|----------|--------|--------|--------|------------------|
| Valento | Voss | Welker | Wigley | Spkr. Sieben, H. |
| Vanasek | Weaver | Wenzel | Wynia | |
| Vellenga | Welch | Wieser | Zubay | |

The bill was passed and its title agreed to.

H. F. No. 636, A bill for an act relating to unemployment compensation; requiring holiday pay not to be deducted from benefits; amending Minnesota Statutes 1980, Section 268.07, 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 74 yeas and 58 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Greenfield | Laidig | O'Connor | Sieben, M. |
| Anderson, I. | Gustafson | Lehto | Ogren | Simoneau |
| Battaglia | Hanson | Lemen | Osthoff | Skoglund |
| Begich | Harens | Long | Otis | Staten |
| Brandl | Hauge | Luknic | Peterson, D. | Stumpf |
| Brinkman | Haukoos | Mann | Pogemiller | Swanson |
| Byrne | Heap | McCarron | Reding | Vanasek |
| Carlson, D. | Hokanson | McEachern | Rees | Vellenga |
| Carlson, L. | Jacobs | Metzen | Rice | Voss |
| Clark, J. | Johnson, C. | Minne | Rodriguez, C. | Weaver |
| Clark, K. | Johnson, D. | Munger | Rodriguez, F. | Welch |
| Clawson | Jude | Murphy | Samuelson | Wenzel |
| Dahlvang | Kahn | Nelson, K. | Sarna | Wynia |
| Eken | Kelly | Norton | Schoenfeld | Spkr. Sieben, H. |
| Elioff | Kostohryz | Novak | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|--------------|-----------|
| Aasness | Ewald | Kalis | Onnen | Stadum |
| Ainley | Fjoslien | Knickerbocker | Peterson, B. | Stowell |
| Anderson, R. | Forsythe | Kvam | Piepho | Sviggum |
| Berkelman | Friedrich | Levi | Redalen | Tomlinson |
| Blatz | Gruenes | Ludeman | Reif | Valan |
| Dean | Halberg | Marsh | Rose | Valento |
| Dempsey | Heinitz | McDonald | Rothenberg | Welker |
| Den Ouden | Himle | Mehrkens | Schafer | Wieser |
| Drew | Hoberg | Nelsen, B. | Schreiber | Wigley |
| Erickson | Hokr | Niehaus | Searles | Zubay |
| Esau | Jennings | Nysether | Sherman | |
| Evans | Kaley | Olsen | Sherwood | |

The bill was passed and its title agreed to.

S. F. No. 1259, A bill for an act relating to Independent School District No. 281, Robbinsdale; providing an alley system for at large election of school board members.

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 | Esau | Kalis | Nysether | Sieben, M. |
| Ainley | Evans | Kelly | O'Connor | Simoneau |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Skoglund |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Stadum |
| Anderson, I. | Forsythe | Kvam | Onnen | Staten |
| Anderson, R. | Friedrich | Laidig | Otis | Stowell |
| Battaglia | Greenfield | Lehto | Peterson, B. | Stumpf |
| Begich | Gruenes | Lemen | Peterson, D. | Sviggum |
| Berkelman | Gustafson | Levi | Pogemiller | Swanson |
| Blatz | Halberg | Long | Redalen | Tomlinson |
| Brandl | Hanson | Ludeman | Reding | Valan |
| Brinkman | Harens | Luknic | Rees | Valento |
| Byrne | Hauge | Mann | Reif | Vanasek |
| Carlson, D. | Haukoos | Marsh | Rodriguez, C. | Vellenga |
| Carlson, L. | Heap | McDonald | Rodriguez, F. | Voss |
| Clark, J. | Heinitz | McEachern | Rose | Weaver |
| Clark, K. | Himle | Mehrkens | Rothenberg | Welch |
| Clawson | Hoberg | Metzen | Samuelson | Welker |
| Dahlvang | Hokanson | Minne | Sarna | Wenzel |
| Dean | Hokr | Munger | Schafer | Wieser |
| Dempsey | Jennings | Murphy | Schoenfeld | Wigley |
| Den Ouden | Johnson, C. | Nelsen, B. | Schreiber | Wynia |
| Drew | Johnson, D. | Nelson, K. | Searles | Zubay |
| Eken | Jude | Niehaus | Shea | Spkr. Sieben, H. |
| Elioff | Kahn | Norton | Sherman | |
| Erickson | Kaley | Novak | Sherwood | |

Those who voted in the negative were:

| | | | |
|--------|----------|---------|------|
| Jacobs | McCarron | Osthoff | Rice |
|--------|----------|---------|------|

The bill was passed and its title agreed to.

H. F. No. 774, A bill for an act relating to children; providing for confidentiality of records of reports of neglect, and abuse of children; allowing for sharing of records under certain circumstances; amending Minnesota Statutes 1980, Sections 254A.-09; and 626.556, Subdivision 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|----------|------------|
| Aasness | Berkelman | Clark, J. | Drew | Fjoslien |
| Ainley | Blatz | Clark, K. | Eken | Forsythe |
| Anderson, B. | Brandl | Clawson | Elioff | Friedrich |
| Anderson, G. | Brinkman | Dahlvang | Erickson | Greenfield |
| Anderson, I. | Byrne | Dean | Essau | Gruenes |
| Battaglia | Carlson, D. | Dempsey | Evans | Gustafson |
| Begich | Carlson, L. | Den Ouden | Ewald | Halberg |

| | | | | |
|---------------|------------|--------------|---------------|------------------|
| Hanson | Kostohryz | Nelson, K. | Rodriguez, C. | Sviggum |
| Harens | Kvam | Niehaus | Rodriguez, F. | Swanson |
| Hauge | Laidig | Norton | Rose | Tomlinson |
| Haukoos | Lehto | Novak | Rothenberg | Valan |
| Heap | Lemen | Nysether | Samuelson | Valento |
| Heinitz | Levi | O'Connor | Sarna | Vanasek |
| Himle | Long | Ogren | Schafer | Vellenga |
| Hoberg | Ludeman | Olsen | Schoenfeld | Voss |
| Hokanson | Luknic | Onnen | Schreiber | Weaver |
| Hokr | Mann | Osthoff | Searles | Welker |
| Jacobs | Marsh | Otis | Shea | Wenzel |
| Jennings | McCarron | Peterson, B. | Sherman | Wieser |
| Johnson, C. | McDonald | Peterson, D. | Sherwood | Wigley |
| Johnson, D. | McEachern | Piepho | Sieben, M. | Wynia |
| Jude | Mehrkens | Pogemiller | Simoneau | Zubay |
| Kahn | Metzen | Redalen | Skoglund | Sprk. Sieben, H. |
| Kaley | Minne | Reding | Stadum | |
| Kalis | Munger | Rees | Staten | |
| Kelly | Murphy | Reif | Stowell | |
| Knickerbocker | Nelsen, B. | Rice | Stumpf | |

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. No. 748.

H. F. No. 748 was reported to the House.

Dean moved to amend H. F. No. 748, the second engrossment, as follows:

Page 5, line 17, after the comma delete the remainder of the line

Page 5, line 18, delete "assistance shall include, but not be limited to," and insert "including"

Page 6, delete lines 7 to 36 and insert:

"Upon application to the commissioner of economic security, a person who suffers loss of employment directly related to, or caused by, the provisions of this act shall be entitled to a dislocation allowance from the unrefunded surplus in the land disposal abatement and recycling fund pursuant to section 6. A dislocated employee shall be required to meet the minimum requirements for unemployment compensation in addition to any requirements established by the commissioner and this section. The dislocation allowance shall be equal to 100 percent of the cost of employment assistance, vocational or educational training or retraining, and for any moving expenses due to relocation in order to obtain employment, but shall not exceed a total cost of \$5,000 to a dislocated employee. A dislocated employee shall be eligible for a dislocation allowance for a period of not more than

two years from the date he first became unemployed as a result of the provisions of this act.

For purposes of this section, "dislocated employee" means any person who suffers loss of"

Page 7, after "the" delete "passage" and insert "provisions"

Rice moved that H. F. No. 748 be re-referred to the Committee on Taxes.

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 | Esau | Kahn | Niehaus | Searles |
| Ainley | Evans | Kaley | Novak | Shea |
| Anderson, B. | Ewald | Kalis | Nysether | Sherman |
| Anderson, G. | Fjoslien | Kelly | Ogren | Sieben, M. |
| Anderson, I. | Forsythe | Knickerbocker | Olsen | Simoneau |
| Anderson, R. | Friedrich | Kostohryz | Onnen | Skoglund |
| Battaglia | Greenfield | Laidig | Osthoff | Stadum |
| Begich | Gruenes | Lehto | Otis | Staten |
| Berkelman | Gustafson | Lemen | Peterson, B. | Stowell |
| Blatz | Halberg | Levi | Peterson, D. | Sviggum |
| Brandl | Hanson | Long | Piepho | Swanson |
| Brinkman | Harens | Ludeman | Pogemiller | Tomlinson |
| Byrne | Hauge | Luknic | Redalen | Valan |
| Carlson, D. | Haukoos | Mann | Reding | Valento |
| Carlson, L. | Heap | Marsh | Rees | Vanasek |
| Clark, J. | Heinitz | McCarron | Reif | Vellenga |
| Clark, K. | Himle | McDonald | Rice | Voss |
| Clawson | Hoberg | McEachern | Rodriguez, C. | Welch |
| Dahlvang | Hokanson | Mehrkens | Rodriguez, F. | Welker |
| Dean | Hokr | Metzen | Rose | Wenzel |
| Dempsey | Jacobs | Minne | Rothenberg | Wieser |
| Den Ouden | Jennings | Munger | Samuelson | Wigley |
| Drew | Johnson, C. | Murphy | Sarna | Wynia |
| Elioff | Johnson, D. | Nelsen, B. | Schafer | Spkr. Sieben, H. |
| Erickson | Jude | Nelson, K. | Schreiber | |

Rice 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 Rice motion to re-refer H. F. No. 748 to the Committee on Taxes.

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

The roll was called and there were 79 yeas and 52 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Friedrich | Lemen | Onnen | Simoneau |
| Anderson, I. | Gruenes | Levi | Osthoff | Stadum |
| Battaglia | Halberg | Ludeman | Piepho | Staten |
| Begich | Harens | Luknic | Redalen | Stowell |
| Berkelman | Haukoos | Marsh | Reding | Sviggum |
| Blatz | Heap | McCarron | Rees | Valan |
| Brinkman | Heinitz | McEachern | Reif | Valento |
| Byrne | Hoberg | Mehrkens | Rice | Vanasek |
| Carlson, D. | Hokanson | Metzen | Rodriguez, C. | Weaver |
| Dahlvang | Hokr | Minne | Rodriguez, F. | Welker |
| Dempsey | Jennings | Murphy | Samuelson | Wenzel |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wieser |
| Elioff | Johnson, D. | Niehaus | Schreiber | Wigley |
| Esau | Kaley | Nysether | Searles | Zubay |
| Evens | Knickerbocker | O'Connor | Shea | Spkr. Sieben, H. |
| Ewald | Kvam | Ogren | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|--------------|-----------|
| Aasness | Erickson | Kalis | Novak | Skoglund |
| Anderson, B. | Fjoslien | Kelly | Olsen | Stumpf |
| Anderson, G. | Forsythe | Kostohryz | Otis | Swanson |
| Anderson, R. | Greenfield | Laidig | Peterson, B. | Tomlinson |
| Brandl | Gustafson | Lehto | Peterson, D. | Vellenga |
| Carlson, L. | Hanson | Long | Pogemiller | Voss |
| Clark, J. | Hauge | Mann | Rothenberg | Welch |
| Clark, K. | Himle | McDonald | Sarna | Wynia |
| Clawson | Jacobs | Munger | Schoenfeld | |
| Dean | Jude | Nelson, K. | Sherwood | |
| Drew | Kahn | Norton | Sieben, M. | |

The motion prevailed.

Searles and McDonald were excused at 4:20 p.m. Heinitz, Luknic and Halberg were excused at 5:30 p.m. Norton was excused at 6:15 p.m.

GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole, with Sieben, H., in the Chair, for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

REPORT OF COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 1190 and 1200 which it recommended to pass.

H. F. Nos. 1185, 234, 298, 586, 1051 and 1242 which it recommended progress.

H. F. No. 491 which it recommended progress until Wednesday, May 6, 1981.

H. F. No. 849 which it recommended re-referral to the Committee on Health and Welfare.

S. F. Nos. 823, 556, 443, 550, 1248, 291, 1193 and 1278 which it recommended to pass.

S. F. No. 1122 which it recommended progress.

S. F. No. 763 which it recommended progress until Wednesday, May 6, 1981.

S. F. No. 1132 which it recommended progress until Friday, May 8, 1981.

S. F. No. 72 which it recommended to pass with the following amendment offered by Minne:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 210A.04, is amended to read:

Subdivision 1. Every person who (WRITES, PRINTS, POSTS, OR DISTRIBUTES, OR CAUSES TO BE WRITTEN, PRINTED, POSTED, OR DISTRIBUTED, EXCEPT BY BROADCASTING, ANY CIRCULAR, POSTER, OR OTHER WRITTEN OR PRINTED MATTER CONTAINING FALSE INFORMATION) *intentionally participates in the preparation or dissemination of paid political advertising or campaign material with respect to the personal or political character or acts of any candidate, which is known by that person to be false and which is designed or tends to elect, injure or defeat any candidate for nomination or election to a public office, (SHALL BE) is guilty of a gross misdemeanor.*

Subd. 2. Subdivision 1 (SHALL) *does not apply to a printer or manufacturer of campaign material whose sole act is the printing or manufacturing of campaign material and delivery to the person who orders it, and who does not know (SUCH) the printed matter is false; nor does it apply to a broadcaster for a radio or television broadcast station or cable system whose sole act is the dissemination of the false information as advertising paid for in the regular course of business, and who does not know the information is false."*

Delete the title and insert:

"A bill for an act relating to elections; providing a penalty for preparing or disseminating certain false information; exempting certain broadcasters; amending Minnesota Statutes 1980, Section 210A.04."

S. F. No. 771 which it recommended to pass with the following amendment offered by Fjoslien:

Page 2, lines 5, 14, and 25, delete "Oak Port" and insert "Oakport"

Page 2, line 13, delete "OAK PORT" and insert "OAKPORT"

Amend the title, as follows:

Page 1, line 2 and 6, delete "Oak Port" and insert "Oakport"

H. F. No. 1021 which it recommended to pass with the following amendment offered by Carlson, L.:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1981, Chapter 29, Article III, Section 2, is amended to read:

Sec. 2. [203B.02] [ABSENTEE VOTING; GENERAL ELIGIBILITY REQUIREMENTS.]

Subdivision 1. [UNABLE TO GO TO POLLING PLACE.] Any eligible voter who (IS) *reasonably anticipates he will be unable to go to the polling place on election day in the precinct where the individual maintains residence because of absence from the precinct, illness, physical disability, religious discipline, observance of a religious holiday or service as an election judge in another precinct may vote by absentee ballot as provided in Article III, Sections 4 to 15.*

Subd. 2. [MILITARY SERVICE; TEMPORARY ABSENCE.] An eligible voter who is either in the military, or is a spouse or dependent of an individual serving in the military, or is temporarily outside the territorial limits of the United States may vote by absentee ballot either as provided in Article III, Sections 4 to 15 or as provided in Article III, Sections 16 to 27.

Subd. 3. [PERMANENT RESIDENCE ABROAD.] A United States citizen living permanently outside the United States who is eligible under federal law to vote in federal elections in Minnesota may vote by absentee ballot only as provided in Article III, Sections 16 to 27."

Delete the title and insert:

"A bill for an act relating to elections; changing certain requirements for voting by absent and disabled voters; amending Laws 1981, Chapter 29, Article III, Section 2."

H. F. No. 1160 which it recommended to pass with the following amendment offered by Stumpf:

Page 1, line 11, to page 2, line 31, delete section 1

Renumber the sections

Amend the title as follows:

Lines 2 and 3, delete "removing the auctioneer's exception to the definition of "real estate broker";"

Line 7, delete "82.18;"

H. F. No. 1247 which it recommended progress with the following amendments:

Offered by Osthoff:

Page 1, after line 22, add a new section to read:

"Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Offered by Tomlinson and Kelly:

Page 1, line 16, after "If" insert "55" and reinstate "percent of"

Page 1, line 17, reinstate the stricken language and delete the new language

Page 1, lines 18 and 19, delete the new language

S. F. No. 822 which it recommended to pass with the following amendment offered by Clawson:

Page 1, line 17, after "professional" insert a comma

S. F. No. 1343 which it recommended to pass with the following amendment offered by Jude:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1981, Chapter 29, Article V, Section 35, is amended as follows:

Sec. 35. [204C.35] [LEGISLATIVE AND JUDICIAL RACES; AUTOMATIC RECOUNTS.]

In the state primary when the difference between the votes cast for the candidates for nomination to a legislative office or to a district, county, or county municipal court judicial office is 100 or less, the difference is less than ten percent of the total number of votes counted for that nomination, and the difference determines the nomination, the canvassing board with responsibility for declaring the results for that office shall recount the

vote. In a state general election when the difference between the votes of a candidate who would otherwise be declared elected to a legislative office or to a district, county, or county municipal court judicial office and the votes of any other candidate for that office is 100 or less, the canvassing board shall recount the votes. A recount shall not delay any other part of the canvass. The results of the recount shall be certified by the canvassing board as soon as possible. Time for notice of a contest for an office which is recounted pursuant to this section shall begin to run upon certification of the results of the recount by the canvassing board. A losing candidate may waive a recount required pursuant to this section by filing a written notice of waiver with the canvassing board."

Delete the title and insert:

"A bill for an act relating to elections; providing for automatic recounts in certain judicial elections; amending Laws 1981, Chapter 29, Article V, Section 35."

H. F. No. 1301 which it recommended to pass with the following amendment offered by Greenfield:

Page 1, line 13, delete "*residential*" and insert "*housing*"

Page 1, line 16, delete "*residential*" and insert "*housing*"

On the motion of Eken the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Stumpf moved to amend H. F. No. 1160 as follows:

Page 1, line 11, to page 2, line 31, delete section 1

Renumber the sections

Amend the title as follows:

Lines 2 and 3 delete "removing the auctioneer's exception to the definition of "real estate broker";"

Line 7, delete "82.18;"

The question was taken on the amendment and the roll was called. There were 69 yeas and 47 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|-------------|-----------|----------|
| Aasness | Anderson, G. | Berkelman | Clark, K. | Eken |
| Ainley | Battaglia | Brinkman | Clawson | Erickson |
| Anderson, B. | Begich | Carlson, D. | Den Ouden | Fjoslien |

| | | | | |
|-------------|------------|------------|------------|----------|
| Friedrich | Lehto | Niehaus | Schafer | Valan |
| Greenfield | Lemen | Norton | Schoenfeld | Valento |
| Hanson | Levi | Nysether | Shea | Vanasek |
| Harens | Long | Ogren | Sherman | Vellenga |
| Hauge | Ludeman | Onnen | Simoneau | Voss |
| Hoberg | Luknic | Otis | Skoglund | Welch |
| Jennings | Mann | Pogemiller | Stadum | Welker |
| Johnson, C. | McCarron | Redalen | Staten | Wigley |
| Kahn | Mehrkens | Reding | Stumpf | Wynia |
| Kalis | Murphy | Reif | Sviggum | Zubay |
| Kostohryz | Nelsen, B. | Rice | Tomlinson | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|---------------|------------|
| Anderson, I. | Esau | Hokanson | Novak | Rothenberg |
| Anderson, R. | Evans | Jacobs | O'Connor | Sarna |
| Blatz | Ewald | Jude | Olsen | Sieben, M. |
| Byrne | Forsythe | Kelly | Osthoff | Swanson |
| Carlson, L. | Gruenes | Knickerbocker | Peterson, B. | Weaver |
| Dahlvang | Gustafson | Kvam | Peterson, D. | Wenzel |
| Dean | Haukoos | Marsh | Piepho | Wieser |
| Dempsey | Heap | McEachern | Rodriguez, C. | |
| Drew | Heinitz | Metzen | Rodriguez, F. | |
| Elioff | Himle | Minne | Rose | |

The motion prevailed and the amendment was adopted.

The question was taken on the motion to recommend passage of H. F. No. 1247, as amended, and the roll was called. There were 56 yeas and 58 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Greenfield | Levi | Osthoff | Tomlinson |
| Anderson, I. | Gustafson | Mann | Peterson, D. | Vanasek |
| Battaglia | Hanson | McCarron | Rice | Stadum |
| Begich | Harens | McEachern | Rodriguez, C. | Vellenga |
| Byrne | Hokanson | Metzen | Rodriguez, F. | Voss |
| Carlson, L. | Jacobs | Munger | Shea | Welch |
| Clark, J. | Johnson, C. | Murphy | Sieben, M. | Wenzel |
| Clark, K. | Jude | Nelson, K. | Simoneau | Wynia |
| Clawson | Kahn | Niehaus | Skoglund | Spkr. Sieben, H. |
| Dahlvang | Kalis | Novak | Stumpf | |
| Eken | Kelly | O'Connor | Sviggum | |
| Elioff | Kostohryz | Ogren | Swanson | |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|----------|--------------|----------|
| Aasness | Ewald | Kvam | Onnen | Sherman |
| Ainley | Fjoslien | Laidig | Otis | Sherwood |
| Anderson, R. | Forsythe | Lehto | Peterson, B. | Stadum |
| Berkelman | Gruenes | Lemen | Piepho | Stowell |
| Blatz | Hauge | Long | Redalen | Valan |
| Carlson, D. | Haukoos | Ludeman | Reding | Valento |
| Dempsey | Himle | Marsh | Rees | Weaver |
| Den Ouden | Hoberg | Mehrkens | Reif | Welker |
| Drew | Hokr | Minne | Rose | Wieser |
| Erickson | Jennings | Norton | Rothenberg | Zubay |
| Esau | Kaley | Nysether | Schafer | |
| Evans | Knickerbocker | Olsen | Schoenfeld | |

The motion did not prevail.

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. 486, A resolution memorializing the Congress and the President of the United States to avoid direct military involvement in El Salvador.

H. F. No. 588, A bill for an act relating to financial institutions; providing for maximum interest rates on overdraft checking loans; amending Minnesota Statutes 1980, Section 48.185, Subdivision 3.

H. F. No. 634, A bill for an act relating to securities; providing for improved regulation of the sale of securities and the licensing of broker-dealers, agents, and investment advisers; making miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 80A.04, Subdivision 4; 80A.05, Subdivision 1; 80A.07, Subdivision 1; 80A.12, Subdivision 3; 80A.14; 80A.15, Subdivisions 1 and 2; 80A.16; 80A.21, Subdivision 1; 80A.28, Subdivisions 1, 2, 3, 4 and 7, and by adding a subdivision; 80A.30, Subdivision 2.

H. F. No. 659, A bill for an act relating to retirement; St. Paul teachers retirement fund association; removing an expiration date on authority to provide post retirement increases in certain instances; authorizing reduced early retirement in certain instances; amending Laws 1979, Chapter 109, Section 1.

H. F. No. 889, A bill for an act relating to water well contractors; altering the exemption from license requirements for certain registered professional engineers; providing for licensing of thermal exchange devices; amending Minnesota Statutes 1980, Sections 156A.02, by adding a subdivision; and 156A.03, Subdivision 3.

H. F. No. 918, A bill for an act relating to cooperatives; procedure for elections by members or shareholders of cooperative electric associations on public utilities commission regulation; amending Minnesota Statutes 1980, Section 216B.02, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 216B.

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. 1446, A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 246.151; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 13; 256D.05, Subdivision 3, and by adding a subdivision; 256D.06, Subdivision 1, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.11, Subdivisions 1, 8 and 9, and by adding a subdivision; 260.311, Subdivision 5; 393.07, Subdivision 10; 401.04; and 401.12; proposing new law coded in Minnesota Statutes, Chapters 144; 245; 256D and 257; repealing Minnesota Statutes, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sieben, M., moved that the House refuse to concur in the Senate amendments to H. F. No. 1446, 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

Knickerbocker moved that his name be stricken as an author on H. F. No. 1253. The motion prevailed.

Schreiber moved that his name be stricken as an author on H. F. No. 1253. The motion prevailed.

Stumpf moved that the name of Shea be added as an author on H. F. No. 1460. The motion prevailed.

Rees moved that S. F. No. 694 be recalled from the Committee on Commerce and Economic Development and together with H. F. No. 933, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Stumpf moved that the name of Rose be stricken and the name of Redalen be added as an author on H. F. No. 1460. The motion prevailed.

Esau moved that the name of Reding be stricken, the name of Esau be shown as second author and Anderson, G., be added as chief author on H. F. No. 553. The motion prevailed.

Harens moved that the name of Jude be added as an author on H. F. No. 1449. The motion prevailed.

Kostohyrz moved that H. F. No. 764 be returned to its author. The motion prevailed.

Stadum moved that H. F. No. 369 be returned to its author. The motion prevailed.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Monday, May 4, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m. Monday, May 4, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FORTY-SIXTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 4, 1981

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

Prayer was offered by Reverend Roman T. Blatz, Eagan, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Knickerbocker | Ogren | Sieben, M. |
| Ainley | Evans | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, G. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, I. | Friedrich | Lehto | Otis | Staten |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Stowell |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Piepho | Sviggum |
| Berkelman | Halberg | Ludeman | Pogemiller | Swanson |
| Blatz | Hanson | Luknic | Redalen | Tomlinson |
| Brandl | Harens | Mann | Reding | Valan |
| Brinkman | Hauge | Marsh | Rees | Valento |
| Byrne | Haukoos | McCarron | Reif | Vanasek |
| Carlson, D. | Heap | McDonald | Rice | Vellenga |
| Carlson, L. | Heinitz | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dean | Jennings | Murphy | Sarna | Wieser |
| Dempsey | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Jude | Niehaus | Schreiber | Zubay |
| Eken | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kaley | Novak | Shea | |
| Ellingson | Kalis | Nysether | Sherman | |
| Erickson | Kelly | O'Connor | Sherwood | |

A quorum was present.

Hokr was excused. Ewald was excused until 5:00 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 H. F. Nos. 1163, 1375, 242, 931, 1021, 1160, 1247 and 1301 and S. F. Nos. 1087, 15, 1247, 470, 461, 665, 767, 975, 1005, 1264, 1179, 804, 279, 476, 72, 771, 822 and 1343 have been placed in the members' files.

S. F. No. 1247 and H. F. No. 1016, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Sherwood moved that S. F. No. 1247 be substituted for H. F. No. 1016 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 665 and H. F. No. 1007, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Swanson moved that the rules be so far suspended that S. F. No. 665 be substituted for H. F. No. 1007 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 767 and H. F. No. 1266, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Minne moved that the rules be so far suspended that S. F. No. 767 be substituted for H. F. No. 1266 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 804 and H. F. No. 870, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Kalis moved that the rules be so far suspended that S. F. No. 804 be substituted for H. F. No. 870 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 975 and H. F. No. 935, 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. 975 be substituted for H. F. No. 935 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1005 and H. F. No. 1215, 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. 1005 be substituted for H. F. No. 1215 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1087 and H. F. No. 1199, 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. 1087 be substituted for H. F. No. 1199 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

May 1, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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> No. | <i>H.F.</i> No. | <i>Session Laws</i> <i>Chapter No.</i> | <i>Date Approved</i> 1981 | <i>Date Filed</i> 1981 |
|--------------------|--------------------|---|------------------------------|---------------------------|
| | 30 | 61 | April 30 | May 1 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 241 | 62 | April 30 | May 1 |
| | 401 | 63 | April 30 | May 1 |
| | 420 | 64 | April 30 | May 1 |
| | 518 | 65 | April 30 | May 1 |
| 196 | | 66 | April 30 | May 1 |
| 219 | | 67 | April 30 | May 1 |
| 305 | | 68 | April 30 | May 1 |
| 330 | | 69 | April 30 | May 1 |
| 333 | | 70 | April 30 | May 1 |
| 339 | | 71 | April 30 | May 1 |
| 462 | | 72 | April 30 | May 1 |
| 463 | | 73 | April 30 | May 1 |
| 611 | | 74 | April 30 | May 1 |
| 849 | | 75 | April 30 | May 1 |
| 1044 | | 76 | April 30 | May 1 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation

of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; altering definitions of dependent for property tax return purposes; providing for payment of property tax refund claims in case of death; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.37, Subdivision 1; 290.39, Subdivision 1, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 7; 290A.07, Subdivision 4; 290A.08; 290A.11, Subdivisions 2 and 4; 290A.18; 290A.22; proposing new law coded in Minnesota Statutes, Chapters 290 and 290A; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 10A.31, Subdivision 1, is amended to read:

Subdivision 1. (EFFECTIVE WITH THE TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1977,) Every individual *resident of Minnesota* who files a tax return or a renter and homeowner property tax refund return with the commissioner of revenue may designate that \$1 shall be paid from the general fund of the state into the state elections campaign fund. If a husband and wife file a joint return, each spouse may designate that \$1 shall be paid. An individual who is 18 years of age or older, who is a resident of Minnesota, and who is a dependent of another individual who files a tax return or a renter and homeowner property tax refund return, may designate that \$1 shall be paid from the general fund of the state into the state elections campaign fund. No individual shall be allowed to designate \$1 more than once in any year.

Sec. 2. Minnesota Statutes 1980, Section 15.1691, Subdivision 2, is amended to read:

Subd. 2. [GENERAL.] Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (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 an agent of the welfare system, including appropriate law enforcement personnel, who are acting in the investigation, prosecution, criminal or civil proceeding relating to the administration of a program;
- (e) To personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (f) To administer federal funds or programs; (OR)
- (g) Between personnel of the welfare system working in the same program; *or*
- (h) *Information on the amounts of cash public assistance and relief paid to welfare recipients in this state, which is requested by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the low income alternative tax.*

Sec. 3. Minnesota Statutes 1980, Section 268.12, Subdivision 12, is amended to read:

Subd. 12. [INFORMATION.] Except as hereinafter otherwise provided, information obtained from any employing unit or individual pursuant to the administration of sections 268.03 to 268.24, and from any determination as to the benefit rights of any individual shall be held confidential and shall not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant or other interested party (or his legal representative) shall be supplied with information from the records of the department of economic security, to the extent necessary for the proper presentation of his claim, contention or refutation of any claim in which he is an interested party in any proceeding under these sections with respect thereto. Subject to such restrictions as the commissioner may by regulation prescribe, such information may be made available to any agency of this or any other state, or any federal agency charged with the administration of an employment and security law or the maintenance of a system of public employment offices, any agency of this state which is required by law to provide statistical information to the bureau of labor statistics of the United States department of labor, any local human rights department within the state which has enforcement powers, (OR) the Bureau of Internal Revenue of the United States Department of the Treasury, or the Minnesota department of revenue and information obtained in connection with administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service. Upon request therefor, the commissioner shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, or any local human rights department within the state which has enforcement powers, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under these sections. The commissioner may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of these sections, and may in connection with such request, transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305 (c) of the federal internal revenue code.

All letters, reports, communications, or any other matters, either oral or written, from an employer or his workers to each other or to the commissioner or any of his agents, representatives, or employees, which shall have been written or made in connection with the requirements and administration of sections 268.03 to 268.24 or the regulations thereunder, shall be absolutely privileged and shall not be made subject matter or basis for any suit for slander or libel in any court of this state.

Sec. 4. Minnesota Statutes 1980, Section 290.05, is amended to read:

290.05 [EXEMPT INDIVIDUALS, ORGANIZATIONS, ESTATES, TRUSTS.]

Subdivision 1. The following corporations, individuals, estates, trusts, and organizations shall be exempted from taxation under this chapter, provided that every such person or corporation claiming exemption under this chapter, in whole or in part, must establish to the satisfaction of the commissioner the taxable status of any income or activity:

(a) (NATIONAL AND STATE BANKS, EXCEPT AS SUCH BANKS ARE SUBJECT TO THE EXCISE TAX IMPOSED BY SECTIONS 290.085 AND 290.361;)

((B)) Corporations, individuals, estates, and trusts engaged in the business of mining or producing iron ore and other ores the mining or production of which is subject to the occupation tax imposed by sections 298.01 and 298.011; but if any such corporation, individual, estate, or trust engages in any other business or activity or has income from any property not used in such business it shall be subject to this tax computed on the net income from such property or such other business or activity. Royalty (as defined in section 299.02) shall not be considered as income from the business of mining or producing iron ore within the meaning of this section;

((C)) (b) Farmers' mutual insurance companies organized and existing under the laws of the state and credit unions organized under chapter 52;

((D)) (c) Fraternal beneficiary associations wherever organized, and public department relief associations of public employees of this state or of any of its political subdivisions;

((E)) (d) Cooperative or mutual rural telephone associations; and cooperative associations organized under the provisions of (LAWS 1923, CHAPTER 326, AS AMENDED) *chapter 308*, which are engaged in the transmission and distribution of electrical heat, light or power upon a mutual and cooperative plan in areas outside the corporate limits of any city; but if any such cooperative association engages in supplying electrical heat, light or power to consumers within the corporate limits of any city, then such association shall be subject to this tax computed on that portion of its net income which its gross receipts from consumers within such corporate limits bears to its total gross receipts;

((F)) LABOR, AGRICULTURAL, AND HORTICULTURAL ORGANIZATIONS, NO PART OF THE NET INCOME OF

WHICH INURES TO THE BENEFIT OF ANY PRIVATE MEMBER, STOCKHOLDER, OR INDIVIDUAL;)

((G) FARMERS', FRUIT GROWERS', OR LIKE ASSOCIATIONS ORGANIZED AND OPERATED ON A COOPERATIVE BASIS (A) FOR THE PURPOSE OF PROCESSING OR MARKETING THE PRODUCTS OF MEMBERS OR OTHER PRODUCERS, AND TURNING BACK TO THEM THE PROCEEDS OF SALES, LESS THE NECESSARY EXPENSES, ON THE BASIS OF EITHER THE QUANTITY OR THE VALUE OF THE PRODUCTS FURNISHED BY THEM, OR (B) FOR THE PURPOSE OF PURCHASING SUPPLIES AND EQUIPMENT FOR THE USE OF MEMBERS OR OTHER PERSONS, AND TURNING OVER SUCH SUPPLIES AND EQUIPMENT TO THEM AT ACTUAL COST, PLUS NECESSARY EXPENSES; EXEMPTION SHALL NOT BE DENIED ANY SUCH ASSOCIATION BECAUSE IT HAS CAPITAL STOCK, IF THE DIVIDEND RATE OF SUCH STOCK IS FIXED AT NOT TO EXCEED THE LEGAL RATE OF INTEREST IN THE STATE OF INCORPORATION OR EIGHT PERCENT PER ANNUM, WHICHEVER IS GREATER, ON THE VALUE OF THE CONSIDERATION FOR WHICH THE STOCK WAS ISSUED, AND IF SUBSTANTIALLY ALL SUCH STOCK (OTHER THAN NON-VOTING PREFERRED STOCK, THE OWNERS OF WHICH ARE NOT ENTITLED OR PERMITTED TO PARTICIPATE, DIRECTLY OR INDIRECTLY, IN THE PROFITS OF THE ASSOCIATION, UPON DISSOLUTION OR OTHERWISE, BEYOND THE FIXED DIVIDENDS) IS OWNED BY PRODUCERS WHO PROCESS OR MARKET THEIR PRODUCTS OR PURCHASE THEIR SUPPLIES AND EQUIPMENT THROUGH THE ASSOCIATION; NOR SHALL EXEMPTION BE DENIED ANY SUCH ASSOCIATION BECAUSE THERE IS ACCUMULATED AND MAINTAINED BY IT A RESERVE REQUIRED BY STATE LAW OR A REASONABLE RESERVE FOR ANY NECESSARY PURPOSE; SUCH AN ASSOCIATION MAY MARKET THE PRODUCTS OF NON-MEMBERS IN AN AMOUNT THE VALUE OF WHICH DOES NOT EXCEED THE VALUE OF THE PRODUCTS MARKETED FOR MEMBERS, AND MAY PURCHASE SUPPLIES AND EQUIPMENT FOR NON-MEMBERS IN AN AMOUNT THE VALUE OF WHICH DOES NOT EXCEED THE VALUE OF THE SUPPLIES AND EQUIPMENT PURCHASED FOR MEMBERS, PROVIDED THE VALUE OF THE PURCHASES MADE FOR PERSONS WHO ARE NEITHER MEMBERS NOR PRODUCERS DOES NOT EXCEED 15 PERCENT OF THE VALUE OF ALL ITS PURCHASES; BUSINESS DONE FOR THE UNITED STATES OR ANY OF ITS AGENCIES SHALL BE DISREGARDED IN DETERMINING THE RIGHT TO EXEMPTION UNDER THIS CLAUSE;)

((H) CORPORATIONS OPERATING OR CONDUCTING PUBLIC BURYING GROUNDS, PUBLIC SCHOOLHOUSES, PUBLIC HOSPITALS, ACADEMIES, COLLEGES, UNIVERSITIES, SEMINARIES OF LEARNING, CHURCHES, HOUSES OF WORSHIP, AND INSTITUTIONS OF PURELY PUBLIC CHARITY, NO PART OF THE NET INCOME OF WHICH INURES TO THE BENEFIT OF ANY PRIVATE MEMBER, STOCKHOLDER, OR INDIVIDUAL;)

((I) ANY CORPORATION, FUND, FOUNDATION, TRUST OR ASSOCIATION ORGANIZED FOR EXCLUSIVELY SCIENTIFIC, LITERARY, RELIGIOUS, CHARITABLE, EDUCATIONAL, OR ARTISTIC PURPOSES, OR FOR THE PURPOSE OF MAKING CONTRIBUTIONS TO OR FOR THE USE OF THE UNITED STATES OF AMERICA, THE STATE OF MINNESOTA OR ANY OF ITS POLITICAL SUBDIVISIONS FOR EXCLUSIVELY PUBLIC PURPOSES, OR FOR ANY COMBINATION OF THE ABOVE ENUMERATED PURPOSES, IF NO PART OF THE NET INCOME OF ANY SUCH CORPORATION, FUND, FOUNDATION, TRUST OR ASSOCIATION INURES TO THE BENEFIT OF ANY PRIVATE MEMBER, STOCKHOLDER, OR INDIVIDUAL;)

((J) BUSINESS LEAGUES AND COMMERCIAL CLUBS, NOT ORGANIZED FOR PROFIT AND NO PART OF THE NET INCOME OF WHICH INURES TO THE BENEFIT OF ANY PRIVATE MEMBER, STOCKHOLDER, OR INDIVIDUAL;)

((K) CLUBS ORGANIZED AND OPERATED EXCLUSIVELY FOR PLEASURE, RECREATION, OR OTHER NON-PROFITABLE PURPOSES, NO PART OF THE NET INCOME OF WHICH INURES TO THE BENEFIT OF ANY PRIVATE MEMBER, STOCKHOLDER, OR INDIVIDUAL;)

((L) ANY CORPORATION ALL THE STOCK OF WHICH IS OWNED BY THE UNITED STATES OR WHICH MAY BE EXEMPT FROM A STATE FRANCHISE OR INCOME TAX BY FEDERAL LAW;)

((M)) (e) The United States of America, the state of Minnesota or any political subdivision of either agencies or instrumentalities, whether engaged in the discharge of governmental or proprietary functions (;).

((N) CORPORATIONS ORGANIZED BY AN ASSOCIATION EXEMPT UNDER THE PROVISIONS OF CLAUSE (G), OR MEMBERS THEREOF, FOR THE PURPOSE OF FINANCING THE ORDINARY CROP OPERATIONS OF SUCH MEMBERS OR OTHER PRODUCERS, AND OPERATED IN CONJUNCTION WITH SUCH ASSOCIATION; EXEMPTION SHALL NOT BE DENIED ANY SUCH CORPORA-

TION BECAUSE IT HAS CAPITAL STOCK, IF THE DIVIDEND RATE OF SUCH STOCK IS FIXED AT NOT TO EXCEED THE LEGAL RATE OF INTEREST IN THE STATE OF INCORPORATION OR EIGHT PERCENT PER ANNUM, WHICHEVER IS GREATER, ON THE VALUE OF THE CONSIDERATION FOR WHICH THE STOCK WAS ISSUED, AND IF SUBSTANTIALLY ALL SUCH STOCK (OTHER THAN NON-VOTING PREFERRED STOCK, THE OWNERS OF WHICH ARE NOT ENTITLED OR PERMITTED TO PARTICIPATE, DIRECTLY OR INDIRECTLY, IN THE PROFITS OF THE CORPORATION, UPON DISSOLUTION OR OTHERWISE, BEYOND THE FIXED DIVIDENDS) IS OWNED BY SUCH ASSOCIATION, OR MEMBERS THEREOF; NOR SHALL EXEMPTION BE DENIED ANY SUCH CORPORATION BECAUSE THERE IS ACCUMULATED AND MAINTAINED BY IT A RESERVE REQUIRED BY STATE LAW OR A REASONABLE RESERVE FOR ANY NECESSARY PURPOSE;)

((O) CORPORATIONS ORGANIZED FOR THE EXCLUSIVE PURPOSE OF HOLDING TITLE TO PROPERTY, COLLECTING INCOME THEREFROM, AND TURNING OVER THE ENTIRE AMOUNT THEREOF, LESS EXPENSES, TO AN ORGANIZATION WHICH ITSELF IS EXEMPT FROM THE TAX IMPOSED BY THIS CHAPTER;)

((P) VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATIONS PROVIDING FOR THE PAYMENT OF LIFE, SICK, ACCIDENT, OR OTHER BENEFITS TO THE MEMBERS OF SUCH ASSOCIATION OR THEIR DEPENDENTS IF NO PART OF THEIR NET EARNINGS INURES (OTHER THAN THROUGH SUCH PAYMENTS) TO THE BENEFIT OF ANY PRIVATE SHAREHOLDER OR INDIVIDUAL.)

Subd. 2. ((A) CORPORATIONS, INDIVIDUALS, ESTATES, TRUSTS OR ORGANIZATIONS CLAIMING EXEMPTION UNDER THE PROVISIONS OF SUBDIVISION 1, CLAUSES (D), (F), (G), (I), (J), (K), (N), (O) OR (P) SHALL FURNISH INFORMATION AS TO THEIR EXEMPT STATUS UNDER THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1979.)

((B) SUCH CORPORATIONS, INDIVIDUALS, ESTATES, TRUSTS, AND ORGANIZATIONS SHALL FILE WITH THE COMMISSIONER OF REVENUE A COPY OF ANY ANNUAL REPORT THAT IS REQUIRED TO BE FILED WITH THE INTERNAL REVENUE SERVICE, NO LATER THAN 10 DAYS AFTER FILING THE SAME WITH THE INTERNAL REVENUE SERVICE.)

(ANY PERSON REQUIRED TO FILE A COPY OF A FEDERAL RETURN PURSUANT TO THE PRECEDING

PARAGRAPH WHO WILLFULLY FAILS TO FILE SUCH RETURN SHALL BE GUILTY OF A MISDEMEANOR.)

((C) IN THE EVENT THAT THE INTERNAL REVENUE SERVICE REVOKES, CANCELS OR SUSPENDS THE EXEMPT STATUS OF ANY CORPORATION, INDIVIDUAL, ESTATE, TRUST OR ORGANIZATION REFERRED TO IN CLAUSE (A) OF THIS SUBDIVISION, SUCH CORPORATION, INDIVIDUAL, ESTATE, TRUST OR ORGANIZATION SHALL NOTIFY THE COMMISSIONER IN WRITING OF SUCH ACTION WITHIN 90 DAYS AFTER RECEIPT OF NOTICE FROM THE INTERNAL REVENUE SERVICE.)

Except as provided in subdivisions 1 and 3, organizations are exempted from taxation under this chapter if they are exempt from income taxation pursuant to Subchapter F of the Internal Revenue Code.

Subd. 3. (a) An organization exempt from taxation under subdivision 2 shall, nevertheless, be subject to tax under this chapter to the extent provided in the following provisions of the Internal Revenue Code:

(i) Section 527 (dealing with political organizations) and (ii) section 528 (dealing with certain homeowners associations) but notwithstanding this subdivision, shall be considered an organization exempt from income tax for the purposes of any law which refers to organizations exempt from income taxes.

(b) The tax shall be imposed on the taxable income of political organizations or homeowner associations. The tax shall be at the corporate rates. The tax shall only be imposed on income and deductions assignable to this state under sections 290.17 to 290.20. Except for section 290.09, subdivision 29, to the extent deducted in computing federal taxable income, the deductions contained in sections 290.09 and 290.21 shall not be allowed in computing Minnesota taxable net income.

Subd. 4. (a) Corporations, individuals, estates, trusts or organizations claiming exemption under the provisions of subdivision 1, clause (c), or subdivision 2 shall furnish information as to their exempt status under the Internal Revenue Code.

(b) Such corporations, individuals, estates, trusts, and organizations shall file with the commissioner of revenue a copy of any annual report that is required to be filed with the Internal Revenue Service, no later than ten days after filing the same with the Internal Revenue Service.

Any person required to file a copy of a federal return pursuant to the preceding paragraph who wilfully fails to file such return shall be guilty of a misdemeanor.

(c) *In the event that the Internal Revenue Service revokes, cancels or suspends, in whole or part, the exempt status of any corporation, individual, estate, trust or organization referred to in clause (a) of this subdivision, or if the amount of gross income, deductions, credits, items of tax preference or taxable income is changed or corrected by either the taxpayer or the Internal Revenue Service, or if the taxpayer consents to any extension of time for assessment of federal income taxes such corporation, individual, estate, trust or organization shall notify the commissioner in writing of such action within 90 days thereafter.*

(d) *The periods of limitations contained in section 290.56 shall apply whenever there has been any action referred to in clause (c), notwithstanding any period of limitations to the contrary.*

Subd. 5. In the case of any failure to furnish annual report information at the time and in the manner prescribed by subdivision 4, clause (b), unless it is shown that such failure is due to reasonable cause, there shall be paid to the commissioner by the exempt organization a penalty of \$100 for each such failure. The penalty shall be immediately due and payable upon notice and demand by the commissioner and may be collected in the same manner as any delinquent income tax.

Subd. 6. The Internal Revenue Code referred to in any of the subdivisions of this section means the Internal Revenue Code of 1954, as amended through December 31, 1980.

Subd. 7. Notwithstanding section 290.61, any information required to be furnished to the commissioner of revenue pursuant to subdivisions 1 and 4 shall be open to public inspection at such times and in such places as the commissioner may prescribe. The commissioner is also authorized to publish a list of organizations exempt from taxation pursuant to this section. Nothing in this subdivision shall authorize the commissioner to disclose the name or address of any contributor to any organization which is or was so exempt, or which has applied for tax exempt status, or any other information which could not be disclosed under section 6104 of the Internal Revenue Code.

Sec. 5. Minnesota Statutes 1980, Section 290.06, Subdivision 3d, is amended to read:

Subd. 3d. [LOW INCOME ALTERNATIVE TAX.] 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, 1979, the alternative tax shall be zero for the following claimants:

- (a) An unmarried claimant with an income of \$5,800 or less;
- (b) A claimant with one dependent, with an income of \$7,400 or less;
- (c) A claimant with two dependents, with an income of \$8,800 or less;
- (d) A claimant with three dependents, with an income of \$10,000 or less;
- (e) A claimant with four dependents, with an income of \$10,500 or less; and
- (f) A claimant with five or more dependents, with an income of \$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 for the entire calendar year of the claimant and his spouse, if any, including income not assignable to this state, 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).

Sec. 6. Minnesota Statutes 1980, 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 \$400 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$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, plus the ordinary income portion of any lump sum distribution under section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1980, of the claimant and his spouse, if any, exceeds \$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. 7. Minnesota Statutes 1980, 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) *sections 290.01, subdivision 20 or 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 290.01, subdivision 27, 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 A 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.)) *described in section 264(a)(2) and (3), (b) and (c) (relating to life insurance) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall not be allowed as a deduction.*

(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, 1979) AND WHICH IS PROVIDED FOR A STUDENT OF SUCH INSTITUTION) *the provisions of section 163(b) of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall apply.*

(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.

(e) *In the case of a taxpayer other than a corporation, the amount of interest on investment indebtedness allowable as a deduction shall be allowed and limited as set forth in section 163(d) of the Internal Revenue Code of 1954, as amended through December 31, 1980. The limitation prescribed in section 163(d)(1)(a) for married individuals who file separate returns shall also apply to married individuals who file separately on one return.*

Sec. 8. Minnesota Statutes 1980, Section 290.095, Subdivision 1, is amended to read:

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 and 11 hereof (, AND, WITH RESPECT TO INDIVIDUALS, 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. 9. Minnesota Statutes 1980, Section 290.095, is amended by adding a subdivision to read:

Subd. 11. [CARRYBACK OR CARRYOVER ADJUSTMENTS.] (a) For individuals the amount of a net operating loss that may be carried back or carried over shall be the same dollar amount allowable in the determination of federal adjusted gross income. For estates and trusts the amount of a net operating loss that may be carried back or carried over shall be the same dollar amount allowable in the determination of federal taxable income.

(b) The following adjustments to the amount of the net operating loss that may be carried back or carried over must be made for:

(1) Nonassignable income or losses as required by section 290.17, subdivision 2.

(2) Losses which constitute tax preference items as required in section 290.17, subdivision 1.

(3) Modifications required because of the restrictions on farm losses as provided in section 290.09, subdivision 29.

(4) Adjustments to the determination of federal adjusted gross income that must be made because of changes in the Internal Revenue Code that have not yet been adopted by the legislature by updating the reference to the Internal Revenue Code contained in section 290.01, subdivision 20.

(5) Modifications to income and loss contained in federal adjusted gross income according to the provisions of section 290.01, subdivision 20, clause (c).

(6) Gains or losses which result from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes subject to the limitations contained in section 290.01, subdivision 20, clause (b) (2) and (4).

(7) Interest, taxes, and other expenses not allowed under section 290.10, clauses (9) and (10) or section 290.101.

(c) (1) The net operating loss carryback or carryover applied as a deduction in the taxable year to which the net operating loss is carried back or carried over shall be equal to the net operating loss carryback or carryover applied in the taxable year in arriving at federal adjusted gross income (or

federal taxable income for trusts and estates) subject to the modifications contained in clause (b) and to the following modifications:

(A) Increase the amount of carryback or carryover applied in the taxable year by the amount of losses and interest, taxes and other expenses not assignable or allowable to Minnesota incurred in the taxable year.

(B) Decrease the amount of carryback or carryover applied in the taxable year by the amount of income not assignable to Minnesota earned in the taxable year and the amount of federal jobs credit or WIN credit earned in the taxable year.

(C) A taxpayer who is not a resident of Minnesota during any part of the taxable year and who has no income assignable to Minnesota during the taxable year shall apply no net operating loss carryback or carryover in the taxable year.

(2) The provisions of section 172(b) of the Internal Revenue Code of 1954 as amended through December 31, 1980 (relating to carrybacks and carryovers) shall apply. The net operating loss carryback or carryover to the next consecutive taxable year shall be the net operating loss carryback or carryover as calculated in clause (c) (1) less the amount applied in the earlier taxable year(s). No additional net operating loss carryback or carryover shall be allowed if the entire amount has been used to offset Minnesota income in a year earlier than was possible on the federal return. A net operating loss carryback or carryover that was allowed to offset federal income in a year earlier than was possible on the Minnesota return shall still be allowed to offset Minnesota income but only if the loss was assignable to Minnesota in the year the loss occurred.

(d) A net operating loss shall be allowed to be carried back or carried forward only to the extent that loss was assignable to Minnesota in the year the loss occurred or in the year to which the loss was carried over, whichever would allow more of the loss to be allowed for Minnesota purposes.

(e) If a taxpayer has a net operating loss for federal purposes and the provisions of the farm loss limitation as provided in section 290.09, subdivision 29 apply, the limitations applying to the farm losses that are carried back or carried over are applied first and the net operating loss that is carried back or carried over is limited to the excess, if any, that the net operating loss exceeds the farm loss limitation.

Sec. 10. Minnesota Statutes 1980, Section 290.095, Subdivision 9, is amended to read:

Subd. 9. [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO NET OPERATING LOSS CARRYBACKS.]

For the purposes of sections 290.46 and 290.50 if the claim for refund relates to an overpayment attributable to a net operating loss carryback under this section or as the result in the case of an individual of an adjustment of "federal adjusted gross income" because of the carryback under section 172 of the Internal Revenue Code of 1954, as amended through December 31, 1979 in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period shall be that period which ends with the expiration of the 15th day of the 46th month (or the 45th month, in the case of a corporation) following the end of the taxable year of the net operating loss which results in such carryback or adjustment of "federal adjusted gross income". *During this extended period, married individuals who elected to file separate returns or a combined return may change their election and file a joint return.*

Sec. 11. Minnesota Statutes 1980, 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, 1933, 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 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 the person, be the fair market value of the property at the date of decedent's death or, *in the case of an election under section 2032 (relating to alternate valuation) of the Internal Revenue Code of 1954, as amended through December 31, 1980, its valuation at the applicable valuation date prescribed by that section, or in the case of an election under section 2032A (relating to valuation of farm real property) of the Internal Rev-*

enue Code of 1954, as amended through December 31, 1980, its value determined by that section.

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 or estate tax purposes. In 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 the property before the death of the decedent. 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 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 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 the property over the sale price of the stock or securities, or decreased by the excess of the sale price of the stock or securities over the repurchase price of 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 conversion was made, determining the taxable status of the gain or loss upon conversion, and increased in the amount of gain or decreased in the amount of loss to the taxpayer recognized upon conversion under the law applicable to the year in which 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 the property, be increased or diminished on account of income derived by the lessor in respect of 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 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 the property shall be properly adjusted for the amount 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. 12. Minnesota Statutes 1980, Section 290.37, Subdivision 1, is amended to read:

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.

In the case of a decedent who has gross income in excess of the minimum amount at which an individual is required to file a return, the decedent's final income tax return shall be filed by his or her personal representative, if any. If there is no personal representative, the return shall be filed by the successors (as defined in section 524.1-201) who receive any property of the decedent.

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, 1979, modified and adjusted in accordance with the provisions of sections 290.01, subdivision 20, clauses (b)(1), (b)(6) and (b)(11), 290.08, and 290.17.

Sec. 13. Minnesota Statutes 1980, Section 290.39, Subdivision 1, is amended to read:

Subdivision 1. [IN GENERAL.] Every return shall specifically set forth the items of gross income, deductions, credits against net income, credits against the tax, and any other data necessary for computing the amount of any item required for determining the amount of the net income tax liability. The return shall be in such form as the commissioner of revenue may prescribe. The filing of a return required under this section shall be deemed an assessment subject to revision of the tax shown due on the basis of such return.

In the event a taxpayer files a return which does not contain all the information required by this subdivision, the commissioner may, in addition to any other remedies which may be available, bring an action in equity by the state against the taxpayer for an injunction ordering the taxpayer to file a complete and proper return in accordance with this subdivision. The district courts of this state shall have jurisdiction over the action and disobedience of an injunction issued under this subdivision shall be punished as a contempt of district court.

Sec. 14. Minnesota Statutes 1980, Section 290.39, Subdivision 2, is amended to read:

Subd. 2. [(SINGLE FORM FOR SEPARATE RETURNS) SEPARATE COMPUTATIONS ON A SINGLE RETURN.] Notwithstanding the provisions of section 290.61, a husband and wife may elect to (FILE SEPARATE) compute their Minnesota income tax (RETURNS) separately on a single (FORM) return, in which event:

(a) if the sum of the payments by either spouse, including withheld and estimated taxes, exceeds the amount of tax (FOR WHICH) of such spouse (IS SEPARATELY LIABLE) as computed separately, the excess may be applied by the commissioner to the credit of the other spouse if the sum of the payments by such other spouse, including withheld and estimated taxes, is less than the amount of the tax (FOR WHICH) of such other spouse (IS SEPARATELY LIABLE) as computed separately;

(b) if the sum of the payments made by both spouses with respect to the taxes (FOR WHICH THEY ARE SEPARATELY LIABLE) of both as computed separately, including withheld and estimated taxes, exceeds the total of the taxes due, refund of the excess may be made payable to both spouses or may be credited against any liability in respect of Minnesota income tax on the part of either spouse;

(c) if the sum of the payments made by both spouses with respect to the taxes of both as computed separately, including withheld and estimated taxes, is less than the total of the taxes due, the liability for the unpaid tax shall be joint and several; provided that a spouse may be relieved of liability in those cases contained in section 6013(e) of the Internal Revenue Code of 1954 as amended through December 31, 1980 (for purposes of computing the 25 percent test contained in that section, the amount of gross income stated in the return shall include the total gross income of both spouses);

(d) if the standard deduction provided for by section 290.09, subdivision 15, is not utilized, then the total of the Minnesota itemized deductions of a husband and wife may be taken by either or divided between them as they elect.

Sec. 15. Minnesota Statutes 1980, Section 290.39, is amended by adding a subdivision to read:

Subd. 3. The commissioner may, in his discretion, provide for use a short form individual income tax return which shall be in the form and provide for items as the commissioner may prescribe which are consistent with the provisions of this chapter, notwithstanding any other law to the contrary. The political checkoff provided in section 10A.31 shall be included on the short form.

Sec. 16. Minnesota Statutes 1980, Section 290.41, Subdivision 2, is amended to read:

Subd. 2. [BY PERSONS (OR), CORPORATIONS, COOPERATIVES, GOVERNMENTAL ENTITIES OR SCHOOL DISTRICTS.] Every person (OR), corporation, or cooperative, the state of Minnesota and its political subdivisions, and every city, county and school district in Minnesota, making payments in the regular course of a trade or business during the taxable year to any person or corporation in excess of \$600 on account of rents or royalties, or of \$10 or more on account of interest, or (IN EXCESS OF) \$10 or more on account of dividends or patronage dividends, or (IN EXCESS OF) \$600 or more on account of either wages, salaries, (OR) commissions, fees, prizes, awards, pensions, annuities, or any other fixed or determinable gains, profits or income, not otherwise reportable under section 290.92, subdivision 7, or on account of earnings in excess of \$10 distributed to its members by savings, building

and loan associations or credit unions chartered under the laws of this state or the United States, (a) shall make a return (except in cases where a valid agreement to participate in the combined federal and state information reporting system has been entered into, and such return is therefore filed only with the commissioner of internal revenue pursuant to the applicable filing and informational reporting requirements of the Internal Revenue Code of 1954 as amended through December 31, 1980) in respect to such payments in excess of the amounts specified, giving the names and addresses of the persons to whom such payments were made, the amounts paid to each, and (b) shall make a return in respect to the total number of such payments and total amount of such payments, for each category of income specified, which were in excess of the amounts specified. This subdivision shall not apply to the payment of interest or dividends to a person who was a nonresident of Minnesota for the entire year. (THE STATE TREASURER OR OTHER CORRESPONDING OFFICER, BY WHATEVER NAME KNOWN, OF EVERY POLITICAL SUBDIVISION OF THE STATE, OF EVERY CITY AND OF EVERY SCHOOL DISTRICT, SHALL, ON OR BEFORE THE FIRST DAY OF MARCH EACH YEAR, BEGINNING WITH MARCH, 1938, MAKE AND FILE WITH THE COMMISSIONER OF REVENUE A REPORT GIVING THE NAME OF EACH EMPLOYEE OR OFFICIAL TO WHOM THE STATE OR SUCH POLITICAL SUBDIVISION, CITY, OR SCHOOL DISTRICT, DURING THE PRECEDING CALENDAR YEAR, PAID ANY SALARY OR WAGES IN EXCESS OF \$600, TOGETHER WITH THE LAST KNOWN ADDRESS OF SUCH EMPLOYEE OR OFFICIAL.)

Sec. 17. Minnesota Statutes 1980, Section 290.41, is amended by adding a subdivision to read:

Subd. 5. [UNEMPLOYMENT COMPENSATION.] Every person who makes payments of unemployment compensation aggregating \$10 or more to any individual during any calendar year and who is required to make and file a return pursuant to section 6050B of the Internal Revenue Code of 1954 as amended through December 31, 1980, shall file with the commissioner of revenue a copy of such return.

Sec. 18. Minnesota Statutes 1980, Section 290.41, is amended by adding a subdivision to read:

Subd. 6. [FAILURE TO FILE RETURN.] In the case of each failure to file a return required by this section on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause and not to wilful neglect, the payer failing to file such return shall pay to the commissioner a penalty of \$10 for each such failure, but the total amount imposed on the delinquent payer for all such failures during any calendar year

shall not exceed \$1,000. The penalty shall be collected in the same manner as any delinquent income tax.

Sec. 19. Minnesota Statutes 1980, Section 290.42, is amended to read:

290.42 [FILING RETURNS, DATE.]

The returns required to be made under sections 290.37 to 290.39 and 290.41, other than those under section 290.41, subdivisions 3 and 4, which shall be made within 30 days after demand therefor by the commissioner, shall be filed at the following times:

(1) Returns made on the basis of the calendar year shall be filed on the fifteenth day of April, following the close of the calendar year, except that returns of corporations shall be filed on the fifteenth day of March following the close of the calendar year;

(2) Returns made on the basis of the fiscal year shall be filed on the fifteenth day of the fourth month following the close of such fiscal year, except that returns of corporations shall be filed on the fifteenth day of the third month following the close of the fiscal year;

(3) Returns made for a fractional part of a year as an incident to a change from one taxable year to another shall be filed on the fifteenth day of the fourth month following the close of the period for which made, except that such returns of corporations shall be filed on the fifteenth day of the third month following the close of the period for which made;

(4) Other returns for a fractional part of a year shall be filed on the fifteenth day of the fourth month following the end of the month in which falls the last day of the period for which the return is made, except that such returns of corporations shall be filed on the fifteenth day of the third month following the end of the month in which falls the last day of the period for which the return is made:

In the case of a final return of a decedent for a fractional part of a year, such return shall be filed on the fifteenth day of the fourth month following the close of the twelve-month period which began with the first day of such fractional part of a year.

(4a) In the case of the return of a cooperative association such returns shall be filed on or before the fifteenth day of the ninth month following the close of the taxable year.

(5) If the due date for any return required under chapter 290 falls upon:

(A) A Saturday, such return filed by the following Monday shall be considered to be timely filed;

(B) A legal holiday, such return filed on the next succeeding business day shall be considered to be timely filed, except, that for the purpose of this paragraph, Saturday shall not be considered to be a business day.

(6) In case of sickness, absence, or other disability, or when, in his judgment, good cause exists, the commissioner may extend the time for filing these returns for not more than six months, except that where the failure is due to absence outside the United States he may extend the period until 30 days after the taxpayer's return to this state. He may require each taxpayer in any of such cases to file a tentative return at the time fixed for filing the regularly required return from him, and to pay a tax on the basis of such tentative return at the times required for the payment of taxes on the basis of the regularly required return from such taxpayer. The commissioner may exercise his power under this clause by general regulation only.

(7) *Every person making a return under section 290.41 (except subdivisions 3 and 4) shall furnish to each person whose name is set forth in the return a written statement showing*

(A) *the name and address of the person making the return, and*

(B) *the aggregate amount of payments to the person shown on the return.*

This written statement shall be furnished to the person on or before January 31 of the year following the calendar year for which the return was made. A duplicate of this written statement shall be furnished to the commissioner on or before February 28 of the year following the calendar year for which the return was made.

Sec. 20. Minnesota Statutes 1980, Section 290.43, is amended to read:

290.43 [RETURNS, WHERE FILED.]

The returns required to be made under sections 290.37 to 290.39 and 290.41 shall be filed with the commissioner at his office in St. Paul, or such other place as the commissioner may designate.

Sec. 21. Minnesota Statutes 1980, Section 290.44, is amended to read:

290.44 [PAYMENT OF TAX, WHO MUST PAY.]

The taxes imposed by this chapter, and interest and penalties imposed with respect thereto, shall be paid by the taxpayer upon whom imposed, except in the following cases:

(1) The tax due from a decedent for that part of the taxable year in which he died during which he was alive shall be paid by his personal representative(;), *if any. If there is no personal representative, the tax shall be paid by the successors (as defined in section 524.1-201) to the extent they receive property from the decedent.*

(2) The tax due from an infant or other incompetent person shall be paid by his guardian or other person authorized or permitted by law to act for him;

(3) The tax due from the estate of a decedent shall be paid by the personal representative thereof;

(4) The tax due from a trust, including those within the definition of corporation, shall be paid by the trustee or trustees;

(5) The tax due from a taxpayer whose business or property is in charge of a receiver, trustee in bankruptcy, assignee, or other conservator, shall be paid by the person in charge of such business or property so far as the tax is due to the income from such business or property.

Sec. 22. Minnesota Statutes 1980, Section 290.46, is amended to read:

290.46 [EXAMINATION OF RETURNS; ASSESSMENTS, REFUNDS.]

The commissioner shall, as soon as practicable after the return is filed, examine the same and make any investigation or examination of the taxpayer's records and accounts that he may deem necessary for determining the correctness of the return. The tax computed by him on the basis of such examination and investigation shall be the tax to be paid by such taxpayer. If the tax found due shall be greater than the amount reported as due on the taxpayer's return, the commissioner shall assess a tax in the amount of such excess and the whole amount of such excess shall be paid to the commissioner within 60 days after notice of the amount and demand for its payment shall have been mailed to the taxpayer by the commissioner. If the understatement of the tax on the return was false and fraudulent with intent to evade the tax, the installments of the tax shown by the taxpayer on his return

which have not yet been paid shall be paid to the commissioner within 60 days after notice of the amount thereof and demand for payment shall have been mailed to the taxpayer by the commissioner. If the amount of the tax found due by the commissioner shall be less than that reported as due on the taxpayer's return, the excess shall be refunded to the taxpayer in the manner provided by section 290.50 (except that no demand therefor shall be necessary), if he has already paid the whole of such tax, or credited against any unpaid installment thereof; provided, that no refundment shall be made except as provided in section 290.50, after the expiration of three and one-half years after the filing of the return.

If the commissioner examines returns of a taxpayer for more than one year, he may issue one order covering the several years under consideration reflecting the aggregate refund or additional tax due.

The notices and demands provided for by sections 290.46 to 290.48 shall be in such form as the commissioner may determine (including a statement) and shall contain a brief explanation of the computation of the tax and shall be sent by mail to the taxpayer at the address given in his return, or to his last known address.

In cases where there has been an overpayment of a self-assessed liability as shown on the return filed by the taxpayer, the commissioner may refund such overpayment to the taxpayer and no demand therefor shall be necessary; further, written findings by the commissioner, notice by mail to the taxpayer and certificate for refundment by the commissioner shall not be necessary and the provisions of section 270.10, in such case, shall not be applicable.

In the case of an individual, estate or trust, the commissioner may audit and adjust the taxpayer's computation of federal adjusted gross income (or federal taxable income for estates or trusts) to make it properly conform with the provisions of section 290.01, subdivision 20.

Sec. 23. Minnesota Statutes 1980, Section 290.53, Subdivision 3, is amended to read:

Subd. 3. [FAILURE TO FILE; FILING FALSE OR FRAUDULENT RETURN; INTENT TO EVADE TAX; 50 PERCENT PENALTY.] If any person, with intent to evade the tax imposed by this (ACT) chapter, shall fail to file any return required by this (ACT) chapter, or shall with such intent file a false or fraudulent return, there shall also be imposed on him as a penalty an amount equal to 50 percent of any tax (less any amounts paid by him on the basis of such false or fraudulent return) found due from him for the period to which such return

related. The penalty imposed by this subdivision shall be collected as part of the tax, and shall be in addition to any other penalties, civil and criminal, provided by this section. *The amount of the tax and any other penalties together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid.* This amount shall be in lieu of any amount determined under subdivision 3a.

Sec. 24. Minnesota Statutes 1980, Section 290.53, Subdivision 3a, is amended to read:

Subd. 3a. [INTENTIONAL DISREGARD OF RULES AND REGULATIONS.] If any part of any additional assessment (, AS DETERMINED UNDER SECTION 290.46,) is due to negligence or intentional disregard of rules and regulations (but without intent to defraud), there shall be added to the tax an amount equal to five percent of such additional assessment. *The amount of the tax together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid.*

Sec. 25. Minnesota Statutes 1980, Section 290.61, is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.]

It shall be unlawful for the commissioner or any other public official or employee to divulge or otherwise make known in any manner any particulars set forth or disclosed in any report or return required by this chapter, or any information concerning, the taxpayer's affairs acquired from his or its records, officers, or employees while examining or auditing any taxpayer's liability for taxes imposed hereunder, except in connection with a proceeding involving taxes due under this chapter from the taxpayer making such return or to comply with the provisions of section 290.612. The commissioner may furnish a copy of any taxpayer's return to any official of the United States or of any state having duties to perform in respect to the assessment or collection of any tax imposed upon or measured by income, if such taxpayer is required by the laws of the United States or of such state to make a return therein. *The commissioner may disclose information concerning the taxpayer to the Minnesota department of economic security for purposes of auditing unemployment tax and benefits. The commissioner may disclose information concerning the taxpayer to the Minnesota department of public welfare for purposes of auditing welfare benefits.* Prior to the release of any information to any official of the United States or any other state or the department of economic security or the department of public welfare 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. The commissioner and all other public officials and employees shall keep and maintain the same secrecy in respect to any information furnished by any department, commission, or official of the United States or of any other state in respect to the income of any person as is required by this section in respect to information concerning the affairs of taxpayers under this chapter. Nothing herein contained shall be construed to prohibit the commissioner from publishing statistics so classified as not to disclose the identity of particular returns or reports and the items thereof. Upon request of a majority of the members of the senate tax committee or of the house tax committee or the tax study commission, the commissioner shall furnish abstracted financial information to those committees for research purposes from returns or reports filed pursuant to this chapter, provided that he shall not disclose the name, address, social security number, business identification number or any other item of information associated with any return or report which the commissioner believes is likely to identify the taxpayer. The commissioner shall not furnish the actual return, or a portion thereof, or a reproduction or copy of any return or portion thereof. "Abstracted financial information" means only the dollar amounts set forth on each line on the form including the filing status.

Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

In order to locate the named payee on state warrants issued pursuant to this chapter or chapter 290A and undeliverable by the United States postal service, the commissioner may publish in any English language newspaper of general circulation in this state a list of the name and last known address of the payee as shown on the reports or returns filed with the commissioner. The commissioner may exclude the names of payees whose refunds are in an amount which is less than a minimal amount to be determined by the commissioner. The published list shall not contain any particulars set forth on any report or return. The publication shall include instructions on claiming the warrants.

An employee of the department of revenue may, in connection with his official duties relating to any audit, collection activity, or civil or criminal tax investigation or any other offense under this chapter, disclose return information to the extent that such disclosure is necessary in obtaining information, which is not otherwise reasonably available, with respect to the correct determination of tax, liability for tax, or the amount to be collected or with respect to the enforcement of any other provision of this chapter.

Sec. 26. Minnesota Statutes 1980, Section 290.92, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (1) [WAGES.] For purposes of this section, the term "wages" means (ALL RE-

MUNERATION, OTHER THAN FEES PAID TO A PUBLIC OFFICIAL FOR SERVICES PERFORMED BY AN EMPLOYEE FOR HIS EMPLOYER, INCLUDING THE CASH VALUE OF ALL REMUNERATION PAID IN ANY MEDIUM OTHER THAN CASH; EXCEPT THAT SUCH TERM SHALL NOT INCLUDE REMUNERATION PAID)

((A) FOR AGRICULTURAL LABOR, AS DEFINED IN SECTION 3121(G) OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1979, OR)

((B) FOR DOMESTIC SERVICE IN A PRIVATE HOME, LOCAL COLLEGE CLUB, OR LOCAL CHAPTER OF A COLLEGE FRATERNITY OR SORORITY, OR)

((C) FOR SERVICE NOT IN THE COURSE OF THE EMPLOYER'S TRADE OR BUSINESS PERFORMED IN ANY CALENDAR QUARTER BY AN EMPLOYEE, UNLESS THE CASH REMUNERATION PAID FOR SUCH SERVICE IS \$50 OR MORE AND SUCH SERVICE IS PERFORMED BY AN INDIVIDUAL WHO IS REGULARLY EMPLOYED BY SUCH EMPLOYER TO PERFORM SUCH SERVICE. FOR PURPOSES OF THIS PARAGRAPH, AN INDIVIDUAL SHALL BE DEEMED TO BE REGULARLY EMPLOYED BY AN EMPLOYER DURING A CALENDAR QUARTER ONLY IF)

((I) ON EACH OF SOME 24 DAYS DURING SUCH QUARTER SUCH INDIVIDUAL PERFORMS FOR SUCH EMPLOYER FOR SOME PORTION OF THE DAY, SERVICE NOT IN THE COURSE OF THE EMPLOYER'S TRADE OR BUSINESS, OR,)

((II) SUCH INDIVIDUAL WAS REGULARLY EMPLOYED (AS DETERMINED UNDER (I)) BY SUCH EMPLOYER IN THE PERFORMANCE OF SUCH SERVICE DURING THE PRECEDING CALENDAR QUARTER, OR,)

((D) FOR SERVICES PERFORMED BY A DULY ORDAINED, COMMISSIONED, OR LICENSED MINISTER OF A CHURCH IN THE EXERCISE OF HIS MINISTRY OR BY A MEMBER OF A RELIGIOUS ORDER IN THE EXERCISE OF DUTIES REQUIRED BY SUCH ORDER, OR,)

((E) (I) FOR SERVICES PERFORMED BY AN INDIVIDUAL UNDER THE AGE 18 IN THE DELIVERY OR DISTRIBUTION OF NEWSPAPERS OR SHOPPING NEWS, NOT INCLUDING DELIVERY OR DISTRIBUTION TO ANY POINT FOR SUBSEQUENT DELIVERY OR DISTRIBUTION, OR)

((II) FOR SERVICES PERFORMED BY AN INDIVIDUAL IN, AND AT THE TIME OF, THE SALE OF NEWSPAPERS OR MAGAZINES TO ULTIMATE CONSUMERS, UNDER AN ARRANGEMENT UNDER WHICH THE NEWSPAPERS OR MAGAZINES ARE TO BE SOLD BY HIM AT A FIXED PRICE, HIS COMPENSATION BEING BASED ON THE RETENTION OF THE EXCESS OF SUCH PRICE OVER THE AMOUNT AT WHICH THE NEWSPAPERS OR MAGAZINES ARE CHARGED TO HIM, WHETHER OR NOT HE IS GUARANTEED A MINIMUM AMOUNT OF COMPENSATION FOR SUCH SERVICES, OR IS ENTITLED TO BE CREDITED WITH THE UNSOLD NEWSPAPERS OR MAGAZINES TURNED BACK, OR)

((F) FOR SERVICES NOT IN THE COURSE OF THE EMPLOYER'S TRADE OR BUSINESS, TO THE EXTENT PAID IN ANY MEDIUM OTHER THAN CASH, OR)

((G) TO, OR ON BEHALF OF, AN EMPLOYEE OR HIS BENEFICIARY, FROM OR TO A TRUST DESCRIBED IN SECTION 290.26, WHICH IS EXEMPT FROM TAX UNDER SECTION 290.05, AT THE TIME OF SUCH PAYMENT, UNLESS SUCH PAYMENT IS MADE TO AN EMPLOYEE OF THE TRUST AS REMUNERATION FOR SERVICES RENDERED AS SUCH EMPLOYEE AND NOT AS A BENEFICIARY OF THE TRUST, OR UNDER OR TO AN ANNUITY PLAN WHICH, AT THE TIME OF SUCH PAYMENT, MEETS THE REQUIREMENTS OF SECTION 290.26;) *the same as that term is defined in section 3401(a) and (f) of the Internal Revenue Code of 1954, as amended through December 31, 1980.*

(2) [PAYROLL PERIOD.] For purposes of this section the term "payroll period" means a period for which a payment of wages is ordinarily made to the employee by his employer, and the term "miscellaneous payroll period" means a payroll period other than a daily, weekly, bi-weekly, semi-monthly, monthly, quarterly, semi-annual, or annual payroll period.

(3) [EMPLOYEE.] For purposes of this section the term "employee" means any resident individual performing services for an employer, either within or without, or both within and without the state of Minnesota, and every nonresident individual performing services within the state of Minnesota, the performance of which services constitute, establish, and determine the relationship between the parties as that of employer and employee. As used in the preceding sentence, the term "employee" includes an officer of a corporation, and an officer, employee, or elected official of the United States, a state, (TERRITORY,) or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing.

(4) [EMPLOYER.] For purposes of this section the term "employer" means any person, including individuals, fiduciaries, estates, trusts, partnerships, and corporations transacting business in or deriving any income from sources within the state of Minnesota for whom an individual performs or performed any service, of whatever nature, as the employee of such person, except that if the person for whom the individual performs or performed the services does not have legal control of the payment of the wages for such services, the term "employer," except for purposes of paragraph (1), means the person having legal control of the payment of such wages. As used in the preceding sentence, the term "employer" includes any corporation, individual, estate, trust, or organization which is exempt from taxation under section 290.05 and further includes, but is not limited to, officers of corporations who have legal control, either individually or jointly with another or others, of the payment of the wages.

(5) [NUMBER OF WITHHOLDING EXEMPTIONS CLAIMED.] For purposes of this section, the term "number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under subdivision 5, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero.

Sec. 27. Minnesota Statutes 1980, Section 290.92, Subdivision 2a, is amended to read:

Subd. 2a. [COLLECTION AT SOURCE.] (1) [DEDUCTIONS.] Every employer making payment of wages shall deduct and withhold upon such wages a tax as provided in this section.

(2) [WITHHOLDING ON PAYROLL PERIOD.] The employer shall withhold the tax on the basis of each payroll period or as otherwise provided in this section.

(3) [WITHHOLDING TABLES.] Unless the amount of tax to be withheld is determined as provided in subdivision 3, the amount of tax to be withheld for each individual shall be based upon tables to be prepared and distributed by the commissioner. The tables shall be computed for the several permissible withholding periods and shall take account of exemptions allowed under this section; and the amounts computed for withholding shall be such that the amount withheld for any individual during his taxable year shall approximate in the aggregate as closely as possible the tax which is levied and imposed under this chapter for that taxable year, upon his salary, wages, or compensation for personal services of any kind for the employer, and shall take into consideration the allowable deduction for federal income tax and the deduction allowable under section

290.09, subdivision 15, and the credits against the tax allowable under the Minnesota income tax act.

(4) [MISCELLANEOUS PAYROLL PERIOD.] If wages are paid with respect to a period which is not a payroll period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days, including Sundays and holidays, equal to the number of days in the period with respect to which such wages are paid.

(5) [MISCELLANEOUS PAYROLL PERIOD.] (a) In any case in which wages are paid by an employer without regard to any payroll period or other period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days equal to the number of days, including Sundays and holidays, which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1 of such year, whichever is the later.

(b) In any case in which the period, or the time described in clause (a), in respect of any wages is less than one week, the commissioner, under regulations prescribed by him, may authorize an employer to determine the amount to be deducted and withheld under the tables applicable in the case of a weekly payroll period, in which case the aggregate of the wages paid to the employee during the calendar week shall be considered the weekly wages.

(6) [WAGES COMPUTED TO NEAREST DOLLAR.] If the wages exceed the highest bracket, in determining the amount to be deducted and withheld under this subdivision, the wages may, at the election of the employer, be computed to the nearest dollar.

(7) [REGULATIONS ON WITHHOLDING.] The commissioner may, by regulations, authorize employers:

(a) To estimate the wages which will be paid to any employee in any quarter of the calendar year;

(b) To determine the amount to be deducted and withheld upon each payment of wages to such employee during such quarter as if the appropriate average of the wages so estimated constituted the actual wages paid; and

(c) To deduct and withhold upon any payment of wages to such employee during such quarter such amount as may be necessary to adjust the amount actually deducted and withheld upon wages of such employee during such quarter to the amount required to be deducted and withheld during such quarter without regard to this paragraph (7).

(8) [ADDITIONAL WITHHOLDING.] The commissioner is authorized to provide by regulation, under such conditions and to such extent as he deems proper, for withholding in addition to that otherwise required under this subdivision and subdivision 3 in cases in which the employer and the employee agree to such additional withholding. Such additional withholding shall for all purposes be considered tax required to be deducted and withheld under this section.

(9) [TIPS.] *In the case of tips which constitute wages, this subdivision shall be applicable only to such tips as are included in a written statement furnished to the employer pursuant to section 6053 of the Internal Revenue Code of 1954, as amended through December 31, 1980, and only to the extent that the tax can be deducted and withheld by the employer, at or after the time such statement is so furnished and before the close of the calendar year in which such statement is furnished, from such wages of the employee (excluding tips, but including funds turned over by the employee to the employer for the purpose of such deduction and withholding) as are under the control of the employer; and an employer who is furnished by an employee a written statement of tips (received in a calendar month) pursuant to section 6053 of the Internal Revenue Code of 1954 as amended through December 31, 1980 to which subdivision 1 is applicable may deduct and withhold the tax with respect to such tips from any wages of the employee (excluding tips) under his control, even though at the time such statement is furnished the total amount of the tips included in statements furnished to the employer as having been received by the employee in such calendar month in the course of his employment by such employer is less than \$20. Such tax shall not at any time be deducted and withheld in an amount which exceeds the aggregate of such wages and funds as are under the control of the employer minus any tax required by other provisions of state or federal law to be collected from such wages and funds.*

Sec. 28. Minnesota Statutes 1980, Section 290.92, is amended by adding a subdivision to read:

Subd. 5a. [VERIFICATION OF WITHHOLDING EXEMPTIONS; APPEAL.] (1) An employer shall submit to the commissioner a copy of any withholding exemption certificate received from an employee on which the employee claims any of the following:

(a) a total number of withholding exemptions in excess of nine, or

(b) a status that would exempt the employee from Minnesota withholding, unless the employee is a nonresident exempt from withholding under subdivision 4a, clause (3), or the employer reasonably expects, at the time that the certificate is received, that the employee's wages under subdivision 1 from the employer will not then usually exceed \$200 per week, or

(c) any number of withholding exemptions which the employer has reason to believe is in excess of the number to which the employee is entitled.

(2) Copies of exemption certificates required to be submitted by clause (1) shall be submitted to the commissioner within 30 days after receipt by the employer unless the employer is also required by federal law to submit copies to the Internal Revenue Service, in which case the employer may elect to submit the copies to the commissioner at the same time that he is required to submit them to the Internal Revenue Service.

(3) An employer who submits a copy of a withholding exemption certificate in accordance with clause (1) shall honor the certificate until notified by the commissioner that the certificate is invalid. The commissioner shall mail a copy of any such notice to the employee. Upon notification that a particular certificate is invalid, the employer shall not honor that certificate or any subsequent certificate unless instructed to do so by the commissioner. The employer shall allow the employee the number of exemptions and compute the withholding tax as instructed by the commissioner in accordance with clause (4).

(4) The commissioner may require an employee to verify that he or she is entitled to the number of exemptions or to the exempt status claimed on the withholding exemption certificate or, that he or she is a nonresident. The employee shall be allowed at least 30 days to submit the verification, after which time the commissioner shall, on the basis of the best information available to him, determine the employee's status and allow the employee the maximum number of withholding exemptions allowable under this chapter. The commissioner shall mail a notice of this determination to the employee at the address listed on the exemption certificate in question. Notwithstanding the provisions of section 290.61, the commissioner may notify the employer of this determination and instruct the employer to withhold tax in accordance with the determination.

(5) The commissioner's determination under clause (4) shall be appealable to tax court in accordance with section 271.06, and shall remain in effect for withholding tax purposes pending disposition of any appeal.

Sec. 29. Minnesota Statutes 1980, Section 290.92, Subdivision 7, is amended to read:

Subd. 7. [WITHHOLDING STATEMENT TO EMPLOYEE OR PAYEE AND TO COMMISSIONER.] (1) Every person required to deduct and withhold from an employee a tax under subdivision 2a or subdivision 3, or who would have been required to deduct and withhold a tax under subdivision 2a or subdivision 3, determined without regard to subdivision 19, if the employee had claimed no more than one withholding exemption, or who

paid wages not subject to withholding under subdivision 2a or 3 to an employee in excess of \$600, or who has entered into a voluntary withholding agreement with a payee pursuant to subdivision 20, shall furnish to each such employee in respect to the remuneration paid by such person to such employee during the calendar year, on or before January 31 of the succeeding year, or, if his employment is terminated before the close of such calendar year, (ON THE DAY ON WHICH) at the employee's request within 30 days after the last payment of remuneration is made, a written statement showing the following:

- (a) Name of such person,
- (b) The name of the employee or payee and his social security account number,
- (c) The total amount of wages as that term is defined in subdivision 1(1), and/or the total amount of remuneration subject to withholding pursuant to subdivision 20, and the amount of sick pay as required under section 6051(f) of the Internal Revenue Code of 1954, as amended through December 31, 1980,
- (d) The total amount deducted and withheld as tax under subdivision 2a or subdivision 3.

(2) The statement required to be furnished by this subdivision in respect of any remuneration shall be furnished at such other times, shall contain such other information, and shall be in such form as the commissioner may prescribe.

(3) The commissioner may prescribe regulations providing for reasonable extensions of time, not in excess of 30 days, to employers or payers required to furnish such statements to their employees or payees under this subdivision.

(4) A duplicate of any statement made pursuant to this subdivision and in accordance with (REGULATIONS) rules prescribed by the commissioner, along with a reconciliation in such form as the commissioner may prescribe of all such statements for the calendar year (including a reconciliation of the quarterly returns required to be filed pursuant to subdivision 6), shall be filed with the commissioner (AT SUCH TIME AS HE MAY BY REGULATIONS PRESCRIBE) on or before February 28 of the year after the payments were made. (SUCH DUPLICATE WHEN SO FILED SHALL CONSTITUTE THE INFORMATION RETURN REQUIRED TO BE MADE IN RESPECT OF WAGES, SALARIES AND COMMISSIONS UNDER SECTION 290.41, SUBDIVISION 2.)

Sec. 30. Minnesota Statutes 1980, Section 290.92, Subdivision 15, is amended to read:

Subd. 15. [PENALTIES.] (1) If any tax required to be deducted and withheld under subdivision 2a or subdivision 3, or any portion thereof, is not paid to or deposited with the commissioner within the time specified in subdivision 6 for the payment thereof, there shall be added thereto a penalty equal to ten percent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty, shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid or deposited until paid. Where an extension of time for payment has been granted under the provisions of subdivision 6, interest shall be paid at the rate specified in section 270.75 from the date when such payment or deposit should have been made if no extension had been granted, until such tax is paid. If payment is not made at the expiration of the extended period the penalties provided in this subdivision shall apply.

(2) In the case of any failure to withhold a tax on wages, make and file quarterly returns or make payments to or deposits with the commissioner of amounts withheld, as required by this section, within the time prescribed by law, unless it is shown that such failure is not due to wilful neglect, there shall be added to the tax in lieu of the penalty provided in paragraph (1) a penalty equal to ten percent of the amount of tax that should have been properly withheld and paid over to or deposited with the commissioner if the failure is for not more than 30 days with an additional five percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate. *The amount of the tax together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid until paid.* The amount so added to the tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.

(3) If any employer required to withhold a tax on wages, make deposits, make and file quarterly returns and make payments to the commissioner of amounts withheld, as required by sections 290.92 to 290.97, wilfully fails to withhold such a tax or make such deposits, files a false or fraudulent return, wilfully fails to make such a payment or deposit, or wilfully attempts in any manner to evade or defeat any such tax or the payment or deposit thereof, there shall also be imposed on such employer as a penalty an amount equal to 50 percent of the amount of tax (less any amount paid or deposited by such employer on the basis of such false or fraudulent return or deposit) that should have been properly withheld and paid over or deposited with the commissioner. *The amount of the tax together with this amount shall bear interest at the rate specified in section 270.75 from the time the tax should have been paid*

until paid. The penalty imposed by this paragraph shall be collected as a part of the tax, and shall be in addition to any other penalties civil and criminal, prescribed by this subdivision.

(4) If any person required under the provisions of subdivision 7 to furnish a statement to an employee or payee and a duplicate statement to the commissioner, or to furnish a reconciliation of such statements (and quarterly returns) to the commissioner, wilfully furnishes a false or fraudulent statement to an employee or payee or a false or fraudulent duplicate statement or reconciliation of statements (and quarterly returns) to the commissioner, or wilfully fails to furnish a statement or such reconciliation in the manner, at the time, and showing the information required by the provisions of subdivision 7, or regulations prescribed by the commissioner thereunder, there shall be imposed on such a person a penalty of \$10 for each such act or failure to act. The penalty imposed by this paragraph shall become due and payable within ten days after the mailing of a written demand therefor, and may be collected in the manner prescribed in subdivision 6(8).

(5) In addition to the penalties hereinbefore prescribed, any person required to withhold a tax on wages, make and file quarterly returns and make payments or deposits to the commissioner of amounts withheld, as required by this section, who wilfully fails to withhold such a tax or truthfully make and file such a quarterly return or make such a payment or deposit, shall be guilty of a gross misdemeanor.

(6) In lieu of any other penalty provided by law, except the penalty provided by paragraph (4), any person required under the provisions of subdivision 7 to furnish a statement of wages to an employee and a duplicate statement to the commissioner, who wilfully furnishes a false or fraudulent statement of wages to an employee or a false or fraudulent duplicate statement of wages to the commissioner, or who wilfully fails to furnish such a statement in the manner, at the time, and showing the information required by the provisions of subdivision 7, or regulations prescribed by the commissioner thereunder, shall be guilty of a gross misdemeanor.

(7) Any employee required to supply information to his employer under the provisions of subdivision 5, who wilfully fails to supply information thereunder which would require an increase in the tax to be deducted and withheld under subdivision 2a or subdivision 3, shall be guilty of a misdemeanor.

(8) The term "person," as used in this section, includes an officer or employee of a corporation, or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

(9) All payments received shall be credited first to penalties, next to interest, and then to the tax due.

(10) *In addition to any other penalty provided by law, any employee who furnishes a withholding exemption certificate to his employer which the employee has reason to know contains a materially incorrect statement shall be liable to the commissioner of revenue for a penalty of \$100 for each instance. The penalty shall be immediately due and payable and may be collected in the same manner as any delinquent income tax.*

(11) *In addition to any other penalty provided by law, any employer who fails to submit a copy of a withholding exemption certificate required by section 28, clause (1)(a), (1)(b), or (2) shall be liable to the commissioner of revenue for a penalty of \$50 for each instance. The penalty shall be immediately due and payable and may be collected in the manner provided in subdivision 6(8).*

Sec. 31. Minnesota Statutes 1980, Section 290.92, is amended by adding a subdivision to read:

Subd. 25. [DELEGATION OF DUTY OF EMPLOYER.] The delegation to an agent, fiduciary or employee of an employer of any duty prescribed for the employer by this section shall not relieve the employer of full compliance with such duty.

Sec. 32. Minnesota Statutes 1980, Section 290.93, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT OF DECLARATION.]

(1) Every individual shall, at the time prescribed in subdivision 5 of this section, make and file with the commissioner a declaration of his estimated tax for the taxable year if

(a) The gross income (as defined in section 290.01, subdivision 20) for the taxable year can reasonably be expected to exceed the gross income amounts set forth in section 290.37, subdivision 1 pertaining to the requirements for making a return; and

(b) Such gross income can reasonably be expected to include more than \$500 from sources other than wages upon which a tax has been deducted and withheld under section 290.92, subdivision 2a or subdivision 3.

(2) If the individual is an infant or incompetent person, the declaration shall be made by his guardian.

(3) Notwithstanding the provisions of this section, no declaration is required if the estimated tax (as defined in subdivision 3) can reasonably be expected to be less than (\$50) \$100.

Sec. 33. Minnesota Statutes 1980, Section 290.93, Subdivision 3, is amended to read:

Subd. 3. [ESTIMATED TAX DEFINED.] For purposes of this section, in the case of an individual, the term "estimated tax" means the amount which the individual estimates as the sum of the taxes imposed by this chapter (*other than the tax imposed by section 290.091*), for the taxable year, minus the amount which the individual estimates as his allowable credits against income tax under this chapter.

Sec. 34. Minnesota Statutes 1980, Section 290.93, Subdivision 10, is amended to read:

Subd. 10. [UNDERPAYMENT OF ESTIMATED TAX.] (1) In the case of any underpayment of estimated tax by an individual, except as provided in paragraph (4), there may be added to and become a part of the taxes imposed by this chapter, for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of the underpayment for the period of the underpayment.

(2) For purposes of the preceding paragraph, the amount of underpayment shall be the excess of

(a) The amount of the installment which would be required to be paid if the estimated tax were equal to (70) 80 percent (66 $\frac{2}{3}$ percent in the case of farmers referred to in subdivision 5(2) of this section) of the taxes shown on the return for the taxable year or the taxes for such year if no return was filed, over

(b) The amount, if any, of the installment paid on or before the last day prescribed for such payment.

(3) The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier

(a) The 15th day of the fourth month following the close of the taxable year.

(b) With respect to any portion of the underpayment, the date on which such portion is paid. For purposes of this subparagraph, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined under paragraph (2) (a) for such installment date.

(4) The addition to the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date

prescribed for the payment of such installment equals or exceeds *the amount which would have been required to be paid on or before such date if the estimated tax were* whichever of the following is the lesser.

(a) The total tax liability shown on the return of the individual for the preceding taxable year (if a return showing a liability for such taxes was filed by the individual for the preceding taxable year of 12 months), or

(b) An amount equal to the tax computed, at the rates applicable to the taxable year, on the basis of the taxpayer's status with respect to (CREDITS ALLOWED BY SECTION 290.06, SUBDIVISION 3C,) *the personal credits* for the taxable year, but otherwise on the basis of the facts shown on his return for, and the law applicable to the preceding taxable year, or

(c) An amount equal to (70) 80 percent (66 2/3 percent in the case of farmers referred to in subdivision 5(2) of this section) of the tax for the taxable year (after deducting personal credits) computed by placing on an annualized basis the taxable income for the months in the taxable year ending before the month in which the installment is required to be paid. For purposes of this sub-paragraph, the taxable income shall be placed on an annualized basis by

(i) Multiplying by 12 (or in the case of a taxable year of less than 12 months, the number of months in the taxable year) the taxable income computed for the months in the taxable year ending before the month in which the installment is required to be paid.

(ii) Dividing the resulting amount by the number of months in the taxable year ending before the month in which such installment date falls, or

(d) An amount equal to 90 percent of the tax computed, at the rates applicable to the taxable year, on the basis of the actual taxable income for the months in the taxable year ending before the month in which the installment is required to be paid.

(5) For the purposes of applying this subdivision, the estimated tax shall be computed without any reduction for the amount which the individual estimates as his credit under section 290.92, subdivision 12 (relating to tax withheld at source on wages), and the amount of such credit for the taxable year shall be deemed a payment of estimated tax, and an equal part of such amount shall be deemed paid on each installment date (determined under subdivisions 6 and 7 of this section) for such taxable year, unless the taxpayer establishes the dates on which all amounts were actually withheld, in which case the

amounts so withheld shall be deemed payments of estimated tax on the dates on which such amounts were actually withheld.

((6) THE APPLICATION OF THIS SUBDIVISION TO TAXABLE YEARS OF LESS THAN 12 MONTHS SHALL BE IN ACCORDANCE WITH REGULATIONS PRESCRIBED BY THE COMMISSIONER.))

Sec. 35. Minnesota Statutes 1980, Section 290.931, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS OF DECLARATION.] Every corporation subject to taxation under this chapter (excluding (SECTION) *sections 290.091 and 290.92*) shall make a declaration of estimated tax for the taxable year if its tax liability so computed can reasonably be expected to exceed \$1,000.

Sec. 36. Minnesota Statutes 1980, Section 290.934, Subdivision 4, is amended to read:

Subd. 4. [EXCEPTION.] Notwithstanding the provisions of the preceding subdivisions, the addition to the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the lesser

(1) The tax shown on the return of the corporation for the preceding taxable year (REDUCED BY \$1,000), if a return showing a liability for tax was filed by the corporation for the preceding taxable year and such preceding year was a taxable year of 12 months.

(2) An amount equal to the tax computed at the rates applicable to the taxable year but otherwise on the basis of the facts shown on the return of the corporation for, and the law applicable to, the preceding taxable year.

Sec. 37. Minnesota Statutes 1980, Section 290.934, Subdivision 5, is amended to read:

Subd. 5. [DEFINITION OF TAX.] The term "tax" means the (EXCESS OF THE) tax imposed by chapter 290 (OVER \$1,000).

Sec. 38. Minnesota Statutes 1980, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.-01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes are payable at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a unit on which ad valorem taxes were not payable. In the case of a *claim for rent constituting property taxes of a part year resident*, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. *If a homestead property owner was a part year resident, the income reflected in the computation made pursuant to section 290A.04 shall be for the entire calendar year, including income not assignable to Minnesota.*

If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 39. Minnesota Statutes 1980, Section 290A.07, is amended to read:

290A.07 [TIME FOR PAYMENT.]

Subdivision 1. Allowable claims filed pursuant to the provisions of this chapter shall be paid by the commissioner from the general fund.

Subd. 2. A claimant who is a renter or who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount. *Interest shall be added at six percent per annum beginning 30 days after the 60 days have elapsed and until the date the claim is paid. If the claimant elected to take the credit against the income tax, interest shall be paid as required under section 290.92, subdivision 13.*

Subd. 3. Any claimant not included in subdivision 2 shall receive full payment after September 30 and prior to October 15. *Interest shall be added at six percent per annum from October 15 or 60 days after receipt of the application if the application is filed after August 31. Interest will be computed until the date the claim is paid.*

(SUBD. 4. CLAIMS REMAINING UNPAID 60 DAYS AFTER THE DATES PROVIDED IN SUBDIVISIONS 2 AND 3, SHALL HAVE INTEREST ADDED AT SIX PERCENT PER ANNUM FROM THE LATER DATE UNTIL THE DATE THE CLAIM IS PAID.)

Sec. 40. Minnesota Statutes 1980, Section 290A.08, is amended to read:

290A.08 [ONE CLAIMANT PER HOUSEHOLD.]

Only one claimant per household per year is entitled to relief under sections 290A.01 to 290A.21. Payment of the claim for relief may be made payable to the husband and wife as one claimant. The commissioner, upon written request, may issue separate checks, to the husband and wife for one-half of the relief provided the original check has not been issued or has been returned. *Individuals related as husband and wife who were married during the year may elect to file a joint claim which shall include each spouse's income, rent constituting property taxes, and property taxes payable. The maximum dollar amount allowable for a joint claim shall not exceed the amount that one person could receive.*

Sec. 41. Minnesota Statutes 1980, Section 290A.11, Subdivision 2, is amended to read:

Subd. 2. [FRAUDULENT CLAIM; PENALTY.] In any case in which it is determined that the claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full. If the claim has been paid, the amount disallowed shall be recovered by assessment and collection in the manner provided in chapter 290 for collection of income tax. The assessment shall bear interest from the date the claim is paid by the state until the date of repayment by the claimant, at the rate (OF SIX PER CENT PER ANNUM) *specified in section 270.75.* The claimant, and any person who assisted in the preparation of filing of the excessive claim or supplied information upon which the excessive claim was prepared, with fraudulent intent, is guilty of a misdemeanor.

Any person who knowingly prepares, assists in preparing, or files false or excessive claims with the intent of defrauding the state of Minnesota of \$2,500 or more, aggregated within any 12 month period, is guilty of a felony and upon conviction may

be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both.

Sec. 42. Minnesota Statutes 1980, Section 290A.11, Subdivision 4, is amended to read:

Subd. 4. [INTEREST.] Amounts to be repaid to the state shall bear interest at (SIX PERCENT PER ANNUM) *the rate specified in section 270.75* from the date the state paid the claim until the date of repayment by the claimant.

Sec. 43. [REPEALER.]

Minnesota Statutes 1980, Section 290.032, Subdivision 4, is repealed.

Sec. 44. [EFFECTIVE DATE.]

Sections 1, 2, 3, 10, 13, 20, 22, 23, 24, 25, 31, 33, and 35 are effective the day after final enactment. Sections 5, 6, 7, 8, 9, 12, 14, 15, 16, 17, 18, 19, 21, 29, and 43 are effective for taxable years beginning after December 31, 1980. Section 4, Subdivisions 1 to 6, are effective for taxable years beginning after December 31, 1980. Section 4, Subdivision 7, is effective the day after enactment. Section 11 is effective for estates of decedents dying after December 31, 1979. Sections 26, 27, 28, and 30 are effective July 1, 1981. Sections 32 and 34 are effective for taxable years beginning after December 31, 1981. Sections 36 and 37 are effective for taxable years beginning after June 30, 1981. Sections 40 and 42 are effective for claims based on rent paid in 1980 and subsequent years and property taxes payable in 1981 and subsequent years. Sections 38 and 39 are effective for claims based on rent paid in 1981 and subsequent years and property taxes payable in 1982 and subsequent years. That part of section 41 that relates to interest rates is effective for claims based on rent paid in 1980 and subsequent years and property taxes payable in 1981 and subsequent years. That part of section 41 that relates to the crime of defrauding the state is effective the day after enactment."

Further, delete the title and insert:

"A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing

the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

S. F. No. 393, A bill for an act relating to taxation; providing that property owned by certain senior citizens' groups be exempt from taxation; amending Minnesota Statutes 1980, Section 272.02, Subdivision 1.

Reported the same back with the following amendments:

Page 5, line 4, before "owned" insert "not exceeding one acre which is"

Page 5, line 11, before the period insert "*and the property is not used for residential purposes on either a temporary or permanent basis*"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 1143 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1247, 665, 767, 804, 975, 1005, 1087 and 393 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Clawson, Welch, McEachern, Weaver and Carlson, D., introduced:

H. F. No. 1465, A bill for an act relating to education; transferring developmental achievement centers from the department of public welfare to the state board of education; appropriating money; amending Minnesota Statutes 1980, Sections 123.39, Subdivision 13; 256E.03, Subdivision 2; and 256E.06, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 120; repealing Minnesota Statutes 1980, Sections 252.21 to 252.261.

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

Reif and Valento introduced:

H. F. No. 1466, A bill for an act relating to the city of White Bear Lake; authorizing the city to have certain powers of a statutory city.

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

Battaglia, Begich and Elioff introduced:

H. F. No. 1467, A bill for an act relating to St. Louis county; providing for the tort liability of the St. Louis county promotional bureau.

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

Redalen, Stumpf, Schafer, Tomlinson and Carlson, D., introduced:

H. F. No. 1468, A bill for an act relating to taxation; property; increasing the maximum agricultural acreage qualifying for the homestead credit; increasing the minimum acreage requirement for homestead agricultural classification; amending Minnesota Statutes 1980, Section 273.13, Subdivisions 6, and 6a.

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

Peterson, B.; Sarna; Ewald; Ogren and Heap introduced:

H. F. No. 1469, A bill for an act relating to commerce; revising and modernizing laws relating to hotels; providing for the rights and duties of innkeepers and their guests; prohibiting certain practices; imposing penalties; amending Minnesota Statutes 1980, Section 363.03, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Sections 327.01 to 327.095.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Vellenga, Tomlinson, Dean, Evans and Anderson, I., introduced:

H. A. No. 27, A proposal to study off-campus housing owned and rented by educational institutions.

The advisory was referred to the Committee on Taxes.

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. 886, A bill for an act relating to mobile homes; specifying conditions on which a lessor may recover possession of land upon which a mobile home is located; requiring disclosure; providing for the recovery of possession of land by the lessor upon expiration of the lease term; amending Minnesota Statutes 1980, Sections 327.44; and 327.553, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 327.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Voss moved that the House concur in the Senate amendments to H. F. No. 886 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 886; A bill for an act relating to mobile homes; regulating lot rentals; specifying conditions on which a lessor may recover possession of land upon which a mobile home is located; amending Minnesota Statutes 1980, Sections 327.44; and 327.553, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 327.

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 | Erickson | Kalis | Ogren | Simoneau |
| Ainley | Esau | Kelly | Olsen | Skoglund |
| Anderson, B. | Evans | Knickerbocker | Onnen | Stadum |
| Anderson, G. | Fjoslien | Kostohryz | Osthoff | Staten |
| Anderson, I. | Forsythe | Lehto | Otis | Stowell |
| Anderson, R. | Friedrich | Levi | Peterson, B. | Stumpf |
| Battaglia | Greenfield | Long | Peterson, D. | Sviggum |
| Begich | Gruenes | Ludeman | Piepho | Swanson |
| Berkelman | Gustafson | Luknic | Pogemiller | Tomlinson |
| Blatz | Halberg | Mann | Redalen | Valan |
| Brandl | Hanson | Marsh | Reding | Vanasek |
| Brinkman | Harens | McDonald | Rees | Voss |
| Byrne | Hauge | McEachern | Reif | Weaver |
| Carlson, D. | Haukoos | Mehrkens | Rice | Welch |
| Carlson, L. | Heap | Metzen | Rodriguez, F. | Welker |
| Clark, J. | Heinitz | Minne | Rose | Wenzel |
| Clark, K. | Himle | Munger | Rothenberg | Wieser |
| Clawson | Hoberg | Murphy | Sarna | Wigley |
| Dahlvang | Hokanson | Nelsen, B. | Schoenfeld | Wynia |
| Dempsey | Jacobs | Nelson, K. | Schreiber | Zubay |
| Den Ouden | Jennings | Niehaus | Searles | Spkr. Sieben, H. |
| Drew | Johnson, C. | Norton | Shea | |
| Eken | Jude | Novak | Sherman | |
| Elioff | Kahn | Nysether | Sherwood | |
| Ellingson | Kaley | O'Connor | 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. 582, A bill for an act relating to natural resources; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Begich moved that the House concur in the Senate amendments to H. F. No. 582 and that the bill be repassed as amended by the Senate.

Kahn moved that the House refuse to concur in the Senate amendments to H. F. No. 582, 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 Kahn motion and the roll was called. There were 50 yeas and 76 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Anderson, R. | Halberg | Lemen | Peterson, B. | Tomlinson |
| Brandl | Hanson | Long | Peterson, D. | Valento |
| Carlson, L. | Hokanson | Munger | Rodriguez, C. | Vanasek |
| Clark, J. | Jacobs | Nelson, K. | Rose | Vellenga |
| Den Ouden | Kahn | Norton | Rothenberg | Voss |
| Ellingson | Kelly | Novak | Sherwood | Welch |
| Evans | Knickerbocker | O'Connor | Sieben, M. | Wigley |
| Forsythe | Kostohryz | Olsen | Skoglund | Wynia |
| Greenfield | Laidig | Onnen | Sviggum | Zubay |
| Gruenes | Lehto | Otis | Swanson | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|---------|-------------|
| Aasness | Berkelman | Drew | Harens | Jennings |
| Ainley | Blatz | Eken | Hauge | Johnson, C. |
| Anderson, B. | Brinkman | Elioff | Haukoos | Johnson, D. |
| Anderson, G. | Carlson, D. | Erickson | Heap | Jude |
| Anderson, I. | Clawson | Esau | Heinitz | Kaley |
| Battaglia | Dahlvang | Fjoslien | Himle | Kalis |
| Begich | Dempsey | Gustafson | Hoberg | Kvam |

| | | | | |
|-----------|------------|---------------|------------|--------|
| Levi | Minne | Redalen | Schoenfeld | Valan |
| Ludeman | Murphy | Reding | Schreiber | Weaver |
| Luknic | Nelsen, B. | Rees | Searles | Welker |
| Mann | Niehaus | Reif | Sherman | Wenzel |
| Marsh | Nysether | Rice | Simoneau | Wieser |
| McCarron | Ogren | Rodriguez, F. | Stadum | |
| McDonald | Osthoff | Samuelson | Staten | |
| McEachern | Piepho | Sarna | Stowell | |
| Mehrkens | Pogemiller | Schafer | Stumpf | |

The motion did not prevail.

Beigich moved that the House refuse to concur in the Senate amendments to H. F. No. 582, 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. 54, A bill for an act relating to meetings of public bodies; allowing public employers to determine negotiation strategy at a nonpublic meeting; amending Minnesota Statutes 1980, Section 471.705, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kaley moved that the House concur in the Senate amendments to H. F. No. 54 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 54, A bill for an act relating to meetings of public bodies; allowing public employers to determine negotiation strategy at a nonpublic meeting; amending Minnesota Statutes 1980, Section 471.705, 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 87 yeas and 39 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|--------|-------------|-----------|
| Aasness | Anderson, G. | Blatz | Brinkman | Dempsey |
| Anderson, B. | Berkelman | Brandl | Carlson, D. | Den Ouden |

| | | | | |
|-----------|---------------|--------------|---------------|-----------|
| Eken | Jacobs | Metzen | Rees | Sviggum |
| Erickson | Johnson, C. | Minne | Rodriguez, C. | Swanson |
| Esau | Johnson, D. | Munger | Rodriguez, F. | Tomlinson |
| Evans | Jude | Nelsen, B. | Schafer | Valan |
| Fjoslien | Kaley | Niehaus | Schoenfeld | Valento |
| Forsythe | Kalis | Norton | Schreiber | Vellenga |
| Friedrich | Knickerbocker | Nysether | Searles | Weaver |
| Gruenes | Laidig | O'Connor | Shea | Welker |
| Gustafson | Lehto | Ogren | Sherman | Wenzel |
| Halberg | Lemen | Olsen | Sherwood | Wieser |
| Hauge | Levi | Otis | Sieben, M. | Wigley |
| Heap | Luknic | Peterson, B. | Simoneau | Wynia |
| Heinitz | Mann | Piepho | Skoglund | Zubay |
| Himle | Marsh | Pogemiller | Stadum | |
| Hoberg | McDonald | Redalen | Stowell | |
| Hokanson | Mehrkens | Reding | Stumpf | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|-----------|--------------|------------------|
| Ainley | Clawson | Harens | McCarron | Rose |
| Anderson, I. | Dahlvang | Jennings | McEachern | Samuelson |
| Anderson, R. | Dean | Kahn | Murphy | Sarna |
| Battaglia | Drew | Kelly | Nelson, K. | Staten |
| Begich | Elioff | Kostohryz | Novak | Voss |
| Carlson, L. | Ellingson | Kvam | Osthoff | Weich |
| Clark, J. | Greenfield | Long | Peterson, D. | Spkr. Sieben, H. |
| Clark, K. | Hanson | Ludeman | 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. 932, A bill for an act relating to taxation; income; property tax refund; making technical corrections; deleting obsolete provisions; amending Minnesota Statutes 1980, Sections 290.01, Subdivisions 3, 19, 20, 21, 22, 23, 25, 26, and 27; 290.011; 290.032, Subdivision 2; 290.06, Subdivisions 1, 2c, 3e, 3f, and 11; 290.07, Subdivision 3; 290.071, Subdivisions 2 and 3; 290.075; 290.077, Subdivisions 1 and 2; 290.079, Subdivision 6; 290.08, Subdivision 8; 290.081; 290.085; 290.09, Subdivisions 1, 2, 4, 5, 6, 7, 10, 15, 18, 21, and 29; 290.095, Subdivision 2; 290.10; 290.101, Subdivision 9; 290.12, Subdivisions 1, 2, and 4; 290.13, Subdivision 5; 290.131, Subdivisions 1 and 3; 290.132, Subdivision 1; 290.133, Subdivision 2; 290.134, Subdivision 1; 290.135, Subdivision 1; 290.14; 290.16, Subdivisions 1, 3, 7, 8, 9, 12, and 13; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 1, 3, 3a, 4, and 7; 290.22; 290.23, Subdivisions 3, 5, 9, and 15; 290.25, Subdivision 1; 290.26, Subdivisions 1, 2a, and 3; 290.281, Subdivision 2; 290.31, Subdivisions 2, 3, 4, 6, 9, 10, 11, 21, and by adding a subdivision; 290.32; 290.34, Subdivision 3; 290.35; 290.39, Subdivision 1; 290.42; 290.45, Subdi-

vision 3; 290.46; 290.48, Subdivision 2; 290.49, Subdivisions 1 and 4; 290.50, Subdivisions 1, 3, and 5; 290.53, Subdivisions 1 and 4; 290.56, Subdivisions 2, 3, and 4; 290.92, Subdivisions 5, 6, 16, and 19; 290.93, Subdivisions 5 and 6; 290.932, Subdivisions 1 and 4; 290A.03, Subdivisions 3 and 13; 290A.04, Subdivisions 2 and 2c; 290A.06; and 290A.07, Subdivision 2; repealing Minnesota Statutes 1980, Sections 290.076; 290.08, Subdivisions 7 and 13; 290.131, Subdivisions 4, 5, 6, and 7; 290.133, Subdivision 3; 290.134, Subdivisions 2, 3, and 4; 290.135, Subdivisions 2, 3, and 4; 290.23, Subdivisions 1, 2, 6, 7, 8, 10, 11, 12, 13, and 14; 290.24; 290.25, Subdivisions 2, 3, 4, and 5; 290.26, Subdivisions 4 and 7; 290.27; 290.28; 290.60; 290.65, Subdivision 17; 290.931, Subdivision 4; 290.932, Subdivision 3; 290.933, Subdivision 3; and 290.934, Subdivision 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kvam moved that the House concur in the Senate amendments to H. F. No. 932 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 932, A bill for an act relating to taxation; income; property tax refund; making technical corrections; deleting obsolete provisions; amending Minnesota Statutes 1980, Sections 290.01, Subdivisions 3, 19, 20, 21, 22, 23, 25, 26, and 27; 290.011; 290.032, Subdivision 2; 290.06, Subdivisions 1, 2c, 3e, 3f, and 11; 290.07, Subdivision 3; 290.071, Subdivisions 2 and 3; 290.075; 290.077, Subdivisions 1 and 2; 290.079, Subdivision 6; 290.08, Subdivision 8; 290.081; 290.085, 290.09, Subdivisions 1, 2, 4, 5, 6, 7, 10, 15, 18, 21, and 29; 290.095, Subdivision 2; 290.10; 290.101, Subdivision 9; 290.12, Subdivisions 1, 2, and 4; 290.13, Subdivision 5; 290.131, Subdivisions 1 and 3; 290.132, Subdivision 1; 290.133, Subdivision 2; 290.134, Subdivision 1; 290.135, Subdivision 1; 290.14; 290.16, Subdivisions 1, 3, 7, 8, 9, 12, and 13; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 1, 3, 3a, 4, and 7; 290.22; 290.23, Subdivisions 3, 5, 9, and 15; 290.25, Subdivision 1; 290.26, Subdivisions 1, 2a, and 3; 290.281, Subdivision 2; 290.31, Subdivisions 2, 3, 4, 6, 9, 10, 11, 21, and by adding a subdivision; 290.32; 290.34, Subdivision 3; 290.35; 290.39, Subdivision 1; 290.42; 290.45, Subdivision 3; 290.46; 290.48, Subdivision 2; 290.49, Subdivisions 1 and 4; 290.50, Subdivisions 1, 3, and 5; 290.53, Subdivisions 1 and 4; 290.56, Subdivisions 2, 3, and 4; 290.92, Subdivisions 5, 6, 16, and 19; 290.93, Subdivisions 5 and 6; 290.932, Subdivisions 1 and 4; 290A.03, Subdivisions 3 and 13; 290A.04, Subdivisions 2 and 2c; 290A.06; and 290A.07, Subdivision 2; repealing Minnesota Statutes 1980, Sections 290.076; 290.08, Subdivisions 7 and 13; 290.131, Subdivisions 4, 5, 6, and 7; 290.133, Subdivision 3; 290.134, Subdivisions 2, 3, and 4; 290.135, Subdivisions 2, 3, and 4; 290.23, Subdivisions 1, 2, 6, 7, 8, 10, 11, 12, 13, and 14; 290.24;

290.25, Subdivisions 2, 3, 4, and 5; 290.26, Subdivisions 4 and 7; 290.27; 290.28; 290.60; 290.65, Subdivision 17; 290.931, Subdivision 4; 290.932, Subdivision 3; 290.933, Subdivision 3; and 290.934, Subdivision 6.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | Nysether | Sherman |
| Ainley | Evans | Knickerbocker | O'Connor | Sherwood |
| Anderson, B. | Fjoslien | Kostohryz | Ogren | Sieben, M. |
| Anderson, G. | Forsythe | Kvam | Olsen | Simoneau |
| Anderson, I. | Friedrich | Laidig | Osthoff | Skoglund |
| Anderson, R. | Greenfield | Lehto | Otis | Stadum |
| Battaglia | Gruenes | Lemen | Peterson, B. | Staten |
| Begich | Gustafson | Levi | Peterson, D. | Stowell |
| Berkelman | Halberg | Long | Piepho | Stumpf |
| Blatz | Hanson | Ludeman | Pogemiller | Sviggum |
| Brandl | Harens | Luknic | Redalen | Swanson |
| Brinkman | Hauge | Mann | Reding | Tomlinson |
| Byrne | Haukoos | Marsh | Rees | Valan |
| Carlson, D. | Heap | McCarron | Reif | Valento |
| Carlson, L. | Heinitz | McDonald | Rice | Vanasek |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Vellenga |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Clawson | Hokanson | Metzen | Rose | Weaver |
| Dahlvang | Jacobs | Minne | Rothenberg | Welch |
| Dean | Jennings | Munger | Samuelson | Welker |
| Dempsey | Johnson, C. | Murphy | Sarna | Wenzel |
| Den Ouden | Johnson, D. | Nelsen, B. | Schafer | Wieser |
| Drew | Jude | Nelson, K. | Schoenfeld | Wigley |
| Eken | Kahn | Niehaus | Schreiber | Wynia |
| Ellingson | Kaley | Norton | Searles | Zubay |
| Erickson | Kalis | Novak | Shea | Spkr. 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. 443, A bill for an act relating to education; specifying the authority of a school board for selection and employment of a superintendent; amending Minnesota Statutes 1980, Section 123.34, Subdivision 9.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hoberg moved that the House concur in the Senate amendments to H. F. No. 443 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 443, A bill for an act relating to education; specifying the authority of a school board for selection and employment of a superintendent; amending Minnesota Statutes 1980, Section 123.34, Subdivision 9.

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 | Esau | Knickerbocker | Ogren | Sieben, M. |
| Ainley | Evans | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, G. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, I. | Friedrich | Lehto | Otis | Staten |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Stowell |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Piepho | Sviggum |
| Berkelman | Halberg | Ludeman | Pogemiller | Swanson |
| Blatz | Hanson | Luknic | Redalen | Tomlinson |
| Brandl | Harens | Mann | Reding | Valan |
| Brinkman | Hauge | Marsh | Rees | Valento |
| Byrne | Haukoos | McCarron | Reif | Vanasek |
| Carlson, D. | Heap | McDonald | Rice | Vellenga |
| Carlson, L. | Heinitz | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dean | Jennings | Murphy | Sarna | Wieser |
| Dempsey | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Jude | Niehaus | Schreiber | Zubay |
| Eken | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kaley | Novak | Shea | |
| Ellingson | Kalis | Nysether | Sherman | |
| Erickson | Kelly | O'Connor | 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. 28, A bill for an act relating to agriculture; prohibiting pension or investment funds from farming or acquiring certain farm land; amending Minnesota Statutes 1980, Section 500.24, Subdivisions 2, 3, 4 and 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Redalen moved that the house concur in the Senate amendments to H. F. No. 28 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 28, A bill for an act relating to agriculture; prohibiting pension or investment funds from farming or acquiring certain farm land; amending Minnesota Statutes 1980, Section 500.24, Subdivisions 2, 3, 4 and 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 119 yeas and 11 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|-----------------|
| Aasness | Elioff | Kaley | O'Connor | Sieben, M. |
| Ainley | Ellingson | Kalis | Ogren | Simoneau |
| Anderson, B. | Erickson | Kelly | Olsen | Skoglund |
| Anderson, G. | Esau | Knickerbocker | Onnen | Stadum |
| Anderson, I. | Evans | Kostohryz | Otis | Staten |
| Anderson, R. | Fjoslien | Kvam | Peterson, D. | Stowell |
| Battaglia | Forsythe | Lehto | Pogemiller | Stumpf |
| Begich | Greenfield | Lemen | Redalen | Sviggum |
| Berkelman | Gruenes | Levi | Reding | Swanson |
| Blatz | Gustafson | Luknic | Rees | Tomlinson |
| Brandl | Halberg | Mann | Reif | Valan |
| Brinkman | Hanson | Marsh | Rice | Valento |
| Byrne | Harens | McCarron | Rodriguez, C. | Vanasek |
| Carlson, D. | Hauge | McDonald | Rodriguez, F. | Vellenga |
| Carlson, L. | Haukoos | Mehrkens | Rose | Voss |
| Clark, J. | Heap | Metzen | Rothenberg | Weaver |
| Clark, K. | Himle | Minne | Samuelson | Welch |
| Clawson | Hoberg | Munger | Schafer | Wenzel |
| Dahlvang | Hokanson | Murphy | Schoenfeld | Wieser |
| Dean | Jacobs | Nelson, K. | Schreiber | Wigley |
| Dempsey | Johnson, C. | Niehaus | Searles | Wynia |
| Den Ouden | Johnson, D. | Norton | Shea | Zubay |
| Drew | Jude | Novak | Sherman | Spk. Sieben, H. |
| Eken | Kahn | Nysether | Sherwood | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|------------|-------|--------|
| Friedrich | Long | Nelsen, B. | Sarna | Welker |
| Heinitz | Ludeman | Osthoff | | |
| Jennings | McEachern | Piepho | | |

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

CONSENT CALENDAR

S. F. No. 476 was reported to the House.

Peterson, B., moved to amend S. F. No. 476, the unofficial engrossment, as follows:

Page 3, line 3, delete "*Any person fleeing a peace*" and insert "*If a peace officer is acting in the lawful discharge of an official duty, a person fleeing the peace officer by means of a motor vehicle or motorcycle is liable for all bodily injury and property damage suffered by any other person, except another person fleeing from a peace officer, arising out of the operation or use of a pursuing peace officer's vehicle, unless the peace officer is not exercising reasonable care.*"

Page 3, delete lines 4 to 12

Page 3, line 30, strike "*motorized*" insert "*motor*"

Page 4, line 1, strike "*motorized*" insert "*motor*"

Upon objection of ten members S. F. No. 476 was stricken from the Consent Calendar and returned to General Orders.

Eken 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 message was received from the Senate:

Mr. Speaker:

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

S. F. No. 876.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 876, A bill for an act relating to state government; improving the state's personnel management and labor relations functions; proposing new law coded as Minnesota Statutes, Chapter 43A; proposing new law coded in Minnesota Statutes, Chapter 210A; repealing Minnesota Statutes 1980, Chapter 43.

The bill was read for the first time.

Simoneau moved that S. F. No. 876 and H. F. No. 892, now on General Orders, be referred to the Chief Clerk for comparison. 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. 582:

Begich, Carlson, D., and Kahn.

CALENDAR

S. F. No. 823, A bill for an act relating to transportation; regulating apportionment from the municipal state-aid street fund; providing for the inclusion of certain cities in the 1981 apportionment of municipal state-aid street funds.

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 112 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|------------|---------------|
| Aasness | Dempsey | Heinitz | Marsh | Pogemiller |
| Ainley | Den Ouden | Himle | McDonald | Redalen |
| Anderson, B. | Drew | Hoberg | McEachern | Reding |
| Anderson, G. | Elioff | Hokanson | Mehrkens | Rees |
| Anderson, I. | Ellingson | Jacobs | Metzen | Reif |
| Anderson, R. | Esau | Jennings | Munger | Rice |
| Battaglia | Fjoslien | Johnson, D. | Murphy | Rodriguez, C. |
| Begich | Forsythe | Jude | Nelsen, B. | Rodriguez, F. |
| Berkelman | Friedrich | Kahn | Nelson, K. | Rose |
| Blatz | Greenfield | Kalis | Niehaus | Sarna |
| Brandl | Gruenes | Kelly | Novak | Schafer |
| Brinkman | Gustafson | Kostohryz | Nysether | Schreiber |
| Byrne | Halberg | Laidig | Ogren | Searles |
| Carlson, D. | Hanson | Lemen | Olsen | Shea |
| Carlson, L. | Harens | Levi | Onnen | Sherman |
| Clark, J. | Hauge | Long | Osthoff | Sherwood |
| Clawson | Haukoos | Ludeman | Otis | Sieben, M. |
| Dahlvang | Heap | Mann | Piepho | Simoneau |

| | | | | |
|----------|-----------|----------|--------|------------------|
| Skoglund | Swiggum | Vanasek | Welker | Zubay |
| Stadum | Swanson | Vellenga | Wenzel | Spkr. Sieben, H. |
| Staten | Tomlinson | Voss | Wieser | |
| Stowell | Valan | Weaver | Wigley | |
| Stumpf | Valento | Welch | Wynia | |

The bill was passed and its title agreed to.

S. F. No. 556, A bill for an act relating to motor vehicles; providing for registration and regulating the display of plates and insignia; providing exemptions from registration and taxation for nonresident servicemen; specifying the time when the tax is due and payable; amending Minnesota Statutes 1980, Sections 168.04, Subdivision 1; 168.09, Subdivisions 1 and 3; and 168.31, 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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kahn | Novak | Sherwood |
| Ainley | Erickson | Kalis | Nysether | Sieben, M. |
| Anderson, B. | Esau | Kelly | O'Connor | Simoneau |
| Anderson, G. | Fjoslien | Knickerbocker | Ogren | Skoglund |
| Anderson, I. | Forsythe | Kostohryz | Olsen | Stadum |
| Anderson, R. | Friedrich | Kvam | Onnen | Staten |
| Battaglia | Greenfield | Laidig | Osthoff | Stowell |
| Begich | Gruenes | Lehto | Otis | Stumpf |
| Berkelman | Gustafson | Lemen | Piepho | Swiggum |
| Blatz | Halberg | Levi | Pogemiller | Swanson |
| Brandl | Hanson | Long | Redalen | Tomlinson |
| Brinkman | Harens | Ludeman | Reding | Valan |
| Byrne | Hauge | Mann | Rees | Vanasek |
| Carlson, D. | Haukoos | Marsh | Reif | Vellenga |
| Carlson, L. | Heap | McDonald | Rice | Voss |
| Clark, J. | Heinitz | McEachern | Rodriguez, C. | Weaver |
| Clark, K. | Himle | Mehrkens | Rodriguez, F. | Welch |
| Clawson | Hoberg | Metzen | Sarna | Welker |
| Dahlvang | Hokanson | Munger | Schafer | Wenzel |
| Dempsey | Jacobs | Murphy | Schoenfeld | Wieser |
| Den Ouden | Jennings | Nelsen, B. | Schreiber | Wigley |
| Drew | Johnson, C. | Nelson, K. | Searles | Wynia |
| Eken | Johnson, D. | Niehaus | Shea | Zubay |
| Elioff | Jude | Norton | Sherman | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

S. F. No. 443, A bill for an act relating to commerce; regulating franchises; providing a penalty; amending Minnesota Statutes 1980, Sections 80C.01, Subdivision 4, and by adding subdivisions; 80C.03; 80C.14; 80C.17, by adding a subdivision; 80C.18, Subdivision 2; and 80C.19, 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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kelly | O'Connor | Sieben, M. |
| Ainley | Esau | Knickerbocker | Ogren | Simoneau |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Skoglund |
| Anderson, G. | Forsythe | Kvam | Onnen | Stadum |
| Anderson, I. | Friedrich | Laidig | Osthoff | Staten |
| Anderson, R. | Greenfield | Lehto | Otis | Stowell |
| Battaglia | Gruenes | Lemen | Piepho | Stumpf |
| Begich | Gustafson | Levi | Pogemiller | Sviggum |
| Berkelman | Halberg | Long | Redalen | Swanson |
| Blatz | Hanson | Ludeman | Reding | Tomlinson |
| Brandl | Harens | Luknic | Rees | Valan |
| Brinkman | Hauge | Mann | Reif | Vanasek |
| Byrne | Haukoos | Marsh | Rice | Vellenga |
| Carlson, D. | Heap | McDonald | Rodriguez, C. | Voss |
| Carlson, L. | Heinitz | McEachern | Rodriguez, F. | Weaver |
| Clark, J. | Himle | Mehrrens | Rose | Welch |
| Clark, K. | Hoberg | Metzen | Samuelson | Wenzel |
| Clawson | Hokanson | Munger | Sarna | Wieser |
| Dahlvang | Jacobs | Murphy | Schafer | Wigley |
| Dempsey | Jennings | Nelsen, B. | Schoenfeld | Wynia |
| Den Ouden | Johnson, C. | Nelson, K. | Schreiber | Zubay |
| Drew | Johnson, D. | Niehaus | Searles | Spkr. Sieben, H. |
| Eken | Jude | Norton | Shea | |
| Elioff | Kahn | Novak | Sherman | |
| Ellingson | Kalis | Nysether | Sherwood | |

The bill was passed and its title agreed to.

S. F. No. 72, A bill for an act relating to elections; providing a penalty for broadcasting certain false information; exempting certain broadcasters and publishers; amending Minnesota Statutes 1980, Section 210A.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. There were 126 yeas and 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-----------|-------------|
| Aasness | Brinkman | Eken | Gruenes | Hoberg |
| Anderson, B. | Byrne | Elioff | Gustafson | Hokanson |
| Anderson, G. | Carlson, D. | Ellingson | Halberg | Jacobs |
| Anderson, I. | Carlson, L. | Erickson | Hanson | Jennings |
| Anderson, R. | Clark, J. | Esau | Harens | Johnson, C. |
| Battaglia | Clark, K. | Evans | Hauge | Johnson, D. |
| Begich | Clawson | Fjoslien | Haukoos | Jude |
| Berkelman | Dahlvang | Forsythe | Heap | Kahn |
| Blatz | Dempsey | Friedrich | Heinitz | Kaley |
| Brandl | Den Ouden | Greenfield | Himle | Kalis |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Kelly | Metzen | Peterson, B. | Schreiber | Valento |
| Knickerbocker | Minne | Peterson, D. | Searles | Vanasek |
| Kostohryz | Munger | Piepho | Shea | Vellenga |
| Kvam | Murphy | Pogemiller | Sherman | Voss |
| Laidig | Nelsen, B. | Redalen | Sherwood | Weaver |
| Lehto | Nelson, K. | Reding | Sieben, M. | Welch |
| Lemen | Niehhaus | Rees | Simoneau | Welker |
| Levi | Norton | Reif | Skoglund | Wenzel |
| Long | Novak | Rice | Stadum | Wigley |
| Ludeman | Nysether | Rodriguez, C. | Staten | Wynia |
| Luknic | O'Connor | Rodriguez, F. | Stowell | Zubay |
| Mann | Ogren | Rose | Stumpf | Spkr. Sieben, H. |
| Marsh | Olsen | Samuelson | Sviggum | |
| McDonald | Onnen | Sarna | Swanson | |
| McEachern | Osthoff | Schafer | Tomlinson | |
| Mehrkens | Otis | Schoenfeld | Valan | |

Those who voted in the negative were:

Ainley Dean Wieser

The bill was passed and its title agreed to.

S. F. No. 550. A bill for an act relating to education; changing the time period for filing an application to be placed on the ballot for board elections; amending Minnesota Statutes 1980, Section 123.32, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------|
| Aasness | Elioff | Johnson, D. | Murphy | Rose |
| Ainley | Ellingson | Jude | Nelsen, B. | Rothenberg |
| Anderson, B. | Erickson | Kahn | Nelson, K. | Samuelson |
| Anderson, G. | Esau | Kaley | Niehhaus | Sarna |
| Anderson, I. | Evans | Kalis | Norton | Schafer |
| Anderson, R. | Fjoslien | Kelly | Novak | Schoenfeld |
| Battaglia | Forsythe | Knickerbocker | Nysether | Schreiber |
| Begich | Friedrich | Kostohryz | O'Connor | Searles |
| Berkelman | Greenfield | Kvam | Ogren | Shea |
| Blatz | Gruenes | Laidig | Olsen | Sherman |
| Brandl | Gustafson | Lehto | Onnen | Sherwood |
| Brinkman | Halberg | Lemen | Osthoff | Sieben, M. |
| Byrne | Hanson | Levi | Otis | Simoneau |
| Carlson, D. | Harens | Long | Peterson, B. | Skoglund |
| Carlson, L. | Hauge | Ludeman | Peterson, D. | Stadum |
| Clark, J. | Haukoos | Luknic | Piepho | Staten |
| Clark, K. | Heap | Mann | Pogemiller | Stowell |
| Clawson | Heinitz | Marsh | Redalen | Stumpf |
| Dahlvang | Himle | McDonald | Reding | Sviggum |
| Dean | Hoberg | McEachern | Rees | Swanson |
| Dempsey | Hokanson | Mehrkens | Reif | Tomlinson |
| Den Ouden | Jacobs | Metzen | Rice | Valan |
| Drew | Jennings | Minne | Rodriguez, C. | Valento |
| Eken | Johnson, C. | Munger | Rodriguez, F. | Vanasek |

| | | | | |
|----------|--------|--------|-------|------------------|
| Vellenga | Welch | Wieser | Zubay | Spkr. Sieben, H. |
| Voss | Welker | Wigley | | |
| Weaver | Wenzel | Wynia | | |

The bill was passed and its title agreed to.

S. F. No. 771, A bill for an act relating to Otter Tail county and the town of Oak Port in Clay county; authorizing the Otter Tail county board to grant certain powers for a district created under Minnesota Statutes, Chapter 116A; authorizing the town of Oak Port to exercise certain powers.

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:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Fjoslien | Kvam | Onnen | Simoneau |
| Anderson, B. | Forsythe | Laidig | Osthoff | Skoglund |
| Anderson, G. | Friedrich | Lehto | Otis | Stadum |
| Anderson, I. | Greenfield | Lemen | Peterson, B. | Staten |
| Anderson, R. | Gruenes | Levi | Peterson, D. | Stowell |
| Battaglia | Gustafson | Long | Piepho | Stumpf |
| Begich | Halberg | Ludeman | Pogemiller | Swiggum |
| Berkelman | Hanson | Luknic | Redalen | Swanson |
| Blatz | Hauge | Mann | Reding | Tomlinson |
| Brandl | Haukoos | Marsh | Rees | Valan |
| Brinkman | Heap | McDonald | Reif | Valento |
| Byrne | Heinitz | McEachern | Rice | Vanasek |
| Carlson, D. | Himle | Mehrkens | Rodriguez, C. | Vellenga |
| Carlson, L. | Hoberg | Metzen | Rodriguez, F. | Voss |
| Clark, J. | Hokanson | Minne | Rose | Weaver |
| Clawson | Jacobs | Munger | Rothenberg | Welch |
| Dahlvang | Jennings | Murphy | Samuelson | Welker |
| Dempsey | Johnson, C. | Nelsen, B. | Sarna | Wenzel |
| Den Ouden | Johnson, D. | Nelson, K. | Schafer | Wieser |
| Drew | Jude | Niehaus | Schoenfeld | Wigley |
| Eken | Kahn | Norton | Schreiber | Wynia |
| Elioff | Kaley | Novak | Searles | Zubay |
| Ellingson | Kalis | Nysether | Shea | Spkr. Sieben, H. |
| Erickson | Kelly | O'Connor | Sherman | |
| Esau | Knickerbocker | Ogren | Sherwood | |
| Evans | Kostohryz | Olsen | Sieben, M. | |

The bill was passed and its title agreed to.

S. F. No. 1248, A bill for an act relating to local improvements; regulating the issuance of temporary improvement bonds; amending Minnesota Statutes 1980, Section 429.091, Subdivision 3, and by adding subdivisions.

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 | Evans | Knickerbocker | Olsen | Sieben, M. |
| Ainley | Fjoslien | Kostohryz | Onnen | Simoneau |
| Anderson, B. | Forsythe | Kvam | Osthoff | Skoglund |
| Anderson, G. | Friedrich | Laidig | Otis | Stadum |
| Anderson, I. | Greenfield | Lehto | Peterson, B. | Staten |
| Anderson, R. | Gruenes | Lemen | Peterson, D. | Stowell |
| Battaglia | Gustafson | Levi | Piepho | Stumpf |
| Begich | Halberg | Long | Pogemiller | Stungum |
| Berkelman | Hanson | Ludeman | Redalen | Swanson |
| Blatz | Harens | Luknic | Reding | Tomlinson |
| Brinkman | Hauge | Mann | Rees | Valan |
| Byrne | Haukoos | Marsh | Reif | Valento |
| Carlson, D. | Heap | McDonald | Rice | Vanasek |
| Carlson, L. | Heinitz | Mehrkens | Rodriguez, C. | Vellenga |
| Clark, J. | Himle | Metzen | Rodriguez, F. | Voss |
| Clark, K. | Hoberg | Minne | Rose | Weaver |
| Clawson | Hokanson | Munger | Rothenberg | Welch |
| Dahlvang | Jacobs | Murphy | Samuelson | Welker |
| Dean | Jennings | Nelsen, B. | Sarna | Wenzel |
| Dempsey | Johnson, C. | Nelson, K. | Schafer | Wieser |
| Den Ouden | Johnson, D. | Niehau | Schoenfeld | Wigley |
| Drew | Jude | Norton | Schreiber | Wynia |
| Eken | Kahn | Novak | Searles | Zubay |
| Ellingson | Kaley | Nysether | Shea | Spkr. Sieben, H. |
| Erickson | Kalis | O'Connor | Sherman | |
| Esau | Kelly | Ogren | Sherwood | |

The bill was passed and its title agreed to.

H. F. No. 1021, A bill for an act relating to elections; changing certain requirements for voting by absent and disabled voters; amending Laws 1981, Chapter 29, Article III, Section 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|---------------|------------|
| Aasness | Clark, J. | Forsythe | Jacobs | Levi |
| Ainley | Clark, K. | Friedrich | Jennings | Long |
| Anderson, B. | Clawson | Greenfield | Johnson, C. | Ludeman |
| Anderson, G. | Dahlvang | Gruenes | Johnson, D. | Luknic |
| Anderson, I. | Dean | Gustafson | Jude | Mann |
| Anderson, R. | Dempsey | Halberg | Kahn | Marsh |
| Battaglia | Den Ouden | Hanson | Kaley | McDonald |
| Begich | Drew | Harens | Kalis | McEachern |
| Berkelman | Eken | Hauge | Kelly | Mehrkens |
| Blatz | Elioff | Haukoos | Knickerbocker | Metzen |
| Brandl | Ellingson | Heap | Kostohryz | Minne |
| Brinkman | Erickson | Heinitz | Kvam | Munger |
| Byrne | Esau | Himle | Laidig | Murphy |
| Carlson, D. | Evans | Hoberg | Lehto | Nelsen, B. |
| Carlson, L. | Fjoslien | Hokanson | Lemen | Nelson, K. |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Niehaus | Piepho | Sarna | Staten | Welch |
| Norton | Pogemiller | Schafer | Stowell | Welker |
| Novak | Redalen | Schoenfeld | Stumpf | Wenzel |
| Nysether | Reding | Schreiber | Sviggum | Wieser |
| O'Connor | Rees | Searles | Swanson | Wigley |
| Ogren | Reif | Shea | Tomlinson | Wynia |
| Olsen | Rice | Sherman | Valan | Zubay |
| Onnen | Rodriguez, C. | Sherwood | Valento | Spkr. Sieben, H. |
| Osthoff | Rodriguez, F. | Sieben, M. | Vanasek | |
| Otis | Rose | Simoneau | Vellenga | |
| Peterson, B. | Rothenberg | Skoglund | Voss | |
| Peterson, D. | Samuelson | Stadum | Weaver | |

The bill was passed and its title agreed to.

S. F. No. 291, A bill for an act relating to counties; repealing the law prohibiting persons holding the office of deputy sheriff from holding public office; prohibiting county commissioners from being employed by their counties; providing a penalty; amending Minnesota Statutes 1980, Sections 375.09; and 387.13.

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 | Esau | Kelly | O'Connor | Sherman |
| Ainley | Evans | Knickerbocker | Ogren | Sherwood |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, G. | Forsythe | Kvam | Onnen | Simoneau |
| Anderson, I. | Friedrich | Laidig | Osthoff | Skoglund |
| Anderson, R. | Greenfield | Lehto | Otis | Stadum |
| Battaglia | Gruenes | Lemen | Peterson, B. | Staten |
| Begich | Gustafson | Levi | Peterson, D. | Stowell |
| Berkelman | Halberg | Long | Piepho | Stumpf |
| Blatz | Hanson | Ludeman | Pogemiller | Sviggum |
| Brandl | Harens | Luknic | Redalen | Swanson |
| Brinkman | Hauge | Mann | Reding | Tomlinson |
| Byrne | Haukoos | Marsh | Rees | Valan |
| Carlson, D. | Heap | McDonald | Reif | Valento |
| Carlson, L. | Heinitz | McEachern | Rice | Vanasek |
| Clark, J. | Himle | Mehrkens | Rodriguez, C. | Vellenga |
| Clark, K. | Hoberg | Metzen | Rodriguez, F. | Voss |
| Clawson | Hokanson | Minne | Rose | Weaver |
| Dahlvang | Jacobs | Munger | Rothenberg | Welch |
| Dean | Jennings | Murphy | Samuelson | Welker |
| Den Ouden | Johnson, C. | Nelsen, B. | Sarna | Wenzel |
| Drew | Johnson, D. | Nelson, K. | Schafer | Wieser |
| Eken | Jude | Niehaus | Schoenfeld | Wigley |
| Elioff | Kahn | Norton | Schreiber | Wynia |
| Ellingson | Kaley | Novak | Searles | Zubay |
| Erickson | Kalis | Nysether | Shea | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

S. F. No. 1193, A bill for an act relating to the city of Crystal; providing for the designation of polling places in a certain precinct.

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 | Esau | Knickerbocker | Olsen | Simoneau |
| Ainley | Evans | Kostohryz | Onnen | Skoglund |
| Anderson, B. | Fjoslien | Kvam | Osthoff | Stadum |
| Anderson, G. | Forsythe | Laidig | Otis | Staten |
| Anderson, I. | Friedrich | Lehto | Peterson, B. | Stowell |
| Anderson, R. | Greenfield | Lemen | Peterson, D. | Stumpf |
| Battaglia | Gruenes | Levi | Piepho | Sviggum |
| Begich | Gustafson | Long | Pogemiller | Swanson |
| Berkelman | Halberg | Ludeman | Redalen | Tomlinson |
| Blatz | Hanson | Luknic | Reding | Valan |
| Brandl | Harens | Mann | Rees | Valento |
| Brinkman | Hauge | Marsh | Reif | Vanasek |
| Byrne | Haukoos | McDonald | Rice | Vellenga |
| Carlson, D. | Heap | McEachern | Rodriguez, C. | Voss |
| Carlson, L. | Heinitz | Mehrkens | Rodriguez, F. | Weaver |
| Clark, J. | Himle | Metzen | Rose | Welch |
| Clark, K. | Hoberg | Minne | Rothenberg | Welker |
| Clawson | Hokanson | Munger | Samuelson | Wenzel |
| Dahlvang | Jacobs | Murphy | Sarna | Wieser |
| Dean | Jennings | Nelsen, B. | Schafer | Wigley |
| Dempsey | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Den Ouden | Johnson, D. | Niehaus | Schreiber | Zubay |
| Drew | Jude | Norton | Searles | Spkr. Sieben, H. |
| Eken | Kahn | Novak | Shea | |
| Elioff | Kaley | Nysether | Sherman | |
| Ellingson | Kalis | O'Connor | Sherwood | |
| Erickson | Kelly | Ogren | Sieben, M. | |

The bill was passed and its title agreed to.

H. F. No. 1160 was reported to the House and given its third reading.

UNANIMOUS CONSENT

Metzen requested unanimous consent to offer an amendment. The request was granted.

Metzen moved to amend H. F. No. 1160, as follows:

Page 1, line 18, delete "3" and insert "2"

The motion prevailed and the amendment was adopted.

H. F. No. 1160, A bill for an act relating to commerce; exempting certain real estate brokers and salespersons from the licensing requirements for mobile home manufacturers and dealers; setting a penalty; amending Minnesota Statutes 1980, Sections 82.34, Subdivision 7; and 327.55, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kalis | Nysether | Shea |
| Ainley | Esau | Kelly | O'Connor | Sherman |
| Anderson, B. | Evans | Knickerbocker | Ogren | Sherwood |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, I. | Forsythe | Kvam | Onnen | Simoneau |
| Anderson, R. | Friedrich | Laidig | Osthoff | Skoglund |
| Battaglia | Greenfield | Lehto | Otis | Stadum |
| Begich | Gruenes | Lemen | Peterson, B. | Staten |
| Berkelman | Gustafson | Levi | Peterson, D. | Stowell |
| Blatz | Halberg | Long | Piepho | Stumpf |
| Brandl | Hanson | Ludeman | Pogemiller | Swiggum |
| Brinkman | Harens | Luknic | Redalen | Swanson |
| Byrne | Hauge | Mann | Reding | Tomlinson |
| Carlson, D. | Haukoos | Marsh | Rees | Valan |
| Carlson, L. | Heap | McDonald | Reif | Valento |
| Clark, J. | Heinitz | McEachern | Rice | Vanasek |
| Clark, K. | Himle | Mehrkens | Rodriguez, C. | Vellenga |
| Clawson | Hoberg | Metzen | Rodriguez, F. | Weaver |
| Dahlvang | Hokanson | Minne | Rose | Welch |
| Dean | Jacobs | Munger | Rothenberg | Welker |
| Dempsey | Jennings | Murphy | Samuelson | Wenzel |
| Den Ouden | Johnson, C. | Nelsen, B. | Sarna | Wieser |
| Drew | Johnson, D. | Nelson, K. | Schafer | Wigley |
| Eken | Jude | Niehaus | Schoenfeld | Wynia |
| Elioff | Kahn | Norton | Schreiber | Zubay |
| Ellingson | Kaley | Novak | Searles | Spkr. Sieben, H. |

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

H. F. No. 1190, A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

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 | Berkelman | Clark, K. | Elioff | Greenfield |
| Ainley | Blatz | Clawson | Ellingson | Gruenes |
| Anderson, B. | Brandl | Dahlvang | Erickson | Gustafson |
| Anderson, G. | Brinkman | Dean | Esau | Halberg |
| Anderson, I. | Byrne | Dempsey | Evans | Hanson |
| Anderson, R. | Carlson, D. | Den Ouden | Fjoslien | Harens |
| Battaglia | Carlson, L. | Drew | Forsythe | Hauge |
| Begich | Clark, J. | Eken | Friedrich | Haukoos |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Heap | Lemen | Nysether | Rothenberg | Tomlinson |
| Heinitz | Levi | O'Connor | Samuelson | Valan |
| Himle | Long | Ogren | Sarna | Valento |
| Hoberg | Ludeman | Olsen | Schafer | Vanasek |
| Hokanson | Luknic | Onnen | Schoenfeld | Vellenga |
| Jacobs | Mann | Osthoff | Schreiber | Voss |
| Jennings | Marsh | Otis | Searles | Weaver |
| Johnson, C. | McDonald | Peterson, B. | Shea | Welch |
| Johnson, D. | McEachern | Peterson, D. | Sherman | Welker |
| Jude | Mehrkens | Piepho | Sherwood | Wenzel |
| Kahn | Metzen | Pogemiller | Sieben, M. | Wieser |
| Kaley | Minne | Redalen | Simoneau | Wigley |
| Kalis | Munger | Reding | Skoglund | Wynia |
| Kelly | Murphy | Rees | Stadum | Zubay |
| Knickerbocker | Nelsen, B. | Reif | Staten | Spkr. Sieben, H. |
| Kostohryz | Nelson, K. | Rice | Stowell | |
| Kvam | Niehaus | Rodriguez, C. | Stumpf | |
| Laidig | Norton | Rodriguez, F. | Sviggum | |
| Lehto | Novak | Rose | Swanson | |

The bill was passed and its title agreed to.

H. F. No. 1200, A bill for an act relating to courts; extending application of the provision of law providing for payment of travel expenses for certain district court judges; amending Laws 1980, Chapter 614, Section 162.

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 | Esau | Knickerbocker | Olsen | Simoneau |
| Ainley | Evans | Kostohryz | Onnen | Skoglund |
| Anderson, B. | Fjoslien | Kvam | Osthoff | Stadum |
| Anderson, G. | Forsythe | Laidig | Otis | Staten |
| Anderson, I. | Friedrich | Lehto | Peterson, B. | Stowell |
| Anderson, R. | Greenfield | Lemen | Peterson, D. | Stumpf |
| Battaglia | Gruenes | Levi | Piepho | Sviggum |
| Begich | Gustafson | Long | Pogemiller | Swanson |
| Berkelman | Halberg | Ludeman | Redalen | Tomlinson |
| Blatz | Hanson | Luknic | Reding | Valan |
| Brandl | Harens | Mann | Rees | Valento |
| Brinkman | Hauge | Marsh | Reif | Vanasek |
| Byrne | Haukoos | McDonald | Rice | Vellenga |
| Carlson, D. | Heap | McEachern | Rodriguez, C. | Voss |
| Carlson, L. | Heinitz | Mehrkens | Rodriguez, F. | Weaver |
| Clark, J. | Himle | Metzen | Rose | Welch |
| Clark, K. | Hoberg | Minne | Rothenberg | Welker |
| Clawson | Hokanson | Munger | Samuelson | Wenzel |
| Dahlvang | Jacobs | Murphy | Sarna | Wieser |
| Dean | Jennings | Nelsen, B. | Schafer | Wigley |
| Dempsey | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Den Ouden | Johnson, D. | Niehaus | Schreiber | Zubay |
| Drew | Jude | Norton | Searles | Spkr. Sieben, H. |
| Eken | Kahn | Novak | Shea | |
| Elioff | Kaley | Nysether | Sherman | |
| Ellingson | Kalis | O'Connor | Sherwood | |
| Erickson | Kelly | Ogren | Sieben, M. | |

The bill was passed and its title agreed to.

S. F. No. 1278, A bill for an act relating to elections ; providing for special elections to fill vacancies in statutory city offices; amending Minnesota Statutes 1980, Sections 205.10; 205.17, by adding a subdivision; and 412.02, Subdivision 2, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Knickerbocker | Olsen | Simoneau |
| Ainley | Evans | Kostohryz | Onnen | Skoglund |
| Anderson, B. | Fjoslien | Kvam | Osthoff | Stadum |
| Anderson, G. | Forsythe | Laidig | Otis | Staten |
| Anderson, I. | Friedrich | Lehto | Peterson, B. | Stowell |
| Anderson, R. | Greenfield | Lemen | Peterson, D. | Stumpf |
| Battaglia | Gruenes | Levi | Piepho | Sviggum |
| Begich | Gustafson | Long | Pogemiller | Swanson |
| Berkelman | Halberg | Ludeman | Redalen | Tomlinson |
| Blatz | Hanson | Luknic | Reding | Valan |
| Brandl | Harens | Mann | Rees | Valento |
| Brinkman | Hauge | Marsh | Reif | Vanasek |
| Byrne | Haukoos | McDonald | Rice | Vellenga |
| Carlson, D. | Heap | McEachern | Rodriguez, C. | Voss |
| Carlson, L. | Heinitz | Mehrkens | Rodriguez, F. | Weaver |
| Clark, J. | Himle | Metzen | Rose | Welch |
| Clark, K. | Hoberg | Minne | Rothenberg | Welker |
| Clawson | Hokanson | Munger | Samuelson | Wenzel |
| Dahlvang | Jacobs | Murphy | Sarna | Wieser |
| Dean | Jennings | Nelsen, B. | Schafer | Wigley |
| Dempsey | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Den Ouden | Johnson, D. | Niehaus | Schreiber | Zubay |
| Drew | Jude | Norton | Searles | Spkr. Sieben, H. |
| Eken | Kahn | Novak | Shea | |
| Elioff | Kaley | Nysether | Sherman | |
| Ellingson | Kalis | O'Connor | Sherwood | |
| Erickson | Kelly | Ogren | Sieben, M. | |

The bill was passed and its title agreed to.

S. F. No. 822, A bill for an act relating to occupations and professions; providing for oral examinations of electricians by the board of electricity; amending Minnesota Statutes 1980, Section 326.242, Subdivision 7.

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 5 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kahn | Novak | Schreiber |
| Ainley | Erickson | Kaley | Nysether | Searles |
| Anderson, B. | Esau | Kalis | O'Connor | Shea |
| Anderson, G. | Evans | Kelly | Ogren | Sieben, M. |
| Anderson, I. | Fjoslien | Knickerbocker | Olsen | Simoneau |
| Anderson, R. | Forsythe | Kostohryz | Onnen | Skoglund |
| Battaglia | Friedrich | Kvam | Osthoff | Stadum |
| Begich | Greenfield | Laidig | Otis | Staten |
| Berkelman | Gruenes | Lehto | Peterson, B. | Stowell |
| Blatz | Gustafson | Lemen | Peterson, D. | Stumpf |
| Brandl | Halberg | Levi | Piepho | Tomlinson |
| Brinkman | Hanson | Long | Pogemiller | Valan |
| Byrne | Harens | Ludeman | Redalen | Valento |
| Carlson, D. | Hauge | Luknic | Reding | Vanasek |
| Carlson, L. | Haukoos | Mann | Rees | Vellenga |
| Clark, J. | Heap | McDonald | Reif | Voss |
| Clark, K. | Heinitz | McEachern | Rice | Weaver |
| Clawson | Himle | Mehrkens | Rodriguez, C. | Welch |
| Dahlvang | Hoberg | Metzen | Rodriguez, F. | Welker |
| Dean | Hokanson | Minne | Rose | Wenzel |
| Dempsey | Jacobs | Munger | Rothenberg | Wieser |
| Den Ouden | Jennings | Murphy | Samuelson | Wigley |
| Drew | Johnson, C. | Nelson, K. | Sarna | Wynia |
| Eken | Johnson, D. | Niehaus | Schafer | Zubay |
| Elioff | Jude | Norton | Schoenfeld | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-------|---------|----------|---------|---------|
| Marsh | Sherman | Sherwood | Sviggum | Swanson |
|-------|---------|----------|---------|---------|

The bill was passed and its title agreed to.

S. F. No. 1343, A bill for an act relating to elections; providing for automatic recounts in certain judicial elections; amending Minnesota Statutes 1980, Sections 204A.51, Subdivisions 2 and 3; and 204A.53, Subdivisions 2 and 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-------------|---------------|
| Aasness | Carlson, D. | Erickson | Haukoos | Kalis |
| Ainley | Carlson, L. | Esau | Heap | Kelly |
| Anderson, B. | Clark, J. | Evans | Heinitz | Knickerbocker |
| Anderson, G. | Clark, K. | Fjoslien | Himle | Kostohryz |
| Anderson, I. | Clawson | Forsythe | Hoberg | Kvam |
| Anderson, R. | Dahlvang | Friedrich | Hokanson | Laidig |
| Battaglia | Dean | Greenfield | Jacobs | Lehto |
| Begich | Dempsey | Gruenes | Jennings | Lemen |
| Berkelman | Den Ouden | Gustafson | Johnson, C. | Levi |
| Blatz | Drew | Halberg | Johnson, D. | Long |
| Brandl | Eken | Hanson | Jude | Ludeman |
| Brinkman | Elioff | Harens | Kahn | Luknic |
| Byrne | Ellingson | Hauge | Kaley | Mann |

| | | | | |
|------------|--------------|---------------|------------|------------------|
| Marsh | O'Connor | Rice | Sieben, M. | Voss |
| McDonald | Ogren | Rodriguez, C. | Simoneau | Weaver |
| McEachern | Olsen | Rodriguez, F. | Skoglund | Welch |
| Mehrkens | Onnen | Rose | Stadum | Welker |
| Metzen | Osthoff | Rothenberg | Staten | Wenzel |
| Minne | Otis | Samuelson | Stowell | Wieser |
| Munger | Peterson, B. | Sarna | Stumpf | Wigley |
| Murphy | Peterson, D. | Schafer | Sviggum | Wynia |
| Nelsen, B. | Piepho | Schoenfeld | Swanson | Zubay |
| Nelson, K. | Pogemiller | Schreiber | Tomlinson | Spkr. Sieben, H. |
| Niehaus | Redalen | Searles | Valan | |
| Norton | Reding | Shea | Valento | |
| Novak | Rees | Sherman | Vanasek | |
| Nysether | Reif | Sherwood | Vellenga | |

The bill was passed and its title agreed to.

H. F. No. 1301, A bill for an act relating to consumer protection; providing for a definition of building materials which may contain urea formaldehyde; providing for exceptions; amending Minnesota Statutes 1980, Section 325F.18, 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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kelly | O'Connor | Sherman |
| Ainley | Esau | Knickerbocker | Ogren | Sherwood |
| Anderson, B. | Evans | Kostohryz | Olsen | Sieben, M. |
| Anderson, G. | Fjoslien | Kvam | Onnen | Simoneau |
| Anderson, I. | Forsythe | Laidig | Osthoff | Skoglund |
| Anderson, R. | Friedrich | Lehto | Otis | Stadum |
| Battaglia | Greenfield | Lemen | Peterson, B. | Staten |
| Begich | Gruenes | Levi | Peterson, D. | Stowell |
| Berkelman | Gustafson | Long | Piepho | Stumpf |
| Blatz | Halberg | Ludeman | Pogemiller | Sviggum |
| Brandl | Hanson | Luknic | Redalen | Swanson |
| Brinkman | Harens | Mann | Reding | Tomlinson |
| Byrne | Hauge | Marsh | Rees | Valan |
| Carlson, D. | Haukoos | McDonald | Reif | Valento |
| Carlson, L. | Heap | McEachern | Rice | Vanasek |
| Clark, J. | Heinritz | Mehrkens | Rodriguez, C. | Vellenga |
| Clark, K. | Himle | Metzen | Rodriguez, F. | Voss |
| Clawson | Hoberg | Minne | Rose | Weaver |
| Dahlvang | Hokanson | Munger | Rothenberg | Welch |
| Dean | Jacobs | Murphy | Samuelson | Welker |
| Dempsey | Johnson, C. | Nelsen, B. | Sarna | Wenzel |
| Den Ouden | Johnson, D. | Nelson, K. | Schafer | Wieser |
| Drew | Jude | Niehaus | Schoenfeld | Wigley |
| Eken | Kahn | Norton | Schreiber | Wynia |
| Elioff | Kaley | Novak | Searles | Zubay |
| Ellingson | Kalis | Nysether | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

Jennings

The bill was passed and its title agreed to.

GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole, with Sieben, H., in the Chair, for the consideration of bills pending on General Orders of the Day. After some time spent therein the Committee arose.

REPORT OF COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. No. 4 which it recommended progress until Monday, May 11, 1981.

S. F. No. 346 which it recommended progress until Monday, May 11, 1981 retaining its place on General Orders.

S. F. No. 445 which it recommended to pass with the following amendment offered by Blatz:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1974, Chapter 435, Section 3.12, is amended to read:

Sec. 3.12. [COURT HOUSE AND CITY HALL.] (a)
[COURT HOUSE AND CITY HALL (COMMITTEE) AD-
MINISTRATION.]

(1) *Notwithstanding the provisions of Minnesota Statutes, Chapter 374, the Saint Paul city hall and Ramsey county court house building (IS IN CHARGE OF A JOINT COMMITTEE OF SEVEN MEMBERS APPOINTED AS FOLLOWS:)*

((A) THE MAYOR OF THE CITY OF SAINT PAUL IS EX-OFFICIO A MEMBER OF AND THE CHAIRMAN OF THE COMMITTEE;)

((B) THREE MEMBERS OF THE COMMITTEE ARE APPOINTED ANNUALLY BY THE PRESIDENT OF THE SAINT PAUL CITY COUNCIL FROM THE MEMBERS OF THE COUNCIL, AND THREE MEMBERS ARE APPOINTED ANNUALLY BY THE CHAIRMAN OF THE BOARD OF COUNTY COMMISSIONERS FROM THE MEMBERS OF THE BOARD.)

(2) THE COMMITTEE HAS ENTIRE CHARGE OF THE BUILDING AND MAY APPOINT THE JANITOR, CUSTODIAN AND OTHER EMPLOYEES THAT IT CONSIDERS NECESSARY FOR THE PROPER CARE AND MANAGEMENT OF THE BUILDING AND AT THE COMPENSATION THAT THE COMMITTEE DETERMINES.)

(3) THE EXPENSE OF KEEPING THE BUILDING IN REPAIR AND THE NECESSARY EXPENSE OF HEATING AND MAINTAINING IT SHALL BE PAID EQUALLY BY THE CITY AND COUNTY; ONE-HALF THEREOF OUT OF THE TREASURY OF THE CITY, AND ONE-HALF OUT OF THE TREASURY OF THE COUNTY) *shall be administered and operated by the Ramsey county board of commissioners. The board shall set terms and conditions for the occupancy of the building by the city of Saint Paul, provided that Saint Paul shall be entitled to continued occupancy of the areas which it occupied as of January 1, 1981, unless both parties otherwise agree. The city of Saint Paul shall pay rent to Ramsey county in an amount equal to its proportional square foot exclusive usage or occupancy of the building, multiplied by the total expenses of maintaining, heating and operating the building. No later than April 1 of each year, the board of county commissioners shall determine the proportional square foot usage or occupancy of the city and county, respectively, and shall notify the city council of its rent, based upon the projected expenses for maintaining, heating and operating the building in the next year. Costs of improvements to exclusive space shall be borne by the occupant. Costs of improvements to nonexclusive space shall be shared and apportioned in the same manner as the annual rental payments. The rent shall be payable in equal monthly installments, and any shortfall or overpayment of rent, based upon actual expenses shall be paid by the city or refunded by the county by March 1 of the succeeding year.*

(b) [SATURDAY CLOSING.] (1) [AUTHORITY.] Ramsey county and the city of Saint Paul may jointly, by resolution adopted by both the board of commissioners and the city council, close the building containing the principal offices of the city and the county, known as the city hall and court house, on Saturday.

(2) [EFFECT OF CLOSING.] An act authorized, required or permitted by law or contract to be performed at or in the city hall and court house on Saturday may be performed on the next succeeding regular business day and no liability or loss of rights on the part of any person shall result from the closing.

(3) [OPEN, ADDITIONAL HOURS.] The city hall and court house may be kept open for the transaction of business on the next business day following each Saturday until 9:00 p.m.

(c) [ROOMS FOR LAW LIBRARY.] In Ramsey county, the (COURT HOUSE AND CITY HALL COMMITTEE) board

of county commissioners may provide rooms in the court house and city hall for the use of a law library and the (COMMITTEE) board may install its library therein by purchase, leasing or securing it from an individual or association upon the terms and conditions that to it is for the interest of the people.

Sec. 2. Minnesota Statutes 1980, Section 260.019, Subdivision 3, is amended to read:

Subd. 3. The chief judge shall (NOT) designate any judge to hear cases arising under sections 260.011 to 260.301 as his principal or exclusive assignment for *no more than (THREE) six years out of any (SIX) 12 year period.*

Sec. 3. Minnesota Statutes 1980, Section 484.65, Subdivision 1, is amended to read:

Subdivision 1. In the fourth judicial district, a family court division of the district court is hereby created to be presided over by a district court judge appointed by the chief judge of the judicial district to serve for a term not exceeding (TWO) *six years.* The judge appointed to this office shall be designated as the district court judge, family court division. No judge may be appointed to serve consecutive terms as the district court judge, family court division.

Sec. 4. [REPEALER.]

Laws 1980, Chapter 612, Section 5, is repealed.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 and 4 are effective on July 1, 1981 for the county fiscal year beginning January 1, 1982 pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a).

Sections 2 and 3 shall become effective the day after final enactment and be applicable to incumbent juvenile court and family court judges."

Delete the title and insert:

"A bill for an act relating to local government; changing responsibilities for the administration of the Ramsey county court house and Saint Paul city hall building; authorizing appointment of district court judges to hear cases arising under the juvenile court act for terms up to six years; lengthening the term of the presiding judge of Hennepin County family court division; amending Minnesota Statutes 1980, Sections 260.19, Subdivision 3; 484.65, Subdivision 1; Laws 1974, Chapter 435, Section 3.12; and repealing Laws 1980, Chapter 612, Section 5."

S. F. No. 1247 which it recommended to pass with the following amendment offered by Sherwood:

Page 1, line 12, after "*district*" insert "*excluding a motor-coach bus*"

On the motion of Eken the report of the Committee of the Whole was adopted.

MOTIONS AND RESOLUTIONS

Stumpf moved that the name of Clark, K., be added as an author on H. F. No. 1424. The motion prevailed.

Stumpf moved that the names of Schoenfeld and Vellenga be added as authors on H. F. No. 1361. The motion prevailed.

Eken moved that the House recess subject to the call of the Chair to meet with the Senate in Joint Convention. The motion prevailed.

RECESS

RECONVENED

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

The House reconvened and was called to order by the Speaker. The Sergeant at Arms announced the arrival of the Senate and they were escorted to the seats reserved for them in the House Chamber.

JOINT CONVENTION

At 5:00 p.m. pursuant to House Concurrent Resolution No. 3, the Speaker of the House as President of the Joint Convention called the Joint Convention of the Senate and House of Representatives to order.

Prayer was offered by Reverend Robert L. Walrod, Gustavus Adolphus Lutheran Church, St. Paul, Minnesota.

The roll being called, the following Senators answered to their names: Ashbach, Bang and Belanger.

Moe, R. D., moved that further proceedings of the roll call be dispensed with. The motion prevailed.

A quorum was declared present.

Eken, Johnson, C., and Hughes moved that the following be the procedure of this joint convention:

The report from members of the Senate Committee on Education and the House Committee on Education, pursuant to House Concurrent Resolution No. 3, shall submit a slate of three Congressional District members and one At-Large member on the Board of Regents of the University of Minnesota.

Nominations may be made from the floor of the Convention but the nominations shall be in the form of an amendment to the report as submitted by the members of the Senate Committee on Education and the House Committee on Education. Such amendment shall be in the form of striking a designated nominee's name and inserting the name of the proposed nominee.

The roll shall be called on the election of the four members on the Board of Regents of the University of Minnesota. The nominee for each seat receiving the highest number of votes shall be declared elected.

The motion prevailed and the report on procedure was adopted.

REPORT FROM MEMBERS OF THE SENATE COMMITTEE ON
EDUCATION AND HOUSE COMMITTEE ON EDUCATION

To the Honorable Harry Sieben, Jr., Speaker of the House of Representatives, as President of the Joint Convention of the Senate and House of Representatives meeting for the purpose of electing members of the Board of Regents of the University of Minnesota:

The members of the Senate Committee on Education and the House Committee on Education make the following report:

We have selected the following named persons as a slate of nominees for membership on the Board of Regents of the University of Minnesota, each to hold his or her respective office for the term specified from the first Monday of February, 1981:

Willis K. Drake, Third Congressional District, Six Years

Verne E. Long, Sixth Congressional District, Six Years

Erwin L. Goldfine, Eighth Congressional District, Six Years

David K. Roe, At-Large, Six Years

We hereby submit the names of said persons in nomination for the offices and terms hereinbefore designated.

Respectfully submitted,

JEROME M. HUGHES, Chairman
Senate Education Committee

CARL M. JOHNSON, Chairman
House Education Committee

Eken, Johnson, C., and Hughes moved that the report from the members of the Senate Committee on Education and the House Committee on Education nominating four persons for membership on the Board of Regents of the University of Minnesota, be adopted. The motion prevailed and the report was adopted.

Eken, Johnson, C., and Hughes moved that nominations be closed and that the Joint Convention proceed to the election of four persons for membership on the Board of Regents of the University of Minnesota. The motion prevailed.

ELECTION OF BOARD OF REGENTS

The Secretary called the roll on the election.

The following voted for Willis K. Drake, Third Congressional District, for a six year term:

SENATE ROLL CALL

| | | | | |
|-------------|--------------|-----------------|-----------------|-----------|
| Ashbach | Davies | Langseth | Peterson, D. L. | Taylor |
| Bang | Dieterich | Lessard | Peterson, R. W. | Tennessee |
| Belanger | Engler | Lindgren | Petty | Ulland |
| Benson | Frederick | Luther | Pillsbury | Vega |
| Berg | Frederickson | Menning | Ramstad | Waldorf |
| Bernhagen | Hughes | Moe, R.D. | Renneke | |
| Brataas | Keefe | Olhoff | Rued | |
| Chmielewski | Knutson | Penny | Sieloff | |
| Dahl | Kronebusch | Peterson, C. C. | Stumpf | |

HOUSE OF REPRESENTATIVES ROLL CALL

| | | | | |
|--------------|-------------|------------|---------------|----------|
| Aasness | Forsythe | Kvam | Otis | Simoneau |
| Ainley | Friedrich | Laidig | Peterson, B. | Stadum |
| Anderson, R. | Gruenes | Lehto | Piepho | Stowell |
| Berkelman | Halberg | Lemen | Redalen | Stumpf |
| Blatz | Haukoos | Ludeman | Rees | Sviggum |
| Carlson, D. | Heap | Luknic | Reif | Valan |
| Dean | Heinitz | Marsh | Rodriguez, C. | Valento |
| Dempsey | Himle | McDonald | Rose | Vellenga |
| Den Ouden | Hoberg | Mehrkens | Rothenberg | Weaver |
| Drew | Jennings | Munger | Schafer | Welch |
| Eken | Johnson, C. | Nelsen, B. | Schoenfeld | Welker |
| Erickson | Johnson, D. | Niehaus | Schreiber | Wieser |
| Esau | Kaley | Norton | Searles | Wigley |
| Evans | Kalis | Nysether | Sherman | Zubay |
| Ewald | Kelly | Olsen | Sherwood | |
| Fjoslien | Knickbocker | Onnen | Sieben, M. | |

The following voted for Verne E. Long, Sixth Congressional District, for a six year term:

SENATE ROLL CALL

| | | | | |
|-------------|--------------|------------|-----------------|-----------|
| Ashbach | Davies | Kronebusch | Peterson, C. C. | Sieloff |
| Bang | Dieterich | Langseth | Peterson, D. L. | Solon |
| Belanger | Engler | Lessard | Peterson, R. W. | Stumpf |
| Benson | Frederick | Lindgren | Petty | Taylor |
| Berg | Frederickson | Luther | Pillsbury | Tennessee |
| Bernhagen | Hughes | Menning | Ramstad | Ulland |
| Brataas | Humphrey | Moe, R.D. | Renneke | Vega |
| Chmielewski | Keefe | Olhoft | Rued | Waldorf |
| Dahl | Knutson | Penny | Schmitz | |

HOUSE OF REPRESENTATIVES ROLL CALL

| | | | | |
|--------------|---------------|--------------|---------------|-----------|
| Aasness | Friedrich | Lemen | Piepho | Staten |
| Ainley | Gruenes | Long | Pogemiller | Stowell |
| Anderson, B. | Gustafson | Ludeman | Redalen | Stumpf |
| Anderson, R. | Halberg | Luknic | Rees | Sviggum |
| Berkelman | Harens | Mann | Reif | Swanson |
| Blatz | Hauge | Marsh | Rodriguez, C. | Tomlinson |
| Brandl | Haukoos | McCarron | Rose | Valan |
| Byrne | Heap | McDonald | Rothenberg | Valento |
| Carlson, D. | Heinitz | Mehrkens | Samuelson | Vellenga |
| Dean | Himle | Munger | Schaufel | Weaver |
| Dempsey | Hoberg | Nelsen, B. | Schoenfeld | Welch |
| Den Ouden | Jennings | Niehaus | Schreiber | Welker |
| Drew | Johnson, C. | Norton | Shearles | Wieser |
| Eken | Kaley | Novak | Shea | Wigley |
| Erickson | Kalis | Nysether | Sherman | Wynia |
| Esau | Kelly | Ogren | Sherwood | Zubay |
| Evans | Knickerbocker | Olsen | Sieben, M. | |
| Ewald | Kvam | Onnen | Simoneau | |
| Fjoslien | Laidig | Otis | Skoglund | |
| Forsythe | Lehto | Peterson, B. | Stadium | |

The following voted for Erwin L. Goldfine, Eighth Congressional District, for a six year term:

SENATE ROLL CALL

| | | | | |
|-------------|--------------|-----------------|-----------------|-----------|
| Ashbach | Dieterich | Langseth | Peterson, D. L. | Stern |
| Bang | Engler | Lantry | Peterson, R. W. | Stokowski |
| Belanger | Frank | Lessard | Petty | Stumpf |
| Benson | Frederick | Lindgren | Pillsbury | Taylor |
| Berg | Frederickson | Luther | Purfeerst | Tennessee |
| Berglin | Hanson | Menning | Ramstad | Ulland |
| Bernhagen | Hughes | Merriam | Renneke | Vega |
| Bertram | Humphrey | Moe, D. M. | Rued | Waldorf |
| Brataas | Johnson | Moe, R.D. | Schmitz | Wegener |
| Chmielewski | Keefe | Nelson | Setzpfandt | Willet |
| Dahl | Knoll | Olhoft | Sieloff | |
| Davies | Knutson | Pehler | Sikorski | |
| Davis | Kroening | Penny | Solon | |
| Dicklich | Kronebusch | Peterson, C. C. | Spear | |

HOUSE OF REPRESENTATIVES ROLL CALL

| | | | | |
|---------|--------|--------------|--------------|--------------|
| Aasness | Ainley | Anderson, B. | Anderson, G. | Anderson, I. |
|---------|--------|--------------|--------------|--------------|

| | | | | |
|--------------|---------------|------------|---------------|-----------|
| Anderson, R. | Forsythe | Kvam | Onnen | Simoneau |
| Battaglia | Friedrich | Laidig | Osthoff | Skoglund |
| Begich | Greenfield | Lehto | Otis | Stadum |
| Berkelman | Gruenes | Lemen | Peterson, B. | Staten |
| Blatz | Gustafson | Long | Peterson, D. | Stowell |
| Brandl | Halberg | Ludeman | Piepho | Stumpf |
| Brinkman | Hanson | Luknic | Pogemiller | Sviggum |
| Byrne | Harens | Mann | Redalen | Swanson |
| Carlson, D. | Hauge | Marsh | Reding | Tomlinson |
| Carlson, L. | Haukoos | McCarron | Rees | Valan |
| Clark, J. | Heap | McDonald | Reif | Valento |
| Clark, K. | Heinitz | McEachern | Rice | Vanasek |
| Clawson | Heinitz | Mehrkens | Rodriguez, C. | Vellenga |
| Dahlvang | Hoberg | Metzen | Rodriguez, F. | Voss |
| Dean | Hokanson | Minne | Rose | Weaver |
| Dempsey | Jacobs | Munger | Rothenberg | Welch |
| Den Ouden | Jennings | Murphy | Samuelson | Welker |
| Drew | Johnson, C. | Nelsen, B. | Sarna | Wenzel |
| Eken | Johnson, D. | Nelson, K. | Schafer | Wieser |
| Elioff | Jude | Niehaus | Schoenfeld | Wigley |
| Ellingson | Kahn | Norton | Schreiber | Wynia |
| Erickson | Kaley | Novak | Searles | Zubay |
| Esau | Kalis | Nysether | Shea | |
| Evans | Kelly | O'Connor | Sherman | |
| Ewald | Knickerbocker | Ogren | Sherwood | |
| Fjoslien | Kostohryz | Olsen | Sieben, M. | |

The following voted for David K. Roe, At-Large, for a six year term:

SENATE ROLL CALL

| | | | | |
|-------------|--------------|-----------------|-----------------|-----------|
| Ashbach | Dieterich | Langseth | Peterson, D. L. | Stern |
| Bang | Engler | Lantry | Peterson, R. W. | Stokowski |
| Belanger | Frank | Lessard | Petty | Stumpf |
| Benson | Frederick | Lindgren | Pillsbury | Taylor |
| Berg | Frederickson | Luther | Purfeerst | Tennesen |
| Berglin | Hanson | Menning | Ramstad | Ulland |
| Bernhagen | Hughes | Merriam | Renneke | Vega |
| Bertram | Humphrey | Moe, D. M. | Rued | Waldorf |
| Brataas | Johnson | Moe, R. D. | Schmitz | Wegener |
| Chmielewski | Keefe | Nelson | Setzepfandt | Willet |
| Dahl | Knoll | Olhoft | Steloff | |
| Davies | Knutson | Pehler | Sikorski | |
| Davis | Kroening | Penny | Solon | |
| Dicklich | Kronebusch | Peterson, C. C. | Spear | |

HOUSE OF REPRESENTATIVES ROLL CALL

| | | | | |
|--------------|-----------|-------------|---------------|------------|
| Ainley | Clark, K. | Greenfield | Johnson, D. | McCarron |
| Anderson, B. | Clawson | Gruenes | Jude | McDonald |
| Anderson, G. | Dahlvang | Gustafson | Kahn | McEachern |
| Anderson, I. | Dean | Halberg | Kaley | Mehrkens |
| Anderson, R. | Dempsey | Hanson | Kalis | Metzen |
| Battaglia | Drew | Harens | Kelly | Minne |
| Begich | Eken | Hauge | Knickerbocker | Munger |
| Berkelman | Elioff | Haukoos | Kostohryz | Murphy |
| Blatz | Ellingson | Heap | Laidig | Nelsen, B. |
| Brandl | Erickson | Heinitz | Lehto | Nelson, K. |
| Brinkman | Esau | Himle | Lemen | Niehaus |
| Byrne | Evans | Hoberg | Long | Norton |
| Carlson, D. | Ewald | Hokanson | Luknic | Novak |
| Carlson, L. | Fjoslien | Jacobs | Mann | Nysether |
| Clark, J. | Forsythe | Johnson, C. | Marsh | O'Connor |

| | | | | |
|--------------|---------------|------------|-----------|----------|
| Ogren | Reding | Schafer | Stadum | Vellenga |
| Olsen | Rees | Schoenfeld | Staten | Voss |
| Onnen | Reif | Schreiber | Stowell | Weaver |
| Osthoff | Rice | Searles | Stumpf | Welch |
| Otis | Rodriguez, C. | Shea | Sviggum | Wenzel |
| Peterson, B. | Rodriguez, F. | Sherman | Swanson | Wigley |
| Peterson, D. | Rose | Sherwood | Tomlinson | Wynia |
| Piepho | Rothenberg | Sieben, M. | Valan | Zubay |
| Pogemiller | Samuelson | Simoneau | Valento | |
| Redalen | Sarna | Skoglund | Vanasek | |

The following voted for Robert Latz, Third Congressional District, for a six year term:

SENATE ROLL CALL

| | | | | |
|----------|----------|------------|-------------|-----------|
| Berglin | Hanson | Lantry | Purfeerst | Spear |
| Bertram | Humphrey | Merriam | Schmitz | Stern |
| Davis | Johnson | Moe, D. M. | Setzepfandt | Stokowski |
| Dicklich | Knoll | Nelson | Sikorski | Wegener |
| Frank | Kroening | Pehler | Solon | Willet |

HOUSE OF REPRESENTATIVES ROLL CALL

| | | | | |
|--------------|------------|------------|---------------|-----------|
| Anderson, B. | Clawson | Jude | Novak | Shea |
| Anderson, G. | Dahlvang | Kahn | O'Connor | Skoglund |
| Anderson, I. | Elioff | Kostohryz | Ogren | Staten |
| Battaglia | Ellingson | Long | Osthoff | Swanson |
| Begich | Greenfield | Mann | Peterson, D. | Tomlinson |
| Brandl | Gustafson | McCarron | Pogemiller | Vanasek |
| Brinkman | Hanson | McEachern | Reding | Voss |
| Byrne | Harens | Metzen | Rice | Wenzel |
| Carlson, L. | Hauge | Minne | Rodriguez, F. | Wynia |
| Clark, J. | Hokanson | Murphy | Samuelson | |
| Clark, K. | Jacobs | Nelson, K. | Sarna | |

The following voted for Lloyd H. Peterson, Sixth Congressional District, for a six year term:

SENATE ROLL CALL

| | | | | |
|----------|----------|------------|-------------|---------|
| Berglin | Hanson | Merriam | Setzepfandt | Wegener |
| Bertram | Johnson | Moe, D. M. | Sikorski | Willet |
| Davis | Knoll | Nelson | Spear | |
| Dicklich | Kroening | Pehler | Stern | |
| Frank | Lantry | Purfeerst | Stokowski | |

HOUSE OF REPRESENTATIVES ROLL CALL

| | | | | |
|--------------|------------|-------------|--------------|---------------|
| Anderson, G. | Clark, K. | Hokanson | Metzen | Reding |
| Anderson, I. | Clawson | Jacobs | Minne | Rice |
| Battaglia | Dahlvang | Johnson, D. | Murphy | Rodriguez, F. |
| Begich | Elioff | Jude | Nelson, K. | Sarna |
| Brinkman | Ellingson | Kahn | O'Connor | Vanasek |
| Carlson, L. | Greenfield | Kostohryz | Osthoff | Voss |
| Clark, J. | Hanson | McEachern | Peterson, D. | Wenzel |

Moe, R. D., moved that the roll be closed. The motion prevailed.

DECLARATION OF ELECTION

Willis K. Drake, Third Congressional District, six years; Verne E. Long, Sixth Congressional District, six years; Erwin L. Goldfine, Eighth Congressional District, six years; David K. Roe, At-Large, six years; having received the largest number of votes at the Joint Convention were declared by the President of the Joint Convention to be elected to the Board of Regents of the University of Minnesota for terms beginning the first Monday, of February, 1981.

Moe, R. D., moved that the Joint Convention arise. The motion prevailed and the President declared the Joint Convention adjourned.

Metzen was excused at 6:30 p.m. Aasness, Byrne and Norton were excused at 7:30 p.m. Forsythe was excused at 7:50 p.m.

Eken 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 General Orders.

GENERAL ORDERS

Pursuant to rules of the House, the House again resolved itself into the Committee of the Whole, with Sieben, H., in the Chair, for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

REPORT OF COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 1185, 534 and 1247 which it recommended to pass.

H. F. Nos. 1150, 1051, 1242, 859 and 986 which it recommended progress.

H. F. No. 298 which it recommended progress retaining its place on General Orders.

H. F. Nos. 234 and 662 which it recommended progress until Monday, May 18, 1981.

H. F. No. 705 which it recommended progress until Friday, May 8, 1981.

S. F. Nos. 1122 and 641 which it recommended to pass.

S. F. Nos. 1058 and 835 which it recommended progress.

H. F. No. 586 which it recommended to pass with the following amendments:

Offered by Simoneau:

Page 7, after line 8, insert a new section to read:

"Sec. 10. Minnesota Statutes 1980, Section 629.341, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding the provisions of section 629.34 or any other law or rule to the contrary, a peace officer may arrest without a warrant a person ((1)) *anywhere, including at his place of residence* (; OR (2) WHEN THE PERSON IS THREATENING TO RETURN TO HIS PLACE OF RESIDENCE,) if the peace officer has probable cause to believe the person within the preceding four hours has assaulted his spouse or other person with whom he resides, although the assault did not take place in the presence of the peace officer. A peace officer may not arrest a person pursuant to this section without first observing recent physical injury to, or impairment of physical condition of the alleged victim."

Renumber the remaining section.

Amend the title as follows:

Page 1, line 4, delete "and"

Page 1, line 5, after "2;" insert "and 629.341, Subdivision 1,"

Offered by Anderson, R.:

Page 1, after line 8 insert:

"Section 1. Minnesota Statutes 1980, Section 518B.01, Subdivision 6, is amended to read:

Subd. 6. [RELIEF BY THE COURT.] Upon notice and hearing, the court may provide relief as follows:

(a) Restrain any party from committing acts of domestic abuse;

(b) Exclude the abusing party from the dwelling which the parties share or from the residence of the petitioner;

(c) On the same basis as is provided in chapter 518, award temporary custody or establish temporary visitation with regard to minor children of the parties;

(d) On the same basis as is provided in chapter 518, establish temporary support for minor children or a spouse;

(e) Provide counseling or other social services for the parties, if married, or if there are minor children;

(f) *Order the abusing party to participate in counseling services;*

(g) Order, in its discretion, other relief as it deems necessary for the protection of a family or household member, including orders or directives to the sheriff or constable, as provided by this section.

Any relief granted by the order for protection shall be for a fixed period not to exceed one year."

Renumber the remaining sections

Page 3, line 7, delete "4" and insert "5"

Page 3, line 21, delete "4 to 8" and insert "5 to 9"

Page 3, line 30, delete "4" and insert "5"

Page 4, line 3, delete the second "1" and insert "2"

Page 4, line 4, delete "3 to 8" and insert "4 to 9"

Page 6, line 21, delete "4 to 8" and insert "5 to 9"

Page 7, line 10, delete "1 to 9" and insert "2 to 10"

Further amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing courts to order certain persons to participate in counseling in domestic abuse cases;"

Page 1, line 4, after "Sections" insert "518B.01, Subdivision 6;"

H. F. No. 616 which it recommended to pass with the following amendment offered by Gustafson:

Delete everything after the enacting clause and insert:

"Section 1. [325G.29] [CITATION.]

Sections 1 to 9 may be cited as the "Plain Language Contract Act".

Sec. 2. [325G.30] [DEFINITIONS.]

Subdivision 1. [TERMS.] As used in sections 2 to 9, the terms defined in this section shall have the meanings given them.

Subd. 2. [CONSUMER.] "Consumer" means any individual who, primarily for personal, family or household purposes: (1) leases, contracts for, or otherwise gives consideration for any interest in any goods, services or personal property, including money; (2) grants, transfers or authorizes a security interest or other lien on any goods or personal property; or (3) rents or leases residential premises for a term not exceeding three years.

Subd. 3. [CONSUMER CONTRACT.] "Consumer contract" means any written contract to which an individual is a party as a consumer except: (1) a contract where the amount involved, excluding interest or finance charges, is more than \$50,000; (2) a contract through which a consumer obtains money or credit to be used to purchase or refinance an interest in realty; (3) a contract in which the sale of goods or personal property is merely incidental to the sale of an interest in realty.

Sec. 3. [325G.31] [PLAIN LANGUAGE REQUIRED.]

Except as provided in section 4, every consumer contract shall be written in a clear and coherent manner using words with common and everyday meanings and shall be appropriately divided and captioned by its various sections.

Sec. 4. [325G.32] [EXCEPTIONS.]

Subdivision 1. [OTHER STATUTES OR REGULATIONS.] Section 3 shall not apply to any consumer contract for which federal or state statute, rule or regulation prescribe standards of readability applicable to the entire contract. Section 3 shall not apply to particular words, phrases, provisions or forms of

agreement whose use is specifically required, recommended or endorsed by state or federal statute, rule or regulation.

Subd. 2. [CUSTOMARILY USED TECHNICAL TERMS.] *A consumer contract may include technical terms to describe, define or explain the goods, services, property or premises which are the subject of the contract, if the terms are customarily used by consumers in connection with the goods, services, property or premises.*

Sec. 5. [325G.33] [REMEDIES.]

Subdivision 1. [ENFORCEMENT AUTHORITY.] *Any violation of section 3 shall be deemed a violation of a law referred to in section 8.31, subdivision 1. The remedies provided in section 8.31, subdivisions 3 and 3a, shall be limited as provided in section 6.*

Subd. 2. [REFORMATION.] *In addition to the remedies provided in section 8.31, if a court reviewing a consumer contract finds that:*

- (1) a material provision of the contract violates section 3;*
- (2) the violation caused the consumer to be substantially confused about any of the rights, obligations or remedies of the contract; and*
- (3) the violation has caused or is likely to cause financial detriment to the consumer, the court may reform or limit the application of the provision so as to avoid an unfair result. If the court so reforms or limits the application of a provision of a consumer contract, the court shall also make such orders as may be necessary to avoid conferring any unjust enrichment. Bringing a claim for relief pursuant to this subdivision shall not entitle or authorize a consumer to withhold or suspend performance of any otherwise valid contractual obligation. No relief shall be granted pursuant to this subdivision unless the claim is brought before the obligations of the contract have been fully performed.*

Sec. 6. [325G.34] [LIMITS ON REMEDIES.]

Subdivision 1. [PENALTIES.] *In any proceeding in which civil penalties are claimed from a party for a violation of section 3, it shall be an affirmative defense to that claim that the party had made a good faith and reasonable effort to comply with section 3.*

Subd. 2. [ATTORNEY'S FEES.] *No party who has made a good faith and reasonable effort to comply with section 3 shall be assessed attorney's fees or costs of investigation in any action for violating section 3.*

Subd. 3. [CLASS ACTION ATTORNEY'S FEES.] *In any class action or series of class actions which arise from the use by a particular individual of a particular consumer contract found to violate section 3, the amount of attorney's fees and costs of investigation assessed against that individual and in favor of the consumer class or classes shall not exceed \$10,000.*

Subd. 4. [LIMITS ON CONSUMER ACTIONS.] *Violation of section 3 shall not constitute a defense to any claim arising from a consumer's breach of a consumer contract or to an action for unlawful detainer. A consumer may recover actual damages caused by a violation of section 3 only if the violation relates to a material provision of a consumer contract and caused the consumer to be substantially confused about any of the rights, obligations or remedies of the contract.*

Subd. 5. [STATUTE OF LIMITATIONS.] *Any claim that a consumer contract violates section 3 shall be raised within six years of the date the contract is executed by the consumer.*

Sec. 7. [325G.35] [REVIEW BY THE ATTORNEY GENERAL.]

Subdivision 1. [PROCESS OF REVIEW.] *Any seller, creditor or lessor may submit a consumer contract to the attorney general for a review as to whether the contract complies with the requirements of section 3. After reviewing the contract the attorney general shall: (1) certify that the contract complies with section 3; (2) decline to certify that the contract complies with section 3 and note his objections to the contractual language; (3) decline to review the contract and refer the party submitting the contract to other previously certified contracts of the same type; (4) decline to review the contract because the contract's compliance with section 3 is the subject of pending litigation; or (5) decline to review the contract because the contract is not subject to section 3.*

Subd. 2. [PROCESS NOT REVIEWABLE.] *Actions of the attorney general pursuant to subdivision 1 shall not be subject to Minnesota Statutes, Chapter 15, and shall not be appealable.*

Subd. 3. [LIMITED EFFECT OF CERTIFICATION.] *Any consumer contract certified pursuant to subdivision 1 shall be deemed to comply with section 3. Certification of a consumer contract pursuant to subdivision 1 shall not otherwise be deemed an endorsement or approval of the contract's legality, validity or legal effect.*

Subd. 4. [REVIEW NOT REQUIRED.] *Failure to submit a contract to the attorney general for review pursuant to subdivision 1 shall not be deemed a lack of good faith nor shall it raise a presumption that the contract violates section 3. If pur-*

suant to subdivision 1 the attorney general refers a party to a previously certified contract and the party chooses not to use that contract, that choice shall not be deemed a lack of good faith nor shall that choice raise a presumption that a contract used by that party violated section 3.

Subd. 5. [FEE FOR REVIEW.] The attorney general may charge a fee, not to exceed \$50, for the actual costs of reviewing a consumer contract pursuant to subdivision 1.

Sec. 8. [WAIVERS VOID.]

Any provision of a consumer contract which waives or attempts to waive any provision of sections 1 to 8 is void.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 6 and 8 shall take effect on July 1, 1983. Section 7 shall take effect the day following final enactment. Sections 1 to 8 shall not affect any consumer contract executed before July 1, 1983. A previously existing consumer contract renewed after July 1, 1983, shall be subject to sections 1 to 8. No provision for renewal of a consumer contract shall be invalid merely because compliance with sections 1 to 8 changes the form of the renewal agreement. For the purposes of this section periodic tenancies shall be deemed to renew at the commencement of each rental period."

S. F. No. 560 which it recommended to pass with the following amendment offered by Voss.

Page 1, line 11, after "city" insert "or county"

Page 1, line 13, after "city" in both instances insert "or county"

Amend the title, as follows:

Page 1, line 2 after "cities" insert "or counties"

On the motion of Eken the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Stowell moved to amend S. F. No. 560 as follows:

Page 1, line 11, delete "located in the area defined in section 473F.02,

Page 1, line 12, delete "subdivision 2,"

Page 1, delete lines 16 through 18

Renumber the following section

Further, amend the title as follows:

Page 1, line 2, delete "certain"

The question was taken on the amendment and the roll was called. There were 27 yeas and 94 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|---------------|--------------|---------------|-----------|
| Brandl | Gustafson | Marsh | Rodriguez, C. | Tomlinson |
| Carlson, L. | Halberg | Murphy | Rothenberg | Vanasek |
| Clark, J. | Kahn | Otis | Sarna | Wynia |
| Clark, K. | Kelly | Peterson, D. | Sieben, M. | |
| Ewald | Knickerbocker | Pogemiller | Skoglund | |
| Greenfield | Lemen | Rice | Stowell | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Erickson | Kostohryz | Ogren | Simoneau |
| Ainley | Esau | Laidig | Olsen | Stadum |
| Anderson, G. | Evans | Lehto | Onnen | Staten |
| Anderson, L. | Fjoslien | Long | Peterson, B. | Stumpf |
| Anderson, R. | Friedrich | Ludeman | Piepho | Sviggum |
| Battaglia | Gruenes | Luknic | Redalen | Swanson |
| Begich | Hauge | Mann | Reding | Valan |
| Berkelman | Haukoos | McCarron | Rees | Valento |
| Blatz | Heap | McDonald | Reif | Vellenga |
| Brinkman | Heinitz | McEachern | Rodriguez, F. | Voss |
| Clawson | Himle | Mehrkens | Rose | Weaver |
| Dahlvang | Hoberg | Minne | Samuelson | Welch |
| Dean | Hokanson | Munger | Schafer | Welker |
| Dempsey | Jacobs | Nelsen, B. | Schoenfeld | Wenzel |
| Den Ouden | Jennings | Nelson, K. | Schreiber | Wieser |
| Drew | Johnson, C. | Niehaus | Searles | Wigley |
| Eken | Johnson, D. | Novak | Shea | Zubay |
| Elioff | Jude | Nysether | Sherman | Spkr. Sieben, H. |
| Ellingson | Kalis | O'Connor | Sherwood | |

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

The question was taken on the motion to recommend passage of S. F. No. 560, as amended, and the roll was called. There were 67 yeas and 55 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|-----------|-------|----------|
| Anderson, R. | Battaglia | Berkelman | Blatz | Brinkman |
|--------------|-----------|-----------|-------|----------|

| | | | | |
|-------------|---------------|-----------|---------------|------------------|
| Carlson, D. | Himle | Lemen | Osthoff | Swanson |
| Carlson, L. | Hoberg | Mann | Peterson, B. | Tomlinson |
| Drew | Hokanson | McCarron | Redalen | Valento |
| Elioff | Jacobs | McEachern | Rees | Vanasek |
| Ellingson | Johnson, C. | Minne | Rodriguez, C. | Vellenga |
| Ewald | Jude | Munger | Rodriguez, F. | Voss |
| Gruenes | Kaley | Murphy | Rose | Weaver |
| Gustafson | Kalis | Niehaus | Rothenberg | Welch |
| Halberg | Kelly | Novak | Schoenfeld | Wynia |
| Hanson | Knickerbocker | Nysether | Schreiber | Spkr. Sieben, H. |
| Haukoos | Kostohryz | O'Connor | Sieben, M. | |
| Heap | Laidig | Olsen | Simoneau | |
| Heinitz | Lehto | Onnen | Stowell | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|-------------|--------------|----------|
| Aasness | Dean | Johnson, D. | Otis | Shea |
| Ainley | Dempsey | Kahn | Peterson, D. | Sherman |
| Anderson, B. | Den Ouden | Long | Piepho | Sherwood |
| Anderson, G. | Eken | Ludeman | Pogemiller | Skoglund |
| Anderson, I. | Erickson | Luknic | Reding | Stadum |
| Begich | Esau | Marsh | Reif | Staten |
| Brandl | Evans | McDonald | Rice | Stumpf |
| Clark, J. | Friedrich | Mehrkens | Samuelson | Swiggum |
| Clark, K. | Greenfield | Nelsen, B. | Sarna | Valan |
| Clawson | Hauge | Nelson, K. | Schafer | Welker |
| Dahlvang | Jennings | Ogren | Searles | Wenzel |

The motion prevailed.

MOTIONS AND RESOLUTIONS

Johnson, D., moved that S. F. No. 662 be recalled from the Committee on Commerce and Economic Development and together with H. F. No. 859, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Peterson, B., moved that the name of Wieser be added as an author on H. F. No. 844. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1421:

Carlson, L.; Swanson; Welch; Nelson, B., and Erickson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1434:

Anderson, G.; Osthoff; Metzen; Valan and Mehrkens.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1443:

Kahn; Sieben, M.; Battaglia; Johnson, D., and Laidig.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1446:

Samuelson; Hokanson; Rice; Anderson, R., and Forsythe.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 1:00 p.m., Tuesday, May 5, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Tuesday, May 5, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FORTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MAY 5, 1981

The House of Representatives convened at 1:00 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Pastor Paul R. Sutterer, Redeemer Lutheran Church, Robbinsdale, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherman |
| Ainley | Evans | Kelly | O'Connor | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Osthoff | Skoglund |
| Anderson, R. | Friedrich | Laidig | Otis | Stadum |
| Battaglia | Greenfield | Lehto | Peterson, B. | Staten |
| Begich | Gruenes | Lemen | Peterson, D. | Stowell |
| Berkelman | Gustafson | Levi | Piepho | Stumpf |
| Blatz | Halberg | Long | Pogemiller | Sviggum |
| Brandl | Hanson | Ludeman | Redalen | Swanson |
| Brinkman | Harens | Luknic | Reding | Tomlinson |
| Byrne | Hauge | Marsh | Rees | Valan |
| Carlson, D. | Haukoos | McCarron | Reif | Valento |
| Carlson, L. | Heap | McDonald | Rice | Vanasek |
| Clark, J. | Heinitz | McEachern | Rodriguez, C. | Vellenga |
| Clark, K. | Himle | Mehrkens | Rodriguez, F. | Voss |
| Clawson | Hoberg | Metzen | Rose | Weaver |
| Dahlvang | Hokanson | Minne | Rothenberg | Welch |
| Dempsey | Jacobs | Munger | Samuelson | Welker |
| Den Ouden | Jennings | Murphy | Sarna | Wenzel |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wieser |
| Eken | Johnson, D. | Nelson, K. | Schoenfeld | Wigley |
| Elioff | Jude | Niehaus | Schreiber | Wynia |
| Ellingson | Kahn | Norton | Searles | Zubay |
| Erickson | Kaley | Novak | Shea | Spkr. Sieben, H. |

A quorum was present.

Hokr was excused. Dean and Onnen were excused until 4:00 p.m. Mann was excused until 7:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Laidig moved that further reading of the Journal be dis-

pensed 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. 1143, 1160, 616 and 586 and S. F. Nos. 393, 445, 1247, 560 and 876 have been placed in the members' files.

S. F. No. 876 and H. F. No. 892, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Simoneau moved that the rules be so far suspended that S. F. No. 876 be substituted for H. F. No. 892 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 694 and H. F. No. 933, 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. 694 be substituted for H. F. No. 933 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 470 and H. F. No. 931, 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. 470 be substituted for H. F. No. 931 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 GOVERNOR
SAINT PAUL 55155

May 4, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 876, relating to employment; authorizing the commissioner of economic security to make certain summer youth employment advances;

H. F. No. 480, relating to agriculture; changing the name of the joint legislative committee on agricultural land preservation;

H. F. No. 569, relating to housing; providing new standards and procedures for disclosing conflicts of interest for commissioners and employees of housing and redevelopment authorities; establishing penalties; proposing new law coded in Minnesota Statutes, Chapter 462; repealing Minnesota Statutes 1980, Section 462.431.

H. F. No. 339, relating to towns; providing for the opening of cartways under certain circumstances; providing a method for determining whether to open or maintain certain town roads;

H. F. No. 708, relating to public improvements; permitting deferral of special assessments in instances of hardship;

H. F. No. 1178, relating to the board of medical examiners; allowing temporary suspension of physicians' licenses without a hearing under certain conditions;

H. F. No. 1237, relating to the city of Blaine; permitting all council members to serve on the housing and redevelopment authority.

H. F. No. 1269, relating to energy; providing for the confidentiality of certain energy data; changing the duties of Minnesota energy agency; subdivision regulations; providing for certain inspections; extending biomass plan deadline;

H. F. No. 847, relating to highway traffic regulations; providing for the designation and undesignation of routes to carry certain gross weights;

Sincerely,

ALBERT H. QUIE
Governor

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1189, A bill for an act relating to taxation; providing for the distribution and division of the proceeds of the taconite production tax; appropriating money; providing for certain tax credits; amending Minnesota Statutes 1980, Sections 298.225; 298.24, Subdivision 3; 298.28, Subdivisions 1 and 2; repealing Minnesota Statutes 1980, Section 273.135, Subdivision 4.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1980, Section 298.031, Subdivision 2, is amended to read:

Subd. 2. [VALUE OF CERTAIN ORE; HOW ASCERTAINED.] (1) The taxpayer shall be given a credit in each taxable year upon the occupation tax assessed in such year under Minnesota Statutes 1957, Chapter 298, against a given mine after credit for labor credits has been given, in an amount equal to the occupation tax under said chapter 298 upon an amount produced by multiplying the number of tons of ore sold at a discount by the amount of such discount.

(2) The aggregate amount of all credits allowed under this section to all mines shall not exceed one percent of the aggregate amount of all occupation taxes imposed under section 298.01, subdivision 1, assessed against all mines (, EXCEPT TACONITE AND SEMI-TACONITE MINES,) in the state for said year prior to the deduction of the credit allowed by this section.

(3) The amount of the foregoing subtraction shall be ascertained and determined by the commissioner.

Sec. 2. Minnesota Statutes 1980, Section 298.031, Subdivision 3, is amended to read:

Subd. 3. [CREDIT, APPLICATION.] The credit provided by this section shall not be applicable with respect to any mine operated by a mining company or an operating agent.

(a) if the net marketable tonnage of iron ores, exclusive of taconite and semi-taconite, produced from all mines operated by such mining company or operating agent exceeds (SEVEN) *one and one-half* percent of the net marketable tonnage of iron ores (, EXCLUSIVE OF TACONITE AND SEMI-TACONITE,) produced in this state during the year for which the tax is being determined, or

(b) if such mining company or operating agent is also engaged in the manufacture of steel, or

(c) if any company manufacturing steel has an interest, either directly or indirectly, through stock ownership in such mining company or operating agent.

The taxpayer shall have the burden of proving its right to the credit provided by this section."

Renumber the sections

Page 2, line 19, strike "heretofore"

Page 2, line 23, strike "heretofore"

Page 9, after line 7, insert:

"Sec. 8. [EFFECTIVE DATE.]

Sections 1 and 2 are effective for iron ore produced after December 31, 1980."

Amend the title as follows:

Page 1, line 2, after "taxation;" insert "clarifying the credit available in computing occupation taxes;"

Page 1, line 6, after "Sections" insert "298.031, Subdivisions 2 and 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1376, A bill for an act relating to appropriations; appropriating funds to the public utilities commission for a report on natural gas rate averaging; directing the averaging of rates in a certain geographic area.

Reported the same back with the following amendments:

Page 1, line 11, after "required," insert "to be available until June 30, 1982,"

Page 2, line 3, delete "30 days" and insert "the day"

With the recommendation that when so amended the bill pass.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1429, A bill for an act relating to state departments; creating a department of state and community resources; transferring all the functions of the state planning agency, energy agency, and department of economic development, and the staff of the crime control planning board, to the department of state and community resources; abolishing the state planning agency, energy agency, and department of economic development; amending Minnesota Statutes 1980, Sections 3.922, Subdivision 1; 4.10; 4.11, Subdivisions 4 and 5; 4.12; 4.125; 4.13; 4.17; 4.18, Subdivision 2; 4.191; 4.26; 4.27; 4.29; 4.35; 4.36, Subdivisions 2, 3, 4, and 5; 15.01; 15.057; 15.50, Subdivision 2; 15A.081, Subdivision 1; 16.014, Subdivision 1; 16.084; 16.086, Subdivisions 1 and 2; 16.125, Subdivision 2; 16.756, Subdivision 1; 18.023, Subdivision 11; 18.024, Subdivision 1; 43.09, Subdivision 2a; 84.028, Subdivision 2; 84.54; 85.016; 85.017; 86.72, Subdivision 3; 86A.06; 86A.09, Subdivisions 1, 2, 3, and 4; 92.35; 92.36; 92.37; 104.03, Subdivision 1; 104.35, Subdivisions 2 and 3; 105.484; 105.485, Subdivision 3; 114A.03, Subdivision 1; 115A.07, Subdivision 1; 115A.12, Subdivision 2; 115A.15, Subdivision 5; 116C.03, Subdivisions 2, 3, and 4; 116H.05; 116H.06; 116H.07; 116H.08; 116H.085; 116H.087; 116H.088, Subdivision 1; 116H.089; 116H.09, Subdivisions 1, 4, and 5; 116H.10; 116H.11; 116H.12, Subdivisions 1, 1b, 2, 4, 5, 6, and 9; 116H.121, Subdivisions 1 and 2; 116H.122; 116H.123; 116H.124; 116H.126; 116H.127; 116H.128; 116H.129, Subdivisions 1, 4, 5, 6, and 8; 116H.13; 116H.14; 116H.15, Subdivision 2; 116H.17; 116H.18; 116H.19, Subdivision 1; 116H.23; 120.78, Subdivision 1; 124.225, Subdivision 4a; 126.111, Subdivision 2; 137.31, Subdivision 6; 138.93, Subdivision 4; 145.834; 145.835, Subdivision 1; 145.836, Subdivision 1; 145.837, Subdivision 1; 145.845; 145.912, Subdivision 15; 160.262, Subdivisions 1 and 3; 160.265, Subdivision 1; 174.03, Subdivision 7; 204.06, Subdivision 1b; 216B.241, Subdivision 2; 222.62; 222.65; 245.783, Subdivision 2; 268.014; 273.74, Subdivisions 2 and 5; 275.53, Subdivisions 1, 3, and 4; 290.06, Subdivision 14; 298.48, Subdivision 4; 299A.03, Subdivision 5; 299A.04; 301.75; 301.77, Subdivision 1; 301A.01, Subdivision 1; 301A.05; 301A.07, Subdivision 1; 325F.19, Subdivision 3; 325F.19, Subdivision 6; 325F.20, Subdivision 1; 325F.21, Subdivision 2; 325F.23, Subdivision 1; 325F.24, Subdivision 3a; 362.12, Subdivision 1; 362.13; 362.132; 362.40, Subdivisions 8, 9, and 10; 362.41, Subdivision 5; 362.42; 362.51, Subdivisions 8 and 10; 362A.06; 402.045; 402.062, Subdivision 1; 402.095; 451.09, Subdivision 2; 462.375; 462.384, Subdivision 7; 462.385, Subdivisions 1 and 3; 462.386; 462.387; 462.39, Subdivisions 2 and 3; 462.391, Subdivisions 2, 3, and 4; 462.395; 462.396, Subdivision 1; 462.398; 462.421, Subdivision 21; 462A.-

05, Subdivision 15b; 473.204, Subdivision 2; 473.411, Subdivision 1; 473.857, Subdivision 2; 473H.06, Subdivision 5; 474.01, Subdivisions 6, 7, and 8; 641.24; proposing new law coded as Minnesota Statutes, Chapter 116J; repealing Minnesota Statutes 1980, Sections 4.11, Subdivisions 1, 2, 3, 6, 7, and 8; 4.15; 4.16; 16.014, Subdivision 3; 115A.08, Subdivisions 1, 2, and 3; 116H.001; 116H.02, Subdivisions 2 and 4; 116H.03; 116H.09, Subdivisions 2 and 3; 116H.12, Subdivision 3b; 126.52, Subdivision 12; 254A.06; 362.07; 362.08; 362.09; 362.10; 362.11; 362.12, Subdivisions 2 and 3; 362.121; 362.125; 362.15; 362.17; 362.18; 362.19; 362.23; 462.711; and 473.571, Subdivisions 2, 3, and 4.

Reported the same back with the following amendments:

Page 2, line 28, to page 125, line 5, delete "*state and community resources*" wherever it appears and insert "*economic development and planning*"

Page 2, line 41, before "*All*" insert "*Upon qualification of the council for the handicapped to obtain federal funds, all powers, duties, and functions previously vested in or imposed on the state planning agency relating to developmental disabilities planning are transferred to the council for the handicapped.*"

Page 2, line 41, after "*All*" insert "*other*"

Page 3, delete lines 2 to 10

Renumber the subdivisions

Page 3, line 21, delete "*, energy agency,*" and insert "*and*"

Page 3, line 22, delete "*and crime control planning board*"

Page 3, line 26, delete "*the*" and insert "*another*"

Page 3, lines 26 and 27, delete "*of state and community resources*" and insert "*or council*"

Page 3, lines 27 and 28, delete "*of state and community resources*" and insert "*or council receiving the new responsibilities*"

Page 3, lines 31 and 32, delete "*, the energy agency,*" and insert "*and*"

Page 3, lines 32 and 33, delete "*the crime control planning board,*"

Page 3, lines 34 and 35, delete "*commissioner of state and community resources*" and insert "*agency receiving the new responsibilities*"

Page 3, line 36, after the period insert "*The commissioner of finance shall allocate any unexpended appropriation to the agencies affected.*"

Page 4, lines 1 and 2, delete "*, the director of the energy agency,*" and insert "*and*"

Page 4, lines 3 and 4, delete "*, and the chairperson of the crime control planning board*"

Page 4, lines 4 and 5, delete "*commissioner of state and community resources*" and insert "*agency receiving the new responsibilities*"

Page 4, line 10, delete "*was undertaken*" and insert "*involved*" and after "*or*" insert "*was*"

Page 4, lines 11 and 12, delete "*, the director of the energy agency,*"

Page 4, lines 13 and 14, delete "*commissioner of state and community resources*" and insert "*agency receiving the new responsibilities*"

Page 4, line 15, after "*it*" insert "*involved or*"

Page 4, line 16, delete "*undertaken or*"

Page 4, line 19, delete everything before "*regarding*" and insert "*agencies receiving new responsibilities*"

Page 4, line 20, delete "*commissioner*" and insert "*agencies*"

Page 4, lines 29 and 30, delete "*to the commissioner of state and community resources*"

Page 4, line 33, delete "*, energy agency,*"

Page 4, line 35, delete "*the*" and insert "*another*"

Page 4, line 35, delete "*of state and community resources*" and insert "*or council*"

Page 4, line 36, delete everything after the period

Page 5, line 1, delete "*control planning board are abolished.*"

Page 5, line 8, delete "116H.01 to 116H.23; 299A.03; 299A.04;"

Page 24, line 35 to page 25, line 1, reinstate the stricken language

Page 25, lines 11 and 12, reinstate the stricken language

Pages 29 to 31, delete Sections 30 to 33

Page 33, lines 2 and 3, reinstate the stricken language

Page 37, lines 14 and 15, strike "director of the"

Page 44, lines 25 and 26, reinstate "the director of the energy agency;"

Pages 44 and 45, delete Section 56

Page 45, line 19, reinstate "the director of the Minnesota energy agency,"

Page 45, line 31, after "The" insert "governor"

Page 45, line 32, delete "commissioner of state and community resources", strike "be the" and insert "*by January 15 of each odd-numbered year, designate one member of the board to serve as*"

Page 45, line 33, after "board" insert "for a term of two years"

Pages 46 to 73, delete Sections 60 to 100

Page 75, delete Section 102

Page 83, delete Section 114

Page 84, delete Section 116

Page 85, line 19, reinstate "the energy agency" and after "agency" insert a comma

Pages 89 to 93, delete Section 126

Page 93, lines 23 and 24, delete "commissioner shall be the" and reinstate the stricken language

Page 93, lines 25 to 28, reinstate the stricken language

Page 93, line 28, delete the comma

Page 93, line 30, strike "all" and insert "*five other professional*"

Page 93, line 31, reinstate the stricken language

Page 93, line 32, reinstate "state department of" and after "of" insert "*economic development and planning*" and reinstate "shall provide the crime"

Page 93, lines 33 to 35, reinstate the stricken language

Pages 93 and 94, delete Section 129

Pages 99 to 101, delete Sections 135 to 140

Page 111, delete Section 155

Pages 118 and 119, delete Section 171

Page 124, line 15, delete "115A.08,"

Page 124, delete line 16

Page 124, line 17, delete "4; 116H.03;"

Page 124, after line 25, insert :

"Sec. 123. [TRANSITION.]

Prior to January 1, 1982, and at least 60 days prior to notifying the commissioner of administration that the department is ready to begin operation, the commissioner of economic development and planning shall submit a plan to the legislative advisory commission. The plan shall explain how the functions of the department of economic development and state planning agency will be organized in the new department, and shall also describe the transition process for reaching the new organizational structure. The legislative advisory commission may make recommendations, which shall be advisory only."

Renumber the sections

Page 125, line 1, delete "section 181" and insert "sections 122 and 124"

Page 125, line 2, delete "180" and insert "121" and delete "182" and insert "124" and after "effective" insert "March 1, 1982, or"

Page 125, line 5, after "operation" insert ", whichever comes first"

Amend the title as follows:

Page 1, line 3, delete "state and community resources" and insert "economic development and planning"

Page 1, line 4, delete ", energy agency,"

Page 1, line 5, delete ", and the staff"

Page 1, line 6, delete "of the crime control planning board,"

Page 1, line 7, delete "state and community resources" and insert "economic development and planning"

Page 1, line 8, delete ", energy agency,"

Page 1, delete line 16

Page 1, line 17, delete everything before "43.09"

Page 1, line 24, delete "115A.15, Subdivision 5;"

Page 1, line 25, delete everything after "4;"

Page 1, delete lines 26 to 32

Page 1, line 33, delete everything before "124.225,"

Page 1, line 34, delete "126.111, Subdivision 2;"

Page 1, line 39, delete "174.03, Subd. 7."

Page 1, line 40, delete "216B.241, Subd. 2;"

Page 1, line 43, delete "290.06, Subdivision 14;"

Page 1, line 44, delete "299A.04;"

Page 1, line 46, delete "325F.19, Subdivision 3;"

Page 2, delete lines 1 and 2

Page 2, line 3, delete "325F.24, Subdivision 3a;"

Page 2, line 4, delete comma after "362.10" and insert semicolon

Page 2, line 7, delete "451.09, Subd. 2;"

Page 2, line 12, delete "462A.05, Subd. 15b;"

Page 2, line 18, delete "115A.08,"

Page 2, delete line 19

Page 2, line 20, delete "Subdivisions 2 and 4; 116H.03;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 359, A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over com-

pensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; re-enacting Laws 1980, Chapter 556, Section 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 10A.01, Subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

(a) Member of the legislature;

(b) Constitutional officer in the executive branch and his chief administrative deputy;

(c) Member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;

(d) Commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;

(e) Individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;

(f) Executive director of the state board of investment;

(g) Executive director of the Indian affairs intertribal board;

(h) Commissioner of the iron range resources and rehabilitation board;

(i) Director of mediation services;

(j) Deputy of any official listed in clauses (e) to (i);

(k) Judge of *the workers' compensation court of appeals*;

(l) Hearing examiner or compensation judge in the state office of administrative hearings or hearing examiner in the department of economic security;

(m) Solicitor general or deputy, assistant or special assistant attorney general;

(n) Individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or

(o) Member or chief administrative officer of the metropolitan council, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission.

Sec. 2. Minnesota Statutes 1980, Section 15.052, Subdivision 1, is amended to read:

Subdivision 1. A state office of 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 *and compensation judges* to serve in his office as necessary to fulfill the duties prescribed in this section. All hearing examiners *and compensation judges* 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. *All workers' compensation judges shall be learned in the law, shall have demonstrated knowledge of workers' compensation laws 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. 3. Minnesota Statutes 1980, Section 15.052, Subdivision 2, is amended to read:

Subd. 2. When regularly appointed hearing examiners *or compensation judges* are not available, the chief hearing examiner may contract with qualified individuals to serve as hearing examiners *or compensation judges*. Such temporary hearing examiners *or compensation judges* shall not be employees of the state.

Sec. 4. Minnesota Statutes 1980, 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. *All hearings required to be conducted under chapter 176 shall be conducted by a compensation judge assigned by the chief hearing examiner.* In assigning hearing examiners *or compensation judges* 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. *Only compensation judges shall be assigned to workers' compensation matters.* 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 impartial manner (; AND (4)). *Except in the case of workers' compensation hearings involving claims for compensation it shall also be the duty of the chief hearing examiner to 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. 5. Minnesota Statutes 1980, Section 15.052, Subdivision 4, is amended to read:

Subd. 4. The chief hearing examiner shall (PROMULGATE) *adopt* rules to govern the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings (AND), contested case hearings, *and workers' compensation hearings. Temporary rule-making authority is granted to the chief hearing examiner for the purpose of implementing sections 2 to 6, 84, 85 to 100, 105 to 113, and 118.* (SUCH) *The* 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, subdivisions 4 to 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. 6. Minnesota Statutes 1980, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. The office of 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 *or under chapter 176. In cases arising under chapter 176, the chief*

hearing examiner, in consultation with the compensation judge, shall decide the method of recording.

Court reporters serving in the court reporter system of the office of 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. 7. Minnesota Statutes 1980, Section 15A.083, is amended by adding a subdivision to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals shall be 90 percent of the salary for district judges as provided in subdivision 1. Salaries of compensation judges shall be 75 percent of the salary of district court judges as provided in subdivision 1.

Sec. 8. Minnesota Statutes 1980, Section 43.064, is amended to read:

43.064 [OTHER SALARIES SET BY COMMISSIONER OF EMPLOYEE RELATIONS.]

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), (4), and (5) and for classified hearing examiners in the office of administrative hearings 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 the subsequent act that the provisions of this section shall not be applicable or shall be superseded, amended, or repealed.

Sec. 9. Minnesota Statutes 1980, Section 60A.15, Subdivision 1, is amended to read:

Subdivision 1. [DOMESTIC AND FOREIGN COMPANIES OTHER THAN TOWN AND FARMERS' MUTUAL AND DOMESTIC MUTUALS OTHER THAN LIFE.] On or before April 15, June 15, (SEPTEMBER 15) and December 15 of each year following December 31, 1971, every domestic and foreign company, except town and farmers' mutual insurance companies and domestic mutual insurance companies other than life, shall pay to the state treasurer through the commissioner of insurance (QUARTERLY) installments *equal to one-third* of the insurer's total estimated tax for the current year based on a sum equal to two percent of the gross premiums less return premiums on all direct business received by it in this state, or by its agents for it, in cash or otherwise, during such year, excepting premiums written for marine insurance as specified in subdivision 6. If unpaid by such dates penalties of ten percent shall accrue thereon, and thereafter such sum and penalties shall draw interest at the rate of one percent per month until paid. Failure of a company to make (QUARTERLY) payments of at least (ONE-FOURTH) *one-third* of either (a) the total tax paid during the previous calendar year or (b) 80 percent of the actual tax for the current calendar year shall subject the company to the penalty and interest provided in this subdivision.

Sec. 10. Minnesota Statutes 1980, Section 79.01, Subdivision 2, is amended to read:

Subd. 2. [INSURER.] The word "insurer" means any insurance carrier authorized by license issued by the commissioner of insurance to transact the business of workers' compensation insurance in this state (. FOR PURPOSES OF THIS SUBDIVISION "INSURER" DOES NOT INCLUDE) *and includes* a political subdivision providing self insurance or establishing a pool under section 471.981, subdivision 3.

Sec. 11. Minnesota Statutes 1980, Section 79.01, Subdivision 3, is amended to read:

Subd. 3. [INSURANCE.] The word "insurance" means workers' compensation insurance and insurance covering any part of the liability of an employer exempted from insuring his liability for compensation, as provided in section 176.181 (.) *and includes* a program of self insurance, self insurance revolving fund or pool established under section 471.981 (IS NOT INSURANCE FOR PURPOSES OF THIS SUBDIVISION).

Sec. 12. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 1a. If the legislature enacts amendments to the workers' compensation laws of this state which indicate a re-

duction in the schedule of rates, or the commissioner determines that the loss experience of Minnesota workers' compensation insurers indicates a change in the existing schedule of rates, the commissioner may, in his discretion, order a change in the schedule of rates or order a hearing to determine whether and by what percentage the schedule of rates should be changed. A hearing held pursuant to this subdivision is not subject to the contested case proceeding requirements of sections 79.071 and 79.072, notwithstanding section 79.076.

Sec. 13. Minnesota Statutes 1980, Section 79.071, is amended by adding subdivisions to read:

Subd. 8. When an insurer's estimate of amounts required to be reserved is based in any part on the operation of section 176.645, any assumption as to reserves required due to the operation of section 176.645, shall, for the purposes of determining rates, be offset by an assumption that the amount initially reserved shall be invested and yield a return equal to the annual percentage increase in the statewide average weekly wage. With respect to other reserved amounts, the commissioner shall, in determining rates, cause those rates to fully reflect the investment earnings of insurers which arise from revenues derived from the sale of workers' compensation insurance, either by use of a discount rate of no less than six percent in determining the reserves necessary for all claims, or by the use of an alternative methodology which the commissioner finds is more appropriate. Insurers shall provide the commissioner with any information which he deems necessary to arrive at the determination required by this subdivision.

Subd. 9. In no case shall more than one insurer reserve amounts in anticipation of losses on a single claim, nor shall an insurer reserve amounts in anticipation of losses which are the responsibility of the reinsurance association.

Sec. 14. Minnesota Statutes 1980, Section 79.34, Subdivision 1, is amended to read:

Subdivision 1. 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; provided, that all affiliated insurers within a holding company system as defined in sections 60D.01 to 60D.13 shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsur-

ance association. Each self-insurer approved pursuant to section 176.181 and each political subdivision which self-insures shall, 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; provided, that (a) all affiliated companies within a holding company system, as determined by the commissioner in a manner consistent with the standards and definitions in sections 60D.01 to 60D.13, shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association, and (b) all group self-insurers granted authority to self-insure pursuant to section 176.181 shall be considered a single entity for purposes of the exercise of all the rights and duties of membership in the reinsurance association. 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 this chapter or chapter 176 or any other law.

Sec. 15. Minnesota Statutes 1980, Section 79.34, Subdivision 2, is amended to read:

Subd. 2. 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. 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) *The lesser retention limit shall be increased to the nearest \$10,000, on January 1, (1981) 1982 and on each January 1 thereafter, by the percentage increase in the statewide average weekly wage, as determined in accordance with section 176.011, subdivision 20. On January 1, 1982 and on each January 1 thereafter, the greater retention limit shall be increased by the amount necessary to retain a \$200,000 difference between the two retention limits.* Ultimate loss as used in this section means the actual loss amount which a member is obligated to pay and which is paid by the member for workers' compensation benefits payable under chapter 176 and shall not include claim expenses, assessments, damages or penalties. 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 reinsure 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 members; (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) (d) when the reinsurance or contract is limited to all the claims of a specific insured of a member which are reimbursed or indemnified by a reinsurer which, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the insured of the member so long as any subsequent contract or reinsurance of the reinsurer relating to the claims of the insured of a member is not inconsistent with the bases of exception provided under clauses (a), (b) and (c) above; or (e) when the reinsurance or contract is limited to all claims of a specific self-insurer member which are reimbursed or indemnified by a reinsurer which, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the self-insurer member so long as any sub-

sequent contract or reinsurance of the reinsurer relating to the claims of the self-insurer member are not inconsistent with the bases for exception provided under clauses (a), (b) and (c) above.

Whenever it appears to the commissioner that any member that chooses the higher retention limit has participated in the transfer of liability to any other entity or reinsured or otherwise contracted for reimbursement or indemnification of losses below its retention limit in a manner inconsistent with the bases for exception provided under clauses (a), (b), (c), (d), and (e), the commissioner may, after giving notice and an opportunity to be heard, order the member to pay to the state of Minnesota an amount not to exceed twice the difference between the reinsurance premium for the higher and lower retention limit applicable to the member for each year in which the prohibited reinsurance or contract was in effect. Any member subject to this penalty provision shall continue to be bound by its selection of the higher retention limit for purposes of membership in the reinsurance association.

Sec. 16. Minnesota Statutes 1980, 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) *the prefunded limit*, together with incurred or estimated to be incurred operating and administrative expenses for the period to which this premium applies and actual claim payments to be made by members, during the period to which this premium applies, for claims in excess of (\$500,000 FOR THE PERIOD TO WHICH THIS PREMIUM IS APPLICABLE) *the prefunded limit in effect at the time the loss was incurred. The prefunded limit shall be \$2,500,000 on and after October 1, 1979, provided that the prefunded limit shall be increased on January 1, 1983 and on each January 1 thereafter by the percentage increase in the statewide average weekly wage, to the nearest \$100,000, as determined in accordance with section 176.011, subdivision 20.* Each member shall be charged a proportion of the total premium in an amount equal to its proportion of the total standard earned premium of all members during the period to which the reinsurance association premium will apply, as determined by the commissioner. 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) member shall (INCLUDE AN AMOUNT) *also be charged a premium determined by the board to equitably distribute excess or deficient premiums from previous periods including any excess or deficient premiums resulting from a retroactive change in the prefunded limit.* An equitable basis for determining standard earned premium for self-insurers shall be established by the commissioner. The premiums charged to members shall not be unfairly discriminatory as defined in section 79.074. 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. 17. Minnesota Statutes 1980, 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 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) *the prefunded limit*, 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, 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 establish, 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 deter-

mined 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

(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. 18. [79.50] [PURPOSES.]

The purposes of chapter 79 are to:

(a) *Promote public welfare by regulating insurance rates so that premiums are not excessive, inadequate, or unfairly discriminatory;*

(b) *Promote quality and integrity in the data bases used in workers' compensation insurance ratemaking;*

(c) *Prohibit price fixing agreements and anticompetitive behavior by insurers;*

(d) *Promote price competition and provide rates that are responsive to competitive market conditions;*

(e) *Provide a means of establishment of proper rates if competition is not effective;*

(f) *Define the function and scope of activities of data service organizations; and*

(g) *Provide for an orderly transition from regulated rates to competitive market conditions.*

Sec. 19. [79.51] [RULES.]

Subdivision 1. [ADOPTION; WHEN.] The commissioner shall adopt rules to implement provisions of chapter 79. The rules shall be finally adopted after May 1, 1982. By January 15, 1982, the commissioner shall provide the legislature a description and explanation of the intent and anticipated effect of the rules on the various factors of the rating system.

Subd. 2. [TRANSITION PERIOD; RULES GOVERN.] Insurance rates from July 1, 1983, to December 31, 1985, shall be determined in accordance with rules adopted by the commissioner. The rules shall require (1) that a hearing be held pursu-

ant to the provisions of section 79.071 to consider any petition requesting modification of rates and (2) that following the hearing the commissioner shall adopt a schedule of rates.

Subd. 3. [RULES; SUBJECT MATTER.] (a) The commissioner in issuing rules shall consider:

(1) Data reporting requirements, including types of data reported, such as loss and expense data;

(2) Experience rating plans;

(3) Retrospective rating plans;

(4) General expenses and related expense provisions;

(5) Minimum premiums;

(6) Classification systems and assignment of risks to classifications;

(7) Loss development and trend factors;

(8) The workers' compensation reinsurance association;

(9) Restrictions, prohibitions, and requirements with respect to the activities of the workers' compensation insurers rating association of Minnesota during the period from July 1, 1983 to January 1, 1986;

(10) Requiring substantial compliance with the rules mandated by this section as a condition of workers' compensation carrier licensure;

(11) Imposing limitations on the functions of workers' compensation data service organizations consistent with the introduction of competition;

(12) The rules contained in the workers' compensation rating manual adopted by the workers' compensation insurers rating association; and

(13) Any other factors that the commissioner deems relevant to achieve the purposes of sections 1 through 18.

(b) The rules shall provide for the following:

(1) Competition in workers' compensation insurance rates in such a way that the advantages of competition are introduced with a minimum of employer hardship during the transition period;

(2) *Adequate safeguards against excessive or discriminatory rates in workers' compensation during the transition period;*

(3) *Encouragement of workers' compensation insurance rates which are as low as reasonably necessary, but shall make provision against inadequate rates, insolvencies and unpaid benefits;*

(4) *Assurances that employers are not unfairly relegated to the assigned risk pool;*

(5) *Requiring all appropriate data and other information from insurers for the purpose of issuing rules and making legislative recommendations pursuant to this section; and*

(6) *Preserving a framework for risk classification, data collection, and other appropriate joint insurer services where these will not impede the introduction of competition in premium rates.*

(c) *The rules shall expire on January 1, 1986.*

Subd. 4. [ADVISORY COMMITTEE.] The commissioner shall appoint an advisory committee which shall offer recommendations regarding rulemaking under this section. The advisory committee shall include representatives of insurers, employers, and employees.

Sec. 20. [79.52] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] The following words or phrases shall have the meanings ascribed to them for the purposes of sections 1 to 14, unless the context clearly indicates that a different meaning is intended.

Subd. 2. [MARKET.] "Market" means any reasonable grouping or classification of employers.

Subd. 3. [DATA SERVICE ORGANIZATION.] "Data service organization" means any entity which has ten or more members or is controlled directly or indirectly by ten or more insurers and is engaged in collecting data for use in insurance ratemaking or other activities permitted by chapter 79. Affiliated members or insurers shall be counted as a single unit for the purpose of this definition. The workers' compensation insurers rating association of Minnesota shall be considered a data service organization.

Subd. 4. [CLASSIFICATION PLAN; CLASSIFICATION.] "Classification plan" or "classification" means the plan, system, or arrangement for rating insurance policyholders.

Subd. 5. [RATES.] "*Rates*" means the cost of insurance per exposure base unit.

Subd. 6. [BASE PREMIUM.] "*Base premium*" means the amount of premium which an employer would pay for insurance derived by applying rates to an exposure base prior to the application of any merit rating or discount factors.

Subd. 7. [PREMIUM.] "*Premium*" means the price charged to an insured for insurance for a specified period of time, regardless of the timing of actual payments.

Subd. 8. [DISCOUNT FACTOR.] "*Discount factor*" means any factor which is applied to the base premium and which is based upon insurer expenses or other factors not related to the risk of loss.

Subd. 9. [MERIT RATING.] "*Merit rating*" means a system or form of rating by which base premium is modified on the basis of loss experience or other factors which are reasonably related to loss or risk of loss and which may be reasonably affected by the action or activities of the insured. The sensitivity of a merit rating system to loss experience may vary by the size of risk. Merit rating shall include both prospective and retrospective methods for modifying base premium.

Subd. 10. [LOSS DEVELOPMENT FACTORS.] "*Loss development factors*" means factors applied to recorded incurred losses to estimate the amount of ultimate loss payments that will have been made for losses during the applicable period when all claims are paid.

Subd. 11. [TREND OR TRENDING.] "*Trend*" or "*trending*" means any procedure employing data for the purpose of projecting or forecasting the future value of that data or other data, or the factors resulting from such a procedure.

Subd. 12. [INTERESTED PARTY.] "*Interested party*" means any person, or association acting on behalf of its members, directly affected by a change in the schedule of rates and includes the staff of the insurance division.

Subd. 13. [INSURER.] "*Insurer*" means any insurer licensed to transact the business of workers' compensation insurance in this state.

Subd. 14. [INSURANCE.] "*Insurance*" means workers' compensation insurance.

Subd. 15. [RATING PLAN.] "*Rating plan*" means every manual, and every other rule including discount factors and merit rating necessary for the calculation of an insured's pre-

mium from an insurer's rates. An insurer may choose to adopt for use the rating plan of the data service organization in which it maintains membership.

Sec. 21. [79.53] [PREMIUM CALCULATION.]

Each insurer shall establish premiums to be paid by an employer according to its filed rates and rating plan as follows:

Rates shall be applied to an exposure base to yield a base premium which may be further modified by merit rating, premium discounts, and other appropriate factors contained in the rating plan of an insurer to produce premium. Nothing in this chapter shall be deemed to prohibit the use of any premium, provided the premium is not excessive, inadequate or unfairly discriminatory.

Sec. 22. [79.54] [COMPETITIVE MARKET PRESUMPTION.]

A competitive market is presumed to exist until the commissioner, after a hearing on the record, determines that a reasonable degree of competition does not exist and issues an order to that effect. The order shall include the conditions and procedures under which a determination of insufficient competition shall expire.

Sec. 23. [79.55] [STANDARDS FOR RATES.]

Subdivision 1. [GENERAL STANDARDS.] Premiums shall not be excessive, inadequate, or unfairly discriminatory.

Subd. 2. [EXCESSIVENESS.] No premium is excessive in a competitive market. In the absence of a competitive market, premiums are excessive if the expected underwriting profit, together with expected income from invested reserves for the market in question, that would accrue to an insurer would be unreasonably high in relation to the risk undertaken by the insurer in transacting the business.

Subd. 3. [INADEQUACY.] Premiums are inadequate if, together with the investment income associated with an insurer's Minnesota workers' compensation insurance business, they are clearly insufficient to sustain projected losses and expenses of the insurer and (a) if their continued use could lead to an insolvent situation for the insurer; or (b) if their use destroys or lessens competition or is likely to destroy or lessen competition.

Subd. 4. [UNFAIR DISCRIMINATION.] Premiums are unfairly discriminatory if differentials for insureds fail to reasonably reflect the differences in expected losses and expenses to the insurer attributable to the insureds. Rates are not un-

fairly discriminatory solely because different premiums result for insureds with like loss exposures but different expense factors, or like expense factors but different loss exposures, provided that rates reflect the differences with reasonable accuracy.

Sec. 24. [79.56] [FILING RATES AND RATING INFORMATION.]

Subdivision 1. [AFTER EFFECTIVE DATE.] Each insurer shall file with the commissioner a complete copy of its rates and rating plan, and all changes and amendments thereto, within 15 days after their effective dates. An insurer need not file a rating plan if it uses a rating plan filed by a data service organization. If an insurer uses a rating plan of a data service organization but deviates from it, then all deviations must be filed by the insurer.

Subd. 2. [BEFORE EFFECTIVE DATE.] The commissioner may order an insurer to file rates at least 30 days before the effective date of the rates (a) if the commissioner determines, based upon reasonable evidence, that an order is appropriate because of the insurer's financial condition or (b) due to a prior finding of unfairly discriminatory rating practices; or (c) due to a prior finding of inadequate rates. The order may require that supplementary rate and supporting information be included in a filing.

Subd. 3. [PENALTIES.] Any insurer using a rate or a rating plan which has not been filed shall be subject to a fine of up to \$100 for each day the failure to file continues. The commissioner may, after a hearing on the record, find that the failure is willful. A willful failure to meet filing requirements shall be punishable by a fine of up to \$500 for each day during which a willful failure continues. These penalties shall be in addition to any other penalties provided by law.

Subd. 4. [PUBLIC INSPECTION.] All filings shall be open to public inspection during normal business hours at the offices of the insurance division.

Sec. 25. [79.57] [FILING RATES; NONCOMPETITIVE MARKET.]

Upon making a determination that a market is not competitive, the commissioner shall require rates for use in that market to be filed 30 days prior to their effective date. The filing shall include, in a form prescribed by the commissioner, an explanation of the rates and any data supporting the use of the rates which are not on file with a data service organization.

The commissioner may issue an order for a hearing at any time prior to the effective date of the rates and the rates shall

not become effective until the commissioner has ruled on the rates following the hearing.

The commissioner may disapprove the rates subsequent to their effective date, except that rates so disapproved shall remain effective until the commissioner issues an order following a hearing.

Sec. 26. [79.58] [DISAPPROVAL OF RATES OR RATING PLANS.]

Subdivision 1. [RATES.] A rate filed by an insurer may be disapproved by the commissioner subsequent to its effective date. Following a disapproval and prior to a refiling the insurer shall use the rates from the schedule of rates currently in effect for the assigned risk plan for all new and renewal business unless otherwise directed by order of the commissioner.

The commissioner shall disapprove a rate if, after a hearing on the record, he finds that:

- (a) The premium is inadequate or unfairly discriminatory; or
- (b) A competitive market for workers' compensation does not exist and rates are excessive; or
- (c) The insurer failed to comply with filing requirements.

A rehearing shall be held within 30 days of any disapproval under this section at the request of the insurer whose rates are disapproved.

Subd. 2. [RATING PLANS.] The commissioner may disapprove a rating plan of a data service organization if, after a hearing, the commissioner finds that it is unfairly discriminatory. Any order of disapproval shall require the data service organization to use an alternative rating plan until approval of a rating plan by the commissioner.

Sec. 27. [79.59.] [INSURERS AND DATA SERVICE ORGANIZATIONS; PROHIBITED ACTIVITIES.]

Subdivision 1. [MONOPOLIZATION.] No insurer or data service organization shall attempt to monopolize or combine or conspire with any other person to monopolize the business of insurance.

Subd. 2. [AGREEMENT PROHIBITED.] No insurer shall agree with any other insurer or with a data service organization to adhere to or to use any rate, rating plan, rating schedule, rating rule, or underwriting rule except as specifically au-

thorized by chapter 79 or for the purpose of creating experience modifications for employers with employees in more than one state.

Subd. 3. [TRADE RESTRAINT.] No insurer or data service organization shall make an agreement with any other insurer, data service organization, or other person which has the purpose or the effect of restraining trade or of substantially lessening competition.

Subd. 4. [EXCEPTIONS.] The fact that two or more insurers use the same rates, rating plans, rating schedules, rating rules, underwriting rules, or similar materials shall not alone constitute a violation of subdivision 1 or 2.

Two or more insurers under common ownership or operating under common management or control may act in concert between or among themselves with respect to matters authorized under chapter 79 as if they constituted a single insurer, provided that the rating plan of such insurers shall be considered to be a single plan for the purposes of determining unfair discrimination.

Subd. 5. [ADDITIONAL PROHIBITION.] In addition to other prohibitions contained in this chapter, no data service organization shall:

(a) Refuse to supply any service for which it is licensed or any data, except for data identifiable to an individual insurer, to any insurer authorized to do business in this state which offers to pay the usual compensation for the service or data;

(b) Require the purchase of any specific service as a condition to obtaining any other services sought;

(c) Participate in the development or distribution of rates, rating plans, or rating rules except as specifically authorized by this chapter or by rules adopted pursuant to this chapter; or

(d) Refuse membership to any licensed insurer.

Sec. 28. [79.60] [INSURERS; REQUIRED AND PERMITTED ACTIVITY.]

Subdivision 1. [REQUIRED ACTIVITY.] Each insurer shall perform the following activities:

(a) Maintain membership in and report loss experience data to a licensed data service organization in accordance with the statistical plan and rules of the organization as approved by the commissioner;

(b) *Establish a plan for merit rating which shall be consistently applied to all insureds, provided that members of a data service organization may use merit rating plans developed by that data service organization;*

(c) *Provide an annual report to the commissioner containing the information and prepared in the form required by the commissioner; and*

(d) *Keep a record of the premiums and losses paid under each workers' compensation policy written in Minnesota in the form required by the commissioner.*

Subd. 2. [PERMITTED ACTIVITY.] In addition to any other activities not prohibited by chapter 79, insurers may:

(a) *Through licensed data service organizations, individually, or with insurers commonly owned, managed, or controlled, conduct research and collect statistics to investigate, identify, and classify information relating to causes or prevention of losses;*

(b) *Develop and use classification plans and rates based upon any reasonable factors; and*

(c) *Develop rules for the assignment of risks to classifications.*

Sec. 29. [79.61] [DATA SERVICE ORGANIZATIONS; REQUIRED AND PERMITTED ACTIVITY.]

Subdivision 1. [REQUIRED ACTIVITY.] Any data service organization shall perform the following activities:

(a) *File statistical plans, including classification definitions, amendments to the plans, and definitions, with the commissioner for approval, and assign each compensation risk written by its members to its approved classification for reporting purposes;*

(b) *Establish requirements for data reporting and monitoring methods to maintain a high quality data base;*

(c) *Prepare and distribute a periodic report, in a form prescribed by the commissioner, on ratemaking including, but not limited to the following elements:*

(i) *development factors and alternative derivations;*

(ii) *trend factors and alternative derivations and applications;*

(iii) *pure premium relativities for the approved classification system for which data are reported, provided that the relativities for insureds engaged in similar occupations and presenting substantially similar risks shall, if different, differ by at least ten percent; and*

(iv) *an evaluation of the effects of changes in law on loss data.*

The report shall also include explicit discussion and explanation of methodology, alternatives examined, assumptions adopted, and areas of judgment and reasoning supporting judgments entered into, and the effect of various combinations of these elements on indications for modification of an overall pure premium rate level change. The pure premium relativities and rate level indications shall not include a loading for expenses or profit and no expense or profit data or recommendations relating to expense or profit shall be included in the report or collected by a data service organization;

(d) *Collect, compile, summarize, and distribute data from members or other sources pursuant to a statistical plan approved by the commissioner;*

(e) *Prepare merit rating plan and calculate any variable factors necessary for utilization of the plan. Such a plan may be used by any of its members, at the option of the member provided that the application of a plan shall not result in rates that are unfairly discriminatory;*

(f) *Provide loss data specific to an insured to the insured at a reasonable cost;*

(g) *Distribute information to an insured or interested party that is filed with the commissioner and is open to public inspection; and*

(h) *Assess its members for operating expenses on a fair and equitable basis.*

Subd. 2. [PERMITTED ACTIVITY.] In addition to any other activities not prohibited by chapter 79, any data service organization may:

(a) *Collect and analyze data in order to investigate, identify, and classify information relating to causes or prevention of losses;*

(b) *Make inspections for the sole purpose of reporting and maintaining data quality;*

(c) *Contract with another data service organization to fulfill any of the above requirements; and*

(d) *Prepare and file with the commissioner a rating plan for use by any of its members, provided that no member may be required to use any part of the plan.*

Sec. 30. [79.62] [DATA SERVICE ORGANIZATIONS; LICENSING, EXAMINATION.]

Subdivision 1. [LICENSE REQUIRED.] No data service organization shall provide any service and no insurer shall use the services of a data service organization unless the organization is licensed by the commissioner.

Subd. 2. [PROCEDURE; APPLICATION.] A data service organization shall apply for a license in a form and manner prescribed by the commissioner. The application of a data service organization shall include:

(a) *A copy of its constitution, articles of incorporation, by-laws, and other rules pertaining to the conduct of its business;*

(b) *A plan and narrative describing how it will perform the activities required by sections 11 and 14;*

(c) *A statement showing its technical qualifications; and*

(d) *Any other information that the commissioner may reasonably require.*

Subd. 3. [ISSUANCE.] The commissioner, upon finding that the applicant organization is qualified to provide the services required and proposed, or has contracted with a licensed data service organization to purchase these services which are required by chapter 79 but are not provided directly by the applicant, and that all requirements of law are met, shall issue a license. Licenses shall remain in effect until the licensee withdraws from business or until the license is suspended or revoked.

Subd. 4. [SUSPENSION; REVOCATION.] The commissioner may, after a hearing on the record, revoke or suspend the license of a data service organization if he finds that the organization is not in compliance with the requirements of chapter 79 or rules issued thereunder.

Subd. 5. [LICENSEE EXAMINATION.] The commissioner may examine any licensed data service organization to determine whether its activities and practices comply with law. The cost of the examination shall be paid by the examined organization.

Sec. 31. [79.63] [ASSIGNED RISK PLAN.]

Subdivision 1. [ADMINISTRATION.] The commissioner shall appoint a licensed data service organization to administer the assigned risk plan. The appointed data service organization shall submit to the commissioner for approval a plan and rules for administering the assigned risk plan, including a method or formula by which the organization is to be paid for administrative services.

Subd. 2. [REJECTION; NOTICE.] An insurer that refuses to write insurance for an applicant shall furnish the applicant a written notice of refusal and shall file a copy of the notice of refusal with the data service organization appointed pursuant to subdivision 1. Servicing insurers designated pursuant to subdivision 3 shall accept and insure any applicant for workers' compensation insurance assigned pursuant to subdivision 3.

Subd. 3. [ASSIGNMENT.] An insurer or insurers shall be designated by the data service organization appointed pursuant to subdivision 1 to issue a policy of workers' compensation insurance to an applicant which has been refused insurance. A policy shall contain the usual and customary provisions of workers' compensation insurance policies, but for which undertaking all insurers doing workers' compensation business in this state shall be reinsurers among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by each insurer bears to the total compensation insurance written in this state during that calendar year by all insurers.

An insurer that issues a policy pursuant to this section shall receive an expense allowance which shall be adequate for services rendered, as approved by the commissioner.

Subd. 4. [PENALTY.] The commissioner may revoke the license of an insurer or agent for refusing or failing to provide an applicant with written refusal pursuant to subdivision 2 or for any other violation of this section or of the approved rules of a data service organization.

Subd. 5. [ASSIGNED RISK RATES.] Insureds served by the workers' compensation insurance assigned risk plan shall be charged premiums based upon a rating plan, rates, and a merit rating plan adopted by the commissioner by rule. This rating plan shall include a feature by which rates shall vary in relation to the number or proportion of insureds in the assigned risk plan in the preceding calendar year. This relationship shall be such that assigned risk rates shall vary upward as the number or proportion of insureds in the assigned risk plan decreases and downward as the number or proportion increases. Assigned

risk premiums shall not be lower than the rates generally charged by insurers for the business.

Sec. 32. Minnesota Statutes 1980, Section 60C.04, is amended to read:

60C.04 [CREATION.]

All insurers subject to the provisions of Laws 1971, Chapter 145 shall form an organization to be known as the Minnesota insurance guaranty association. All insurers defined as member insurers in section 60C.03, subdivision 6, are and shall remain members of the association as a condition of their authority to transact insurance business or to execute surety bonds in this state. The association shall perform its functions under a plan of operation established and approved under section 60C.07 and shall exercise its powers through a board of directors established under section 60C.08. For purposes of administration and assessment the association shall be divided into (FOUR) *five* separate accounts: (1) the automobile insurance account, (2) the township mutuals account, (3) the fidelity and surety bond account (AND), (4) the account for all other insurance to which Laws 1971, Chapter 145 applies, and (5) *the workers' compensation insurance account.*

Sec. 33. Minnesota Statutes 1980, Section 60C.09, Subdivision 2, is amended to read:

Subd. 2. [LIMITATION OF AMOUNT.] Payment of a covered claim is limited to the amount by which the allowance on any claim exceeds \$100 and is less than \$300,000. *The limitation on the amount of payment for a covered claim does not apply to claims for workers' compensation insurance.* In no event is the association obligated to the policyholder or claimant in an amount in excess of the obligation of the insurer under the policy from which the claim arises.

Sec. 34. Minnesota Statutes 1980, Section 79.071, Subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt a schedule of workers' compensation insurance rates for use in this state for each classification under which business is written *until January 1, 1986.* The schedule of rates shall not be excessive, inadequate, or unfairly discriminatory. In adopting a schedule of rates, the commissioner may act on the written petition of the association or any other interested party requesting that a hearing be held for modification of the schedule of rates. The commissioner may include the expense of a reasonable charge for the services of an agent of record, for the service of rejected risks as set forth in sections 79.24 to 79.27.

Sec. 35. Minnesota Statutes 1980, Section 175.007, is amended to read:

175.007 [ADVISORY COUNCIL ON WORKERS' COMPENSATION; CREATION.]

Subdivision 1. The commissioner (OF LABOR AND INDUSTRY) shall appoint (, AFTER CONSULTATION WITH THE JUDGES OF THE WORKERS' COMPENSATION COURT OF APPEALS,) an advisory council on workers' compensation, which shall consist of five representatives of employers and five representatives of employees and three members representing the general public. *The council may consult with the judges of the workers' compensation court of appeals (SHALL BE NON-VOTING MEMBERS OF THE ADVISORY COUNCIL).* The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.

Subd. 2. The advisory council shall study and present to the legislature and the governor, on or before November 15 of each even numbered year, its findings relative to the costs, methods of financing, and the formula to be used to provide supplementary compensation to workers who have been determined permanently and totally disabled prior to July 1, 1969, and its findings relative to alterations in the scheduled benefits for permanent partially disabled, and other aspects of the workers' compensation act. *The council shall also study and present to the legislature and the governor on or before November 15 of 1981 and by November 15 of each even numbered year thereafter a report on the financial, administrative and personnel needs of the workers' compensation division.*

Sec. 36. Minnesota Statutes 1980, Section 175.101, is amended by adding a subdivision to read:

Subd. 4. Assistance from the department of administration and other consultation as may be required shall be obtained by the commissioner of labor and industry in cooperation with the commissioner of insurance to design measures to improve the recordkeeping and information systems of the department. The department of administration shall assist the commissioner in developing Phase I and II implementation studies and resultant implementation costs. Such studies shall be completed by January 1, 1982, at which time a report shall be made to the chairmen of the house appropriations and senate finance committees. The commissioner of labor and industry shall also prepare reports on April 1, 1982, and July 1, 1982, describing the progress made in developing and implementing the computer system. A preliminary report to the chairmen of house appropriations and senate finance committees shall be made by September 1, 1981.

Sec. 37. Minnesota Statutes 1980, Section 175.11, Subdivision 1, is amended to read:

Subdivision 1. The workers' compensation division (AND THE WORKERS' COMPENSATION COURT OF APPEALS) shall (EACH) have a seal for the authentication of its orders and proceedings, upon which shall be inscribed the words, "Workers' Compensation Division of Minnesota" (OR "WORKERS' COMPENSATION COURT OF APPEALS OF MINNESOTA" RESPECTIVELY), as the division (OR WORKERS' COMPENSATION COURT OF APPEALS) may prescribe. The courts of this state shall take judicial notice of such seal (AND OF THE SIGNATURES OF THE JUDGES OF THE WORKERS' COMPENSATION COURT OF APPEALS); and in all cases copies of orders, proceedings, or records of the division (OR WORKERS' COMPENSATION COURT OF APPEALS), certified by (A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS UNDER HIS SEAL) *the commissioner*, shall be received in evidence, with the same force and effect given to the originals.

Sec. 38. Minnesota Statutes 1980, Section 175.14, is amended to read:

175.14 [TRAVELING EXPENSES.]

The (WORKERS' COMPENSATION JUDGES OF THE COURT OF APPEALS AND THE) commissioner (OF LABOR AND INDUSTRY) and the officers, assistants, and employees of the (WORKERS' COMPENSATION COURT OF APPEALS AND) department shall be paid out of the state treasury their actual and necessary expenses while traveling on the business of the (WORKERS' COMPENSATION COURT OF APPEALS OR) department. Vouchers for such expenses shall be itemized and sworn to by the persons incurring the expense, and be subject to the approval of (THE WORKERS' COMPENSATION COURT OF APPEALS OR) the commissioner of labor and industry.

Sec. 39. Minnesota Statutes 1980, Section 175.17, is amended to read:

175.17 [POWERS AND DUTIES, (WORKERS' COMPENSATION COURT OF APPEALS, AND) COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY.]

(1) (THE WORKERS' COMPENSATION COURT OF APPEALS SHALL PRINCIPALLY EXERCISE APPELLATE JURISDICTION UNDER THE LAWS RELATING TO WORKERS' COMPENSATION AND THE LAWS GOVERNING EMPLOYEES OF THE STATE, A COUNTY, OR OTHER GOVERNMENTAL SUBDIVISION WHO CONTRACT TUBERCULOSIS;)

(2) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall administer the laws relating

to workers' compensation and the laws governing employees of the state, a county, or other governmental subdivisions who contract tuberculosis;

((3)) (2) The (WORKERS' COMPENSATION COURT OF APPEALS AND THE) commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall (JOINTLY PRESCRIBE) *adopt* reasonable and proper rules (AND REGULATIONS) governing rules of practice before the workers' compensation division in (NONAPPELLATE) matters *which are not before a compensation judge*;

((4) THE WORKERS' COMPENSATION COURT OF APPEALS SHALL PRESCRIBE RULES OF PRACTICE BEFORE IT IN APPELLATE MATTERS;)

((5)) (3) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall collect, collate, and publish statistical and other information relating to work under (ITS) *the department's* jurisdiction and make public reports in his judgment necessary, including such other reports as may be required by law;

((6)) (4) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall establish and maintain branch offices as needed for the conduct of the affairs of the workers' compensation division.

Sec. 40. [175A.01] [CREATION.]

Subdivision 1. [MEMBERSHIP, APPOINTMENT, QUALIFICATIONS.] The workers' compensation court of appeals as previously constituted is reconstituted as an independent agency in the executive branch.

The workers' compensation court of appeals shall consist of five judges each serving in the unclassified service. The five judges shall be learned in the law. Each judge of the workers' compensation court of appeals shall be 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 expire on the first Monday in January of the year in which they expire. The terms of the judges shall be staggered. The judges of the workers' compensation court of appeals as now created shall be the judges of the workers' compensation court of appeals until the expiration of the terms for which they have been appointed and qualified. They shall be selected on the basis of their experience with and knowledge of workers' compensation and the workers' compensation laws of Minnesota. The judges of the workers' compensation court of appeals 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.

Subd. 2. [JURISDICTION.] The workers' compensation court of appeals shall have statewide jurisdiction. Except for an appeal to the supreme court or any other appeal allowed under this subdivision, the workers' compensation court of appeals shall be the sole, exclusive, and final authority for the hearing and determination of all questions of law and fact arising under the workers' compensation laws of the state in those cases that have been appealed to the workers' compensation court of appeals and in any case that has been transferred by the district court to the workers' compensation court of appeals. The workers' compensation court of appeals shall have no jurisdiction in any case that does not arise under the workers' compensation laws of the state or in any criminal case, provided that the workers' compensation court of appeals shall exercise appellate jurisdiction under the laws governing employees of the state, a county, or other governmental subdivision who contract tuberculosis and under chapter 352E.

Subd. 3. [OATH.] Each judge of the workers' compensation court of appeals before entering upon the duties of his office, shall take the oath prescribed by law.

Sec. 41. [175A.02] [OFFICERS.]

The judges of the workers' compensation court of appeals shall choose a chief judge from among their number. The chief judge shall appoint one of the judges to serve as the administrator, who shall be custodian of the court's files and records and shall coordinate and make hearing assignments. The judge who is appointed the administrator may delegate the duties of administrator to an employee chosen to be the assistant administrator. The clerk of district court in each county shall be the clerk of the workers' compensation court of appeals in that county. Filing fees and library fees deposited with the clerk of district court in his capacity as clerk of the workers' compensation court of appeals and in cases originally commenced in district court and transferred to the workers' compensation court of appeals shall be retained by the clerk of district court. The workers' compensation court of appeals clerk in each county shall be subject to the supervision of the administrator in workers' compensation court of appeals matters.

Sec. 42. [175A.03] [POLITICAL NONPARTICIPATION.]

Every judge of the workers' compensation court of appeals and every officer or employee of the workers' compensation court of appeals who by solicitation or otherwise exerts his influence, directly or indirectly, to induce other officers or employees of the state to adopt his political views, or to favor

any particular person or candidate for office, or to contribute funds for campaign or political purposes, shall be removed from his office or position by the authority appointing him.

Sec. 43. [175A.04] [OFFICE.]

The workers' compensation court of appeals shall maintain its main office within the Minneapolis-St. Paul metropolitan area and be provided by the commissioner of administration with suitable rooms and necessary furniture. The offices of the workers' compensation court of appeals and the department of labor and industry shall be in separate buildings. The court may hold sessions at any other place in the state when their convenience and that of the parties interested so requires.

Sec. 44. [175A.05] [QUORUM.]

A majority of the judges of the workers' compensation court of appeals shall constitute a quorum for the exercise of the powers conferred and the duties imposed on the workers' compensation court of appeals and all appeals shall be heard by at least three of the five judges. A vacancy shall not impair the ability of the remaining judges of the workers' compensation court of appeals to exercise all the powers and perform all of the duties of the workers' compensation court of appeals.

Sec. 45. [175A.06] [SESSIONS TO BE PUBLIC.]

The hearings of the workers' compensation court of appeals shall be open to the public and may be adjourned from time to time. All the proceedings of the court shall be shown on its records, which shall be public records.

Sec. 46. [175A.07] [POWERS.]

Subdivision 1. [PROCESS; PROCEDURES.] The workers' compensation court of appeals shall keep such record of all its proceedings as it deems appropriate and shall issue necessary processes, writs, warrants, and notices which the workers' compensation court of appeals is required or authorized to issue. Notices and other documents required to be served or filed on the workers' compensation court of appeals shall be served on the administrator of the court or his delegate.

Subd. 2. [PERSONNEL.] The judges of the workers' compensation court of appeals shall appoint in the manner provided by law all personnel required by the workers' compensation court of appeals. The commissioner of administration shall provide the court with necessary additional staff and administrative services, and the court shall reimburse the commissioner for the cost of these services.

Subd. 3. [POWER TO REVIEW.] The workers' compensation court of appeals shall have the powers of review provided in chapter 176.

Subd. 4. [RULES.] The workers' compensation court of appeals shall prescribe rules of practice before it.

Sec. 47. [175A.08] [SEAL.]

The workers' compensation court of appeals shall have a seal for the authentication of its orders and proceedings, upon which shall be inscribed the words, "Workers' Compensation Court of Appeals of Minnesota" as the court of appeals may prescribe. The courts of this state shall take judicial notice of such seal and of the signatures of the judges of the workers' compensation court of appeals; and in all cases copies of orders, proceedings, or records of the workers' compensation court of appeals, certified by a judge of the workers' compensation court of appeals under its seal, shall be received in evidence, with the same force and effect given to the originals.

Sec. 48. [175A.09] [TRAVEL EXPENSES.]

The workers' compensation judges of the court of appeals and the officers, assistants, and employees of the workers' compensation court of appeals shall be paid out of the state treasury their actual and necessary expenses while traveling on the business of the workers' compensation court of appeals. Vouchers for such expenses shall be itemized and sworn to by the persons incurring the expense, and be subject to the approval of the workers' compensation court of appeals.

Sec. 49. [175A.10] [APPEALS AND REVIEWS.]

Unless an appeal is taken to the district court, the right of appeal provided in chapter 176 shall be the exclusive remedy for reviewing the actions of the commissioner, the workers' compensation division or a compensation judge in a matter arising under chapter 176. On any appeal taken by an employee or an employer or insurer to the workers' compensation court of appeals, or the supreme court, the decision of the workers' compensation court of appeals, or the decision of the supreme court on its review, as the case may be, shall be final and conclusive as to all parties to the proceedings as to all matters at issue determined by a decision. In all cases the decision of the workers' compensation court of appeals on appeal, or of the supreme court on review, as the case may be, shall stand in lieu of the order of the commissioner or the division or the compensation judge from whom the appeal was taken.

Sec. 50. [176.001] [INTENT OF THE LEGISLATURE.]

It is the intent of the legislature that chapter 176 be interpreted so as to assure the quick and efficient delivery of indemnity and medical benefits to injured workers at a reasonable cost to the employers who are subject to the provisions of chapter 176.

Sec. 51. Minnesota Statutes 1980, Section 176.011, Subdivision 6, is amended to read:

Subd. 6. (1) "Court of appeals" means the workers' compensation court of appeals of Minnesota.

(2) "Division" means the workers' compensation division of the department of labor and industry.

(3) "Department" means the department of labor and industry.

(4) "Commissioner", unless the context clearly indicates otherwise, means the commissioner of labor and industry.

Sec. 52. Minnesota Statutes 1980, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

(1) an alien;

(2) a minor;

(3) a sheriff, deputy sheriff, constable, marshal, policeman, firefighter, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime and any person requested or commanded to aid an officer in arresting any person, or in retaking any person who has escaped from lawful custody, or in executing any legal process in which case, for purposes of calculating compensation payable under this chapter, the daily wage of the person requested or commanded to assist an officer or to execute a legal process shall be the prevailing wage for similar services where the services are performed by paid employees;

(4) a county assessor;

(5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only

after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;

(6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), nor shall it include an executive officer of a closely held corporation who is referred to in section 176.012;

(7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of these institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services where the services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of the injury or death for similar services where the services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in

section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(13) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota school for the deaf or the Minnesota braille and sight-saving school, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(14) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law, is an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(15) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of public welfare for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose.

In the event it is difficult to determine the daily wage as (HEREIN) provided in this subdivision, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 53. Minnesota Statutes 1980, Section 176.021, Subdivision 1, is amended to read:

Subdivision 1. [LIABILITY FOR COMPENSATION.] Except as excluded by this chapter all employers and employees are subject to the provisions of this chapter.

Every (SUCH) employer is liable for compensation according to the provisions of this chapter and is liable to pay compensation in every case of personal injury or death of his employee arising out of and in the course of employment without regard to the question of negligence (, UNLESS). *The burden of proof of these facts is upon the employee.*

If the injury was intentionally self-inflicted or (WHEN) the intoxication of the employee is the proximate cause of the injury, then the employer is not liable for compensation. The burden of proof of (SUCH) *these facts is upon the employer.*

Sec. 54. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 1a. [BURDEN OF PROOF.] All disputed issues of fact arising under chapter 176 shall be determined by a preponderance of the evidence. Preponderance of the evidence means evidence produced in substantiation of a fact which, when weighed against the evidence opposing the fact, has more convincing force and greater probability of truth.

Questions of law arising under chapter 176 shall be determined in accordance with the rules of construction generally applied to all other civil matters.

Sec. 55. Minnesota Statutes 1980, Section 176.021, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.] All employers shall commence payment of (THE) compensation at the time and in the manner prescribed by this chapter without the necessity of any agreement or any order of the division. Except (THOSE OF) *for medical, burial, and other non-periodic benefits, payments shall be made as nearly as (MAY BE) possible at the intervals when the wage was payable (;), provided, however, that payments for permanent partial disability (IN CASES IN WHICH RETURN TO WORK OCCURS PRIOR TO FOUR WEEKS FROM THE DATE OF INJURY SHALL BE MADE BY LUMP SUM PAYMENT,) shall be governed by subdivision 3a (AND THE PROVISIONS OF SECTION 176.165 SHALL NOT APPLY, WITHOUT THE NECESSITY OF ANY AGREEMENT, OR ORDER OF THE DIVISION, UPON CESSATION OF PAYMENTS FOR TEMPORARY TOTAL DISABILITY AND UPON THE EMPLOYEE'S RETURN TO WORK. IN CASES IN WHICH RETURN TO WORK DOES NOT OCCUR PRIOR TO FOUR WEEKS AFTER INJURY, PAYMENTS FOR PERMANENT*

PARTIAL DISABILITY SHALL BE MADE ACCORDING TO THE FOLLOWING SCHEDULE: 25 PERCENT OF THE AMOUNT DUE AFTER FOUR WEEKS FROM THE DATE OF INJURY, 25 PERCENT AFTER EIGHT WEEKS, 25 PERCENT AFTER 12 WEEKS AND 25 PERCENT AFTER 16 WEEKS, PROVIDED THAT ANY AND ALL PAYMENTS REMAINING SHALL BE PAID UPON THE CESSATION OF PAYMENTS FOR TEMPORARY TOTAL DISABILITY AND UPON THE EMPLOYEE'S RETURN TO WORK). If doubt exists (AT THAT TIME) as to the eventual permanent partial disability, payment, *pursuant to subdivision 3a*, shall be then made *when due* for the minimum permanent partial disability ascertainable (IN LUMP SUM), and further (LUMP SUM) payment shall be made upon any later ascertainment of greater permanent partial disability. At the time of (THE) *any* tender of the lump sum payment, the employee and employer shall be furnished with a copy of the medical report upon which the payment is based, together with a statement by the insurer as to whether the tendered payment is for minimum permanent partial disability or final and eventual disability. Compensation for permanent partial disability is payable (CONCURRENTLY AND) in addition to compensation for temporary total disability and temporary partial disability (AS SET FORTH IN) *pursuant to section 176.101, subdivisions 1 and 2, (AND) as provided in subdivision 3a. Compensation for permanent partial disability is payable concurrently and in addition to compensation for permanent total disability (AS DEFINED IN) pursuant to section 176.101, subdivision 5 (; AND SUCH), as provided in subdivision 3a. Compensation for permanent partial disability shall (NOT) be (DEFERRED) withheld pending completion of payment for temporary total and temporary partial disability but shall not be withheld pending payment of compensation for (OR) permanent total disability, and no credit shall be taken for payment of permanent partial disability against liability for temporary total or permanent total disability. Liability on the part of an employer or his insurer for disability of a temporary total, temporary partial, and permanent total nature shall be considered as a continuing product and part of the employee's inability to earn or reduction in earning capacity due to injury or occupational disease and shall be payable accordingly, subject to subdivision 3a. Permanent partial disability is payable for functional loss of use or impairment of function, permanent in nature, and payment therefore shall be separate, distinct, and in addition to payment for any other compensation, subject to subdivision 3a. The right to receive temporary total, temporary partial, permanent partial or permanent total disability payments shall vest in the injured employee or his dependents under this chapter or, if none, in his legal heirs at the time the disability can be ascertained and the right shall not be abrogated by the employee's death prior to the making of the payment.*

Sec. 56. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 3a. [PERMANENT PARTIAL BENEFITS, PAYMENT.] Payments for permanent partial disability as provided in section 176.101, subdivision 3, shall be made in the following manner:

(a) If the employee returns to work, payment shall be made by lump sum;

(b) If temporary total payments have ceased, but the employee has not returned to work, payment shall be made at the same intervals as temporary total payments were made;

(c) If temporary total disability payments cease because the employee is receiving payments for permanent total disability or because the employee is retiring or has retired from the work force, then payment shall be made by lump sum;

(d) If the employee completes a rehabilitation plan pursuant to section 176.102, but the employer does not furnish the employee with work he can do in his permanently partially disabled condition, and the employee is unable to procure such work with another employer, then payment shall be made by lump sum.

Sec. 57. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 8. [AMOUNTS ADJUSTED.] Amounts of compensation payable by an employer or his insurer under this chapter may be rounded to the nearest dollar amount. An employer or insurer who elects to make such adjustments shall do so for all compensation payments under this chapter.

Sec. 58. Minnesota Statutes 1980, Section 176.041, is amended by adding a subdivision to read:

Subd. 6. [COMMISSIONER OF LABOR AND INDUSTRY; ADDITIONAL POWERS.] Whenever an employee is covered by subdivision 2, 3 or 4, the commissioner may enter into agreements with the appropriate agencies of other states for the purpose of resolving conflicts of jurisdiction or disputes concerning workers' compensation coverage. An agreement entered into pursuant to this subdivision may be appealed in the same manner and within the same time as if the appeal were from an order or decision of a compensation judge to the workers' compensation court of appeals.

Sec. 59. Minnesota Statutes 1980, Section 176.061, Subdivision 1, is amended to read:

Subdivision 1. [ELECTION OF REMEDIES.] Where an injury or death for which (COMPENSATION IS) benefits are payable occurs under circumstances which create a legal liability for damages on the part of a party other than the employer and at the time of such injury or death that party

was insured or self-insured in accordance with this chapter, the employee, in case of injury, or his dependents, in case of death, may proceed either at law against that party to recover damages or against the employer for (COMPENSATION) *benefits*, but not against both.

Sec. 60. Minnesota Statutes 1980, Section 176.061, Subdivision 3, is amended to read:

Subd. 3. [ELECTION TO RECEIVE (COMPENSATION) *BENEFITS FROM EMPLOYER; SUBROGATION.*] If the employee or his dependents elect to receive (COMPENSATION) *benefits* from the employer, or the special compensation fund, (SUCH) *the* employer, or the special compensation fund, is subrogated to the right of the employee or his dependents to recover damages against the other party. The employer, or the attorney general on behalf of the special compensation fund, may bring legal proceedings against such party and recover the aggregate amount of (COMPENSATION) *benefits* payable (BY HIM) to or on behalf of the employee or his dependents, together with (THE) costs, disbursements, and reasonable attorney's fees of the action.

If an action as provided in this chapter prosecuted by the employee, the employer, or (BOTH JOINTLY) *the attorney general on behalf of the special compensation fund*, against the third person, results in judgment against the third person, or settlement by the third person, the employer shall have no liability to reimburse or hold the third person harmless on the judgment or settlement in absence of a written agreement to do so executed prior to the injury.

Sec. 61. Minnesota Statutes 1980, Section 176.061, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION OF SUBDIVISIONS 1, 2, AND 3.] The provisions of subdivisions 1, 2, and 3 apply only where the employer liable for (COMPENSATION) *benefits* and the other party legally liable for damages are insured or self-insured and engaged, in the due course of business *in*, (a) (IN) furtherance of a common enterprise, or (b) *in* the accomplishment of the same or related purposes in (OPERATION) *operations* on the premises where the injury was received at the time thereof.

Sec. 62. Minnesota Statutes 1980, Section 176.061, Subdivision 5, is amended to read:

Subd. 5. [CUMULATIVE REMEDIES.] Where an injury or death for which (COMPENSATION IS) *benefits* are payable is caused under circumstances which created a legal liability for damages on the part of a party other than the employer, that party being then insured or self-insured in accordance with this

chapter, and the provisions of subdivisions 1, 2, 3, and 4 do not apply, or the party other than the employer is not then insured or self-insured as provided by this chapter, legal proceedings may be taken by the employee or his dependents in accordance with clause (a), or by his employer, *or by the attorney general on behalf of the special compensation fund*, in accordance with clause (b), against the other party to recover damages, notwithstanding the payment by the employer, *or the special compensation fund* or (HIS) their liability to pay (COMPENSATION) *benefits*.

(a) If an action against the other party is brought by the injured employee or his dependents and a judgment is obtained and paid or settlement is made with the other party, the employer *or the special compensation fund* may deduct from the (COMPENSATION) *benefits* payable (BY HIM) the amount actually received by the employee or dependents *or paid on their behalf* in accordance with subdivision 6. If the action is not diligently prosecuted or if the court deems it advisable in order to protect the interests of the employer, *or the special compensation fund*, upon application the court may grant the employer, *or the special compensation fund*, the right to intervene in any such action for the prosecution thereof. If the injured employee or his dependents (AGREE TO RECEIVE COMPENSATION) *or any party on their behalf receives benefits* from the employer, *or the special compensation fund*, or institute proceedings to recover the same or accept from the employer, *or the special compensation fund*, any payment on account of the (COMPENSATION) *benefits*, the employer, *or the special compensation fund*, is subrogated to the rights of the employee or his dependents. This employer, *or the attorney general on behalf of the special compensation fund*, may maintain an action or continue an action already instituted. This action may be maintained in the name of the employee or the names of the dependents, or in the name of the employer *or in the name of the attorney general on behalf of the special compensation fund* against such other party for the recovery of damages. If the action is not diligently prosecuted by the employer, *or the attorney general on behalf of the special compensation fund*, or the court deems it advisable in order to protect the interest of the employee, the court, upon application, may grant to the employee or his dependents the right to intervene in the action for the prosecution thereof. The proceeds of such action or settlement thereof shall be paid in accordance with subdivision 6.

(b) If an employer, being then insured, sustains damages due to a change in workers' compensation insurance premiums, whether by a failure to achieve a decrease or by a retroactive or prospective increase, as a result of the injury or death of his employee which was caused under circumstances which created a legal liability for damages on the part of a party other than the employer, the employer, notwithstanding other remedies

provided, may maintain an action against the other party for recovery of such premiums. This cause of action may be brought either by joining in an action described in clause (a) or by a separate action. Damages recovered under this clause shall be for the benefit of the employer and the provisions of subdivision 6 shall not be applicable to such damages.

(c) The third party is not liable to any person other than the employee or his dependents, or his employer, or *the special compensation fund*, for any damages resulting from the injury or death.

A co-employee working for the same employer is not liable for a personal injury incurred by another employee unless the injury resulted from the gross negligence of the co-employee or was intentionally inflicted by the co-employee.

Sec. 63. Minnesota Statutes 1980, Section 176.061, Subdivision 6, is amended to read:

Subd. 6. [COSTS, ATTORNEY FEES, EXPENSES.] The proceeds of all actions for damages or settlement thereof under this section, except for damages received under subdivision 5, clause (b) received by the injured employee or his dependents or by the employer, or *the special compensation fund*, as provided by subdivision 5, shall be divided as follows:

(a) After deducting the reasonable cost of collection, including but not limited to attorneys fees and burial expense in excess of the statutory liability, then

(b) One-third of the remainder shall in any event be paid to the injured employee or his dependents, without being subject to any right of subrogation.

(c) Out of the balance remaining, the employer, or *the special compensation fund*, shall be reimbursed in an amount equal to all (COMPENSATION) *benefits* paid under this chapter to or on behalf of the employee or his dependents by the employer, or *special compensation fund*, less the product of the costs deducted under clause (a) divided by the total proceeds received by the employee or his dependents from the other party multiplied by all (COMPENSATION) *benefits* paid by the employer, or *the special compensation fund*, to the employee or his dependents.

(d) Any balance remaining shall be paid to the employee or his dependents, and shall be a credit to employer, and *the special compensation fund*, for any (COMPENSATION) *benefits* which employer is obligated to pay, but has not paid, and for any (COMPENSATION) *benefits* that such employer shall be obligated to make in the future.

There shall be no reimbursement or credit to *the employer, or the special compensation fund*, for interest or penalties.

Sec. 64. Minnesota Statutes 1980, Section 176.061, Subdivision 7, is amended to read:

Subd. 7. [MEDICAL TREATMENT.] The liability of an employer, *or the special compensation fund*, for medical treatment under this chapter shall not be affected by the fact that his employee was injured through the fault or negligence of a third party, against whom the employee may have a cause of action which may be sued under this chapter, but the employer, *or the attorney general on behalf of the special compensation fund*, shall have a separate additional cause of action against such third party to recover any amounts paid (BY HIM) for medical treatment under this section resulting from the negligence of such third party. This separate cause of action of the employer, *or the attorney general on behalf of the special compensation fund*, may be asserted in a separate action brought by the employer, *or the attorney general on behalf of the special compensation fund*, against such third party or in the action commenced by the employee or the employer, *or the attorney general on behalf of the special compensation fund*, under this chapter, but in the latter case the cause of action shall be separately stated, the amount awarded thereon shall be separately set out in the verdict, and the amount recovered by suit or otherwise as reimbursement for medical expenses shall be for the benefit of the employer, *or the special compensation fund*, to the extent that the employer, *or the special compensation fund*, has paid or will be required to pay for medical treatment of the injured employee and shall not affect the amount of periodic compensation to be paid.

Sec. 65. Minnesota Statutes 1980, Section 176.081, Subdivision 1, is amended to read:

Subdivision 1. No claim for legal services or disbursements pertaining to any demand made or suit or proceeding brought under the provisions of this chapter is an enforceable lien against the compensation or is valid or binding in any other respect unless approved in writing by the *division*, (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY,) a compensation judge, *a judge of the district court*, or the workers' compensation court of appeals, if the claim arises out of a proceeding for compensation under this chapter, or by the judge presiding at the trial in an action for damages, or by a judge of the district court in a settlement of a claim for damages without trial. *The division, a compensation judge, a judge of the district court or the workers' compensation court of appeals* shall in matters before (HIM) *them, including settlement proceedings*, have authority to approve a fee of up to 25 percent of the first \$4,000 of compensation awarded to the employee and up

to 20 percent of the next (\$20,000) \$50,000 of compensation awarded to employee. (THE WORKERS' COMPENSATION COURT OF APPEALS JUDGE SHALL HAVE AUTHORITY ONLY TO APPROVE FEES IN SETTLEMENTS UPON APPEAL BEFORE THEM UP TO 25 PERCENT OF THE FIRST \$4,000 OF COMPENSATION AWARDED TO THE EMPLOYEE AND UP TO 20 PERCENT OF THE NEXT \$20,000 OF COMPENSATION AWARDED TO THE EMPLOYEE.) If the employer or his insurer or the defendant is given written notice of such claims for legal services or disbursements, the same shall be a lien against the amount paid or payable as compensation, subject to determination of the amount and approval provided by this chapter. *Provided, however, that in no case shall fees be calculated on the basis of any undisputed portion of compensation awards. Allowable fees under this chapter shall be based solely upon genuinely disputed portions of claims.*

Sec. 66. Minnesota Statutes 1980, Section 176.081, Subdivision 2, is amended to read:

Subd. 2. Any application for attorney fees in excess of the amount (WHICH A COMPENSATION JUDGE OR THE WORKERS' COMPENSATION COURT OF APPEALS MAY AUTHORIZE) *authorized in subdivision 1* shall be made to the (COMMISSIONER OF LABOR AND INDUSTRY) *workers' compensation court of appeals*. The application shall set forth the fee requested and the basis for such request and whether or not a hearing is requested. The application, with affidavit of service upon the employee, shall be filed by the attorney requesting the fee. If a hearing is requested by an interested party, a hearing shall be set with notice of such hearing served upon known interested parties. In all cases the employee shall be served with notice of hearing.

Sec. 67. Minnesota Statutes 1980, Section 176.081, Subdivision 3, is amended to read:

Subd. 3. An employee who is dissatisfied with his attorney fees, may file an application for review by the (COMMISSIONER OF LABOR AND INDUSTRY) *workers' compensation court of appeals*. Such application shall state the basis for the need of review and whether or not a hearing is requested. A copy of such application shall be served upon the attorney for the employee by the (COMMISSIONER) *court administrator* and if a hearing is requested by either party, the matter shall be set for hearing. The notice of hearing shall be served upon known interested parties. The attorney for the employee shall be served with a notice of the hearing. The (COMMISSIONER OF LABOR AND INDUSTRY) *workers' compensation court of appeals* shall have the authority to raise the question of the issue of the attorney fees at any time upon (HIS) *its* own motion and shall have continuing jurisdiction over attorney fees.

Sec. 68. Minnesota Statutes 1980, Section 176.081, Subdivision 4, is amended to read:

Subd. 4. The review of a determination by the commissioner (OF LABOR AND INDUSTRY) or the workers' compensation court of appeals shall be only by supreme court by certiorari upon the ground that it is arbitrary and unwarranted by the evidence. There shall be no review under sections 176.421 and 176.442.

Sec. 69. Minnesota Statutes 1980, Section 176.081, Subdivision 6, is amended to read:

Subd. 6. The (COMMISSIONER OF LABOR AND INDUSTRY) workers' compensation court of appeals may (PRESCRIBE) adopt reasonable and proper rules (AND REGULATIONS) to effect (HIS AND THE DIVISION'S) its obligations under this section (WITHOUT REGARD TO THE JOINT PRESCRIPTION REQUIRED UNDER SECTION 175.17, SUBDIVISION 3).

Sec. 70. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 7a. At any time prior to one day before a matter is to be heard, a party litigating a claim made pursuant to this chapter may serve upon the adverse party a reasonable offer of settlement of the claim, with provision for costs and disbursements then accrued. If before the hearing the adverse party serves written notice that the offer is accepted, either party may then file the offer and notice of acceptance, together with the proof of service thereof, and thereupon judgment shall be entered.

If an offer by an employer or insurer is not accepted by the employee, it shall be deemed withdrawn and evidence thereof is not admissible, except in a proceeding to determine attorney's fees. Notwithstanding the provisions of subdivision 7, if the judgment finally obtained by the employee is less favorable than the offer, the employer shall not be liable for any part of the attorney's fees awarded pursuant to this section.

If an offer by an employee is not accepted by the employer or insurer, it shall be deemed withdrawn and evidence thereof is not admissible, except in a proceeding to determine attorney's fees. Notwithstanding the provisions of subdivision 7, if the judgment finally obtained by the employee is at least as favorable as the offer, the employer shall pay an additional 25 percent, over the amount provided in subdivision 7, of that portion of the attorney's fee which has been awarded pursuant to this section that is in excess of \$250.

The fact that an offer is made but not accepted does not preclude a subsequent offer.

Sec. 71. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 9. An attorney who is hired by an employee to provide legal services with respect to a claim for compensation made pursuant to this chapter shall prepare a retainer agreement in which the provisions of this section are specifically set out and provide a copy of this agreement to the employee. The retainer agreement shall provide a space for the signature of the employee. A signed agreement shall raise a conclusive presumption that the employee has read and understands the statutory fee provisions. No fee shall be awarded pursuant to this section in the absence of a signed retainer agreement.

Sec. 72. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 10. An attorney who knowingly violates any of the provisions of this chapter with respect to authorized fees for legal services in connection with any demand made or suit or proceeding brought under the provisions of this chapter is guilty of a gross misdemeanor.

Sec. 73. Minnesota Statutes 1980, Section 176.101, Subdivision 3, is amended to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] For permanent partial disability compensation shall be that named in the following schedule, subject to a maximum compensation equal to the statewide weekly wage:

- (1) For the loss of a thumb, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 65 weeks;
- (2) For the loss of a first finger, commonly called index finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 40 weeks;
- (3) For the loss of a second finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 35 weeks;
- (4) For the loss of a third finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 25 weeks;
- (5) For the loss of a fourth finger, commonly called the little finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 20 weeks;
- (6) The loss of the first phalange of the thumb or of any finger, is considered equal to the loss of one-half of the thumb or finger and compensation shall be paid at the prescribed rate

during one-half the time specified for the loss of the thumb or finger;

(7) The loss of one and one-half or more phalanges is considered equal to the loss of the entire finger or thumb; but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand;

(8) For the loss of a great toe, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 35 weeks;

(9) For the loss of a toe other than a great toe, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 15 weeks;

(10) The loss of the first phalange of any toe is considered equal to the loss of one-half of the toe, and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the toe;

(11) The loss of one and one-half or more phalanges is considered equal to the loss of the entire toe;

(12) For the loss of a hand, not including the wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(13) For the loss of a hand, including wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(14) For the loss of an arm, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 270 weeks;

(15) Amputation of the arm below the elbow is considered the loss of a hand, including wrist movement, if enough of the forearm remains to permit the use of an effective artificial member, otherwise it is considered the loss of an arm;

(16) For the loss of a foot, not including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 140 weeks;

(17) For the loss of a foot, including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 165 weeks;

(18) For the loss of a leg, if enough of the leg remains to permit the use of an effective artificial member, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(19) For the loss of a leg so close to the hip that no effective artificial member can be used, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(20) Amputation of a leg below the knee is considered as equal to the loss of a foot, including ankle movement, if enough of the lower leg remains to permit the use of an effective artificial member, otherwise it is considered as equal to the loss of a leg;

(21) For the loss of an eye, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 160 weeks;

(22) For the complete permanent loss of hearing in one ear, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 85 weeks;

(23) For the complete permanent loss of hearing in both ears, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 170 weeks;

(24) For the loss of an eye and a leg, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(25) For the loss of an eye and an arm, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(26) For the loss of an eye and a hand, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 450 weeks;

(27) For the loss of an eye and a foot, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 400 weeks;

(28) For the loss of two arms, other than at the shoulder, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(29) For the loss of two hands, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(30) For the loss of two legs, other than so close to the hips that no effective artificial members can be used, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(31) For the loss of two feet, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(32) For the loss of one arm and the other hand, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(33) For the loss of one hand and one foot, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(34) For the loss of one leg and the other foot, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(35) For the loss of one leg and one hand, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(36) For the loss of one arm and one foot, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(37) For the loss of one arm and one leg, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(38) For loss of the voice mechanism, 66 2/3 percent of the daily wage at the time of injury during 500 weeks;

(39) For head injuries, 66 2/3 percent of the daily wage at the time of injury for that proportion of 500 weeks which is represented by its percentage of the permanent partial disability to the entire body as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or the workers' compensation court of appeals;

(40) For permanent partial disability resulting from injury to any internal organ until such time as the commissioner of labor and industry shall promulgate a schedule of internal organs and thereafter for internal organs covered by the schedule of internal organs established by the commissioner (OF LABOR AND INDUSTRY,) 66 2/3 percent of the daily wage at time of injury for that proportion of 500 weeks, not to exceed 500 weeks, as determined by the commissioner (OF LABOR AND INDUSTRY,) which is the proportionate amount of permanent partial disability caused to the entire body by the injury as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or the workers' compensation court of appeals;

(41) For disfigurement or scarring not resulting from the loss of a member or other injury specifically compensated, affecting the employability or advancement opportunity of the injured person in the employment in which he was injured or other employment for which the employee is then qualified or for which the employee has become qualified, 66 2/3 percent of the daily wage at the time of injury during the period the parties agree to or the compensation judge or the workers'

compensation court of appeals in cases on appeal determines, not exceeding 90 weeks;

(42) For permanent partial disability resulting from injury to the back, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or the workers' compensation court of appeals;

(43) When an employee sustains concurrent injuries resulting in concurrent disabilities he shall receive compensation only for the injury which entitled him to the largest amount of compensation, but this does not affect liability for disfigurement affecting the employability of the injured person or liability for the concurrent loss of more than one member, for which members compensations are provided in the specific schedule and in subdivision 5;

(44) In all cases of permanent partial disability it is considered that the permanent loss of the use of a member is equivalent to and draws the same compensation as the loss of that member, but the compensation in and by this schedule provided shall be in lieu of all other compensation in these cases, except as otherwise provided by this section;

In the event a worker has been awarded or is entitled to receive compensation for loss of use of a member under any workers' compensation law, and thereafter sustains loss of the member under circumstances entitling him to compensation therefor under this subdivision, the amount of compensation awarded, or that he is entitled to receive, for the loss of use, is to be deducted from the compensation due under the schedules of this section for the loss of the member, provided, that the amount of compensation due for the loss of the member caused by the subsequent accident is in no case less than 25 percent of the compensation payable under the schedule of this section for the loss of the member;

(45) In cases of permanent partial disability due to injury to a member, resulting in less than total loss of the member, not otherwise compensated in this schedule, compensation shall be paid at the prescribed rate during that part of the time specified in the schedule for the total loss of the member which the extent of the injury to the member bears to its total loss;

(46) In cases of permanent partial disability caused by simultaneous injury to two or more members, the applicable schedules in this subdivision shall be increased by 15 percent. This clause shall not apply when the injuries are compensated under paragraphs 22 to 37 inclusive, of this subdivision. In cases of partial disability due to injury to both eyes resulting in less

than total loss of vision in one or both eyes compensation shall be paid at the prescribed rate during that part of 450 weeks which the extent of the combined injury to both eyes bears to the complete loss of industrial vision;

(47) The commissioner (OF LABOR AND INDUSTRY WITH THE WORKERS' COMPENSATION COURT OF APPEALS) may make or revise rules for the determination of the extent of the impairment of the industrial use of one or both eyes taking into account all primary coordinate factors of vision. These rules shall be made or revised after consultation with experts on industrial vision and after public notice to and hearing of interested parties;

(48) For permanent partial disability resulting from injury to the body as a whole due to burns, 66 2/3 percent of the daily wage at the time of injury, for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or the workers' compensation court of appeals, the compensation to be paid in addition to the compensation as employee would otherwise be entitled to for loss of use of a member in accordance with this section;

(49) In all cases of permanent partial disability not enumerated in this schedule the compensation shall be 66 2/3 percent of the difference between the daily wage of the worker at the time of the injury and the daily wage he is able to earn in his partially disabled condition, subject to a maximum equal to the statewide average weekly wage, and continue during disability, not to exceed 350 weeks; and if the employer does not furnish the worker with work which he can do in his permanently partially disabled condition and he is unable to secure such work with another employer after a reasonably diligent effort, the employee shall be paid at his or her maximum rate of compensation for total disability.

Sec. 74. Minnesota Statutes 1980, Section 176.102, is amended by adding a subdivision to read:

Subd. 1a. [SURVIVING SPOUSE.] Upon the request of a qualified dependent surviving spouse, rehabilitation services shall be provided through the rehabilitation services section of the workers' compensation division. For the purposes of this subdivision a qualified dependent surviving spouse is a dependent surviving spouse, as determined under section 176.111, who is in need of rehabilitation assistance to become self-supporting. A spouse who is provided rehabilitation services under this subdivision is not entitled to compensation under subdivision 11.

Sec. 75. Minnesota Statutes 1980, Section 176.105, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of labor and industry (MAY) shall by rule establish a schedule of degrees of disability resulting from different kinds of injuries.

Sec. 76. Minnesota Statutes 1980, Section 176.111, Subdivision 6, is amended to read:

Subd. 6. [SPOUSE, NO DEPENDENT CHILD.] (a) If the deceased employee leaves a dependent surviving spouse and no dependent child, there shall be paid to the (DEPENDENT SURVIVING) spouse (50 PERCENT OF THE DAILY WAGE AT THE TIME OF THE INJURY OF THE DECEASED), at the option of the spouse, either:

(1) A lump sum settlement equal to ten full years of compensation at 50 percent of the daily wage at the time of the injury of the deceased, computed without regard to section 176.645; or

(2) Weekly workers' compensation benefits at 50 percent of the daily wage at the time of the injury for a period of ten years, including adjustments as provided in section 176.645.

b) A dependent surviving spouse who has not accepted a lump sum settlement pursuant to clause (a) (1) and who remarries shall receive the lesser of either:

(1) A lump sum settlement equal to two full years of compensation at 50 percent of the daily wage at the time of the injury of the deceased, computed without regard to section 176.645; or

(2) The remaining weekly workers' compensation benefits pursuant to clause (a) (2) at 50 percent of the daily wage, including adjustments as provided in section 176.645.

Sec. 77. Minnesota Statutes 1980, Section 176.111, Subdivision 7, is amended to read:

Subd. 7. [SPOUSE, ONE DEPENDENT CHILD.] (a) If the deceased employee (LEAVE) leaves a surviving spouse and one dependent child, there shall be paid to the surviving spouse for the benefit of (SUCH) the spouse and child 60 percent of the daily wage at the time of the injury of the deceased until the child is no longer a dependent as defined in subdivision 1. At that time there shall be paid to the dependent surviving spouse, at the option of the spouse, either:

(1) A lump sum settlement equal to ten full years of compensation at a rate which is $16 \frac{2}{3}$ percent less than the last weekly workers' compensation benefit payment which would have been due while the surviving child was a dependent, computed without regard to section 176.645; or

(2) *Weekly benefits at a rate which is 16 2/3 percent less than the last weekly workers' compensation benefit payment which would have been due while the surviving child was a dependent, for a period of ten years, including adjustments as provided in section 176.645.*

(b) *A surviving spouse who remarries shall receive:*

(1) *Compensation, for the benefit of the dependent child, according to the allocation provided in subdivision 10, until the child is no longer a dependent as defined in subdivision 1; and*

(2) *A lump sum settlement, for the benefit of the surviving spouse, equal to two full years of weekly benefits in an amount which equals the difference between the benefit otherwise payable under clause (a) and the amount payable to the dependent child pursuant to clause (b) (1).*

Sec. 78. Minnesota Statutes 1980, Section 176.111, Subdivision 8, is amended to read:

Subd. 8. [SPOUSE, TWO DEPENDENT CHILDREN.] (a) *If the deceased employee (LEAVE) leaves a surviving spouse and two dependent children, there shall be paid to the surviving spouse for the benefit of (SUCH) the spouse and (SUCH) children 66 2/3 percent of the daily wage at the time of the injury of the deceased until the youngest dependent child is no longer dependent. At that time the dependent surviving spouse shall be paid, at the option of the spouse, either:*

(1) *A lump sum settlement equal to ten full years of compensation at a rate which is 25 percent less than the last weekly workers' compensation benefit payment which would have been due while the last surviving child was a dependent, computed without regard to section 176.645; or*

(2) *Weekly benefits at a rate which is 25 percent less than the last weekly workers' compensation benefit payment which would have been due while the surviving child was a dependent, for a period of ten years, adjusted according to section 176.645.*

(b) *A surviving spouse who remarries shall receive compensation, for the benefit of the children, allocated according to subdivision 10, until the youngest dependent child is no longer dependent as defined in subdivision 1 and, for the benefit of the surviving spouse, a lump sum settlement equal to two full years of weekly benefits in an amount which equals the difference between the benefit otherwise payable pursuant to clause (a) and the amount payable to the dependent children allocated according to subdivision 10, computed without regard to section 176.645.*

Sec. 79. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

Subd. 8a. [LAST WEEKLY BENEFIT PAYMENT.] For the purposes of subdivisions 7 and 8, "last weekly workers' compensation benefit payment" means the workers' compensation benefit which would have been payable without the application of subdivision 21.

Sec. 80. Minnesota Statutes 1980, Section 176.111, Subdivision 10, is amended to read:

Subd. 10. [ALLOCATION OF COMPENSATION.] In all cases where compensation is payable to the surviving spouse for the benefit of the surviving spouse and dependent children, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY), compensation judge, or workers' compensation court of appeals or district court in cases upon appeal (MAY) shall determine what portion of the compensation (SHALL BE APPLIED) applies for the benefit of (ANY SUCH CHILD) dependent children and may order (THE SAME) that portion paid to a guardian. This subdivision shall not be construed to increase the combined total of weekly government survivor benefits and workers' compensation beyond the limitation established in section 176.111, subdivision 21.

Sec. 81. Minnesota Statutes 1980, Section 176.111, Subdivision 21, is amended to read:

Subd. 21. [DEATH, BENEFITS; COORDINATION WITH GOVERNMENTAL SURVIVOR BENEFITS.] The following provision shall apply to any dependent entitled to receive weekly compensation benefits under this section as the result of the death of an employee, and who is also receiving or entitled to receive benefits under any government survivor program:

The combined total of weekly government survivor benefits and workers' compensation death benefits provided under this section shall not exceed 100 percent of the weekly wage being earned by the deceased employee at the time of the injury causing his death; provided, however, that no state workers' compensation death benefit shall be paid for any week in which the survivor benefits paid under the federal program, by themselves, exceed 100 percent of such weekly wage provided, however, the workers' compensation benefits payable to a dependent surviving spouse shall not be reduced on account of any governmental survivor benefits payable to decedent's children if the support of the children is not the responsibility of the dependent surviving spouse.

For the purposes of this subdivision "dependent" means dependent surviving spouse together with all dependent children and any other dependents. For the purposes of this subdivision, mother's insurance benefits received pursuant to 42 U.S.C., 402 (g), are benefits under a government survivor program.

Sec. 82. Minnesota Statutes 1980, Section 176.131, Subdivision 10, is amended to read:

Subd. 10. The special compensation fund is created for the purposes provided in this chapter in the following manner:

(1) In every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to monetary benefits of dependency compensation, the employer shall pay to the commissioner (OF LABOR AND INDUSTRY) the sum of \$5,000 for the benefit of the special compensation fund; in every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to at least \$5,000 in monetary benefits of dependency compensation, the employer shall pay to the commissioner (OF LABOR AND INDUSTRY) for the benefit of the special compensation fund the difference between the amounts actually paid for the dependency benefits and \$5,000; but in no event shall the employer pay the commissioner (OF LABOR AND INDUSTRY) less than \$1,000;

(2) When an employee suffers a personal injury which results in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability or death and which entitles him or *his* dependents to compensation under sections 176.101 or 176.111, the employer shall, in addition to compensation provided therein, pay to the commissioner (OF LABOR AND INDUSTRY) for the benefit of the special compensation fund a lump sum without interest deduction equal to (SEVEN) a percent of the total compensation, *determined as provided in this subdivision* as soon as the amount payable for the particular injury is determined, or arrived at by agreement of the parties, and the amount is approved by the commissioner (OF LABOR AND INDUSTRY).

The provisions of clauses (1) and (2) shall apply to all workers' compensation payments, exclusive of medical costs, paid under sections 176.101 and 176.111 for all injuries or death occurring on or after June 1, 1971.

Personal injuries that occurred prior to June 1, 1971 shall be assessed at the rate in effect on the date of occurrence.

(THE SEVEN PERCENT OF THE TOTAL COMPENSATION REQUIRED TO BE PAID BY THE EMPLOYER TO THE COMMISSIONER OF LABOR AND INDUSTRY FOR THE BENEFIT OF THE SPECIAL COMPENSATION FUND AS PROVIDED IN CLAUSE (2) OF THIS SUBDIVISION SHALL REMAIN FIXED AT SAID SEVEN PERCENT FOR THE PERIOD FROM JUNE 1, 1971, TO JUNE 1, 1972. EFFECTIVE JUNE 1, 1972, THROUGH JUNE 1, 1975, AND THERE-

AFTER ON JANUARY 1, BEGINNING IN 1976, THE RATE SHALL BE ADJUSTED ON THE FOLLOWING BASIS: IF THE BALANCE IN THE SPECIAL COMPENSATION FUND AS OF APRIL 30 IN ANY YEAR THROUGH 1975 AND AS OF SEPTEMBER 30, 1975, AND EACH SEPTEMBER 30 THEREAFTER, IS BELOW \$1,000,000, THE RATE OF PAYMENT SHALL BE INCREASED BY TWO PERCENT OVER THE THEN PREVAILING RATE. IF THE BALANCE IS AT LEAST \$1,000,000 BUT BELOW \$1,500,000, THE RATE WILL BE INCREASED BY ONE PERCENT. IF THE BALANCE IS AT LEAST \$1,500,000 BUT BELOW \$2,000,000, THERE SHALL BE NO CHANGE. IF THE BALANCE IS AT LEAST \$2,000,000 BUT LESS THAN \$2,500,000, THE RATE SHALL BE DECREASED BY ONE PERCENT. IF THE BALANCE IS AT LEAST \$2,500,000, THE RATE SHALL BE DECREASED BY TWO PERCENT. IF THE BALANCE IS \$3,000,000 OR MORE THE COMMISSIONER OF LABOR AND INDUSTRY SHALL WITHIN 30 DAYS DETERMINE THE PERCENT OF DECREASE, WHICH SHALL BE NOT LESS THAN TWO PERCENT NOR MORE THAN FIVE PERCENT.)

In determining the percentage of the total compensation required to be paid by the employer to the commissioner for the benefit of the special compensation fund as provided in clause (2) beginning September 30, 1981 and each September 30 thereafter, the commissioner shall use the following schedule:

| <i>Balance in the Fund</i> | <i>Permissible Range of Rate Adjustment</i> |
|---|---|
| <i>Less than \$2,000,000</i> | <i>+1 percent to +7 percent</i> |
| <i>At least \$2,000,000 but less than \$3,000,000</i> | <i>0 percent to +6 percent</i> |
| <i>At least \$3,000,000 but less than \$4,000,000</i> | <i>-2 percent to +4 percent</i> |
| <i>At least \$4,000,000 but less than \$5,000,000</i> | <i>-5 percent to +3 percent</i> |
| <i>At least \$5,000,000 but less than \$6,000,000</i> | <i>-6 percent to +2 percent</i> |
| <i>\$6,000,000 or more</i> | <i>-7 percent to +2 percent</i> |

In determining the actual adjustment, the commissioner shall take into account his estimate of the likely amount of expenditures to be made from the fund in the next calendar year.

Sums paid to the commissioner (OF LABOR AND INDUSTRY) pursuant to the provisions hereof, shall be deposited with the state treasurer for the benefit of the special compensation fund and be used to pay the benefits provided by this chapter. All money heretofore arising from the provisions of this section or similar law shall be transferred to this special compensation fund. Any interest or profit accruing from investment of these sums shall be credited to the special compensation fund.

The state treasurer shall be the custodian of this special fund and the workers' compensation division (AND), *compensation judges*, the workers' compensation court of appeals or *district court* in cases before (IT) *them* shall direct the distribution thereof, the same to be paid as other payments of compensation are paid. In case deposit is or has been made under the provisions of clause (1) and dependency later is shown, or if deposit is or has been made pursuant to either clause (1) or (2) by mistake or inadvertence, or under circumstances that justice requires a refund thereof, the state treasurer is authorized to refund the deposit under order of the workers' compensation division (OR), *a compensation judge*, the workers' compensation court of appeals or *a district court*. There is appropriated to the persons entitled to the refunds from the fund an amount sufficient to make the refund and payment.

Costs within the department (OF LABOR AND INDUSTRY) for the accounting, *investigation* and legal procedures necessary for the administration of the programs financed by the special compensation fund shall (BE PAID FROM THE MONEYS BIENNIALY APPROPRIATED TO THE DEPARTMENT AND NOT FROM THE SPECIAL COMPENSATION FUND) *come from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the fund shall be approved through the regular budget and appropriations process.*

Sec. 83. Minnesota Statutes 1980, Section 176.132, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT.] (a) The supplementary benefit payable under this section shall be the difference between the amount the employee receives on or after January 1, 1976, under section 176.101, subdivision 1 or subdivision 4, and 65 percent of the statewide average weekly wage as computed annually.

(b) In the event an eligible recipient is currently receiving no compensation or is receiving a reduced level of compensation because of a credit being applied as the result of a third party liability or damages, the employer or insurer shall compute the offset credit as if the individual were entitled to the actual benefit or 65 percent of the statewide average weekly wage as computed annually, whichever is greater. If this results in the use

of a higher credit than otherwise would have been applied and the employer or insurer becomes liable for compensation benefits which would otherwise not have been paid, the additional benefits resulting shall be handled according to this section.

(c) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of a valid agreement in settlement of a claim, no supplementary benefit shall be payable under this section. *Attorney's fees shall be allowed in settlements of claims for supplementary benefits in accordance with this chapter.*

(d) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of prior limitations in the maximum amount payable for permanent total disability or because of reductions resulting from the simultaneous receipt of old age or disability benefits, the supplementary benefit shall be payable for the difference between the actual amount of compensation currently being paid and 65 percent of the statewide average weekly wage as computed annually.

(e) In the event that an eligible recipient is receiving simultaneous benefits from any government disability program, the amount of supplementary benefits payable under this section shall be reduced by five percent. If the individual does not receive the maximum benefits for which he is eligible under other governmental disability programs due to the provisions of 42 U.S.C. 424a (d), this reduction shall not apply.

Sec. 84. Minnesota Statutes 1980, Section 176.133, is amended to read:

176.133 [ATTORNEYS FEES, SUPPLEMENTARY BENEFITS.]

(NO ATTORNEYS) *Attorney's fees (SHALL) may be (PERMITTED OR) approved by a compensation judge or by the workers' compensation court of appeals from the supplementary workers' compensation benefits provided by section 176.132 (, OR AMENDMENTS THERETO, UNLESS) if the case (SOLELY) involves the obtaining of supplementary workers' compensation benefits. When such fees are allowed an amount equal to 25 percent of that portion of the fee which is in excess of \$250 shall be added to the employee's benefit as provided in section 176.081 rather than deducted as a portion thereof. The fees shall be (SUBJECT) determined according to (THE LIMITATIONS CONTAINED IN) section 176.081.*

Sec. 85. Minnesota Statutes 1980, Section 176.136, is amended to read:

176.136 [MEDICAL FEE REVIEW.]

The commissioner of (LABOR AND INDUSTRY) insurance shall by rule establish procedures for determining whether or not the charge for a health service is excessive. In order to accomplish this purpose, the commissioner of insurance shall consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups. *The procedures established by the commissioner of insurance shall limit the charges allowable for medical, chiropractic, podiatric, surgical, hospital and other health care provider treatment or services, as defined and compensable under section 176.135, to the 90th percentile of usual and customary fees or charges based upon billings for each class of health care provider during all of the calendar year preceding the year in which the determination is made of the amount to be paid the health care provider for the billing. The procedures established by the commissioner for determining whether or not the charge for a health service is excessive shall be structured to encourage providers to develop and deliver services for rehabilitation of injured workers. If the commissioner of insurance determines that the charge for a health service or medical service is excessive, (HE MAY LIMIT) no payment (TO) in excess of the reasonable charge for that service shall be made under this chapter nor may the provider collect or attempt to collect from the injured employee or any other insurer or government amounts in excess of the amount payable under this chapter; however, the commissioner shall by rule establish procedures allowing for a provider to appeal such determination. The commissioner (MAY) of insurance shall contract with a review organization as defined in section 145.61 (IN MAKING ANY DETERMINATIONS AS TO WHETHER OR NOT A CHARGE IS EXCESSIVE) for the purposes listed in section 145.61, subdivision 5, and report to the legislature by January 15, 1983 and thereafter on January 15 of every odd-numbered year, regarding the delivery of medical and health care services under the workers' compensation laws of this state.*

The commissioner of insurance shall adopt temporary rules in order to implement the provisions of this subdivision. Notwithstanding the provisions of section 15.0412, subdivision 4, and any amendments, the temporary rules adopted by the commissioner of insurance pursuant to this subdivision may be extended for an additional 180 days if the procedures for adoption of a rule pursuant to section 15.0412, subdivisions 4 to 4g, or 4h, and other provisions of the administrative procedure act related to final agency action and rule adoption have not been concluded.

Sec. 86. [176.1361] [TESTIMONY OF PROVIDERS.]

When a compensation judge or the workers' compensation court of appeals has reason to believe that a medical or other provider of treatment services has submitted false testimony or a

false report in any proceeding under this chapter, the compensation judge or the workers' compensation court of appeals shall refer the matter to an appropriate licensing body or other professional certifying organization for review and recommendations. Based upon their recommendations, the commissioner may bar the provider from making an appearance, and disallow the admission into evidence of written reports of the provider, in any proceeding under this chapter for a period not to exceed one year in the first instance and three years in the second instance, and may permanently bar the provider from appearance and his reports from admission in evidence thereafter.

Sec. 87. [176.152] [PERMANENT PARTIAL DISABILITY PANEL.]

Subdivision 1. [BINDING OPINION; PERMANENT PARTIAL DISABILITY DISPUTES.] Prior to a hearing before a compensation judge at which a significant issue of the extent of permanent partial disability is to be determined a permanent partial disability panel shall be constituted to render a determination on the dispute subject to the limitation in subdivisions 7 and 8.

Subd. 2. [PANEL LIST.] The administrator of the workers' compensation court of appeals shall compile and maintain a list of names of physicians, podiatrists, chiropractors and other health care providers qualified to determine the extent of permanent partial disability. Names may be added to the list and removed at any time by the administrator of the workers' compensation court of appeals. In maintaining the list the administrator of the workers' compensation court of appeals shall to the maximum extent possible select persons from varying geographical areas of the state.

Subd. 3. [PANEL SELECTION.] When a panel is required to be constituted by subdivision 1 the administrator of the workers' compensation court of appeals shall furnish the employer and employee parties to the dispute a list of seven appropriate health care providers from which the parties shall alternatively strike names until only three remain who shall constitute the panel. If both parties agree, the dispute may be decided by a single health care provider. If the parties are unable to agree on who shall strike the first name, priority shall be decided by a flip of the coin.

Subd. 4. [REPORT; CONCLUSION.] The compensation judge, or the chief hearing examiner in cases in which a compensation judge has not yet been assigned, shall propound specific written questions to the panel at the time they are notified of their selection. The questions shall be framed in such a manner that answers to them shall resolve the dispute as to the extent of permanent partial disability. The panel's report shall be binding upon any compensation judge before whom a

hearing may be held subsequent to the panel's report, but may be reviewed by the workers' compensation court of appeals or supreme court, which shall remand the matter to a compensation judge for the seating of a new panel if the first report is found to be arbitrary, capricious, or based on fraud.

Subd. 5. [EXAM; REPORT.] At least one member of the panel shall personally examine the employee within 30 days of the panel's selection. After reviewing the examination report and all other available pertinent information the panel shall report its conclusions to the compensation judge within 45 days after their selection. The compensation judge may extend the time limit for good cause. The report of the panel shall include the examination report and a record of any other evidence or information considered by the panel.

Subd. 6. [COSTS; PAYMENT.] Any physician, podiatrist, chiropractor or other health care provider who agrees to serve on a panel constituted pursuant to this section shall be deemed to agree that any dispute concerning his fees for serving on the panel shall be decided by the compensation judge hearing the case. The judge's decision shall be binding on the health care provider. A consent form to this effect shall be provided for the signature of the health care provider. No fee shall be approved which exceeds the reasonable and customary fee in the area for similar service. The employer shall pay all the panel members' fees, unless the employee has proceeded in bad faith, in which case the employee may be ordered to pay the fees.

Subd. 7. [PILOT PROJECT; REPORT TO LEGISLATURE AND GOVERNOR.] The administrator of the workers' compensation court of appeals shall establish the permanent partial disability panel provided for in this section on a pilot basis in three counties of his choice, including at least one rural county. The administrator of the workers' compensation court of appeals shall report to the legislature and governor by January 1, 1983, on the number of cases reviewed, the number of health care providers participating, the number of cases settled prior to any hearing before a compensation judge, the cost of the program and his recommendations concerning the panel.

Subd. 8. [LIMITATION.] This section shall operate in lieu of section 176.155, subdivision 2, in the counties in which the medical panel is established pursuant to subdivision 7.

Sec. 88. Minnesota Statutes 1980, Section 176.161, Subdivision 1, is amended to read:

Subdivision 1. [RESIDING OUTSIDE UNITED STATES.] In case a deceased employee for whose injury or death compensation is payable leaves surviving him an alien dependent residing outside the United States the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall direct the

payment of all compensation due the dependent to be made to the duly accredited consular officer of the country of which the beneficiary is a citizen residing within the state, or to his designated representative residing within the state; or, if the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) believes that the interest of the dependent will be better served and at any time prior to the final settlement the dependent files with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) a power of attorney designating any other suitable person residing in this state to act as attorney in fact in such proceedings, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may appoint such person. If it appears necessary to institute proceedings to enforce payment of compensation due the dependent, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may permit the consular officer to institute these proceedings. If during the pendency of these proceedings, such power of attorney is filed by the alien dependent, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall then determine whether such attorney in fact be substituted to represent such dependent or if the consular officer or his representative continue therein. The person so appointed may carry on proceedings to settle all claims for compensation and receive for distribution to such dependent all compensation arising under this chapter. The settlement and distribution of the funds shall be made only on the written order of the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY). The person so appointed shall furnish a bond satisfactory to the (WORKERS' COMPENSATION COURT OF APPEALS) *commissioner*, conditioned upon the proper application of the money received by him. Before the bond is discharged, the person so appointed shall file with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) a verified account of his receipts and disbursements of such compensation.

Sec. 89. Minnesota Statutes 1980, Section 176.181, Subdivision 2, is amended to read:

Subd. 2. [COMPULSORY INSURANCE; SELF-INSURERS.] (1) Every employer, except the state and its municipal subdivisions, liable under this chapter to pay compensation shall insure payment of compensation with some insurance carrier authorized to insure workers' compensation liability in this state, or obtain a written order from the commissioner of insurance exempting the employer from insuring his liability for compensation and permitting him to self-insure the liability. The terms, conditions and requirements governing self-insurance shall be established by the commissioner pursuant to chapter 15. The commissioner of *insurance* shall also adopt, pursuant to clause (2) (c), rules permitting two or more employers, *whether or not they are* in the same industry, to enter into agreements to pool their liabilities under this chapter for the purpose of qualifying as group self-insurers. With the approval of the commissioner of

insurance, any employer may exclude medical, chiropractic and hospital benefits as required by this chapter. An employer conducting distinct operations at different locations may either insure or self-insure the other portion of his operations which may be determined by the commissioner of insurance to be a distinct and separate risk. An employer desiring to be exempted from insuring his liability for compensation shall make application to the commissioner of insurance, showing his financial ability to pay the compensation, whereupon by written order the commissioner of insurance may make an exemption as he deems proper. The commissioner of insurance may require further statements of financial ability of the employer to pay compensation. Upon ten days written notice the commissioner of insurance may revoke his order granting an exemption, in which event the employer shall immediately insure his liability. As a condition for the granting of an exemption the commissioner of insurance may require the employer to furnish security the commissioner of insurance considers sufficient to insure payment of all claims under this chapter. If the required security is in the form of currency or negotiable bonds, the commissioner of insurance shall deposit it with the state treasurer. In the event of any default upon the part of a self-insurer to abide by any final order or decision of the commissioner of labor and industry directing and awarding payment of compensation and benefits to any employee or the dependents of any deceased employee, then upon at least ten days notice to the self-insurer, the commissioner of insurance may by written order to the state treasurer require him to sell the pledged and assigned securities or a part thereof necessary to pay the full amount of any such claim or award with interest thereon. This authority to sell may be exercised from time to time to satisfy any order or award of the commissioner of labor and industry or any judgment obtained thereon. When securities are sold the money obtained shall be deposited in the state treasury to the credit of the commissioner of insurance and awards made against any such self-insurer by the commissioner of insurance shall be paid to the persons entitled thereto by the state treasurer upon warrants prepared by the commissioner of insurance and approved by the commissioner of finance out of the proceeds of the sale of securities. Where the security is in the form of a surety bond or personal guaranty the commissioner of insurance, at any time, upon at least ten days notice and opportunity to be heard, may require the surety to pay the amount of the award, the payments to be enforced in like manner as the award may be enforced.

(2) (a) No association, corporation, partnership, sole proprietorship, trust or other business entity shall provide services in the design, establishment or administration of a group-self-insurance plan under rules adopted pursuant to this subdivision unless it is licensed to do so by the commissioner of insurance. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license shall be

granted only when the commissioner of insurance is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner of insurance may issue a license subject to restrictions or limitations, including restrictions or limitations on the type of services which may be supplied or the activities which may be engaged in. The license is for a two year period.

(b) To assure that group self-insurance plans are financially solvent, administered in a fair and capable fashion, and able to process claims and pay benefits in a prompt, fair and equitable manner, entities licensed to engage in such business are subject to supervision and examination by the commissioner of insurance.

(c) To carry out the purposes of this subdivision, the commissioner of insurance may promulgate administrative rules, including emergency rules, pursuant to sections 15.0411 to 15.052. These rules may:

(i) establish reporting requirements for administrators of group self-insurance plans;

(ii) establish standards and guidelines to assure the adequacy of the financing and administration of group self-insurance plans;

(iii) establish bonding requirements or other provisions assuring the financial integrity of entities administering group self-insurance plans;

(iv) establish standards, including but not limited to minimum terms of membership in self-insurance plans, as necessary to provide stability for those plans;

(v) establish standards or guidelines governing the formation, operation, administration and dissolution of self-insurance plans; and

(vi) establish other reasonable requirements to further the purposes of this subdivision.

Sec. 90. Minnesota Statutes 1980, Section 176.181, Subdivision 3, is amended to read:

Subd. 3. [FAILURE TO INSURE, PENALTY.] Any employer who fails to comply with the provisions of subdivision 2 to secure payment of compensation is liable to the state of Minnesota for a penalty of (\$50) \$100, if the number of uninsured employees in his employment is less than five and for a penalty of (\$200) \$400 if the number of such uninsured employees in

his employment is five or more. *If the commissioner determines that the failure to comply with the provisions of subdivision 2 was willful and deliberate, the employer shall be liable to the state of Minnesota for a penalty of \$500, if the number of uninsured employees in his employment is less than five, and for a penalty of \$2,000 if the number of his uninsured employees is five or more.* If the employer continues his noncompliance, he is liable for five times the lawful premium for compensation insurance for such employer for the period he fails to comply with such provisions, commencing ten days after notice has been served upon him by the commissioner of the department of labor and industry by certified mail. These penalties may be recovered jointly or separately in a civil action brought in the name of the state by the attorney general in any court having jurisdiction. Whenever any such failure occurs the commissioner of the department of labor and industry shall immediately certify the fact thereof to the attorney general. Upon receipt of such certification the attorney general shall forthwith commence and prosecute such action. All penalties recovered by the state in any such action shall be paid into the state treasury and credited to the special compensation fund. If an employer fails to comply with the provisions of subdivision 2, to secure payment of compensation after having been notified of his duty, the attorney general, upon request of the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY), may proceed against the employer in any court having jurisdiction for an order restraining him from having any person in his employment at any time when he is not complying with the provisions of subdivision 2.

Sec. 91. Minnesota Statutes 1980, Section 176.181, is amended by adding a subdivision to read:

Subd. 6. No employer shall be required to provide financial statements certified by an "independent certified public accountant" or "certified public accountant" as a condition of approval for group self-insurance.

Sec. 92. [176.182] [BUSINESS LICENSES OR PERMITS; COVERAGE REQUIRED.]

Every state or local licensing agency shall withhold the issuance of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

Neither the state nor any governmental subdivision thereof shall enter into any contract before receiving from all other contracting parties acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

Sec. 93. Minnesota Statutes 1980, Section 176.191, is amended to read:

176.191 [DISPUTE BETWEEN TWO OR MORE EMPLOYERS OR INSURERS REGARDING LIABILITY.]

Subdivision 1. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner (OF LABOR AND INDUSTRY), compensation judge, or workers' compensation court of appeals upon appeal (MAY) shall direct, *unless action is taken under subdivision 2*, that one or more of the employers or insurers make payment of the benefits pending a determination of liability.

When liability has been determined, the party held liable for the benefits shall be ordered to reimburse any other party for payments which the latter has made, including interest at the rate of (FIVE) 12 percent per year. The claimant (MAY) shall also be awarded a reasonable attorney fee, to be paid by the party held liable for the benefits.

An order directing payment of benefits pending a determination of liability may not be used as evidence before a compensation judge, the workers' compensation court of appeals, or court in which the dispute is pending.

Subd. 2. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner (OF LABOR AND INDUSTRY MAY) shall authorize, *unless action is taken under subdivision 1*, the special compensation fund established in section 176.131 to make payment of the benefits pending a determination of liability.

The personal injury for which the commissioner (MAY) shall order compensation from the special fund is not limited by section 176.131, subdivision 8.

When liability has been determined, the party held liable for benefits shall be ordered to reimburse the special compensation fund for payments made, including interest at the rate of 12 percent a year.

Subd. 3. If a dispute exists as to whether an employee's injury is compensable under this chapter and the employee is otherwise covered by an insurer pursuant to chapters 62A, 62C and 62D, that insurer shall pay any medical costs incurred by the employee for the injury *and shall make any disability payments otherwise payable by that insurer in the absence of or in addition to workers' compensation liability*. If the injury is

subsequently determined to be compensable pursuant to this chapter, the workers' compensation insurer shall be ordered to reimburse the insurer that made the payments for all (MEDICAL) payments made *under this subdivision* by the insurer (FOR THE INJURY), including interest at a rate of 12 percent a year.

If the employee's medical expenses for a personal injury are paid pursuant to any program administered by the commissioner of public welfare and it is subsequently determined that the injury is compensable pursuant to this chapter, the workers' compensation insurer shall reimburse the commissioner of public welfare for the medical expenses paid and attributable to the personal injury, including interest at a rate of 12 percent a year.

Sec. 94. Minnesota Statutes 1980, Section 176.221, is amended to read:

176.221 [PAYMENT OF COMPENSATION AND TREATMENT CHARGES, COMMENCEMENT.]

Subdivision 1. [(DENIAL OF LIABILITY, REQUEST FOR EXTENSION OF TIME) *COMMENCEMENT OF PAYMENT.*] (WITHIN 30 DAYS FROM THE DATE OF NOTICE TO OR KNOWLEDGE BY THE EMPLOYER OF AN INJURY COMPENSABLE UNDER THE CHAPTER, AND UNLESS WITHIN THAT 30 DAY PERIOD THE EMPLOYER OR THE INSURER FILES WITH THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY A DENIAL OF LIABILITY OR A REQUEST FOR AN EXTENSION OF TIME WITHIN WHICH TO DETERMINE LIABILITY, THE PERSON RESPONSIBLE FOR PAYMENT OF COMPENSATION, CHARGES FOR TREATMENT UNDER SECTION 176.135 OR RETRAINING EXPENSES UNDER 176.102, SUBDIVISION 9 SHALL BEGIN PAYMENT OF COMPENSATION OR CHARGES FOR TREATMENT.) *Within 14 days of notice to or knowledge by the employer of an injury compensable under this chapter the payment of compensation due pursuant to section 176.101, subdivision 1, shall commence. Commencement of payment by an employer or insurer does not waive any rights to any defense the employer may have on any claim or incident either with respect to the compensability of the claim under chapter 176 or the amount of the compensation due. Where there are multiple employers, the first employer shall pay, unless it is shown that the injury has arisen out of employment with the second or subsequent employer. When the employer determines that the disability is not a result of a personal injury, payment of compensation may be discontinued upon notice of discontinuance pursuant to section 176.241. Upon the determination, payments made may be recovered by the employer if the commissioner finds that the employee's claim of work related disability was not made in good faith.*

Subd. 2. [GRANT OF EXTENSION.] Upon application made within (THE) 30 (DAY PERIOD REFERRED TO IN SUBDIVISION 1) *days after the date on which the first payment was due*, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may grant an extension of time within which to determine liability. The extension shall not exceed 30 days.

Subd. 3. [PAYMENTS TO SPECIAL COMPENSATION FUND.] Where an employer or insurer fails to begin payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9, or to file a denial of liability, or to request an extension of time within (THE) 30 (DAY PERIOD REFERRED TO IN SUBDIVISION 1) *days after the date on which the first payment was due*, he shall pay to the special compensation fund an amount equal to the total amount of compensation to which the employee is entitled because of the injury. In addition, each day subsequent to the end of the (30 DAY) period and until a compensation payment is made to the injured employee, the person responsible for payment of compensation shall pay to the special compensation fund an amount equal to the total compensation to which *the* injured employee is entitled.

Subd. 4. [FAILURE TO MAKE PAYMENTS AFTER EXTENSION.] Where an employer or insurer has been granted an extension of time within which to determine liability and fails to begin payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 or to file a denial of liability within such extended period, he shall make the payments provided in subdivision 3.

Subd. 5. [DOUBLE PAYMENTS TO SPECIAL COMPENSATION FUND.] Where an employer or insurer has failed to make the payments required by subdivision 3 or subdivision 4 within (60) *30* days from the end of the (30 DAY) period or the extended period, the division may require him to pay to the special compensation fund, each day subsequent to the end of the period and until a compensation payment is made to the injured employee, a sum equal to double the total amount of compensation to which the employee is entitled because of the injury. In addition, the person responsible for compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 shall pay to the special compensation fund an amount equal to the total amount of compensation to which the employee is entitled.

Subd. 6. [ASSESSMENT OF PENALTIES.] The division shall assess the penalty payments provided for by subdivisions 3 to 5, *and any increase in benefit payments provided by section 176.225, subdivision 5*, against either the employer or the insurer depending upon to whom the delay is attributable in making payment of compensation, charges for treatment under section 176.-

135 or retraining expenses under 176.102, subdivision 9. The insurer is not liable for a penalty payment assessed against the employer.

Subd. 7. [INTEREST.] Any payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 not made when due shall bear interest at the rate of eight percent per annum from the due date to the date the payment is made.

Subd. 8. [METHOD AND TIMELINESS OF PAYMENT.] *Payment of compensation under this chapter shall be by immediately payable negotiable instrument, or if by any other method, arrangements shall be available to provide for the immediate payment of the negotiable instrument.*

All payment of compensation shall be made within 14 days of an appropriate order by the division, unless the order is to be appealed, or where a different time period is provided by this chapter.

Sec. 95. Minnesota Statutes 1980, Section 176.225, is amended by adding a subdivision to read:

Subd. 5. [PENALTY.] *Where the employer is guilty of inexcusable delay in making payments, the payments which are found to be delayed shall be increased by 10 percent. Withholding amounts unquestionably due because the injured employee refuses to execute a release of his right to claim further benefits will be regarded as inexcusable delay in the making of compensation payments. If any sum ordered by the department to be paid is not paid when due, and no appeal of the order is made, the sum shall bear interest at the rate of 12 percent per annum. Any penalties paid pursuant to this section shall not be considered as a loss or expense item for purposes of a petition for a rate increase made pursuant to chapter 79.*

Sec. 96. Minnesota Statutes 1980, Section 176.231, Subdivision 2, is amended to read:

Subd. 2. [INITIAL REPORT, WRITTEN REPORT.] *Where subdivision 1 requires an injury to be reported within 48 hours, the employer may make his initial report by telephone, telegraph, or personal notice, and file a written report of the injury within seven days from its occurrence or within such time as the commissioner of labor and industry designates. All written reports of injuries required by subdivision 1 shall include the date of injury, amounts of payments made, if any, and the date of the first payment. The reports shall be in quadruplicate on a form designed by the commissioner, with two copies to the commissioner and one to the insurer.*

If an insurer or self insurer repeatedly fails to pay benefits within three days of the due date, pursuant to section 176.221, the insurer or self insurer shall be ordered by the commissioner to explain, in person, the failure to pay benefits due in a reasonable time. If prompt payments are not thereafter made, the commissioner shall refer the insurer or self insurer to the commissioner of insurance for action pursuant to section 176.225, subdivision 4.

Sec. 97. Minnesota Statutes 1980, Section 176.231, Subdivision 7, is amended to read:

Subd. 7. [MEDICAL REPORTS.] If requested by the division (OR BY), a compensation judge, the workers' compensation court of appeals, or any member or employee thereof an employer, insurer, or employee shall file with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) the original or a verified copy of any medical report in his possession which bears upon the case and shall also file a verified copy of the same report with the agency or individual who made the request.

Sec. 98. Minnesota Statutes 1980, Section 176.241, Subdivision 1, is amended to read:

Subdivision 1. [NECESSITY FOR NOTICE AND SHOWING; CONTENTS.] Where an employee claims that the right to compensation continues, (OR REFUSES TO SIGN OR OBJECTS TO SIGNING A FINAL RECEIPT FOR COMPENSATION,) the employer may not discontinue payment of compensation until he provides the (DIVISION) employee with notice in writing of his intention to do so, together with a statement of facts clearly indicating the reasons for the discontinuance. *A copy of the notice shall be provided to the division by the employer.*

The notice to the employee and the copy to the division shall state the date of intended discontinuance (,) and the reason for the action (, AND THE FACT THAT THE EMPLOYEE OBJECTS TO THE DISCONTINUANCE). The notice to the employee and the copy to the division shall be accompanied by a statement of facts in support of the discontinuance of compensation payments and whatever medical reports are in the possession of the employer bearing on the physical condition of the employee at the time of the proposed discontinuance.

Sec. 99. Minnesota Statutes 1980, Section 176.241, Subdivision 2, is amended to read:

Subd. 2. [CONTINUANCE OF EMPLOYER'S LIABILITY; SUSPENSION.] Except where the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) orders otherwise, until the copy of the notice and reports have been filed with

the division, the liability of the employer to make payments of compensation continues.

When the division has received a *copy of the* notice of discontinuance, the statement of facts and available medical reports, the duty of the employer to pay compensation is suspended pending an investigation, hearing, and determination of the matter by the division as provided in the following subdivision.

Sec. 100. Minnesota Statutes 1980, Section 176.241, Subdivision 3, is amended to read:

Subd. 3. [COPY OF NOTICE TO EMPLOYEE, INVESTIGATION, HEARING.] (WHEN THE DIVISION HAS RECEIVED A NOTICE OF DISCONTINUANCE, IT SHALL IMMEDIATELY SEND THE EMPLOYEE A COPY OF THE NOTICE AND SUPPORTING DOCUMENTS WHICH HAVE BEEN SUBMITTED IN CONJUNCTION WITH THE NOTICE.) *When the employer has reason to believe compensation may be terminated within the requirements of this chapter, notice shall be given to the employee informing the employee of his right to object to the discontinuance and providing instructions as to how to contact the employer or insurer regarding the discontinuance and the procedures related to initiation of a claim.* The commissioner (OF LABOR AND INDUSTRY) shall make an investigation to determine whether the right to compensation has terminated. If it appears from the investigation that the right to compensation may not have terminated, the commissioner (OF LABOR AND INDUSTRY) shall (SCHEDULE) *refer the matter to the chief hearing examiner in order that a hearing before a compensation judge may be scheduled, to determine the right of the employee, or his dependent, to further compensation.*

The hearing shall be held within a reasonable time after the division has received the notice of discontinuance. The (COMMISSIONER OF LABOR AND INDUSTRY) *compensation judge* shall give eight days notice of the hearing to interested parties.

Sec. 101. [176.262] [APPOINTMENT OF COMPENSATION JUDGES; LIMITATION.]

No attorney acting pursuant to section 176.261 shall be hired or appointed as a compensation judge for a period of two years following termination of service with the division.

Sec. 102. Minnesota Statutes 1980, Section 176.291, is amended to read:

176.291 [DISPUTES AND DEFAULTS; PROCEDURE.]

Where there is a dispute as to a question of law or fact in connection with a claim for compensation, or where there has been a default in the payment of compensation for a period of ten days, a party may present a verified petition to the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) stating the matter in dispute or the fact of default.

The petition shall also state:

- (1) names and residence of parties;
- (2) facts relating to the employment at the time of injury, including amount of wages received;
- (3) extent and character of injury;
- (4) notice to or knowledge by employer of injury;
- (5) facts which the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY AND WORKERS' COMPENSATION COURT OF APPEALS) by rule requires; and,
- (6) such other facts as are necessary for the information of the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY AND), *a compensation judge or the workers' compensation court of appeals.*

Sec. 103. Minnesota Statutes 1980, Section 176.301, Subdivision 1, is amended to read:

Subdivision 1. [TRIAL BY COURT; REFERENCE TO COMMISSIONER (OF THE DEPARTMENT OF LABOR AND INDUSTRY).] When issue has been joined in the district court action, the court may try the action itself without a jury, or refer the matter to the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY TO BE ASSIGNED FOR HEARING). In the latter case, *the commissioner shall refer the matter to the chief hearing examiner for assignment to a compensation judge (OR THE WORKERS' COMPENSATION COURT OF APPEALS UPON APPEAL SHALL HEAR THE CASE IN THE MANNER IN WHICH IT HEARS CASES ORIGINALLY).* The (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY SHALL REPORT THE FINDINGS AND DECISION OF THE) compensation judge (, OR THE WORKERS' COMPENSATION COURT OF APPEALS) *shall report his findings and decisions* to the district court. The court may approve or disapprove such decision in the same manner as it approves or disapproves the report of a referee. The court shall enter judgment upon such decision.

Sec. 104. Minnesota Statutes 1980, Section 176.305, is amended to read:

176.305 [PETITIONS FILED WITH THE WORKERS' COMPENSATION DIVISION.]

Subdivision 1. [HEARINGS ON PETITIONS.] When any petition has been filed with the workers' compensation division, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall, pursuant to his general rules (OR THOSE OF THE WORKERS' COMPENSATION COURT OF APPEALS) or special order, (DIRECT THAT) refer the matter presented by the petition to the *chief hearing examiner* to be heard by a compensation judge (OR PRESENTED TO THE WORKERS' COMPENSATION COURT OF APPEALS IF IT IS A MATTER WITHIN ITS JURISDICTION. THE DIVISION SHALL HEAR PETITIONS TO COMMUTE FURTHER COMPENSATION).

Subd. 2. [SERVICE OF COPY OF PETITION.] Within ten days after a petition has been filed, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall serve upon each adverse party a copy of the petition and a notice stating (WHETHER) *that* the hearing will be held before a compensation judge (OR THAT THE PETITION HAS BEEN REFERRED TO THE WORKERS' COMPENSATION COURT OF APPEALS). The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall deliver the original petition and copies of the notice which have been served (,) to the *office of administrative hearings for assignment* to a compensation judge (OR THE WORKERS' COMPENSATION COURT OF APPEALS DEPENDING UPON WHO WILL HEAR THE MATTER).

Subd. 3. [TESTIMONY.] (UNLESS THE WORKERS' COMPENSATION COURT OF APPEALS ORDERS DIFFERENTLY, TESTIMONY TAKEN BEFORE A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR COMPENSATION JUDGE IS CONSIDERED AS THOUGH TAKEN BEFORE THE WORKERS' COMPENSATION COURT OF APPEALS.) Where the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* has substituted a compensation judge originally assigned to hear a matter, the testimony taken before the substitute compensation judge shall be considered as though taken before the judge before whom it was originally assigned.

Sec. 105. Minnesota Statutes 1980, Section 176.311, is amended to read:

176.311 [REASSIGNMENT OF PETITION FOR HEARING.]

Where a petition is heard before a compensation judge, at any time before an award or order has been made in such proceeding, the (COMMISSIONER OF THE DEPARTMENT

OF LABOR AND INDUSTRY) *chief hearing examiner* may reassign the petition for hearing before another compensation judge.

Sec. 106. Minnesota Statutes 1980, Section 176.331, is amended to read:

176.331 [AWARD BY DEFAULT.]

Where an adverse party has failed to file and serve an answer, if the petitioner presents proof of such fact, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY OR) compensation judge shall enter whatever award or order to which petitioner is entitled on the basis of the facts alleged in the petition, but the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY OR) compensation judge may require proof of (ANY) *an* alleged fact. If the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) requires such proof, he shall *request the chief hearing examiner* to assign the matter to a compensation judge to summarily hear and determine the same and to promptly make an award or order.

Where in such a default case the petition does not state facts sufficient to support an award, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY OR) compensation judge shall give the petitioner or his attorney written notice of (SUCH FACT) *this deficiency*. The petitioner may thereupon file another petition as in the case of an original petition.

Sec. 107. Minnesota Statutes 1980, Section 176.341, Subdivision 1, is amended to read:

Subdivision 1. [TIME.] When the reply has been filed or the time has expired in which to file a reply (,) the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* shall fix a time and place for hearing the petition. The hearing shall be held (NOT LESS THAN TEN DAYS FROM THE TIME THE REPLY IS FILED OR THE EXPIRATION OF THE TIME IN WHICH THE REPLY COULD HAVE BEEN FILED OR AS SOON THEREAFTER AS THE PARTIES CAN BE HEARD) *as soon as practicable and at a time and place determined by the chief hearing examiner to be the most convenient for the parties, keeping in mind the intent of chapter 176 as expressed in section 83 and the requirements of section 118.*

Sec. 108. Minnesota Statutes 1980, Section 176.351, is amended to read:

176.351 [TESTIMONIAL POWERS.]

Subdivision 1. [OATHS.] The compensation judge to whom a petition has been assigned for hearing shall administer an oath to each witness. (THE WORKERS' COMPENSATION COURT OF APPEALS SHALL ALSO ADMINISTER AN OATH TO EACH WITNESS APPEARING BEFORE IT.) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may also administer an oath when required in the performance of his duties.

Subd. 2. [SUBPOENAS.] Upon his (OR ITS) own initiative, or upon written request of an interested party, (THE WORKERS' COMPENSATION COURT OF APPEALS, OR) the commissioner or compensation judge before whom a hearing is held may issue a subpoena for the attendance of a witness or the production of such books, papers, records and documents as are material in the cause and are designated in the subpoena. The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may also issue a subpoena for the attendance of a witness or the production of such books, papers, records, and documents as are material in the cause pending and are designated in the subpoena.

Subd. 3. [ADVANCEMENT OF FEES AND COSTS.] The person who applies for issuance of a subpoena shall advance the required service and witness fees. The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall pay for the attendance of witnesses who are subpoenaed by him (, OR THE WORKERS' COMPENSATION COURT OF APPEALS, OR A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR). *The chief hearing examiner shall pay for the attendance of witnesses who are subpoenaed by a compensation judge.* The fees are the same as the service and witness fees in civil actions in district court.

Subd. 4. [PROCEEDINGS AS FOR CONTEMPT OF COURT.] Where a person does not comply with an order or subpoena, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY, THE WORKERS' COMPENSATION COURT OF APPEALS,) or the commissioner or compensation judge concerned, may apply to the district court in the county in which the petition is pending for issuance of an order compelling obedience. Upon such an application, the district court shall compel obedience to the order or subpoena by attachment proceedings as for contempt in the case of disobedience of a similar order or subpoena issued by the district court.

Sec. 109. Minnesota Statutes 1980, Section 176.371, is amended to read:

176.371 [AWARD OR DISALLOWANCE OF COMPENSATION.]

The (WORKERS' COMPENSATION COURT OF APPEALS, OR A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge to whom a petition has been assigned for hearing, shall hear all competent evidence produced at the hearing, and, as soon after the hearing as possible, make (SUCH) findings of fact, conclusions of law, and award or disallowance of compensation or other order as the pleadings, evidence, (AND) this chapter *and rule* require.

Sec. 110. Minnesota Statutes 1980, Section 176.381, is amended to read:

176.381 [REFERENCE OF QUESTIONS OF FACT.]

Subdivision 1. [HEARING BEFORE WORKERS' COMPENSATION COURT OF APPEALS.] In the hearing of any matter before the workers' compensation court of appeals, the *chief judge of the workers' compensation court of appeals* may refer any question of fact to (A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) *the chief hearing examiner for assignment to a compensation judge* either to hear evidence and report it to the workers' compensation court of appeals or to hear evidence and make findings of fact and report them to the workers' compensation court of appeals. The workers' compensation court of appeals shall notify the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) of any matter referred to (A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) a compensation judge under this subdivision.

Subd. 2. [HEARING BEFORE COMPENSATION JUDGE.] In the hearing of any petition before a compensation judge, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* may refer any question of fact to another compensation judge to hear evidence and report it to the original compensation judge.

Sec. 111. Minnesota Statutes 1980, Section 176.391, is amended to read:

176.391 [INVESTIGATIONS.]

Subdivision 1. [POWER TO MAKE.] Before, during, or after any hearing, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY,) *or a compensation judge* (, OR WORKERS' COMPENSATION COURT OF APPEALS, IF THE MATTER IS BEFORE IT,) may make an independent investigation of the facts alleged in the petition or answer.

Subd. 2. [APPOINTMENT OF PHYSICIANS, SURGEONS, AND OTHER EXPERTS.] The (WORKERS' COMPENSATION COURT OF APPEALS, OR A JUDGE OF THE WORK-

ERS' COMPENSATION COURT OF APPEALS OR) compensation judge assigned to a matter, or the commissioner (OF LABOR AND INDUSTRY), may appoint one or more neutral physicians or surgeons from the list established by the commissioner to examine the injury of the employee and report thereon *except as provided otherwise pursuant to section 70*. Where necessary to determine the facts, the services of other experts may also be employed.

Subd. 3. [REPORTS.] The report of a physician, surgeon, or other expert shall be filed with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) *and the compensation judge assigned to the matter if any*. The report shall be made a part of the record of the case and be open to inspection as such.

Subd. 4. [COMPENSATION.] The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY,) *or compensation judge (, OR WORKERS' COMPENSATION COURT OF APPEALS, AS THE CASE MAY BE,)* shall fix the compensation of a physician, surgeon, or other expert whose services are employed under this chapter. This compensation shall be paid initially out of the funds appropriated for the maintenance of the workers' compensation division, but shall be taxed as costs to either party, or both, or otherwise, as the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY,) *or compensation judge (, OR THE WORKERS' COMPENSATION COURT OF APPEALS)* directs.

Where a sum which has been taxed to a party has not been paid, it may be collected in the same manner as are costs generally.

Sec. 112. Minnesota Statutes 1980, Section 176.401, is amended to read:

176.401 [HEARINGS PUBLIC.]

All hearings before (THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR) *a compensation judge* are public.

Sec. 113. Minnesota Statutes 1980, Section 176.411, Subdivision 1, is amended to read:

Subdivision 1. [CONDUCT OF HEARINGS AND INVESTIGATIONS.] Except as otherwise provided by this chapter, when (THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) *a compensation judge* makes an investigation or conducts a hearing, (IT OR HE) *the compensation judge* is bound neither by the common law or statutory rules of evidence nor by technical or formula rules of pleading or procedure. The investigation or hearing shall be conducted in a manner to ascertain the substantial rights of the parties.

Findings of fact shall be based upon competent evidence only and shall comport with section 176.021.

Sec. 114. Minnesota Statutes 1980, Section 176.411, Subdivision 2, is amended to read:

Subd. 2. [DEPOSITIONS.] Except where (THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR) a compensation judge orders otherwise, depositions may be taken in the manner which the law provides for depositions in civil actions in district court.

Sec. 115. Minnesota Statutes 1980, Section 176.421, Subdivision 1, is amended to read:

Subdivision 1. [TIME FOR TAKING; GROUNDS.] When a petition has been heard before a (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge, within 30 days after a party in interest has been served with notice of an award or disallowance of compensation, or other order affecting the merits of the case, he may appeal to the workers' compensation court of appeals on any of the following grounds:

- (1) The order does not conform with this chapter; or
- (2) The (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge committed an error of law; or
- (3) The findings of fact and order were unwarranted by the evidence; or
- (4) The findings of fact and order were procured by fraud, or coercion, or other improper conduct of a party in interest.

Sec. 116. Minnesota Statutes 1980, Section 176.421, Subdivision 4, is amended to read:

Subd. 4. [SERVICE AND FILING OF NOTICE; COST OF TRANSCRIPT.] Within the 30 day period for taking an appeal, the appellant shall:

- (1) Serve a copy of the notice of appeal on each adverse party;
- (2) File the original notice, with proof of service by admission or affidavit, with the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner*;

(3) In order to defray the cost of the transcript of the proceedings appealed from, pay to the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* the sum of \$10 or so much of that sum as is necessary to present the question raised on the appeal.

The appellant is liable for the cost of the transcript in excess of \$10, but is entitled to a refund of any part of that sum not used to pay the cost of the transcript.

Upon a showing of cause, the (COMMISSIONER) *chief hearing examiner* (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may direct that a transcript be prepared without expense to the appellant, *in which case the cost of the transcript shall be paid by the office of administrative hearings.*

Sec. 117. Minnesota Statutes 1980, Section 176.421, Subdivision 5, is amended to read:

Subd. 5. [TRANSCRIPT.] When the notice of appeal has been filed with the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* and the transcription fee has been paid, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* shall immediately prepare a typewritten transcript of the proceedings. The official reporter or *other person designated by the chief hearing examiner* who transcribes the proceedings shall certify to their correctness.

Sec. 118. Minnesota Statutes 1980, Section 176.421, Subdivision 6, is amended to read:

Subd. 6. [POWERS OF WORKERS' COMPENSATION COURT OF APPEALS ON APPEAL.] On an appeal taken under this section, the workers' compensation court of appeals may:

(1) disregard the findings of fact which the (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge has made;

(2) examine the (TESTIMONY AND HEAR OTHER EVIDENCE) *record*;

(3) substitute for the findings of fact made by the (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge, *when those findings are clearly erroneous*, such findings as the total evidence requires; and,

(4) make (SUCH) *and* award or disallowance of compensation or other order as the facts and findings require.

Sec. 119. Minnesota Statutes 1980, Section 176.421, Subdivision 7, is amended to read:

Subd. 7. [RECORD OF PROCEEDINGS.] At the division's own expense, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall make a complete record of all proceedings before himself (, THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR COMPENSATION JUDGE). The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall provide a stenographer to make a record of the proceedings *before him*.

The (STENOGRAPHER) *commissioner* shall furnish a transcript of these proceedings to any person who requests it and who pays a reasonable charge (, THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *and* shall fix the amount of this charge.

Sec. 120. Minnesota Statutes 1980, Section 176.431, Subdivision 1, is amended to read:

Subdivision 1. [HEARING.] Where an appeal has been taken to the workers' compensation court of appeals under this chapter on the ground that the compensation judge has made an error of law, the workers' compensation court of appeals shall grant a hearing *with an opportunity for oral argument*. The (COMMISSIONER) *chief hearing examiner* (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall notify the workers' compensation court of appeals promptly of the taking of any appeal.

The workers' compensation court of appeals shall fix a time and place for the hearing (,) and (NOTIFY THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY WHO) shall give each party in interest at least five days written notice.

Sec. 121. Minnesota Statutes 1980, Section 176.441, Subdivision 1, is amended to read:

Subdivision 1. [DISPOSITION BY WORKERS' COMPENSATION COURT OF APPEALS.] Where an appeal has been taken to the workers' compensation court of appeals under this chapter, on either the ground that the findings or order or both were unwarranted by the evidence, or were procured by fraud, coercion, or other improper conduct of a party, the workers' compensation court of appeals may:

(1) grant a hearing (DE NOVO) *on the record*; or,

((2) ASSIGN) *remand* the petition for a *de novo* hearing or a rehearing (,) *and* notify the (COMMISSIONER OF THE

DEPARTMENT OF LABOR AND INDUSTRY, WHO SHALL SET) *chief hearing examiner, who shall assign the de novo hearing or the rehearing before a compensation judge; or,*

((3)) (2) sustain, reverse, or modify the order appealed from.

Sec. 122. Minnesota Statutes 1980, Section 176.461, is amended to read:

176.461 [SETTING ASIDE AWARD.]

Except where a writ of certiorari has been issued by the supreme court and the matter is still pending in that court or where as a matter of law the determination of the supreme court cannot be subsequently modified, the workers' compensation court of appeals, for cause, at any time after an award, upon application of either party and not less than five days after written notice to all interested parties, may set the award aside and grant a new hearing (BEFORE ITSELF OR) and refer the matter for a determination on its merits to *the chief hearing examiner for assignment* to a compensation judge, who shall make such findings of fact, conclusions of law, and award or disallowance of compensation or other order as the pleadings and the evidence produced and the provisions of this chapter shall require.

Sec. 123. Minnesota Statutes 1980, Section 176.471, Subdivision 3, is amended to read:

Subd. 3. [SERVICE OF WRIT AND BOND; FILING FEE.] To effect a review upon certiorari, the party shall serve a writ of certiorari and a bond upon the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals* within the 30 day period referred to in subdivision 1. The party shall also at this time pay to the (SECRETARY OF THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator* the fee prescribed by rule 103.01 of the rules of civil appellate procedure which shall be disposed of in the manner provided by that rule.

Sec. 124. Minnesota Statutes 1980, Section 176.471, Subdivision 5, is amended to read:

Subd. 5. [BOND.] The bond required by subdivision 3 shall be executed in such amount and with such sureties as the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *workers' compensation court of appeals* directs and approves. The bond shall be conditioned to pay the cost of the review.

Sec. 125. Minnesota Statutes 1980, Section 176.471, Subdivision 6, is amended to read:

Subd. 6. [TRANSMITTAL OF FEE AND RETURN.] When the writ of certiorari has been served upon the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals*, the bond has been filed, and the filing fee has been paid, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator* shall immediately transmit to the clerk of the supreme court that filing fee and the return to the writ of certiorari and bond.

Sec. 126. Minnesota Statutes 1980, Section 176.471, Subdivision 8, is amended to read:

Subd. 8. [RETURN OF PROCEEDINGS TRANSMITTED TO COURT.] Within 30 days after the writ of certiorari, bond, and filing fee have been filed with the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals*, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator* shall transmit to the clerk of the supreme court a true and complete return of the proceedings of the workers' compensation court of appeals under review, or such part of those proceedings as is necessary to allow the supreme court to review properly the questions presented.

The (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *workers' compensation court of appeals* shall certify the return of the proceedings under (HIS) *its* seal. The petitioner or relator shall pay to the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals* the reasonable expense of preparing the return.

Sec. 127. Minnesota Statutes 1980, Section 176.491, is amended to read:

176.491 [STAY OF PROCEEDINGS PENDING DISPOSITION OF CASE.]

Where a writ of certiorari has been perfected under this chapter, it stays all proceedings for the enforcement of the order being reviewed until the case has been finally disposed of either in the supreme court or, where the cause has been remanded (TO THE WORKERS' COMPENSATION DIVISION) for a new hearing *before a compensation judge* or further proceedings (.) before the workers' compensation court of appeals (OR COMPENSATION JUDGE).

Sec. 128. Minnesota Statutes 1980, Section 176.511, Subdivision 1, is amended to read:

Subdivision 1. [PARTIES NOT AWARDED COSTS.] Except as provided otherwise by this chapter and specifically by this section, in (HEARINGS) *appeals* before the workers' compensation court of appeals (, OR A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS,) or *hearings before a compensation judge*, costs shall not be awarded to either party.

Sec. 129. Minnesota Statutes 1980, Section 176.521, Subdivision 1, is amended to read:

Subdivision 1. [VALIDITY.] An agreement between an employee or his dependent and the employer or insurer to settle any claim, which is not upon appeal before the workers' compensation court of appeals, for compensation under this chapter is valid where it has been executed in writing and signed by the parties, and intervenors in the matter, and the division or a *compensation judge* has approved the settlement and made an award thereon. If the matter is upon appeal before the workers' compensation court of appeals or *district court*, the workers' compensation court of appeals or *district court* is the approving body.

Sec. 130. Minnesota Statutes 1980, Section 176.521, Subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] Settlements shall be approved only where the terms conform with this chapter.

The division, a *compensation judge*, and the workers' compensation court of appeals shall exercise discretion in approving or disapproving a proposed settlement.

The parties to the agreement of settlement have the burden of proving that the settlement is reasonable, fair, and in conformity with this chapter. A settlement agreement where both the employee or his dependent and the employer or insurer and intervenors in the matter are represented by an attorney shall be presumed to be reasonable, fair, and in conformity with this chapter.

Sec. 131. Minnesota Statutes 1980, Section 176.531, Subdivision 3, is amended to read:

Subd. 3. [PROMPT PAYMENT.] *It is the intent of this section (SHALL BE LIBERALLY CONSTRUED TO INSURE THE) that there be prompt payment of compensation.*

Sec. 132. Minnesota Statutes 1980, Section 176.645, is amended to read:

176.645 [ADJUSTMENT OF BENEFITS.]

Subdivision 1. [AMOUNT.] For injuries occurring after October 1, 1975 for which benefits are payable under section 176.101, subdivisions 1, 2 and 4, and section 176.111, subdivision 5, the (AMOUNT) *total benefits* due the employee or any dependents shall be adjusted in accordance with this section. On October 1, (1976) 1981, and (EACH OCTOBER 1) thereafter on the anniversary of the date of the employee's injury the (AMOUNT) *total benefits* due shall be adjusted by multiplying the (AMOUNT) *total benefits* due prior to each adjustment by a fraction, the denominator of which is the statewide average weekly wage for December 31, (21 MONTHS PRIOR) of the year two years previous to the adjustment and the numerator of which is the statewide average weekly wage for December 31, (NINE MONTHS PRIOR) of the year previous to the adjustment. For injuries occurring after October 1, 1975, all adjustments provided for in this section shall be included in computing any benefit due under this section. Any limitations of amounts due for daily or weekly compensation under this chapter shall not apply to adjustments made under this section. No adjustment increase made on October 1, 1977 or thereafter under this section shall exceed six percent a year. In those instances where the adjustment under the formula of this section would exceed this maximum the increase shall be deemed to be six percent.

Subd. 2. [TIME OF FIRST ADJUSTMENT.] For injuries occurring on or after October 1, 1981, the initial adjustment made pursuant to subdivision 1 shall be deferred until 52 weeks of compensation has been received.

Sec. 133. Minnesota Statutes 1980, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of employee relations shall meet and negotiate with the exclusive representative of each of the units specified in section 179.741, subdivision 1, in the manner prescribed by sections 179.61 to 179.76. The appropriate units provided for in section 179.741 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 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 examiner and compensation judge positions in the office of administrative hearings, and the positions of all confidential employees shall be excluded from any appropriate unit. The governor may upon the unanimous written request of

exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more 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. 134. [TRANSITION AND VALIDATION; WORKERS' COMPENSATION COURT OF APPEALS.]

Subdivision 1. [PURPOSE.] It is the purpose and intent of the legislature to constitute the workers' compensation court of appeals as an independent agency of the state and this act is not intended to affect any substantive rights beyond the extent necessary to accomplish said purpose. Any rules, decisions or other actions under chapter 175 and chapter 176 prior to the effective date of this section shall continue in full force and effect unless this act expressly provides otherwise. Matters currently before the workers' compensation court of appeals shall not be affected by the provisions of this act.

Subd. 2. [PERSONNEL.] All personnel appointed by the commissioner of labor and industry to perform full time duties for the workers' compensation court of appeals are transferred to the workers' compensation court of appeals. The transfer shall not affect any other term or condition of the transferred employee's employment.

Sec. 135. [TRANSITION; COMPENSATION JUDGES.]

Subdivision 1. [PURPOSE.] It is the purpose and intent of this act to transfer the compensation judges, except for the settlement judge or judges and their support staff, but including other hearing reporters, and other judicial support staff in the workers' compensation division of the department of labor and industry, to the office of administrative hearings as a separate unit in order to provide for a completely objective hearing process with regard to workers' compensation matters. The offices of the transferred compensation judges shall be physically located in a building separate from the offices of the department of labor and industry.

Notwithstanding the provisions of any law to the contrary, the provisions of this act shall not be construed to require that hearings in workers' compensation matters be subject to the contested case procedures of sections 15.041 to 15.052. Any provision of chapter 176 which would conflict with the provisions of this act with regard to the hearing procedures to be followed in workers' compensation matters are subordinate to the provisions of this act.

Subd. 2. [PERSONNEL, EQUIPMENT.] All personnel appointed by the commissioner to perform full time duties as compensation judges, hearing reporters or in support of the

functions of the compensation judges, except for the settlement judge or judges, their hearing reporters and support staff, are transferred to the office of administrative hearings. No employee transferred pursuant to this section shall suffer a diminution of total compensation by reason of such transfer.

All equipment and supplies used solely by the transferred personnel in the performance of their duties are transferred to the office of administrative hearings.

Subd. 3. [CHIEF HEARING EXAMINER.] The chief hearing examiner shall schedule workers' compensation hearings on as regular a schedule as may be practicable in no fewer than six widely separated locations throughout the state, including at least four locations outside of the seven county metropolitan area and Duluth, for the purpose of providing a convenient forum for parties to a compensation hearing and shall maintain a permanent office in Duluth staffed by at least one compensation judge.

Subd. 4. [DISTRICT ADMINISTRATORS; CLERKS OF COURT.] The judicial district administrators or the clerks of court of the county or district courts nearest to the locations selected by the chief hearing examiner pursuant to subdivision 3 shall provide suitable hearing rooms at the times and places agreed upon for the purpose of conducting workers' compensation hearings.

Subd. 5. [COOPERATION.] Beginning on the effective date of this act, the commissioner, the commissioner of administration and the chief hearing examiner shall cooperate in assuring a smooth transfer of the compensation judges and related personnel and equipment and supplies as provided in this act.

Subd. 6. [EFFECTIVE DATE.] The transfers required under this section are effective on July 1, 1981. The physical relocation of the offices of the compensation judges shall be accomplished by no later than January 1, 1982.

Sec. 136. [RATE REDUCTION.]

Subdivision 1. [AMOUNT.] Within 15 days following the date of final enactment the commissioner of insurance shall order that an informational hearing be held for the purpose of making a final determination as to the impact of the provisions of this act on the schedule of rates which will be in effect on October 1, 1981. The hearing shall not be subject to the provisions of the administrative procedure act or section 79.076. The commissioner shall then issue an order, pursuant to the authority granted in section 12, reducing the schedule of rates and making other necessary changes to that schedule to reflect the actual savings

which will result from this act. The reduction shall be equal to or greater than the sum of the following factors:

(a) a reduction of 20 percent as a reflection of the impact of section 13;

(b) a reduction of eight percent as a reflection of the impact of changes provided by this act in the benefits payable pursuant to chapter 176; and

(c) a reduction of two percent as a reflection of the impact of the changes in administration and operation of Minnesota workers' compensation system required by this act.

Subd. 2. [EXCEPTION.] The commissioner may reduce any of the changes in the schedule of rates required in subdivision 1 if he finds that a previous rate order issued pursuant to section 79.071 has already incorporated the required reductions.

Sec. 137. [OTHER REDUCTIONS.]

The commissioner shall further order, pursuant to authority granted in section 12, that the schedule of rates shall be reduced by an additional two percent on each of four dates, October 1, 1982, October 1, 1983, October 1, 1984, and October 1, 1985, as a reflection of the savings in the administration and operations of the Minnesota workers' compensation system required by this act. These reductions may be altered if the commissioner finds that the savings are greater or less than contemplated by this subdivision.

Sec. 138. [SEVERABILITY.]

If any provision of this act is found to be unconstitutional and void, the remaining provisions of the act shall remain valid, unless the court finds the valid provisions of the act are so essentially and inseparably connected with, and so dependent upon, the void provisions that the court cannot presume the legislature would have enacted the remaining valid provisions without the void one; or unless the court finds the remaining valid provisions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Sec. 139. [APPROPRIATIONS.]

Subdivision 1. The sum of \$150,000 is appropriated from the general fund to the legislative coordinating commission for the purpose of conducting, in cooperation with the commissioner of insurance, a thorough study of the flow of all premium dollars paid to workers' compensation insurers in the state of Minnesota, including a closed compensation claim survey and an examination

of insurer reserving practices. A report shall be made to the legislature by January 15, 1982.

Subd. 2. There is appropriated to the workers' compensation court of appeals for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

| 1982 | 1983 |
|----------|----------|
| \$55,970 | \$55,970 |

Additional approved complement 1

Subd. 3. There is appropriated from the general fund to the commissioner of labor and industry for the fiscal year indicated for the purpose of hiring six additional support personnel and ancillary expenses needed in conjunction with the departmental improvements provided in section 77; and for the purposes of hiring two additional support personnel and ancillary expenses needed in conjunction with the departmental improvements provided under section 19.

| 1982 | 1983 |
|-----------|-----------|
| \$350,800 | \$264,670 |

Additional approved complement—8

Subd. 4. The sum of \$5,000 is appropriated to the workers' compensation court of appeals for the purpose of conducting the study provided for in section 70, subdivision 7.

Subd. 5. Any appropriation to the department of labor and industry for the purposes of any of its functions, powers, or duties which are transferred by this act to the workers' compensation court of appeals or the office of administrative hearings is hereby transferred to the workers' compensation court of appeals or the office of administrative hearings, allocated to each agency or department in appropriate amounts as determined by the commissioner of finance. When the functions, powers and duties that are affected by this act are the responsibility of the department of labor and industry and another department or agency, the commissioner of finance shall allocate any appropriation to the department or agency between the department of labor and industry and the other departments or agencies affected, as may be appropriate.

Sec. 140. [REPEALER.]

Minnesota Statutes 1980, Sections 79.071, Subdivision 1; 79.074, Subdivision 1; 79.075; 79.076; 79.08; 79.09; 79.11; 79.12; 79.13; 79.14; 79.15; 79.16; 79.17; 79.171; 79.18; 79.19; 79.20;

79.21; 79.211; 79.22, Subdivision 1; 79.221; 79.23; 79.24; 79.25; 79.26; 79.27; 79.28; 79.29; 79.30; 79.31; 79.32; and 79.33 are repealed effective July 1, 1983. Minnesota Statutes 1980, sections 79.071, Subdivisions 2, 3, 4, 5, 6, and 7; 79.072; and 79.073 are repealed effective January 1, 1986. Minnesota Statutes 1980, Sections 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2, are repealed.

Sec. 141. [EFFECTIVE DATE.]

Sections 12, 18, 19, 20, 32, 33, 34, 35, 51, and 52 are effective the day following final enactment. Sections 1 to 8, 10, 11, 13, 36 to 50, 53 to 93 and 97 to 140 are effective July 1, 1981. Sections 94 to 96 are effective October 1, 1981. Sections 9 and 14 to 17 are effective January 1, 1982. Sections 21 to 31 are effective July 1, 1983."

Delete the title and insert:

"A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; providing for transition to competitive workers' compensation insurance rates; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; defining employee in certain situations; requiring claimants' attorneys to provide their clients with written information

regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a pilot medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; delaying first benefit adjustment under chapter 176; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; changing procedures; creating and abolishing duties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4 and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1 and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.101, by adding a subdivision; 175.11, Subdivision 1; 175.14; 175.17; 176.011, Subdivisions 6 and 9; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072;

79.073; 79.074, Subdivision 1; 79.075; 79.076; 79.08; 79.09; 79.11; 79.12; 79.13; 79.14; 79.15; 79.16; 79.17; 79.171; 79.18; 79.19; 79.20; 79.21; 79.211; 79.22, Subdivision 1; 79.221; 79.23; 79.24; 79.25; 79.26; 79.27; 79.28; 79.29; 79.30; 79.31; 79.32; and 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.411, Subdivision 2.”

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1189, 1376 and 1429 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 876, 694, 470 and 359 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Gustafson introduced:

H. F. No. 1470, A bill for an act relating to landlords and tenants; allowing tenants to cancel tenancy agreements under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 504.

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

Ogren, Luknic, Vanasek, Redalen and Anderson, G., introduced:

H. F. No. 1471, A bill for an act relating to taxation; limiting the school agricultural credit; increasing the homestead relief on agricultural lands; amending Minnesota Statutes 1980, Sections 124.213; and 273.13, Subdivisions 6 and 6a.

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

CALENDAR

S. F. No. 665 was reported to the House and given its third reading.

UNANIMOUS CONSENT

Swanson requested unanimous consent to offer amendments. The request was granted.

Swanson moved to amend S. F. No. 665, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [62A.30] [MEDICARE SUPPLEMENT BENEFITS; MINIMUM STANDARDS.]

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract or other evidence of accident and health insurance issued or delivered in this state shall be sold or issued to an individual age 65 or older covered by medicare unless the following requirements are met:

(a) The policy must provide a minimum of the coverage set out in subdivision 2;

(b) The policy must cover pre-existing conditions during the first six months of coverage if the insured was not diagnosed or treated for a particular condition during the 90 days immediately preceding the effective date of coverage;

(c) The policy must contain a provision that the plan will not be canceled or nonrenewed on the grounds of the deterioration of health of the insured; and

(d) An outline of coverage as provided in section 6 must be delivered at the time of application.

The requirements of sections 1 to 12 shall not apply to group policies of accident and health insurance issued to any of the following groups:

(1) A policy issued to an employer, or employers, or to the trustee of a fund established by an employer where only employees or retirees of the employer are eligible for coverage.

(2) A policy issued to a labor union, or similar employee organization.

(3) A policy issued to an association or to a trust or to the trustee or trustees of a fund established, created, or maintained for the benefit of members of one or more associations. The association or associations shall have at the outset a minimum of 100 persons; shall have been organized and maintained in good faith for purposes other than that of obtaining insur-

ance; shall have a constitution and by-laws which provides that (i) the association or associations hold regular meetings not less than annually to further purposes of the members, (ii) except for credit unions, the association or associations collect dues or solicit contributions from members, and (iii) the members have voting privileges and representation on the governing board and committees.

Subd. 2. [GENERAL COVERAGE.] For a policy to meet the requirements of this section it must contain a designation specifying whether the policy is a medicare supplement 1+, 1, 2, or 3, a caption stating that the commissioner has established four categories of medicare supplement insurance and minimum standards for each, with medicare supplement 1+ being the most comprehensive and medicare supplement 3 being the least comprehensive, and minimum coverage prescribed for each category in sections 2 to 5.

Sec. 2. [62A.31] [MEDICARE SUPPLEMENT 1+; COVERAGE.]

Medicare supplement 1+ must have a level of coverage so that it will be certified as a qualified plan pursuant to Minnesota Statutes, Chapter 62E, and will provide:

(a) Coverage of Part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare to at least 50 percent of the deductible and co-payment required under Medicare for the first 60 days of any Medicare benefit period;

(b) Coverage of Part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare from the 61st day through the 90th day in any Medicare benefit period;

(c) Coverage of Part A Medicare eligible expenses incurred as daily hospital charges during use of Medicare's lifetime hospital inpatient reserve days;

(d) Upon exhaustion of all Medicare hospital inpatient coverage including the lifetime reserve days, coverage of 90 percent of all Medicare Part A eligible expenses for hospitalization not covered by Medicare subject to a lifetime maximum benefit of an additional 365 days;

(e) Coverage of 20 percent of the amount of Medicare eligible expenses under Part B regardless of hospital confinement, subject to at least 50 percent of the Medicare calendar year Part B deductible;

(f) 80 percent of charges for covered services described in Minnesota Statutes, Section 62E.06, Subdivision 1, which charges are not paid by Medicare; and

(g) Shall include a limitation of \$1,000 per person on total annual out-of-pocket expenses for the covered services. The coverage must be subject to a maximum lifetime benefit of not less than \$100,000.

Sec. 3. [62A.32] [MEDICARE SUPPLEMENT 1; COVERAGE.]

Medicare Supplement 1 must have a level of coverage that, at a minimum, will provide:

(a) Coverage of Part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare to at least 50 percent of the deductible and co-payment required under Medicare for the first 60 days of any Medicare benefit period;

(b) Coverage of Part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare from the 61st day through the 90th day in any Medicare benefit period;

(c) Coverage of Part A Medicare eligible expenses incurred as daily hospital charges during use of Medicare's lifetime hospital inpatient reserve days;

(d) Upon exhaustion of all Medicare hospital inpatient coverage including the lifetime reserve days, coverage of 90 percent of all Medicare Part A eligible expenses for hospitalization not covered by Medicare subject to a lifetime maximum benefit of an additional 365 days; and

(e) Coverage of 20 percent of the amount of Medicare eligible expenses under Part B regardless of hospital confinement, subject to the Medicare calendar year Part B deductible and a maximum benefit of at least \$5,000 per calendar year.

Sec. 4. [62A.33] [MEDICARE SUPPLEMENT 2; COVERAGE.]

Medicare Supplement 2 must have a level of coverage that, at a minimum, will provide:

(a) Coverage of Part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare from the 61st day through the 90th day in any Medicare benefit period;

(b) Coverage of Part A Medicare eligible expenses incurred as daily hospital charges during use of Medicare's lifetime hospital inpatient reserve days;

(c) Upon exhaustion of all Medicare hospital inpatient coverage including the lifetime reserve days, coverage of 90 percent

of all Medicare Part A eligible expenses for hospitalization not covered by Medicare subject to lifetime maximum benefit of an additional 365 days; and

(d) Coverage of 20 percent of the amount of Medicare eligible expenses under Part B regardless of hospital confinement, subject to the Medicare calendar year Part B deductible and a maximum benefit of at least \$5,000 per calendar year.

Sec. 5. [62A.34] [MEDICARE SUPPLEMENT 3; COVERAGE.]

Medicare Supplement 3 must have a level of coverage that, at a minimum, will provide:

(a) Coverage of Part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare from the 61st day through the 90th day in any Medicare benefit period;

(b) Coverage of Part A Medicare eligible expenses incurred as daily hospital charges during use of Medicare's lifetime hospital inpatient reserve days;

(c) Upon exhaustion of all Medicare hospital inpatient coverage including the lifetime reserve days, coverage of 90 percent of all Medicare Part A eligible expenses for hospitalization not covered by Medicare subject to a lifetime maximum benefit of an additional 365 days; and

(d) Coverage of 20 percent of the amount of Medicare eligible expenses under Part B regardless of hospital confinement, subject to a maximum calendar year out-of-pocket deductible of \$200 of such expenses and to a maximum benefit of at least \$5,000 per calendar year.

Sec. 6. [62A.35] [LOSS RATIO STANDARDS.]

Subdivision 1. Notwithstanding Minnesota Statutes, Section 62A.02, Subdivision 3, relating to loss ratios, Medicare supplement policies shall be expected to return to policyholders in the form of aggregate benefits under the policy, as estimated for the entire period for which rates are computed to provide coverage, on the basis of incurred claims experience and earned premiums for such period and in accordance with accepted actuarial principles and practices:

(a) At least 75 percent of the aggregate amount of premiums collected in the case of group policies; and

(b) At least 65 percent of the aggregate amount of premium collected in the case of individual policies.

Subd. 2. For purposes of this section, Medicare supplement policies issued as a result of solicitations of individuals through the mail or mass media advertising, including both print and broadcast advertising, shall be treated as individual policies.

Sec. 7. [62A.36] [SEALS AND EMBLEM PROHIBITED.]

Subdivision 1. No graphic seal or emblem shall be displayed on any policy or promotional literature which is a facsimile of the official seal of this state or any agency thereof or of the United States of America or any agency thereof.

Subd. 2. Any false statement or representation printed on the policy or on promotional literature that indicates the policy has a connection with, is certified by, or has the approval or endorsement of any agency of this state or of the United States of America shall be unlawful.

Sec. 8. [62A.37] [NOTICE OF FREE EXAMINATION.]

Medicare supplement policies or certificates, other than those issued pursuant to direct response solicitation, shall have a notice prominently printed on the first page of the policy or attached thereto stating in substance that the policyholder or certificate holder shall have the right to return the policy or certificate within 30 days of its delivery and to have the premium refunded in full if, after examination of the policy or certificate, the insured person is not satisfied for any reason. Medicare supplement policies or certificates, issued pursuant to a direct response solicitation to persons eligible for Medicare by reason of age, shall have a notice prominently printed on the first page or attached thereto stating in substance that the policyholder or certificate holder shall have the right to return the policy or certificate within 30 days of its delivery and to have the premium refunded if, after examination, the insured person is not satisfied for any reason.

Sec. 9. [62A.38] [DISCLOSURE.]

No individual medicare supplement plan shall be delivered or issued in this state and no certificate shall be delivered pursuant to a group medicare supplement plan delivered or issued in this state unless an outline containing at least the following information is delivered to the applicant at the time the application is made:

(a) A description of the principal benefits and coverage provided in the policy;

(b) A statement of the exceptions, reductions, and limitations contained in the policy;

(c) A statement of the renewal provisions including any reservations by the insurer of a right to change premiums;

(d) A statement that the outline of coverage is a summary of the policy issued or applied for and that the policy should be consulted to determine governing contractual provisions; and

(e) A statement of the policy's loss ratio as follows: "This policy provides an anticipated loss ratio of . . . percent". This means that, on the average, policyholders may expect that \$. . . of every \$100 in premium will be returned as benefits to policyholders over the life of the contract.

Sec. 10. [62A.39] [REPLACEMENT.]

No insurer or agent shall replace a medicare supplement plan with another medicare supplement plan of the same category unless there is a substantial difference in cost favorable to the policyholder, or the insured has previously demonstrated a dissatisfaction with the service they are presently receiving from their current insurer. An insurer or agent may only replace a medicare supplement plan with a less comprehensive plan if the prospective insured signs an acknowledgment that they understand that they will receive less benefits under the new policy than under the policy they presently have in force.

Sec. 11. [62A.40] [PENALTIES.]

Any insurer, general agent, agent, or other person who knowingly or willfully, either directly or indirectly, makes or causes to be made or induces or seeks to induce the making of any false statement or representation of a material fact with respect to compliance of any policy with the standards and requirements set forth in this section; falsely assumes or pretends to be acting, or misrepresents in any way, including a violation of section 7, that he is acting, under the authority or in association with medicare, or any federal agency, for the purpose of selling or attempting to sell insurance, or in such pretended character demands, or obtains money, paper, documents, or anything of value; or knowingly sells a health insurance policy to an individual entitled to benefits under part A or part B of medicare with the knowledge that such policy substantially duplicates health benefits to which such individual is otherwise entitled under a requirement of state or federal law other than under medicare shall be guilty of a felony and subject to a civil penalty of not more than \$5,000 per violation, and the commissioner may revoke or suspend the license of any company, association, society, other insurer, or agent thereof.

Sec. 12. [62A.41] [RULEMAKING AUTHORITY.]

To carry out the purposes of this section, the commissioner may promulgate rules pursuant to Minnesota Statutes, Chapter 15. These rules may:

- (a) Prescribe additional disclosure requirements for medicare supplement plans, designed to adequately inform the prospective insured of the need and extent of coverage offered;
- (b) Prescribe uniform policy forms in order to give the insurance purchaser a reasonable opportunity to compare the cost of insuring with various insurers; and
- (c) Establish other reasonable standards to further the purpose of this section.

Sec. 13. Minnesota Statutes 1980, Section 62E.02, Subdivision 5, is amended to read:

Subd. 5. "Qualified medicare supplement plan" means those health benefit plans which have been certified by the commissioner as providing the minimum benefits required by section 62E.07 (OR THE ACTUARIAL EQUIVALENT OF THOSE BENEFITS)."

The motion prevailed and the amendment was adopted.

Swanson moved to amend S. F. No. 665, as amended, as follows:

Page 2, line 25, after "contain" insert "(1)"

Page 2, line 27, after the comma, insert "(2)"

Page 2, line 31, after "and" insert "(3) the policy must provide the" and delete "for each category"

Page 2, line 32, before the period, insert "for the supplement specified"

The motion prevailed and the amendment was adopted.

S. F. No. 665, A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Esau | Knickerbocker | Olsen | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Osthoff | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Otis | Skoglund |
| Anderson, I. | Forsythe | Laidig | Peterson, B. | Stadum |
| Anderson, R. | Friedrich | Lehto | Peterson, D. | Staten |
| Battaglia | Greenfield | Lemen | Piepho | Stowell |
| Begich | Gruenes | Levi | Pogemiller | Stumpf |
| Berkelman | Gustafson | Long | Redalen | Sviggum |
| Blatz | Halberg | Luknic | Reding | Swanson |
| Brandl | Hanson | Marsh | Rees | Tomlinson |
| Brinkman | Hauge | McCarron | Reif | Valan |
| Byrne | Haukoos | McDonald | Rice | Voss |
| Carlson, D. | Heap | McEachern | Rodriguez, C. | Vanasek |
| Carlson, L. | Heinitz | Mehrkens | Rodriguez, F. | Vellenga |
| Clark, J. | Hoberg | Metzen | Rose | Voss |
| Clark, K. | Hokanson | Minne | Rothenberg | Weaver |
| Clawson | Jacobs | Murphy | Samuelson | Welch |
| Dahlvang | Jennings | Nelsen, B. | Sarna | Wenzel |
| Dempsey | Johnson, C. | Nelson, K. | Schafer | Wieser |
| Den Ouden | Johnson, D. | Niehaus | Schoenfeld | Wigley |
| Drew | Jude | Norton | Schreiber | Wynia |
| Eken | Kahn | Novak | Searles | Zubay |
| Elioff | Kaley | Nysether | Shea | Spkr. Sieben, H. |
| Ellingson | Kalis | O'Connor | Sherman | |
| Erickson | Kelly | Ogren | Sherwood | |

Those who voted in the negative were:

Welker

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

S. F. No. 445, A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 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 120 yeas and 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|-------------|-----------|-----------|
| Aasness | Anderson, R. | Brandl | Dahlvang | Elioff |
| Ainley | Battaglia | Carlson, D. | Dempsey | Ellingson |
| Anderson, B. | Begich | Carlson, L. | Den Ouden | Erickson |
| Anderson, G. | Berkelman | Clark, J. | Drew | Esau |
| Anderson, I. | Blatz | Clawson | Eken | Ewald |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Fjoslien | Jude | Minne | Rees | Stowell |
| Forsythe | Kaley | Munger | Reif | Stumpf |
| Friedrich | Kalis | Murphy | Rice | Sviggum |
| Greenfield | Kelly | Nelsen, B. | Rodriguez, C. | Swanson |
| Gruenes | Knickerbocker | Nelson, K. | Rodriguez, F. | Tomlinson |
| Gustafson | Kostohryz | Niehaus | Rothenberg | Valan |
| Halberg | Kvam | Novak | Sarna | Valento |
| Hanson | Laidig | Nysether | Schafer | Vanasek |
| Harens | Lemen | O'Connor | Schoenfeld | Vellenga |
| Hauge | Levi | Ogren | Schreiber | Voss |
| Haukoos | Long | Olsen | Searles | Weaver |
| Heap | Ludeman | Osthoff | Shea | Welch |
| Heinitz | Luknic | Otis | Sherman | Welker |
| Hoberg | Marsh | Peterson, B. | Sherwood | Wenzel |
| Hokanson | McCarron | Peterson, D. | Sieben, M. | Wieser |
| Jacobs | McDonald | Piepho | Simoneau | Wigley |
| Jennings | McEachern | Pogemiller | Skoglund | Wynia |
| Johnson, C. | Mehrkens | Redalen | Stadum | Zubay |
| Johnson, D. | Metzen | Reding | Staten | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|------|-------|--------|-----------|
| Byrne | Kahn | Lehto | Norton | Samuelson |
| Clark, K. | | | | |

The bill was passed and its title agreed to.

S. F. No. 1247, A bill for an act relating to education; permitting districts to purchase insurance coverage for the operation of leased buses in certain circumstances; amending Minnesota Statutes 1980, Section 123.39, Subdivisions 8 and 9 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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|------------|---------------|
| Aasness | Dempsey | Heap | Levi | O'Connor |
| Ainley | Den Ouden | Heinitz | Long | Ogren |
| Anderson, B. | Drew | Hoberg | Ludeman | Olsen |
| Anderson, G. | Eken | Hokanson | Luknic | Osthoff |
| Anderson, I. | Elioff | Jacobs | Marsh | Otis |
| Anderson, R. | Ellingson | Jennings | McCarron | Peterson, B. |
| Battaglia | Erickson | Johnson, C. | McDonald | Peterson, D. |
| Begich | Esau | Johnson, D. | McEachern | Piepho |
| Berkelman | Ewald | Jude | Mehrkens | Redalen |
| Blatz | Fjoslien | Kahn | Metzen | Reding |
| Brandl | Forsythe | Kaley | Minne | Reif |
| Brinkman | Friedrich | Kalis | Munger | Rice |
| Byrne | Greenfield | Kelly | Murphy | Rodriguez, C. |
| Carlson, D. | Gruenes | Knickerbocker | Nelsen, B. | Rothenberg |
| Carlson, L. | Gustafson | Kostohryz | Nelson, K. | Samuelson |
| Clark, J. | Halberg | Kvam | Niehaus | Sarna |
| Clark, K. | Hanson | Laidig | Norton | Schafer |
| Clawson | Harens | Lehto | Novak | Schoenfeld |
| Dahlvang | Haukoos | Lemen | Nysether | Schreiber |

| | | | | |
|------------|----------|-----------|--------|------------------|
| Searles | Skoglund | Swanson | Voss | Wigley |
| Shea | Stadum | Tomlinson | Weaver | Wynia |
| Sherman | Staten | Valan | Welch | Zubay |
| Sherwood | Stowell | Valento | Welker | Spkr. Sieben, H. |
| Sieben, M. | Stumpf | Vanasek | Wenzel | |
| Simoneau | Sviggum | Vellenga | Wieser | |

The bill was passed and its title agreed to.

H. F. No. 1185, A bill for an act relating to highways; modifying restrictions on the loading of vehicles driven on the highways; amending Minnesota Statutes 1980, Section 169.81, 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 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kalis | Ogren | Sieben, M. |
| Ainley | Esau | Kelly | Olsen | Simoneau |
| Anderson, B. | Evans | Knickerbocker | Osthoff | Skoglund |
| Anderson, G. | Ewald | Kostohryz | Otis | Stadum |
| Anderson, I. | Fjoslien | Kvam | Peterson, D. | Staten |
| Anderson, R. | Forsythe | Laidig | Piepho | Stowell |
| Battaglia | Friedrich | Lehto | Pogemiller | Stumpf |
| Begich | Greenfield | Lemen | Redalen | Sviggum |
| Berkelman | Gruenes | Levi | Reding | Swanson |
| Blatz | Gustafson | Long | Rees | Tomlinson |
| Brandl | Halberg | Ludeman | Reif | Valan |
| Brinkman | Hanson | Luknic | Rice | Valento |
| Byrne | Harens | Marsh | Rodriguez, C. | Vanasek |
| Carlson, D. | Hauge | McCarron | Rodriguez, F. | Vellenga |
| Carlson, L. | Haukoos | McEachern | Rose | Voss |
| Clark, J. | Heap | Mehrkens | Rothenberg | Weaver |
| Clark, K. | Heinitz | Metzen | Samuelson | Welch |
| Clawson | Hoberg | Minne | Sarna | Welker |
| Dahlvang | Hokanson | Munger | Schafer | Wenzel |
| Dempsey | Jennings | Murphy | Schoenfeld | Wieser |
| Den Ouden | Johnson, C. | Nelson, K. | Schreiber | Wigley |
| Drew | Johnson, D. | Niehaus | Searles | Wynia |
| Eken | Jude | Norton | Shea | Zubay |
| Elioff | Kahn | Novak | Sherman | Spkr. Sieben, H. |
| Ellingson | Kaley | Nysether | Sherwood | |

Those who voted in the negative were:

Jacobs

The bill was passed and its title agreed to.

H. F. No. 534, A bill for an act relating to the collection and dissemination of data; administration of the state archives and state and local government records; classifying data; providing a penalty; amending Minnesota Statutes 1980, Sections 15.17; 138.161; 138.17, Subdivisions 1, 6, 7, and by adding subdivisions;

138.19; 138.20; 138.21; proposing new law coded in Minnesota Statutes, Chapter 138; repealing Minnesota Statutes 1980, Sections 16.66 and 138.18.

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 | Erickson | Kahn | Ogren | Sieben, M. |
| Anderson, B. | Evans | Kaley | Olsen | Simoneau |
| Anderson, G. | Ewald | Kalis | Osthoff | Skoglund |
| Anderson, I. | Fjoslien | Kelly | Otis | Stadum |
| Battaglia | Forsythe | Knickerbocker | Peterson, D. | Staten |
| Begich | Friedrich | Kostohryz | Piepho | Stowell |
| Berkelman | Greenfield | Laidig | Pogemiller | Stumpf |
| Blatz | Gruenes | Lehto | Redalen | Sviggum |
| Brandl | Gustafson | Lemen | Reding | Swanson |
| Brinkman | Halberg | Levi | Rees | Tomlinson |
| Byrne | Hanson | Long | Reif | Valan |
| Carlson, D. | Harens | Luknic | Rice | Valento |
| Carlson, L. | Hauge | McEachern | Rodriguez, C. | Vanasek |
| Clark, J. | Haukoos | Metzen | Rodriguez, F. | Vellenga |
| Clark, K. | Heap | Minne | Rose | Voss |
| Clawson | Heinitz | Munger | Samuelson | Weaver |
| Dahlvang | Himle | Murphy | Sarna | Welch |
| Dempsey | Hoberg | Nelsen, B. | Schafer | Wenzel |
| Den Ouden | Hokanson | Nelson, K. | Schoenfeld | Wieser |
| Drew | Jacobs | Norton | Schreiber | Wigley |
| Eken | Johnson, C. | Novak | Searles | Wynia |
| Elioff | Johnson, D. | Nysether | Sherman | Zubay |
| Ellingson | Jude | O'Connor | Sherwood | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------|----------|---------|----------|--------|
| Ainley | Jennings | Ludeman | McDonald | Welker |
| Esau | Kvam | Marsh | Niehaus | |

The bill was passed and its title agreed to.

H. F. No. 586, A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilia sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sieben, M. |
| Ainley | Evans | Kelly | O'Connor | Simoneau |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Skoglund |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Stadum |
| Anderson, I. | Forsythe | Kvam | Osthoff | Staten |
| Anderson, R. | Friedrich | Laidig | Otis | Stowell |
| Battaglia | Greenfield | Lehto | Piepho | Stumpf |
| Begich | Gruenes | Lemen | Pogemiller | Sviggum |
| Berkelman | Gustafson | Levi | Redalen | Swanson |
| Blatz | Halberg | Long | Reding | Tomlinson |
| Brandl | Hanson | Ludeman | Rees | Valan |
| Brinkman | Harens | Luknic | Reif | Valento |
| Byrne | Hauge | Marsh | Rice | Vanasek |
| Carlson, D. | Haukoos | McCarron | Rodriguez, C. | Vellenga |
| Carlson, L. | Heap | McDonald | Rodriguez, F. | Voss |
| Clark, J. | Heinitz | McEachern | Rose | Weaver |
| Clark, K. | Himle | Mehrkens | Rothenberg | Welch |
| Clawson | Hoberg | Metzen | Samuelson | Welker |
| Dahlvang | Hokanson | Minne | Sarna | Wenzel |
| Dempsey | Jacobs | Munger | Schafer | Wieser |
| Den Ouden | Jennings | Murphy | Schoenfeld | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Schreiber | Wynia |
| Eken | Johnson, D. | Nelson, K. | Searles | Zubay |
| Elioff | Jude | Niehaus | Shea | Spkr. Sieben, H. |
| Ellingson | Kahn | Norton | Sherman | |
| Erickson | Kaley | Novak | Sherwood | |

Those who voted in the negative were:

Peterson, D.

The bill was passed and its title agreed to.

H. F. No. 616, A bill for an act relating to commerce; requiring that consumer contracts be written in clear and coherent language; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 325G.

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 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-------------|---------------|
| Aasness | Carlson, D. | Erickson | Harens | Kahn |
| Anderson, B. | Carlson, L. | Esau | Hauge | Kaley |
| Anderson, G. | Clark, J. | Evans | Haukoos | Kalis |
| Anderson, I. | Clark, K. | Ewald | Heap | Kelly |
| Anderson, R. | Clawson | Fjoslien | Heinitz | Knickerbocker |
| Battaglia | Dahlvang | Forsythe | Himle | Kostohryz |
| Begich | Dempsey | Friedrich | Hoberg | Kvam |
| Berkelman | Den Ouden | Greenfield | Hokanson | Laidig |
| Blatz | Drew | Gruenes | Jacobs | Lehto |
| Brandl | Eken | Gustafson | Johnson, C. | Levi |
| Brinkman | Elioff | Halberg | Johnson, D. | Long |
| Byrne | Ellingson | Hanson | Jude | Luknic |

| | | | | |
|------------|--------------|---------------|------------|------------------|
| Marsh | Nysether | Reif | Sherman | Valento |
| McCarron | O'Connor | Rice | Sherwood | Vanasek |
| McEachern | Ogren | Rodriguez, C. | Sieben, M. | Vellenga |
| Mehrkens | Olsen | Rodriguez, F. | Simoneau | Voss |
| Metzen | Osthoff | Rose | Skoglund | Weaver |
| Minne | Otis | Rothenberg | Stadum | Welch |
| Munger | Peterson, B. | Samuelson | Staten | Wenzel |
| Murphy | Peterson, D. | Sarna | Stowell | Wieser |
| Nelson, B. | Piepho | Schafer | Stumpf | Wigley |
| Nelson, K. | Pogemiller | Schoenfeld | Sviggum | Wynia |
| Niehaus | Redalen | Schreiber | Swanson | Zubay |
| Norton | Reding | Searles | Tomlinson | Spkr. Sieben, H. |
| Novak | Rees | Shea | Valan | |

Those who voted in the negative were:

| | | | | |
|----------|-------|---------|----------|--------|
| Ainley | Lemen | Ludeman | McDonald | Welker |
| Jennings | | | | |

The bill was passed and its title agreed to.

S. F. No. 1122, A bill for an act relating to veterans; changing the method of appointment and termination of the administrator of the Minnesota veterans home; amending Minnesota Statutes 1980, Section 198.06.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Evans | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Osthoff | Stadum |
| Anderson, I. | Forsythe | Laidig | Otis | Staten |
| Anderson, R. | Friedrich | Lehto | Peterson, B. | Stowell |
| Battaglia | Greenfield | Lemen | Peterson, D. | Stumpf |
| Begich | Gruenes | Levi | Piepho | Sviggum |
| Berkelman | Halberg | Long | Pogemiller | Swanson |
| Blatz | Hanson | Ludeman | Redalen | Tomlinson |
| Brandl | Harens | Luknic | Reding | Valan |
| Brinkman | Hauge | Marsh | Rees | Valento |
| Byrne | Haukoos | McCarron | Reif | Vanasek |
| Carlson, D. | Heap | McDonald | Rice | Vellenga |
| Carlson, L. | Heinitz | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelson, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Niehaus | Schreiber | Zubay |
| Elioff | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Ellingson | Kaley | Novak | Shea | |
| Erickson | Kalis | Nysether | Sherman | |
| Esau | Kelly | O'Connor | Sherwood | |

Those who voted in the negative were :

Skoglund

The bill was passed and its title agreed to.

H. F. No. 1247 was reported to the House and given its third reading.

Drew moved that H. F. No. 1247 be re-referred to the Committee on Local and Urban Affairs.

A roll call was requested and properly seconded.

The question was taken on the motion and the roll was called. There were 67 yeas and 60 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Forsythe | Knickerbocker | O'Connor | Sherwood |
| Ainley | Friedrich | Kvam | Olsen | Stadum |
| Anderson, R. | Gruenes | Laidig | Otis | Stowell |
| Blatz | Halberg | Lemen | Peterson, B. | Sviggum |
| Carlson, D. | Hauge | Levi | Piepho | Valan |
| Dempsey | Haukoos | Ludeman | Redalen | Valento |
| Den Ouden | Heap | Luknjic | Rees | Weaver |
| Drew | Heinitz | Marsh | Reif | Welker |
| Elioff | Himle | McDonald | Rose | Wieser |
| Erickson | Jennings | Mehrkens | Rothenberg | Wigley |
| Esau | Johnson, C. | Murphy | Schafer | Zubay |
| Evans | Johnson, D. | Niehaus | Schreiber | |
| Ewald | Kaley | Norton | Searles | |
| Fjoslien | Kalis | Nysether | Sherman | |

Those who voted in the negative were :

| | | | | |
|--------------|------------|--------------|---------------|------------------|
| Anderson, B. | Dahlvang | Lehto | Rice | Tomlinson |
| Anderson, G. | Eken | Long | Rodriguez, C. | Vanasek |
| Anderson, I. | Ellingson | McCarron | Rodriguez, F. | Vellenga |
| Battaglia | Greenfield | Metzen | Samuelson | Voss |
| Begich | Gustafson | Minne | Sarna | Welch |
| Berkelman | Hanson | Munger | Schoenfeld | Wenzel |
| Brandl | Harens | Nelson, K. | Shea | Wynia |
| Brinkman | Hokanson | Novak | Sieben, M. | Spkr. Sieben, H. |
| Byrne | Jacobs | Ogren | Simoneau | |
| Carlson, L. | Jude | Osthoff | Skoglund | |
| Clark, J. | Kahn | Peterson, D. | Staten | |
| Clark, K. | Kelly | Pogemiller | Stumpf | |
| Clawson | Kostohryz | Reding | Swanson | |

The motion did not prevail.

Eken 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.

CALENDAR, Continued

H. F. No. 1247, A bill for an act relating to elections; fixing the majority necessary to approve an amendment to a home rule charter; amending Minnesota Statutes 1980, Section 410.12, Subdivision 4.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 76 yeas and 44 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Peterson, D. | Swanson |
| Anderson, G. | Ellingson | Laidig | Pogemiller | Tomlinson |
| Anderson, I. | Evans | Lehto | Redalen | Vanasek |
| Battaglia | Fjoslien | Lemen | Reding | Vellenga |
| Begich | Friedrich | Levi | Rice | Voss |
| Berkelman | Greenfield | Long | Rodriguez, C. | Weaver |
| Blatz | Gustafson | McCarron | Rodriguez, F. | Welch |
| Brinkman | Hanson | Metzen | Rothenberg | Wenzel |
| Byrne | Harens | Munger | Samuelson | Wieser |
| Carlson, L. | Himle | Murphy | Sarna | Wynia |
| Clark, J. | Hokanson | Nelson, K. | Schreiber | Zubay |
| Clark, K. | Jacobs | Novak | Shea | Spkr. Sieben, H. |
| Clawson | Johnson, C. | O'Connor | Sieben, M. | |
| Dahlvang | Jude | Ogren | Simoneau | |
| Dean | Kahn | Olsen | Skoglund | |
| Eken | Kelly | Osthoff | Stumpf | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|------------|----------|
| Ainley | Gruenes | Luknic | Onnen | Sherwood |
| Anderson, R. | Hauge | Marsh | Otis | Stadum |
| Brandl | Haukoos | McDonald | Rees | Staten |
| Dempsey | Heap | McEachern | Reif | Stowell |
| Den Ouden | Heinitz | Mehrkens | Rose | Sviggum |
| Drew | Jennings | Minne | Schafer | Valento |
| Erickson | Johnson, D. | Niehaus | Schoenfeld | Welker |
| Esau | Kaley | Norton | Searles | Wigley |
| Ewald | Ludeman | Nysether | Sherman | |

The bill was passed and its title agreed to.

S. F. No. 641, A bill for an act relating to financial institutions; providing for uniform administration of liquidity reserve requirements among deposit institutions; amending Minnesota Statutes 1980, Sections 46.04, Subdivision 1; 50.175; and 52.17; proposing new law coded in Minnesota Statutes, Chapters 48; and 51A; and repealing Minnesota Statutes 1980, Sections 48.22; and 51A.36.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | O'Connor | Simoneau |
| Ainley | Evans | Kelly | Ogren | Skoglund |
| Anderson, B. | Ewald | Knickerbocker | Olsen | Stadum |
| Anderson, G. | Fjoslien | Kostohryz | Onnen | Staten |
| Anderson, I. | Forsythe | Laidig | Osthoff | Stowell |
| Anderson, R. | Friedrich | Lehto | Otis | Stumpf |
| Battaglia | Greenfield | Lemen | Peterson, B. | Sviggum |
| Begich | Gruenes | Levi | Peterson, D. | Swanson |
| Berkelman | Gustafson | Long | Redalen | Tomlinson |
| Blatz | Halberg | Ludeman | Reding | Valan |
| Brandl | Hanson | Luknic | Rees | Valento |
| Brinkman | Harens | Marsh | Reif | Vanasek |
| Byrne | Hauge | McCarron | Rodriguez, C. | Vellenga |
| Carlson, L. | Haukoos | McDonald | Rodriguez, F. | Voss |
| Clark, J. | Heap | McEachern | Rose | Weaver |
| Clark, K. | Heinitz | Mehrkens | Rothenberg | Welch |
| Clawson | Himle | Metzen | Samuelson | Welker |
| Dahlvang | Hoberg | Minne | Sarna | Wenzel |
| Dean | Hokanson | Munger | Schafer | Wieser |
| Dempsey | Jacobs | Murphy | Schoenfeld | Wigley |
| Den Ouden | Jennings | Nelsen, B. | Schreiber | Wynia |
| Drew | Johnson, C. | Nelson, K. | Searles | Zubay |
| Eken | Johnson, D. | Niehaus | Shea | Spkr. Sieben, H. |
| Elioff | Jude | Norton | Sherman | |
| Ellingson | Kahn | Novak | Sherwood | |
| Erickson | Kaley | Nysether | Sieben, M. | |

Those who voted in the negative were:

Rice

The bill was passed and its title agreed to.

S. F. No. 560, A bill for an act relating to employment; prohibiting certain cities from establishing residency requirements as a condition of employment; proposing new law coded in Minnesota Statutes, Chapter 415.

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 75 yeas and 45 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|-------------|---------------|
| Aasness | Brinkman | Evans | Himle | Knickerbocker |
| Anderson, G. | Byrne | Forsythe | Hoberg | Kostohryz |
| Anderson, I. | Carlson, L. | Friedrich | Hokanson | Laidig |
| Anderson, R. | Clawson | Halberg | Jacobs | Lehto |
| Battaglia | Den Ouden | Hanson | Johnson, D. | Lemen |
| Begich | Drew | Harens | Jude | Levi |
| Berkelman | Elioff | Haukoos | Kaley | McCarron |
| Blatz | Ellingson | Heinitz | Kalis | McDonald |

| | | | | |
|------------|--------------|---------------|-----------|------------------|
| McEachern | O'Connor | Rodriguez, C. | Simoneau | Vellenga |
| Mehrkens | Olsen | Rodriguez, F. | Stadum | Voss |
| Minne | Onnen | Rose | Stowell | Weaver |
| Murphy | Osthoff | Rothenberg | Swanson | Welch |
| Nelsen, B. | Peterson, B. | Samuelson | Tomlinson | Wenzel |
| Novak | Rees | Schreiber | Valan | Wynia |
| Nysether | Reif | Sieben, M. | Valento | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|--------------|----------|
| Ainley | Esau | Ludeman | Peterson, D. | Shea |
| Anderson, B. | Greenfield | Luknic | Piepho | Sherman |
| Brandl | Gruenes | Marsh | Pogemiller | Sherwood |
| Clark, J. | Hauge | Metzen | Reding | Skoglund |
| Clark, K. | Heap | Nelson, K. | Rice | Staten |
| Dahlvang | Jennings | Niehaus | Sarna | Stumpf |
| Dean | Kahn | Norton | Schafer | Sviggum |
| Dempsey | Kvam | Ogren | Schoenfeld | Vanasek |
| Erickson | Long | Otis | Searles | Wieser |

The bill was passed and its title agreed to.

Carlson, D., was excused at 4:15 p.m. Valan; Valento; Vanasek; Knickerbocker; Johnson, C. and Laidig were excused at 7:30 p.m. Halberg was excused at 8:00 p.m. Novak was excused at 8:30 p.m. Brinkman was excused at 10:00 p.m.

GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole, with Sieben, H., in the Chair, for the consideration of bills pending on General Orders of the Day. Heinitz presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

The Committee of the Whole recessed between the hours of 5:30 p.m. and 7:30 p.m.

REPORT OF COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 986 and 1048 which it recommended to pass.

H. F. No. 1150 which it recommended progress retaining its place on General Orders.

H. F. No. 18 which it recommended progress until Thursday, May 7, 1981, retaining its place on General Orders.

H. F. No. 1242 which it recommended progress until Monday, May 11, 1981.

H. F. No. 108 which it recommended progress until Tuesday, May 12, 1981.

H. F. No. 298 which it recommended progress until Monday, May 18, 1981.

S. F. Nos. 982 and 207 which it recommended to pass.

H. F. No. 1051 which it recommended to pass with the following amendments:

Offered by Begich and Ogren:

Page 7, after line 4, insert:

“Sec. 11. [URANIUM DRILLING; MORATORIUM.]

In the counties of St. Louis, Aitkin, Kanabec and Crow Wing, there shall be a moratorium on uranium drilling until July 1, 1982 except with the permission of the surface property owner.”

Renumber the section

Amend the title as follows:

Page 1, line 7, after the semicolon insert “establishing a moratorium on certain uranium drilling;”

Offered by Redalen:

Page 5, line 15, after the period, insert *“The owner has a cause of action for civil damages against any person whose action or negligence caused contamination of the well. The court shall award damages, reasonable attorneys’ fees, and costs and disbursements.”*

H. F. No. 1078 which it recommended to pass with the following amendment offered by McEachern:

Page 1, line 26, delete “\$25,000” and insert “\$7,000”

S. F. No. 1058 which it recommended to pass with the following amendment offered by Blatz:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1981, Chapter 29, Article III, Section 10, is amended to read:

[203B.10] [DELIVERY OF ABSENTEE BALLOT APPLICATIONS TO ELECTION JUDGES.]

On the day before an election:

(a) The county auditor shall deliver to the town and city clerks within that county the applications for absentee ballots theretofore received and endorsed as provided in Article III, Section 6, Subdivision 5; and

(b) The town and city clerks shall deliver the applications received from the county auditor and the applications for absentee ballots filed with their respective offices and endorsed as provided in Article III, Section 6, Subdivision 5, to the appropriate election judges. Applications received on election day pursuant to Article III, Section 4, Subdivision 2, shall be promptly delivered to the election judges in the precincts *or to the judges of an absentee ballot counting board.*

Sec. 2. Laws 1981, Chapter 29, Article III, Section 12, is amended to read:

[203B.12] [ELECTION JUDGES TO RECEIVE AND COUNT BALLOTS.]

Subdivision 1. [RECEIPT OF RETURN ENVELOPES.] The election judges in each precinct *or the judges of an absentee ballot counting board* shall take possession of all return envelopes delivered to them in accordance with Article III, Section 8.

Subd. 2. [EXAMINATION OF RETURN ENVELOPES.] Two or more election judges shall examine each return envelope and shall mark it accepted or rejected in the manner provided in this subdivision. The election judges shall remove the ballot envelope from the return envelope, mark the ballot envelope "Accepted" and initial or sign the ballot envelope below the word "Accepted" if the election judges or a majority of them are satisfied that:

(a) The voter's signature on the return envelope is the genuine signature of the individual who made the application for ballots and the certificate has been completed as prescribed in the directions for casting an absentee ballot;

(b) In precincts with a permanent voter registration system, the voter is registered and eligible to vote in the precinct or has included a properly completed registration card in the return envelope or, in precincts with no permanent voter registration system, the address of the voter lies within the precinct; and

(c) The voter has not already voted at that election, either in person or by absentee ballot.

The return envelope from accepted ballots shall be preserved and returned to the county auditor with the voters' certificates.

If all or a majority of the election judges examining return envelopes find that an absent voter has failed to meet one of the requirements prescribed in clauses (a) to (c), they shall remove the ballot envelope from the return envelope, mark the ballot envelope "Rejected", initial or sign it below the word "Rejected", and place it back in the return envelope for return to the county auditor with the unused ballots.

Subd. 3. [NOTATION ON REGISTRATION CARD OR ELECTION REGISTER.] If the ballot envelope is marked with the word "Accepted", the election judges shall record the fact that the voter has voted by absentee ballot on the voter registration card or in the election register in precincts with no permanent voter registration. This shall be done by placing the letters "A.B." in the appropriate space on the card or register. After a registration card or election register has been marked to record that an individual has voted by absentee ballot, the individual shall not be allowed to vote in person at that election.

Subd. 4. [PLACEMENT IN CONTAINER; OPENING AND COUNTING OF BALLOTS.] The ballot envelopes marked "Accepted" shall be placed by the election judges in a separate absentee ballot container. The container and each ballot envelope may be opened only after the last regular mail delivery by the United States postal service on election day. The ballots shall then be initialed by the election judges in the same manner as ballots delivered by them to voters in person and shall be deposited in the appropriate ballot box.

If more than one ballot of any kind is enclosed in the ballot envelope, none of the ballots of that kind shall be counted but all ballots of that kind shall be returned in the manner provided by Article V, Section 25 for return of spoiled ballots.

Subd. 5. [ELECTRONIC VOTING SYSTEM PRECINCTS.] Paper absentee ballots delivered to the election judges in precincts which use an electronic voting system shall be counted in the manner provided in this section. No duplicate ballot cards shall be prepared. The paper ballot vote totals for each candidate and on each question shall be added to the results obtained from the electronic tabulating equipment in each precinct.

Subd. 6. [EXCEPTION FOR MUNICIPALITIES WITH ABSENTEE BALLOT COUNTING BOARDS.] In municipalities with an absentee ballot counting board, the election judges in each precinct shall receive and process return envelopes and

ballot envelopes as provided in this section except that the ballot envelopes marked "Accepted" shall be delivered in an absentee ballot container to the absentee ballot counting board for the counting of ballots as soon as possible after processing. *Other law to the contrary notwithstanding, the governing body of a municipality with an absentee ballot precinct may authorize the judges of the absentee ballot precinct to validate ballots in the manner provided in this section.* The vote totals provided by the absentee ballot counting board shall be included in the vote totals on the summary statements of the returns for the precinct in which they were received.

Sec. 3. Laws 1981, Chapter 29, Article III, Section 13, is amended to read:

[203B.13] [ABSENTEE BALLOT COUNTING BOARDS.]

Subdivision 1. [ESTABLISHMENT.] The governing body of any municipality may by ordinance authorize an absentee ballot counting board for the purpose of counting all absentee ballots cast in that municipality. The board shall consist of a sufficient number of election judges appointed as provided in Article IV, Sections 19 to 22.

Subd. 2. [DUTIES.] The absentee ballot counting board shall:

(a) Receive from each precinct in the municipality all ballot envelopes marked "Accepted" by the election judges; *provided that the governing body of a municipality may authorize the board to examine all return absentee ballot envelopes and receive or reject absentee ballots in the manner provided in section 2;*

(b) Open and count the absentee ballots, tabulating the vote in a manner that indicates each vote of the absentee voter and the total absentee vote cast for each candidate or question in each precinct; and

(c) Report the vote totals tabulated for each precinct.

Subd. 3. [COMPENSATION OF MEMBERS.] The city or town clerk shall pay a reasonable compensation to each member of the absentee ballot counting board for services rendered during each election.

Subd. 3a. [DUPLICATE REGISTRATION FILES.] If the election judges of an absentee ballot counting board are authorized to receive, examine, and validate absentee ballots, the county auditor or city clerk shall remove from the duplicate registration files the cards of all persons who have applied for absentee ballots at the election and deliver them to the election

judges of the absentee ballot counting board along with the applications for absentee ballots. When a duplicate registration card has been removed from the file for this purpose it shall be replaced with a notification to the election judges that the voter's card has been removed and directing them to contact the election judges of the absentee ballot counting board if that voter should present himself at the polling place for the purpose of casting his vote in person. If contacted by the judges of the precinct, the election judges of the absentee ballot counting board shall examine the duplicate registration card of the voter to determine if his absentee ballot has been cast. They shall notify the precinct election judges of their findings and, if the absentee ballot has not yet been cast, the voter shall be allowed to cast his vote in person. The election judges of the absentee ballot counting board shall make a notation on the duplicate registration card that the voter has voted and no absentee ballot shall be counted for that voter.

Subd. 4. [APPLICABLE LAWS.] Except as otherwise provided by this section, all of the laws applicable to absentee ballots and absentee voters and all other provisions of the Minnesota election law shall apply to an absentee ballot counting board."

Further delete the title and insert:

"A bill for an act relating to elections; authorizing the validation of absentee ballots by judges of absentee ballot precincts; providing for notice to election judges in an absentee ballot precinct; amending Laws 1981, Chapter 29, Article III, Sections 10; 12; and 13."

S. F. No. 835 which it recommended progress with the following amendment offered by Mehrkens:

Page 1, line 38, delete "*preliminary*" and insert "*final*"

S. F. No. 1087 which it recommended to pass with the following amendment offered by Brinkman:

Page 2, line 35, strike "or" and delete "*other*"

Page 2, line 36, delete "*person or organization*" and after "may" insert "*, if in his discretion, he has cause to believe he is unable to obtain relevant information from such insurance company,*"

H. F. No. 61 which it recommended to pass with the following amendments:

Offered by Rodriguez, C.:

Page 1, after line 22, insert:

"Sec. 2. [EFFECT ON LOCAL ORDINANCES.] Nothing in Section 1 shall supersede or preclude the continuation or adoption of any local ordinance which provides for more stringent regulation of the subject matter in Section 1."

Renumber the remaining section.

Amend the title as follows:

Page 1, line 5, after the semi-colon insert "preserving local ordinances relating to minors' use of tobacco related devices;"

Offered by Byrne:

Page 1, lines 15 to 22, strike the old language, delete the new language and page 1, after line 22, insert:

"Subd. 2. Any person under 18 years of age who uses, possesses, or furnishes tobacco or a tobacco related device is guilty of a petty misdemeanor."

Subd. 3. Any person 18 years of age or older who furnishes tobacco or a tobacco related device in any form to a person not entitled thereto under subdivision 2 is guilty of a misdemeanor."

H. F. No. 284 which is recommended to pass with the following amendments offered by Elioff:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 144.343, is amended to read:

144.343 [PREGNANCY, VENEREAL DISEASE AND ALCOHOL OR DRUG ABUSE.]

Subdivision 1. [MINOR'S CONSENT VALID.] Any minor may give effective consent for medical, mental and other health services to determine the presence of or to treat pregnancy and conditions associated therewith, venereal disease, alcohol and other drug abuse, and the consent of no other person is required.

Subd. 2. [NOTIFICATION CONCERNING ABORTION.] Notwithstanding the provisions of Minnesota Statutes, Section 15.162, Subdivision 4, no abortion operation shall be performed upon an unemancipated minor or upon a woman for whom a guardian or conservator has been appointed pursuant to sections 525.54 to 525.551 because of a finding of incompetency, until

at least 48 hours after written notice of the pending operation has been delivered in the manner specified in subdivisions 2 to 4.

(a) The notice shall be addressed to the parent and either be delivered personally to the parent or be delivered to the parent's usual place of abode and left with a person of suitable age and discretion residing therein other than the pregnant woman.

(b) In lieu of the delivery required by clause (a), notice may be made by certified mail receipted for by the persons specified for delivery in clause (a). Twenty-four hours after the time of mailing by certified mail shall be deemed the time of delivery.

Subd. 3. [PARENT, ABORTION; DEFINITIONS.] For purposes of this section, "parent" means both parents of the pregnant woman if they are both living, one parent of the pregnant woman if only one is living or if the second one cannot be located through reasonably diligent effort, or the guardian or conservator if the pregnant woman has one.

For purposes of this section, "abortion" means the use of any means to terminate the pregnancy of a woman known to be pregnant with knowledge that the termination with those means will, with reasonable likelihood, cause the death of the fetus and "fetus" means any individual human organism from fertilization until birth.

Subd. 4. [LIMITATIONS.] No notice shall be required under this section if:

(a) The attending physician certifies in the pregnant woman's medical record that the abortion is necessary to prevent the woman's death and there is insufficient time to provide the required notice; or

(b) The abortion is authorized in writing by the person or persons who are entitled to notice; or

(c) The pregnant minor woman declares that she is a victim of sexual abuse, neglect, or physical abuse as defined in section 626.556. Notice of that declaration shall be made to the proper authorities as provided in section 626.556, subdivision 3.

Subd. 5. [PENALTY.] Performance of an abortion in violation of this section shall be a misdemeanor and shall be grounds for a civil action by a person wrongfully denied notification. A person shall not be held liable under this section if the person establishes by written evidence that the person relied upon evidence sufficient to convince a careful and prudent person that the representations of the pregnant woman regarding information necessary to comply with this section are bona fide and true,

or if the person has attempted with reasonable diligence to deliver notice, but has been unable to do so.

Subd. 6. If subdivision 2 of this law is ever temporarily or permanently restrained or enjoined by judicial order, subdivision 2 shall be enforced as though the following paragraph were incorporated as paragraph (c) of that subdivision; provided, however, that if such temporary or permanent restraining order or injunction is ever stayed or dissolved, or otherwise ceases to have effect, subdivision 2 shall have full force and effect, without being modified by the addition of the following substitute paragraph which shall have no force or effect until or unless an injunction or restraining order is again in effect.

(c) (i) If such a pregnant woman elects not to allow the notification of one or both of her parents or guardian or conservator, any judge of a court of competent jurisdiction shall, upon petition, or motion, and after an appropriate hearing, authorize a physician to perform the abortion if said judge determines that the pregnant woman is mature and capable of giving informed consent to the proposed abortion. If said judge determines that the pregnant woman is not mature, or if the pregnant woman does not claim to be mature, the judge shall determine whether the performance of an abortion upon her without notification of her parents, guardian, or conservator would be in her best interests and shall authorize a physician to perform the abortion without such notification if said judge concludes that the pregnant woman's best interests would be served thereby.

(ii) Such a pregnant woman may participate in proceedings in the court on her own behalf, and the court may appoint a guardian ad litem for her. The court shall, however, advise her that she has a right to court appointed counsel, and shall, upon her request, provide her with such counsel.

(iii) Proceedings in the court under this section shall be confidential and shall be given such precedence over other pending matters so that the court may reach a decision promptly and without delay so as to serve the best interests of the pregnant woman. A judge of the court who conducts proceedings under this section shall make in writing specific factual findings and legal conclusions supporting his decision and shall order a record of the evidence to be maintained including his own findings and conclusions.

(iv) An expedited confidential appeal shall be available to any such pregnant woman for whom the court denies an order authorizing an abortion without notification. An order authorizing an abortion without notification shall not be subject to appeal. No filing fees shall be required of any such pregnant woman at either the trial or the appellate level. Access to the trial court for the purposes of such a petition or motion, and

access to the appellate courts for purposes of making an appeal from denial of the same, shall be afforded such a pregnant woman 24 hours a day, seven days a week.

Subd. 7. If any provision, word, phrase or clause of this act or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the provisions, words, phrases, clauses or application of this act which can be given effect without the invalid provision, word, phrase, clause, or application, and to this end the provisions words, phrases, and clauses of this act are declared to be severable."

Offered by Elioff:

As previously amended:

Page 2, line 5, delete everything after the period

Page 2, delete lines 6 and 7 and insert "Time of delivery shall be deemed to occur at 12 o'clock noon on the next day on which regular mail delivery takes place, subsequent to mailing."

On the motion of Eken the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

McEachern moved to amend H. F. No. 1078, as follows:

Page 1, line 26, delete "\$25,000" and insert "\$7,000"

The question was taken on the amendment and the roll was called. There were 93 yeas and 12 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Erickson | Levi | Onnen | Sherman |
| Ainley | Esau | Long | Otis | Sherwood |
| Anderson, I. | Greenfield | Ludeman | Peterson, D. | Sieben, M. |
| Battaglia | Gruenes | Luknic | Piepho | Simoneau |
| Begich | Gustafson | Mann | Pogemiller | Skoglund |
| Blatz | Halberg | McCarron | Redalen | Stadum |
| Byrne | Hauge | McDonald | Reding | Staten |
| Carlson, L. | Haukoos | McEachern | Rees | Stumpf |
| Clark, J. | Hoberg | Mehrkens | Rice | Sviggum |
| Clark, K. | Hokanson | Metzen | Rodriguez, C. | Swanson |
| Clawson | Jacobs | Minne | Rodriguez, F. | Vellenga |
| Dahlvang | Johnson, D. | Murphy | Rose | Tomlinson |
| Dean | Jude | Nelsen, B. | Samuelson | Weaver |
| Dempsey | Kalis | Nelson, K. | Sarna | Welker |
| Den Ouden | Kelly | Niehaus | Schafer | Wenzel |
| Drew | Kostohryz | Norton | Schoenfeld | Wynia |
| Eken | Kvam | Novak | Schreiber | Sprk. Sieben, H. |
| Elioff | Lehto | Ogren | Searles | |
| Ellingson | Lemen | Olsen | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-------|----------|---------|
| Anderson, R. | Friedrich | Kaley | Nysether | Stowell |
| Brandl | Heap | Marsh | Osthoff | Zubay |
| Evans | Himle | | | |

The motion prevailed.

Byrne moved to amend H. F. No. 61, the first engrossment, as follows:

Page 1, lines 15 to 22, strike the old language, delete the new language and page 1, after line 22, insert:

"Subd. 2. Any person under 18 years of age who uses, possesses, or furnishes tobacco or a tobacco related device is guilty of a petty misdemeanor.

Subd. 3. Any person 18 years of age or older who furnishes tobacco or a tobacco related device in any form to a person not entitled thereto under subdivision 2 is guilty of a misdemeanor."

The question was taken on the amendment and the roll was called. There were 64 yeas and 49 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|--------------|----------|
| Anderson, G. | Ellingson | Kaley | O'Connor | Simoneau |
| Anderson, R. | Evans | Kelly | Ogren | Skoglund |
| Battaglia | Fjoslien | Kostohryz | Otis | Staten |
| Berkelman | Greenfield | Lehto | Peterson, D. | Stumpf |
| Brandl | Grunes | Long | Pogemiller | Vellenga |
| Brinkman | Gustafson | Ludeman | Redalen | Voss |
| Byrne | Hanson | Luknic | Rees | Welker |
| Clark, J. | Hauge | McCarron | Rice | Wenzel |
| Clark, K. | Hoberg | Mehrkens | Rose | Wieser |
| Dean | Jacobs | Metzen | Samuelson | Wigley |
| Dempsey | Johnson, D. | Murphy | Shea | Wynia |
| Eken | Jude | Nelson, K. | Sherman | Zubay |
| Elioff | Kahn | Norton | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|--------------|----------|------------|---------------|------------|
| Aasness | Erickson | Jennings | Niehaus | Schafer |
| Ainley | Esau | Kalis | Nysether | Schoenfeld |
| Anderson, B. | Ewald | Lemen | Olsen | Schreiber |
| Begich | Forsythe | Levi | Onnen | Searles |
| Blatz | Harens | Mann | Peterson, B. | Sherwood |
| Carlson, L. | Haukoos | Marsh | Piepho | Sviggum |
| Clawson | Heap | McDonald | Reif | Swanson |
| Dahlvang | Heintz | McEachern | Rodriguez, F. | Weaver |
| Den Ouden | Himle | Minne | Rothenberg | Welch |
| Drew | Hokanson | Nelsen, B. | Sarna | |

The motion prevailed and the amendment was adopted.

Clawson moved to amend H. F. No. 61, as amended, as follows :

Page 1, line 22, after the period insert:

"Within the meaning of this section shall include the placement of any vending machine capable of dispensing tobacco or tobacco-related devices in any area which might reasonably be expected to be frequented by persons under the age of 18 years."

The question was taken on the amendment and the roll was called. There were 21 yeas and 89 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|-------------|--------|------------|------------|-------|
| Brandl | Kahn | Nelson, K. | Schoenfeld | Wynia |
| Carlson, L. | Lehto | Norton | Simoneau | |
| Clark, J. | Lemen | Rice | Swanson | |
| Clawson | Long | Rothenberg | Voss | |
| Gustafson | Murphy | Samuelson | Welch | |

Those who voted in the negative were :

| | | | | |
|--------------|-------------|-----------|---------------|-----------|
| Aasness | Elioff | Jude | Nelsen, B. | Sarna |
| Ainley | Erickson | Kaley | Niehaus | Schafer |
| Anderson, B. | Esau | Kalis | Nysether | Schreiber |
| Anderson, G. | Evans | Kelly | O'Connor | Shea |
| Anderson, R. | Fjoslien | Kostohryz | Ogren | Sherman |
| Battaglia | Forsythe | Kvam | Olsen | Sherwood |
| Begich | Greenfield | Levi | Onnen | Staten |
| Berkelman | Gruenes | Ludeman | Osthoff | Stumpf |
| Blatz | Harens | Luknic | Otis | Sviggum |
| Brinkman | Haukoos | Mann | Peterson, B. | Tomlinson |
| Byrne | Heap | Marsh | Peterson, D. | Vellenga |
| Clark, K. | Heimitz | McCarron | Piepho | Weaver |
| Dahlvang | Himle | McDonald | Redalen | Welker |
| Dean | Hoberg | McEachern | Reding | Wenzel |
| Dempsey | Hokanson | Mehrakens | Rees | Wieser |
| Den Ouden | Jacobs | Metzen | Reif | Wigley |
| Drew | Jennings | Minne | Rodriguez, C. | Zubay |
| Eken | Johnson, D. | Munger | Rodriguez, F. | |

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

Wynia moved to amend H. F. No. 284, the first engrossment, as amended, as follows :

Page 2, after line 7, insert :

"(c) At the option of the pregnant woman, the following procedure shall be sufficient to fulfill the notice requirements of this subdivision. Notification of the pending abortion shall be sent by certified mail to the county agency designated to provide social services. It shall be the agency's responsibility to immediately contact by certified mail the parent of the pregnant woman to advise the parent of his responsibility to contact the

designated agency to arrange for a family conference to take place within three working days. If the parent fails to respond to the agency request, then the original notice to the social service agency shall be considered fulfillment of the requirements of subdivisions 2 to 4."

The question was taken on the amendment and the roll was called. There were 30 yeas and 86 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|------------|------------|---------------|-----------|
| Brandl | Forsythe | Kaley | Norton | Simoneau |
| Carlson, L. | Greenfield | Lehto | Ogren | Skoglund |
| Clark, J. | Hauge | Long | Otis | Staten |
| Clark, K. | Heimitz | McCarron | Peterson, D. | Tomlinson |
| Clawson | Himle | Munger | Pogemiller | Vellenga |
| Dean | Kahn | Nelson, K. | Rodriguez, C. | Wynia |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|------------|---------------|------------------|
| Aasness | Esau | Lemen | Osthoff | Sherwood |
| Ainley | Evans | Levi | Peterson, B. | Sieben, M. |
| Anderson, B. | Fjoslien | Ludeman | Piepho | Stumpf |
| Anderson, G. | Friedrich | Luknic | Redalen | Sviggum |
| Anderson, I. | Gruenes | Mann | Reding | Swanson |
| Anderson, R. | Hanson | Marsh | Rees | Voss |
| Battaglia | Harens | McDonald | Reif | Weaver |
| Begich | Haukoos | McEachern | Rice | Welch |
| Blatz | Heap | Mehrkens | Rodriguez, F. | Welker |
| Byrne | Hoberg | Metzen | Rose | Wenzel |
| Dahlvang | Hokanson | Minne | Rothenberg | Wieser |
| Dempsey | Jacobs | Murphy | Samuelson | Wigley |
| Den Ouden | Jennings | Nelsen, B. | Sarna | Zubay |
| Drew | Jude | Niehaus | Schafer | Spkr. Sieben, H. |
| Eken | Kalis | Nysether | Schoenfeld | |
| Elioff | Kelly | O'Connor | Schreiber | |
| Ellingson | Kostohryz | Olsen | Shea | |
| Erickson | Kvam | Onnen | Sherman | |

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

Kahn moved to amend H. F. No. 284, the first engrossment, as amended, as follows:

Page 2, after line 7, insert:

"(c) Those persons entitled to written notice shall register for notification with the commissioner of health. The names and addresses of those persons desiring notice shall be recorded with the commissioner. The commissioner shall notify the registered parties in accordance with subdivisions 2 to 4."

The question was taken on the amendment and the roll was called. There were 11 yeas and 99 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|-------|---------------|--------|-------|
| Clark, J. | Kahn | Nelson, K. | Staten | Wynia |
| Clark, K. | Lehto | Peterson, D. | | |
| Greenfield | Long | Rodriguez, C. | | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Ellingson | Kalis | Olsen | Shea |
| Ainley | Erickson | Kelly | Onnen | Sherman |
| Anderson, B. | Esau | Kostohryz | Osthoff | Sherwood |
| Anderson, G. | Evans | Kvam | Otis | Sieben, M. |
| Anderson, I. | Fjoslien | Lemen | Peterson, B. | Skoglund |
| Anderson, R. | Friedrich | Levi | Piepho | Stowell |
| Battaglia | Gruenes | Ludeman | Pogemiller | Stumpf |
| Begich | Gustafson | Luknic | Redalen | Sviggum |
| Berkelman | Hanson | Mann | Reding | Swanson |
| Blatz | Harens | Marsh | Rees | Tomlinson |
| Brandl | Hauge | McDonald | Reif | Voss |
| Byrne | Haukoos | McEachern | Rice | Weaver |
| Carlson, L. | Heap | Mehrkens | Rodriguez, F. | Welch |
| Dahlvang | Himle | Metzen | Rose | Welker |
| Dean | Hoberg | Minne | Rothenberg | Wenzel |
| Dempsey | Hokanson | Murphy | Samuelson | Wieser |
| Den Ouden | Jacobs | Nelsen, B. | Sarna | Wigley |
| Drew | Jennings | Niehaus | Schafer | Zubay |
| Eken | Johnson, D. | O'Connor | Schoenfeld | Spkr. Sieben, H. |
| Elioff | Jude | Ogren | Schreiber | |

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

Hokanson moved to amend H. F. No. 284, as amended, as follows:

Page 1, line 22, delete the second "the" and insert "her" and delete "either"

Page 1, line 23, delete the first "be" and after "to" delete the first "the" and insert "her"

Page 1, line 23, after "parent" insert a period and delete the balance of the line

Page 1, delete line 24

Page 2, delete lines 1 and 2

Page 2, line 4, delete "the persons"

Page 2, delete line 5 to the period and insert "her parents."

The question was taken on the amendment and the roll was called. There were 46 yeas and 67 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|--------------|-----------|
| Aasness | Drew | Kostohryz | Ogren | Stowell |
| Anderson, G. | Eken | Lehto | Osthoff | Stumpf |
| Berkelman | Ellingson | Levi | Otis | Tomlinson |
| Blatz | Forsythe | Long | Peterson, D. | Vellenga |
| Brandl | Gustafson | McCarron | Pogemiller | Welker |
| Byrne | Heinitz | Minne | Rice | Wynia |
| Carlson, L. | Himle | Munger | Shea | |
| Clark, J. | Hokanson | Nelson, K. | Simoneau | |
| Clawson | Kaley | Norton | Skoglund | |
| Dean | Kelly | Nysether | Staten | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|--------------|---------------|------------------|
| Ainley | Greenfield | Kvam | Piepho | Sherwood |
| Anderson, B. | Gruenes | Ludeman | Redalen | Sieben, M. |
| Anderson, I. | Hanson | Luknic | Reding | Sviggum |
| Anderson, R. | Harens | Mann | Rees | Swanson |
| Battaglia | Hauge | Marsh | Reif | Voss |
| Begich | Haukoos | McDonald | Rodriguez, C. | Weaver |
| Clark, K. | Heap | Mehrkens | Rodriguez, F. | Welch |
| Dahlvang | Hoberg | Metzen | Rose | Wenzel |
| Dempsey | Jacobs | Nelsen, B. | Rothenberg | Wieser |
| Den Ouden | Jennings | Niehaus | Samuelson | Wigley |
| Elioff | Johnson, D. | O'Connor | Sarna | Spkr. Sieben, H. |
| Erickson | Jude | Olsen | Schafer | |
| Esau | Kahn | Onnen | Schoenfeld | |
| Fjoslien | Kalis | Peterson, B. | Sherman | |

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

Byrne moved to amend H. F. No. 284, as amended, as follows:

Page 1, line 22, after "the parent" insert "of the pregnant woman and to the parent of the putative father"

Page 1, line 23, after "parent" insert "of the pregnant woman and to the parent of the putative father"

Page 1, line 24, delete "parent's" and insert "parents"

Page 2, after line 2, insert:

"(b) If the putative father is an adult, notice shall be delivered to him personally or to his usual place of abode and left with a person of suitable age and discretion living therein. The putative father or his parents, or both, shall become involved only to the extent of offering or providing emotional, financial, or other assistance or support to the minor woman. Notice to the putative father or his parents is not required when the pregnancy resulted from criminal sexual conduct."

Page 2, line 3, delete "(b)" and insert "(c)"

Page 2, line 3, delete "clause" and insert "clauses"

Page 2, line 3, after "(a)" insert "and (b)"

Page 2, line 5, delete "clause" and insert "clauses"

Page 2, line 5, after "(a)" insert "and (b)"

Page 2, line 9, after "woman" insert "and both parents of the putative father"

Page 2, line 10, after "woman" insert "and one parent of the putative father"

Page 2, line 13, after "woman" insert "or the putative father"

The question was taken on the amendment and the roll was called. There were 26 yeas and 82 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|------------|------------|---------------|--------|
| Berkelman | Clawson | Long | Otis | Staten |
| Brandl | Dean | McCarron | Peterson, D. | Wynia |
| Byrne | Greenfield | Munger | Pogemiller | |
| Carlson, L. | Gustafson | Nelson, K. | Rodriguez, C. | |
| Clark, J. | Hauge | Norton | Simoneau | |
| Clark, K. | Kahn | Ogren | Skoglund | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Esau | Kvam | Peterson, B. | Stowell |
| Ainley | Fjoslien | Lemen | Piepho | Stumpf |
| Anderson, B. | Forsythe | Ludeman | Redalen | Sviggum |
| Anderson, G. | Friedrich | Luknic | Reding | Swanson |
| Anderson, I. | Gruenes | Marsh | Rees | Tomlinson |
| Anderson, R. | Hanson | McDonald | Reif | Vellenga |
| Battaglia | Harens | McEachern | Rice | Voss |
| Begich | Haukoos | Mehrkens | Rodriguez, F. | Weaver |
| Blatz | Heap | Metzen | Rose | Welch |
| Dahlvang | Himle | Minne | Rothenberg | Wenzel |
| Dempsey | Hoberg | Murphy | Sarna | Wieser |
| Den Ouden | Hokanson | Nelsen, B. | Schafer | Wigley |
| Drew | Jacobs | Niehaus | Schoenfeld | Zubay |
| Eken | Jennings | Nysether | Schreiber | Spkr. Sieben, H. |
| Elioff | Johnson, D. | O'Connor | Sherman | |
| Ellingson | Jude | Onnen | Sherwood | |
| Erickson | Kelly | Osthoff | Sieben, M. | |

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

The question was taken on the motion to recommend passage of H. F. No. 284, as amended, and the roll was called. There were 97 yeas and 19 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Evans | Kostohryz | Olsen | Sieben, M. |
| Ainley | Fjoslien | Kvam | Onnen | Simoneau |
| Anderson, B. | Forsythe | Lemen | Osthoff | Skoglund |
| Anderson, G. | Friedrich | Levi | Peterson, B. | Stowell |
| Anderson, I. | Gruenes | Ludeman | Piepho | Stumpf |
| Anderson, R. | Gustafson | Luknic | Redalen | Sviggum |
| Battaglia | Hanson | Mann | Reding | Swanson |
| Begich | Harens | Marsh | Rees | Vellenga |
| Blatz | Hauge | McCarron | Reif | Voss |
| Clawson | Haukoos | McDonald | Rice | Weaver |
| Dahlvang | Heap | McEachern | Rodriguez, F. | Welch |
| Dean | Himle | Mehrkens | Rose | Welker |
| Dempsey | Hoberg | Metzen | Rothenberg | Wenzel |
| Den Ouden | Hokanson | Minne | Sarna | Wieser |
| Drew | Jacobs | Murphy | Schafer | Wigley |
| Eken | Jennings | Nelsen, B. | Schoenfeld | Zubay |
| Elioff | Johnson, D. | Niehaus | Schreiber | Spkr. Sieben, H. |
| Ellingson | Jude | Nysether | Shea | |
| Erickson | Kalis | O'Connor | Sherman | |
| Esau | Kelly | Ogren | Sherwood | |

Those who voted in the negative were:

| | | | | |
|-------------|------------|------------|---------------|-----------|
| Brandl | Greenfield | Lehto | Norton | Staten |
| Carlson, L. | Heinitz | Long | Otis | Tomlinson |
| Clark, J. | Kahn | Munger | Peterson, D. | Wynia |
| Clark, K. | Kaley | Nelson, K. | Rodriguez, C. | |

The motion prevailed.

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

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1445, A bill for an act relating to taxation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fees for duplicate license plates and registration certificates for certain motor vehicles; providing for the deposit of fees from motor vehicle dealers' license plates in the trunk highway fund; increasing the fees for dealers' license plates for certain motor vehicles; increasing the fees for transfer of ownership and filing for motor vehicle registration; providing for legislative review of certain capital improvement programs undertaken by the department of transportation; increasing the rate of the general sales and motor vehicle excise taxes; exempting sales of natural gas and electricity used for residential purposes from the sales tax; exempting feminine hygiene products from the sales tax; providing for deposit of the receipts of the motor vehicle excise tax in the trunk highway fund; transferring the financing of the department of public safety and certain other expenditures from the trunk highway to the gen-

eral fund; eliminating the authority for urban trucks to travel outside of their licensed zone of operation for purposes of repair and servicing; indexing the amounts of value of homestead property subject to lower classification ratios; providing property tax relief payments for homestead property receiving net tax increases in excess of five percent; limiting the amount of the federal income tax deduction; imposing a moratorium on indexing of the personal income tax rate brackets, credits, and the standard deduction maximum amount; changing the interest rates on delinquent taxes; rescheduling certain payments to local governments; changing the definition of claimant for the property tax refund; providing for declaration and estimated tax payments of gross earnings tax on telephone and telegraph companies; providing that the distribution of a certain development grant will not affect the distribution of certain future regional planning assistance grants; repealing the distribution of the estate tax to counties; providing a throwback rule for certain sales made outside of Minnesota for purposes of calculating the three factor income allocation formula; providing for deposit of certain receipts of the beer, wine, and liquor taxes in dedicated funds for detoxification and chemical dependency programs; amending Minnesota Statutes 1980, Sections 168.011, Subdivisions 7, 10, 17, and 25; 168.13, Subdivisions 1a, 1c, 1e, 1g, and 2; 168.117, Subdivisions 1 and 3; 168.091, Subdivision 1; 168.10, Subdivisions 1a, 1b, and 1c; 168.27, Subdivisions 16 and 22; 168.29; 168.30; 168.33, Subdivision 7; 168A.29, Subdivision 1; 270.75; 273.13, Subdivisions 6, 7, and 15a; 273.136, Subdivision 3; 290.18, by adding a subdivision; 290A.04, by adding a subdivision; 297A.01, Subdivisions 3, 8, and by adding a subdivision; 297A.02; 297A.14; 297A.24; 297A.25, Subdivision 1, and by adding a subdivision; 297B.03; 297B.035; 297B.08; 297B.09; 299D.-02, Subdivision 1; 299D.04; 299D.05; 340.60, Subdivision 1, and by adding a subdivision; 477A.01, Subdivision 4b; 477A.13; proposing new law coded in Minnesota Statutes, Chapters 174, 273, 295, and 299A; repealing Minnesota Statutes 1980, Sections 168.013, Subdivisions 16 and 17; and 291.33.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE I

Section 1. Minnesota Statutes 1980, Section 124.213, is amended to read:

124.213 [STATE SCHOOL AGRICULTURAL CREDIT.]

The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of (17) 18 mills on up to

320 acres of the property. The county auditor shall reduce the tax for school purposes on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. No state agricultural credit shall be applied on any property in excess of 640 acres. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

In 1977, payment shall be made according to the procedure provided in section 273.13, subdivision 15a, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in this section. In 1978, payment shall be made pursuant to sections 124.212, subdivision 7b and 124.11, for the purpose of replacing revenue lost as a result of the reduction in property taxes provided in this section. (THERE IS APPROPRIATED FROM THE GENERAL FUND IN THE STATE TREASURY TO THE COMMISSIONER OF REVENUE THE AMOUNT NECESSARY TO MAKE THESE PAYMENTS IN FISCAL YEAR 1978.) There is appropriated from the general fund in the state treasury to the department of education (THE AMOUNT NECESSARY TO MAKE THESE PAYMENTS IN FISCAL YEAR 1979 AND THEREAFTER) *in fiscal year 1982, the amount of \$68,400,000; in fiscal year 1983, the amount of \$75,400,000. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.*

Sec. 2. Minnesota Statutes 1980, Section 273.115, Subdivision 4, is amended to read:

Subd. 4. There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make the payments provided in subdivision 3 *provided that in fiscal year 1982, the appropriation shall not exceed \$3,200,000 and in fiscal year 1983, the appropriation shall not exceed \$3,700,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.*

Sec. 3. Minnesota Statutes 1980, Section 273.116, Subdivision 4, is amended to read:

Subd. 4. There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make the payments provided in subdivision 3 *provided that in fiscal year 1982, the appropriation shall not exceed \$100,000 and in fiscal year 1983, the appropriation shall not exceed \$100,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.*

Sec. 4. Minnesota Statutes 1980, 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 for taxes payable in 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 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. Valuation subject to relief shall be limited to (240) 320 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. 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. 5. Minnesota Statutes 1980, Section 273.13, Subdivision 6a, is amended to read:

Subd. 6a. [HOMESTEAD OWNED BY FAMILY FARM CORPORATION OR PARTNERSHIP.] (a) Each family farm corporation and each partnership operating a family farm shall be entitled to class 3b assessment and shall be eligible for the credit provided in subdivision 6 for one homestead occupied by a shareholder or partner thereof who is residing on the land and actively engaged in farming of the land owned by the corporation or partnership. Such a homestead shall not exceed (240) 320 acres, and shall be assessed as provided in subdivision 6, notwithstanding the fact that legal title to the property may be in the name of the corporation or partnership and not in the name of the person residing thereon. "Family farm corporation" and "family farm" shall mean as defined in section 500.24.

(b) In addition to property specified in paragraph (a), any other residences owned by corporations or partnerships described in paragraph (a) which are located on agricultural land and occupied as homesteads by shareholders or partners who are actively engaged in farming on behalf of the corporation or partnership shall also be assessed as class 3b property, and be entitled to the credit provided in subdivision 6, but the property eligible shall be limited to the residence itself and as much of the land surrounding the homestead, not exceeding one acre, as is reasonably necessary for the use of the dwelling as a home, and shall not include any other structures that may be located thereon.

Sec. 6. Minnesota Statutes 1980, Section 273.13, Subdivision 15a, is amended to read:

Subd. 15a. [GENERAL FUND, REPLACEMENT OF REVENUE.] (1) Payment from the general fund shall be made, as provided herein, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in subdivisions 6, 7, and 14a.

(2) Each county auditor shall certify, not later than May 1 of each year commencing in 1968 to the commissioner of revenue the amount of reduction resulting from subdivisions 6 and 7 in his county, and not later than May 1 of each year commencing in 1970, the amount of reduction resulting from subdivision 14a. In 1975 and subsequent years, this certification shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjust-

ments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

(3) Based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall annually determine the taxing district distribution of the amounts certified under clause (2). *Each school district and the metropolitan transit commission shall be paid the amount so determined. Each taxing district other than a school district or the metropolitan transit commission shall be paid the amount so determined or 108 percent of its preceding year's payment, whichever is less.* On or before July 15, (1975) 1981, and each year thereafter, the commissioner of revenue shall pay to each taxing district (ONE-HALF) *one-sixth* of (THEIR DISTRIBUTION) *its total payment for the year.* The remaining (ONE-HALF) *five-sixths* shall be paid in equal installments on or before (NOVEMBER 15, 1975) August 15, September 15, October 15, November 15, and December 15, 1981, and each year thereafter.

Sec. 7. Minnesota Statutes 1980, Section 273.138, Subdivision 5, is amended to read:

Subd. 5. The commissioner of revenue shall calculate the aids pursuant to subdivisions 2 and 3, basing all necessary calculations on the abstracts of assessment of real property for assessment year 1972 transmitted to the commissioner of revenue pursuant to section 270.11 as equalized by the state board of equalization pursuant to sections 270.11 and 270.12, and the 1973 abstracts of tax lists transmitted by the county auditors pursuant to section 275.29. He shall make payments directly to the affected taxing authorities in two equal parts on July 15 and November 15 of each year, commencing in 1974 *provided, however, that the sum appropriated to the commissioner to make the payments in fiscal year 1982 is limited to \$11,500,000 and in fiscal year 1983, \$11,500,000. In the event that the sum of the aid calculations exceeds the amount provided in fiscal years 1982 or 1983, the aid calculation amounts shall be proportionally reduced so that the sum equals the amount appropriated.*

Sec. 8. Minnesota Statutes 1980, Section 273.139, Subdivision 3, is amended to read:

Subd. 3. There is annually appropriated from the general fund to the commissioner of revenue an amount necessary to make the payments required by this section *provided, however, that the sum appropriated in fiscal year 1982 shall not exceed \$10,000,000 and in fiscal year 1983 shall not exceed \$13,500,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be*

proportionally reduced so that their sum equals the appropriation.

Sec. 9. Minnesota Statutes 1980, Section 275.50, Subdivision 2, is amended to read:

Subd. 2. "Governmental subdivision" means any county, city, (STATUTORY CITY, OR) town (HAVING THE POWERS OF A STATUTORY CITY PURSUANT TO SECTIONS 368.01 OR 368.61, OR BY SPECIAL LAW) or special taxing district as determined by the department of revenue except as hereinafter provided. The term does not include school districts (, TOWNS WITHOUT STATUTORY CITY POWERS,) or (SPECIAL TAXING DISTRICTS DETERMINED BY THE DEPARTMENT OF REVENUE) the metropolitan transit commission established by section 473.404.

Sec. 10. [275.512] [PENALTIES IMPOSED UNDER PREVIOUS LAW.]

The repeal of Minnesota Statutes 1980, Sections 275.51, Subdivision 4; 275.551; and 275.552; and the amendments to Minnesota Statutes 1980, Sections 275.51, Subdivision 1; and 275.55 shall not be construed to nullify or in any way diminish a penalty imposed pursuant to Minnesota Statutes 1980, Sections 275.51, Subdivision 1; 275.55; or 275.552, whether in the form of the reduction of local government aid payments made pursuant to section 477A.01 or the reduction in property tax levy in accordance with a stipulation agreement signed by the governmental subdivision.

Sec. 11. [275.511] [ELECTIONS TO INCREASE LEVY.]

Notwithstanding the provisions of section 275.51 but subject to other law or charter provisions establishing per capita, mill or other limitations on the amount of taxes that may be levied, the levy of a governmental subdivision may be increased above the limitation imposed by section 275.51 in any dollar amount which is approved by the majority of voters of the governmental subdivision voting on the question at a general or special election. When the governing body of the governmental subdivision resolves to increase the levy of the governmental subdivision, it shall provide for submission of the proposition of an increase in the levy limit at a general or special election. Notice of the election shall be given in the manner required by law. Such notice shall state the purpose and maximum yearly amount of such additional levy. Within 30 days after the election, the governmental subdivision shall furnish the commissioner with a sample ballot for the question of the increase in levy, an affidavit of publication of the notice, and a certification of the election results.

Sec. 12. Minnesota Statutes 1980, Section 275.51, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any provisions of law or municipal charter to the contrary which authorize ad valorem levies in excess of the limitations established by sections 275.50 to 275.56, (BUT SUBJECT TO SECTION 275.56,) the provisions of this section shall apply to the levies by governmental subdivisions (IN THE YEARS 1975, 1976) for the taxes payable in 1982 and subsequent years for all purposes (OTHER THAN THOSE FOR WHICH SPECIAL LEVIES AND SPECIAL ASSESSMENTS ARE MADE).

Sec. 13. Minnesota Statutes 1980, Section 275.51, is amended by adding a subdivision to read:

Subd. 1a. The property tax levy of any governmental subdivision for the taxes payable year 1982 shall not exceed 108 percent of the total amount that was levied by the governmental subdivision for the preceding year as certified on the abstracts of tax lists submitted pursuant to section 275.29. For a governmental subdivision within the metropolitan area defined by section 473F.02, subdivision 2, the preceding year's levy includes the tax on distribution value for the same taxes payable year pursuant to section 473F.12. For the purpose of the limitation imposed by this section, the total amount levied by a governmental subdivision for the preceding year does not include the levies for principal and interest on bonded indebtedness or certificates of indebtedness allowable as a special levy pursuant to Minnesota Statutes 1980, Section 275.50, Subdivision 5, Clauses (e), (f), (g), and (h) whether or not the governmental subdivision was subject to the provisions of Minnesota Statutes 1980, Section 275.50. The levies for these purposes are exempt from the limitation imposed by this section. For the taxes payable year 1982, the preceding year's levy does not include any portion of a governmental subdivision's levy for the taxes payable year 1981 which was in excess of the limitation imposed by Minnesota Statutes 1980, Sections 275.50 to 275.56. If the amount levied by a governmental subdivision for the taxes payable year 1982 exceeds 108 percent of its preceding year's levy as defined herein, the levy limitation for the next taxes payable year shall be based on the levy allowed pursuant to this section. Notwithstanding any limitation herein, any city providing nonmandated tax relief for 1981, through the use of its general fund balance, may add to the base upon which any limitation herein is applied, the amount of such tax relief as is shown on its 1981 adopted budget.

Sec. 14. Minnesota Statutes 1980, Section 275.51, is amended by adding a subdivision to read:

Subd. 1b. Except as provided in sections 11 and 13, the county auditor shall not extend a property tax levy for a governmental

subdivision which exceeds 108 percent of its property tax levy for the preceding year.

Sec. 15. Minnesota Statutes 1980, Section 275.55, is amended to read:

275.55 [STATE REVIEW AND REGULATION OF LEVIES.]

The commissioner of revenue, or his designees, shall (ESTABLISH PROCEDURES BY WHICH LEVIES OF ALL GOVERNMENTAL UNITS SHALL BE PERIODICALLY REVIEWED. THE COMMISSIONER SHALL BE EMPOWERED TO ORDER WITHHOLDING OF STATE AIDS WHERE SUCH PENALTIES ARE AUTHORIZED BY LAW, TO ISSUE, IN ACCORDANCE WITH CHAPTER 15, RULINGS INTERPRETING SECTIONS 275.50 TO 275.56, AND TO TAKE SUCH OTHER ADMINISTRATIVE ACTIONS AS HE DEEMS NECESSARY IN ORDER TO CARRY OUT THE PROVISIONS OF SECTIONS 275.50 TO 275.56. IF THE COMMISSIONER OF REVENUE TAKES ADMINISTRATIVE ACTION OR ANY OTHER ACTION AUTHORIZED BY THIS SECTION TO ENFORCE THE PROVISIONS OF SECTIONS 275.50 TO 275.56, HE SHALL GIVE WRITTEN NOTICE OF SUCH ACTION TO THE GOVERNMENTAL SUBDIVISION AFFECTED. SUCH NOTICE SHALL SPECIFY THE ACTUAL OR IMPENDING VIOLATIONS BY THE GOVERNMENTAL SUBDIVISION OF SECTIONS 275.50 TO 275.56 OR THE RULES AND REGULATIONS OF THE DEPARTMENT OF REVENUE PERTAINING THERETO, DESCRIBE THE CORRECTIVE ACTION REQUIRED, INCLUDING, IN THE CASE OF AN EXCESS LEVY, REDUCTION OF THE GOVERNMENTAL SUBDIVISION'S LEVY IN THE NEXT SUCCEEDING LEVY YEAR IN AN AMOUNT EQUAL TO THE AMOUNT OF THE EXCESS LEVY, SET A REASONABLE PERIOD OF TIME WITHIN WHICH THE GOVERNMENTAL SUBDIVISION SHALL CORRECT THE SPECIFIED ACTUAL OR IMPENDING VIOLATIONS AND CAUTION THE GOVERNMENTAL SUBDIVISION THAT IF THE SPECIFIED CORRECTION IS NOT MADE WITHIN THE TIME ALLOWED, THE STATE AIDS TO THE GOVERNMENTAL SUBDIVISION PURSUANT TO SECTIONS 477A.01 AND 298.282, AS AMENDED, WILL BE REDUCED AS PROVIDED IN SECTION 275.51, SUBDIVISION 4. THE TIME PERIOD FIRST ALLOWED FOR CORRECTION MAY BE EXTENDED BY THE COMMISSIONER IF HE FINDS A REASONABLE BASIS FOR DELAY. COUNTY AUDITORS, IN ADDITION TO DUTIES OTHERWISE PROVIDED BY LAW, SHALL COOPERATE WITH THE COMMISSIONER IN ESTABLISHING SUCH PROCEDURES AND ENFORCING THE PROVISIONS OF SECTIONS 275.50 TO 275.56) *calculate the levy limitations in accordance with section 275.51 and certify them to the governmental subdivisions by July 1.*

Sec. 16. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

Subd. 1a. [ADDITIONAL CORPORATE TAX.] In addition to the tax computed according to subdivision 1 and section 290.361, there is hereby imposed an additional privilege and income tax which shall be computed by applying the following rates to the tax computed pursuant to subdivision 1, sections 290.361 and 290.091 less the credits allowed by section 62E.11, subdivision 8 and section 290.06, subdivisions 3f, 9, 9a, and 14:

(1) *For taxable years beginning after December 31, 1980, but before January 1, 1982, 2-1/2 percent;*

(2) *For taxable years beginning after December 31, 1981, but before January 1, 1983, five percent;*

(3) *For taxable years beginning after December 31, 1982, but before January 1, 1984, 2-1/2 percent.*

Sec. 17. Minnesota Statutes 1980, 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 \$400 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$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 \$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. 18. Minnesota Statutes 1980, Section 290.09, Subdivision 10, is amended to read:

Subd. 10. [MEDICAL EXPENSES.] Payments (not compensated for by insurance or otherwise) for *medical, dental, and other expenses (FOR HOSPITAL, NURSING, MEDICAL, SURGICAL, DENTAL, AND OTHER HEALING SERVICES, INCLUDING INSTITUTIONAL CARE AND TREATMENT FOR THE MENTALLY ILL AND PHYSICALLY HANDICAPPED AND THE COST, FEEDING AND MAINTENANCE EXPENSES OF A GUIDE DOG FOR A BLIND OR DEAF PERSON, AS DEFINED IN SECTION 290.06, SUBDIVISION 3C, CLAUSES (4) (D) AND (H), AND FOR MEDICAL SUPPLIES AND AMBULANCE HIRE, INCURRED BY THE*

TAXPAYER ON ACCOUNT OF SICKNESS, MENTAL ILLNESS, PHYSICAL HANDICAP OR PERSONAL INJURY TO HIMSELF OR HIS DEPENDENTS AND PREMIUMS PAID FOR HOSPITALIZATION AND MEDICAL INSURANCE INCLUDING NONPROFIT HOSPITAL SERVICE AND NONPROFIT MEDICAL SERVICE PLANS. PAYMENTS FOR TRAVELING EXPENSES SHALL NOT BE DEDUCTIBLE UNDER THE PROVISIONS OF THIS SUBDIVISION. PAYMENTS FOR HOTEL OR SIMILAR LODGING EXPENSES SHALL BE DEDUCTIBLE IN THE SAME MANNER AS PAYMENTS FOR HOSPITAL SERVICES, IF THE TAXPAYER OR HIS DEPENDENT IS NOT HOSPITALIZED BUT IS NEVERTHELESS REQUIRED TO REMAIN IN A MEDICAL CENTER AWAY FROM HIS USUAL PLACE OF ABODE, FOR THE PURPOSE OF RECEIVING PRESCRIBED MEDICAL TREATMENT) *as provided and as limited by section 213 of the Internal Revenue Code of 1954, as amended through December 31, 1980.*

Sec. 19. Minnesota Statutes 1980, Section 477A.03, is amended to read:

477A.03 [APPROPRIATION.]

A sum sufficient to discharge the duties imposed by section 477A.01, subdivisions 1, 2 and 4e is annually appropriated from the general fund to the commissioner of revenue *provided, however, that the appropriation for fiscal year 1982 shall not exceed \$270,520,300 and for fiscal year 1983, \$270,520,300. In the event that the sum of the aid calculations provided by section 477A.01 exceeds the appropriation, the aid calculation amounts shall be proportionally reduced so that their sum equals the appropriation.*

Sec. 20. [REPEALER.]

Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4, and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; and 275.59 are repealed.

Sec. 21. [STUDY OF LEVY LIMITS.] *The commissioner of revenue shall study the impacts of the levy limits contained in Minnesota Statutes for years prior to the 1981 levy year and the provisions of this article and shall prepare a report to be submitted to the governor and the legislature by February 1, 1982, recommending methods of financing the needs of local governments.*

Sec. 22. [EFFECTIVE DATES.]

Sections 1, 2, 3, 7, 8, 11, and 19 are effective July 1, 1981. Sections 4 and 5 are effective for property taxes levied in 1981

and subsequent years, and payable in 1982 and subsequent years. Section 6 is effective for homestead credits to be paid in calendar year 1982 and subsequent years. Sections 9, 10, 11 to 15, and 20, are effective for taxes levied in 1981, payable 1982 and subsequent years. Sections 16 to 18 are effective for taxable years beginning after December 31, 1980.

ARTICLE II

Section 1. Minnesota Statutes 1980, Section 270.75, is amended to read:

270.75 [INTEREST PAYABLE TO COMMISSIONER.]

Subdivision 1. If any tax payable to the commissioner of revenue or to the department of revenue is not paid within the time specified by law for payment, the unpaid tax shall bear interest at the rate of (EIGHT) 12 percent per annum from the date such tax should have been paid until the date that the tax was paid, unless otherwise provided by law. (UNPAID TAXES COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE SUCH TAX SHOULD HAVE BEEN PAID UNTIL THE DATE THAT THE TAX WAS PAID.)

Subd. 2. When an extension of time has been granted by the commissioner, interest shall be paid at the rate of (EIGHT) 12 percent per annum from the date such payment should have been made, if no extension had been granted, until the date of payment of such tax. (UNPAID TAXES COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE SUCH PAYMENT SHOULD HAVE BEEN MADE, IF NO EXTENSION HAD BEEN GRANTED, UNTIL THE DATE OF PAYMENT OF SUCH TAX.)

Subd. 3. If any penalty payable to the commissioner of revenue shall by law bear interest, such penalty shall bear interest at the rate of (EIGHT) 12 percent per annum from the date the penalty was assessable until the date that such penalty was paid, unless a different rate of interest is otherwise provided by law. (ANY PENALTY COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE THE PENALTY WAS ASSESSABLE UNTIL THE DATE THAT SUCH PENALTY WAS PAID.)

Subd. 4. There shall be added to the amount of any underpayment of estimated income tax, computed pursuant to chapter 290, an amount in lieu of interest determined at the rate of (EIGHT) 12 percent per annum.

Sec. 2. Minnesota Statutes 1980, Section 273.136, Subdivision 3, is amended to read:

Subd. 3. The commissioner of finance shall pay out of the taconite property tax relief account to each county treasurer one-half of the amount certified under subdivision 2 not later than (JUNE 15) *July 15* and the remaining half not later than November 15 of each year commencing in (1974) *1982*.

Sec. 3. Minnesota Statutes 1980, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes are payable at some time during the calendar year covered by the claim (, EXCEPT THAT A CLAIMANT WHO IS DISABLED OR WHO HAS ATTAINED THE AGE OF 65 ON THE DATE SPECIFIED IN SECTION 290A.04, SUBDIVISION 1, MAY FILE A CLAIM BASED ON RESIDENCE IN A UNIT ON WHICH AD VALOREM TAXES WERE NOT PAYABLE). In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more renters; who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 4. Minnesota Statutes 1980, Section 290A.04, is amended by adding a subdivision to read:

Subd. 4. Any claim for refund based on rent paid to a licensed skilled nursing or intermediate care facility shall be reduced by the amount of medical assistance paid to or on behalf of the claimant pursuant to Minnesota Statutes, Chapter 256B.

Sec. 5. Minnesota Statutes 1980, Section 290A.07, Subdivision 2, is amended to read:

Subd. 2. A claimant (WHO IS A RENTER OR) who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount.

Sec. 6. [295.365] [DECLARATIONS OF ESTIMATED GROSS EARNINGS TAX BY TELEGRAPH AND TELEPHONE COMPANIES.]

Every telegraph company subject to taxation pursuant to section 295.32 and every telephone company subject to taxation pursuant to section 295.34, shall make a declaration of estimated gross earnings tax for the calendar year. The declaration of estimated tax shall be filed on or before March 15. The amount of estimated tax with respect to which a declaration is required shall be paid in four equal installments on or before the 15th day of March, June, September, and December. An amendment of a declaration may be filed in any interval between installment dates prescribed above but only one amendment may be filed in each such interval.

If any amendment of a declaration is filed, the amount of each remaining installment shall be the amount which would have been payable if the new estimate had been made when the first estimate for the calendar year was made, increased or decreased, as the case may be, by the amount computed by dividing

(1) the difference between (A) the amount of estimated tax required to be paid before the date on which the amendment was made, and (B) the amount of estimated tax which would have been required to be paid before such date if the new estimate had been made when the first estimate was made, by

(2) the number of installments remaining to be paid on or after the date on which the amendment is made.

The commissioner of revenue may grant a reasonable extension of time for filing any declaration but such extension shall not be for more than six months.

Sec. 7. [295.366] [FAILURE BY TELEGRAPH OR TELEPHONE COMPANY TO PAY ESTIMATED GROSS EARNINGS TAX.]

Subdivision 1. [ADDITION TO THE TAX.] In case of any underpayment of estimated tax by a telegraph or telephone company, except as provided in subdivision 4, there shall be added to the tax for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of the underpayment (determined under subdivision 2) for the period of the underpayment (determined under subdivision 3).

Subd. 2. [AMOUNT OF UNDERPAYMENT.] For purposes of subdivision 1, the amount of the underpayment shall be the excess of

(1) the amount of the installment, over

(2) the amount, if any, of the installment paid on or before the last date prescribed for payment.

Subd. 3. [PERIOD OF UNDERPAYMENT.] The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier

(1) The 15th day of the third month following the close of the taxable year.

(2) With respect to any portion of the underpayment, the date on which such portion is paid. For purposes of this paragraph, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined under subdivision 2(1) for such installment date.

Subd. 4. [EXCEPTION.] Notwithstanding the provisions of the preceding subdivisions, the addition to the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the lesser

(1) The tax shown on the return of the corporation for the preceding taxable year.

(2) Eighty per cent of the actual liability for the calendar year.

Sec. 8. Minnesota Statutes 1980, Section 477A.01, Subdivision 4b, is amended to read:

Subd. 4b. For aids to be paid in 1982 and subsequent years, the commissioner of revenue shall make all necessary calculations and make payments directly to the affected taxing authorities in (FOUR) six installments on (MARCH 15,) July 15, August 15, September 15, (AND) October 15, November 15, and December 15 annually.

For calendar year 1981 only, the commissioner shall make the payments in seven installments computed as follows: one-fourth of the calendar year 1981 aids shall be paid on March 15; the re-

maining amounts shall be divided into six equal payments to be made on July 15, August 15, September 15, October 15, November 15, and December 15.

Sec. 9. Minnesota Statutes 1980, Section 477A.13, is amended to read:

477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of (JANUARY) *July* of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections 84A.51, 89.036, 97.49, subdivision 3, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

Sec. 10. [REPEALER.]

Minnesota Statutes 1980, Section 291.33, is repealed.

Sec. 11. [EFFECTIVE DATE.]

Section 1 is effective for taxes becoming due after June 30, 1981. Sections 2 and 9 are effective January 1, 1982. Section 8 is effective July 1, 1981. Sections 3 and 4 are effective for claims based on rent paid in 1981 and subsequent years. Section 5 is effective for claims based on rent paid in 1982 and subsequent years. Sections 6 and 7 are effective for taxable years beginning after December 31, 1982. Section 10 is effective January 1, 1981.

ARTICLE III

Section 1. Minnesota Statutes 1980, 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 through December 31, 1979.

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, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(ii) 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 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.

(iii) 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 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 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 the previous taxable year *and to the extent the deduction resulted in a tax benefit.*

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 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 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 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, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of 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 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);

(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; and

(19) 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 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 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 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 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. The maximum amount

of this subtraction shall be \$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 \$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 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 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;

(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 before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(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);

(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 subdivision 27.

(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 the corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of 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 the corporation is liquidated or the individual shareholder disposes of 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, 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 the reserve is distributed to shareholders 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 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 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, clause (2) in computing Minnesota inheritance or estate 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 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 1980, Section 290.01, Subdivision 23, is amended to read:

Subd. 23. [ADJUSTED GROSS INCOME.] The term "adjusted gross income" means the gross income, as defined in

subdivision 20, less the allowable *federal income tax* deductions provided in sections 290.09, (290.075, 290.077, AND 290.16, SUBDIVISION 6,) *subdivision 4 limited by section 290.10, clauses (8), (9), and (10)* to the extent allowed by section 290.18.

Sec. 3. Minnesota Statutes 1980, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter and income or franchise taxes paid to any other state or to any province or territory of Canada for which a credit is allowed under section 290.081; (b) taxes assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under chapter 290A; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; (g) mortgage registry tax; (h) real estate transfer tax; (i) federal telephone tax; (j) federal transportation tax; and (k) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1979. If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. (INCOME TAXES PERMITTED TO BE DEDUCTED HEREUNDER SHALL, REGARDLESS OF THE METHODS OF ACCOUNTING EMPLOYED, BE DEDUCTIBLE ONLY IN THE TAXABLE YEAR IN WHICH PAID.) Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation.

Sec. 4. Minnesota Statutes 1980, Section 290.10, is amended to read:

290.10 [NONDEDUCTIBLE ITEMS.]

In computing the net income no deduction shall in any case be allowed for:

- (1) Personal, living or family expenses;

(2) Amounts paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate, except as otherwise provided in this chapter;

(3) Amounts expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;

(4) Premiums paid on any life insurance policy covering the life of the taxpayer or of any other person;

(5) The shrinkage in value, due to the lapse of time, of a life or terminable interest of any kind in property acquired by gift, devise, bequest or inheritance;

(6) Losses from sales or exchanges of property, directly or indirectly, between members of a family, or, except in the case of distributions in liquidation, between an individual and a corporation in which such individual owns, directly or indirectly, more than 50 percent in value of the outstanding stock; or between any person or corporation and a trust created by him or it or of which he or it is a beneficiary, directly or indirectly; for the purpose of this clause, an individual shall be considered as owning the stock owned, directly or indirectly, by his family; and the family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestor, and lineal descendants, but such losses shall be allowed as deductions if the taxpayer shows to the satisfaction of the commissioner that the sale or exchange was bona fide and for a fair and adequate consideration;

(7) In computing net income, no deduction shall be allowed under section 290.09, subdivision 2, relating to expenses incurred or under section 290.09, subdivision 3, relating to interest accrued;

(a) If such expenses or interest not paid within the taxable year or within two and one-half months after the close thereof; and

(b) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the taxable year in which or with which the taxable year of the taxpayer ends; and

(c) If, at the close of the taxable year of the taxpayer or at any time within two and one-half months thereafter, both the taxpayer and the person to whom the payment is to be made are persons between whom losses would be disallowed under clause (6);

(8) (a) Contributions by employees under the federal railroad retirement act (,) and the federal social security act (, OR) (b) Payments to Minnesota or federal public employee retirement funds (, AND THAT). (c) Three-fourths (75 percent) of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code of 1954, as amended through December 31, 1979 (, WHICH WOULD HAVE BEEN IMPOSED ON THE SAME AMOUNT OF INCOME IF SUCH INCOME HAD BEEN TREATED AS WAGES FROM EMPLOYMENT AND SUBJECT TO TAX UNDER THE PROVISIONS OF SECTION 3101 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1979).

(9) Expenses, interest and taxes connected with or allocable against the production or receipt of all income not included in the measure of the tax imposed by this act. (WHEN THE FEDERAL INCOME TAX LIABILITY IS JOINT AND SEVERAL UNDER A JOINT FEDERAL RETURN OF HUSBAND AND WIFE, THE ALLOWABLE FEDERAL INCOME TAX PAID ON THE INCOME INCLUDED IN THE JOINT FEDERAL RETURN MAY BE TAKEN AS A DEDUCTION FROM GROSS INCOME BY THE SPOUSE WHO PAID THE FEDERAL INCOME TAX.)

(10) In situations where this chapter provides for an exclusion from gross income of a specific dollar amount of an item of income assignable to this state, and within the measure of the tax imposed by this chapter, that portion of the federal income tax (PAID) liability assessed upon such income excluded, and any expenses attributable to earning such income, shall not be deductible in computing net income.

(11) Amounts paid or accrued for such taxes and carrying charges as, under regulations prescribed by the commissioner, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such regulations, to treat such taxes or charges as so chargeable.

Sec. 5. Minnesota Statutes 1980, Section 290.18, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] ((A) THE ADJUSTED GROSS INCOME SHALL, EXCEPT INsofar AS SECTION 290.19 IS APPLICABLE, BE COMPUTED BY DEDUCTING FROM THE GROSS INCOME ASSIGNABLE TO THIS STATE UNDER SECTION 290.17, THE FOLLOWING DEDUCTIONS:)

(ALLOWABLE) Federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10(9) and 290.18 (.)

(THE DEDUCTION ENUMERATED IN THIS SUBDIVISION) shall be allowed to (THE EXTENT PROVIDED IN SUBDIVISION 1 AND AS PROVIDED IN CLAUSES (B) AND (C).)

((B) IN THE CASE OF) (a) corporations (,) and national and state banks (i) for taxable years beginning prior to July 1, 1971 and ending subsequent thereto, federal income taxes allowable as a deduction shall be that part of the federal income tax determined by multiplying the federal income tax liability for such taxable year as reflected on the return filed with the Internal Revenue Service by a fraction, the numerator of which is the number of months in the taxable year prior to July 1, 1971 and the denominator which is the number of months in the entire taxable year; provided that if the taxable period is other than a full year the denominator of the fraction shall be the total number of months for which the federal return is filed.

((C)) (ii) The amount of any additional federal income taxes for 1971 and prior years, where such additional federal income taxes would have been allowed as a deduction from gross income under clause (b) or under prior law, shall be allowed as a deduction in the year in which such additional federal income taxes are paid.

((D)) (iii) The amount of any overpayment of federal income taxes, whether allowed as a refund or allowed as a credit to any liability, where such overpayment has previously been allowed as a deduction from gross income under Extra Session Laws 1971, Chapter 31, Article 6 or under prior law, shall be added to gross income in the year in which received or credited.

(b) individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income.

(ii) taxes paid for a taxable year beginning before January 1, 1981 shall be allowed as follows:

(1) Those taxes paid in a taxable year beginning before January 1, 1981, shall be claimed in the year which the payment was made.

(2) Those paid in a taxable year beginning after December 31, 1980 shall be divided and deducted in equal installments re-

flected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986.

(iii) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this section shall be increased by the self-employment tax allowed under section 290.10, clause (8).

(iv) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduction allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(v) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this section shall be modified for such year.

(vi) If the readjustments required in (iv) or (v) are for taxes reflected in the transition rule described in (ii)(2), the readjustment shall be made equally to the remaining installments and if a reduction to such installments is required under this readjustment which exceeds the total of all remaining installments, the remaining installments will be reduced to zero and the excess included in income as a federal income tax refund.

(vii) Refunds which are not involved with any readjustments under the transition rule shall be included in income under section 290.01, subdivision 20, clause (a)(6) if it is from a year beginning before January 1, 1981.

(viii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received.

Sec. 6. [EFFECTIVE DATE.]

This article is effective for taxable years beginning after December 31, 1980.

ARTICLE IV

Section 1. Minnesota Statutes 1980, Section 124.01, Subdivision 3, is amended to read:

Subd. 3. "Basic maintenance mill rates" means the maximum permissible mill rate applicable to the adjusted assessed valuation of a district, specified for use in the computation of foundation aid or a particular school year pursuant to section 124.212 and of permissible levies for use in that school year pursuant to section 275.125, subdivision 2a, clause (1) or (2). (FOR 1979 PAYABLE 1980 LEVIES AND FOR FOUNDATION AID FOR THE 1980-1981 SCHOOL YEAR, THE BASIC MAINTENANCE MILL RATE SHALL BE .023.) For 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year, the basic maintenance mill rate shall be .021. *For 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year, the basic maintenance mill rate shall be .023.*

ARTICLE V

Section 1. Minnesota Statutes 1980, 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 for taxes payable in 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. *Effective for taxes payable in 1982 and thereafter, the maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 3.* The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$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. 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. 2. Minnesota Statutes 1980, 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 for taxes payable in 1981 and 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. *Effective for taxes payable in 1982 and thereafter, the maximum amounts of the market value of the homestead brackets subject to the 16 percent and 22 percent rates shall be adjusted by the commissioner of revenue as provided in section 3.* The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. 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 real estate 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 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. *Effective for taxes payable in 1982 and thereafter, in the case of agricultural land including a mobile home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 3, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and mobile homes, the commissioner of revenue shall adjust, as provided in section 3, the maximum amount of the market value of the homestead brackets subject to the five percent and 22 percent rates.* 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 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650.

Sec. 3. [273.125] [FLEXIBLE HOMESTEAD BRACKETS.]

Effective for taxes payable in 1982 and subsequent years, the maximum amount of the market value of the homestead brackets shall be adjusted as provided in this section. The equalization aid review committee shall divide the statewide average purchase price of a residential home as indicated by bona fide real estate sales during the previous assessment year by the statewide average purchase price of a residential home during the year immediately preceding the previous assessment year. The resulting quotient shall be multiplied by the maximum amounts of the homestead brackets as provided in section 273.13, subdivisions 6 and 7 for the preceding assessment year, to obtain the revised

homestead brackets for the current assessment year. The revised homestead brackets shall be rounded to the nearest \$100. On or before December 1, 1981 and each subsequent year the commissioner of revenue shall announce the revised homestead brackets as adjusted by this section.

Sec. 4. Minnesota Statutes 1980, Section 290.06, Subdivision 2d, is amended to read:

Subd. 2d. [INFLATION ADJUSTMENT OF BRACKETS.]

(FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1978,) *The first seven taxable net income brackets in subdivision 2c shall be adjusted for inflation. For the purpose of making the adjustment as provided in this subdivision all of the brackets provided in subdivision 2c shall be the adjusted brackets as they existed for taxable years beginning after December 31, 1979 and before January 1, 1981. The commissioner of revenue shall determine the percentage increase for each year in the (REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA) annual average weekly earnings for U.S. workers (private, nonfarm, seasonally adjusted) prepared by the United States department of labor (WITH 1967 AS A BASE YEAR). The commissioner shall determine the percentage increase from August, (1978) 1980 to, in (1979) 1981, August, (1979) 1981 and in each subsequent year, from August of the preceding year to August of the current year, and shall announce the percentage figure by October 1 each year. The dollar amounts in each of the first seven taxable net income (BRACKET) brackets for the prior year in subdivision 2c shall be multiplied by a figure equal to (85) 75 percent of that percentage. The product of the calculation shall be added to each of the first seven inflation adjusted taxable net income (BRACKET) brackets for the prior year to produce the inflation adjusted taxable net income brackets for each succeeding year. If the product exceeds a whole dollar amount, it shall be raised to the next highest whole dollar.*

Sec. 5. Minnesota Statutes 1980, Section 290.06, Subdivision 3g, is amended to read:

Subd. 3g. [INFLATION ADJUSTMENT OF CREDITS.] For taxable years beginning after December 31, 1980, the credits provided for individuals in subdivision 3f shall be adjusted for inflation. The commissioner of revenue shall determine the percentage increase for each year in the (REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA) annual average weekly earnings for U. S. workers (private, nonfarm, seasonally adjusted) prepared by the United States department of labor (WITH 1967 AS A BASE YEAR). The commissioner shall determine the percentage in-

crease from August, 1980 to, in 1981, August, 1981 and in each subsequent year, from August of the preceding year to August of the current year, and shall announce the percentage figure by October 1 each year. The dollar amount of each inflation adjusted credit for the prior year in subdivision 3f shall be multiplied by a figure equal to that percentage. The product of the calculation shall be added to the inflation adjusted credit for the prior year to produce the inflation adjusted individual credits for each succeeding year. If the product exceeds a whole dollar amount, it shall be rounded to the nearest whole dollar.

Sec. 6. Minnesota Statutes 1980, Section 290.09, Subdivision 15, is amended to read:

Subd. 15. [STANDARD DEDUCTION.] In lieu of all deductions provided for in this chapter other than those enumerated in section 290.18, subdivision 2, and in lieu of the credits enumerated in section 290.21, subdivision 3, an individual may claim or be allowed a standard deduction as follows:

(a) Subject to modification pursuant to clause (b), the standard deduction shall be an amount equal to ten percent of the adjusted gross income of the taxpayer, up to a maximum deduction of \$2,000; in the case in which a standard deduction tax table is provided by the commissioner of revenue pursuant to the provisions of section 290.06, subdivision 2, the standard deduction shall be available to individuals with adjusted gross income of less than \$20,000 only through the use of such table.

In the case of a husband and wife living together, the standard deduction shall not be allowed to either if the net income of one of the spouses is determined without regard to the standard deduction. For the purposes of this paragraph the determination of whether an individual is living with his spouse shall be made as of the last day of the taxable year unless the spouse dies during the taxable year in which case such determination shall be made as of the date of such spouse's death.

(b) For each taxable year beginning after December 31, 1980, the maximum amount of the standard deduction shall be adjusted for inflation. That amount shall be multiplied each year by a figure equal to the percentage increase in the (REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA) *annual average weekly earnings for U. S. workers (private, nonfarm, seasonally adjusted)* used for purposes of section 290.06, subdivision 3g. The product of the calculation shall be added to the dollar amount of the maximum standard deduction established in clause (a) to produce the inflation-adjusted maximum standard deduction for each succeeding year.

(c) The commissioner of revenue may establish a standard deduction tax table incorporating the rates set forth in section 290.06, subdivision 2c, and the standard deduction. The tax of any individual taxpayer whose adjusted gross income is less than \$20,000 shall, if an election is made not to itemize non-business deductions, be computed in accordance with tables prepared and issued by the commissioner of revenue. The tables shall be prepared to reflect the allowance of the standard deduction and the personal and dependent credits.

Sec. 7. Minnesota Statutes 1980, Section 297A.02, is amended to read:

297A.02 [IMPOSITION OF TAX.]

Except as otherwise provided in (EXTRA SESSION LAWS 1971, CHAPTER 31, ARTICLE 1) *Chapter 297A*, there is hereby imposed an excise tax of four percent of the gross receipts from sales at retail, as hereinbefore defined, made by any person in this state after October 31, 1971.

(NOTWITHSTANDING THE FOREGOING,) The tax imposed hereby upon sales at retail through coin-operated vending machines shall be (THREE) *four* percent of the gross receipts of such sales.

Sec. 8. [297A.275] [ACCELERATED PAYMENT OF JUNE LIABILITY.]

Every vendor having a liability of \$1,500 or more in May 1982 or in May of each subsequent year, shall be required to remit the June liability in the manner required by this section.

On or before June 25, 1982, or June 25 of each subsequent year, the vendor shall remit the actual May liability and the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.

On or before July 25, 1982, or July 25 of each subsequent year, the vendor shall submit a return showing the actual June liability and paying any additional amount of tax not remitted in June. A penalty is hereby imposed equal to ten percent of the actual June liability less the amount remitted in June. However, the penalty shall not be imposed if the amount remitted in June equals the lesser of (a) 90 percent of the actual June liability, or (b) 100 percent of the preceding May's liability.

Sec. 9. Minnesota Statutes 1980, Section 423A.02, is amended to read:

423A.02 [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 section 69.77, apply, unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to section 423A.01, subdivision 1, shall be entitled upon annual application on or before the date specified by the commissioner of finance to receive local police and salaried firefighters' relief association amortization state aid if the municipality and the appropriate relief association both comply with the applicable provisions of sections 69.031, subdivision 5, 69.051, subdivisions 1 and 3, and 69.77. The amount of local police and salaried firefighters' relief association amortization state aid to which a municipality is entitled annually shall be an amount equal to the level annual dollar amount required to amortize, by December 31, 2010, the unfunded accrued liability of the special fund of the appropriate relief association as reported in the most recent 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 Laws 1980, Chapter 607, reduced by the dollar amount required to pay the interest on the unfunded accrued liability of the special fund of the relief association for the calendar year next following the date of final enactment of Laws 1980, Chapter 607, 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) *six* equal installments on (MARCH 15,) July 15, August 15, September 15 (AND), October 15, November 15, and December 15 annually. *For calendar year 1981 only, the payments shall be made in seven installments computed as follows: one-fourth of the calendar year 1981 aids shall be paid on March 15; the remaining amounts shall be divided into six equal payments to be made on July 15, August 15, September 15, October 15, November 15 and December 15.* 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. 10. [EFFECTIVE DATE.]

Sections 4, 5, and 6 are effective for taxable years beginning after December 31, 1980. Sections 7 and 9 are effective July 1, 1981.

ARTICLE VI

Section 1. Minnesota Statutes 1980, Section 297A.01, Subdivision 3, is amended to read:

Subd. 3. A "sale" and a "purchase" includes, but is not limited to, each of the following transactions:

(a) Any transfer of title or possession, or both, of tangible personal property, whether absolutely or conditionally, and the leasing of or the granting of a license to use or consume tangible personal property, for a consideration in money or by exchange or barter;

(b) The production, fabrication, printing or processing of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production, fabrication, printing or processing;

(c) The furnishing, preparing or serving for a consideration of food, meals or drinks, not including hospitals, sanatoriums, nursing homes or senior citizens homes, meals or drinks purchased for and served exclusively to individuals who are 60 years of age or over and their spouses or to the handicapped and their spouses by governmental agencies, nonprofit organizations, agencies, or churches or pursuant to any program funded in whole or part through 42 USCA sections 3001 through 3045, wherever delivered, prepared or served, meals and lunches served at public and private schools, universities or colleges, or the occasional meal thereof by a charitable or church organization;

(d) The granting of the privilege of admission to places of amusement or athletic events and the privilege of use of amusement devices or *athletic facilities*;

(e) The furnishing for a consideration of lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp and of the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of 30 days or more;

(f) The furnishing for a consideration of electricity, gas, water, or steam for use or consumption within this state, or local exchange telephone service and intrastate toll service except such service provided by means of coin operated telephones; the tax imposed on amounts paid for telephone services is the liability of and shall be paid by the person paying for the services. Sales by municipal corporations in a proprietary capacity are included in the provisions of this clause. The furnishing of water and sewer services for residential use shall not be considered a sale.

Sec. 2. Minnesota Statutes 1980, Section 297A.25, Subdivision 1, is amended to read:

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, *but not including foods which are prepared or specially sliced, wrapped, arranged or displayed, and sold cold or hot for immediate consumption on or off the premises on which the sale is made, whether sold in individual servings or in larger quantities;*

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination

of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing,

mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 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 com-

pany 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 purchase 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 consumers 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.

(aa) *The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.*

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective for sales made after June 30, 1981. Section 1 is effective the day following final enactment and the commissioner of revenue shall entertain claims for refund filed pursuant to the Minnesota Supreme Court decision in C. G. Rein Company vs. Commissioner of Revenue only if the vendor can demonstrate to the satisfaction of the commissioner that the sales tax will be refunded by the vendor to the person who originally paid the tax.

ARTICLE VII

Section 1. Minnesota Statutes 1980, Section 270.11, Subdivision 2, is amended to read:

Subd. 2. [COUNTY (AUDITOR'S) ASSESSOR'S REPORTS OF ASSESSMENT FILED WITH COMMISSIONER.] The commissioner of revenue may require the (AUDITOR) *assessor* of each county in the state to file with him, on or before August 1, each year, complete abstracts of all real and personal property in the county, as equalized by the county board of equalization, and itemized by assessment districts, accompanied by a printed or typewritten copy of the proceedings of the county board of equalization, and it shall be the duty of the county (AUDITOR) *assessor* to so report to the commissioner of revenue.

The final abstract of assessments after adjustments by the state board of equalization and inclusion of any omitted property shall be submitted to the commissioner of revenue on or before January 1 of each calendar year.

Sec. 2. Minnesota Statutes 1980, Section 271.10, Subdivision 2, is amended to read:

Subd. 2. [SERVICE OF WRIT.] Within 60 days after notice of the making and filing of the order of the tax court, or the making and filing of an order on a petition for rehearing, the petitioner for review shall obtain from the supreme court a writ of certiorari, and shall serve the same upon (THE COMMISSIONER OF REVENUE AND UPON) all other parties appearing in the proceedings before the tax court, (ALSO UPON THE ATTORNEY GENERAL, UNLESS HE IS THE PETITIONER,) and shall file the original, with proof of such service, with the clerk of the tax court. Every petitioner, except the attorney general, the commissioner of revenue, the state and its political subdivisions, shall also pay to the clerk the fee prescribed by rule 103.01 of the rules of civil appellate procedure which shall be disposed of in the manner provided by that rule, and file a bond or make a deposit in like manner and amount as in case of an appeal from the district court. The fee shall be disposed of as in such case. Return upon the writ shall be made to the supreme court and the matter shall be heard and determined by the court as in other certiorari cases, subject to the provisions hereof and to such rules as the court may prescribe for cases arising hereunder.

Sec. 3. Minnesota Statutes 1980, Section 272.02, Subdivision 1, is amended to read:

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, clause (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 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.

(17) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. *Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116.* Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

Sec. 4. Minnesota Statutes 1980, Section 272.025, Subdivision 3, is amended to read:

Subd. 3. (DURING EACH OF THE THREE YEARS FOLLOWING THE YEAR IN WHICH A TAXPAYER FILES A STATEMENT OF EXEMPTION, THE REQUIREMENTS OF THIS SECTION SHALL NOT APPLY TO PROPERTY COVERED BY THE STATEMENT OF EXEMPTION UNLESS THE PROPERTY WAS LISTED AND ASSESSED AS TAXABLE PROPERTY IN THE PRECEDING YEAR.) *Any taxpayer who has filed the statement required by subdivision 1 more than 12 months prior to February 1, 1983, or February 1 of each third year after 1983, shall file a statement by February 1, 1983, and by February 1 of each third year thereafter.*

Sec. 5. Minnesota Statutes 1980, Section 272.46, is amended to read:

272.46 [AUDITOR TO FURNISH STATEMENT OF TAX LIENS AND TAX SALES; FEES; APPLICATION.]

The county auditor, upon written application of any person, shall make search of the records of his office, and ascertain the existence of all tax liens and tax sales as to any lands described in the application, and certify the result of such search under his hand and the seal of his office, giving the description of the land and all tax liens and tax sales shown by such records, and the amount thereof, the year of tax covered by such lien, the date of tax sale, and the name of the purchaser at such tax sale.

For such service the county auditor shall charge a fee (OF \$1) *not to exceed \$5* for each lot or tract of land described in the certificate. *The amount of the fee will be established by the county board on or before July 1 of each year.* Any number of contiguous tracts of land not exceeding one section, assessed as broad acres, or adjoining lots in the same block, in the city,

shall be considered as one lot or parcel within the meaning of this section. The provisions of this section shall not apply to counties having a population of more than 225,000.

Sec. 6. Minnesota Statutes 1980, Section 272.47, is amended to read:

272.47 [COUNTY TREASURER, CERTIFICATE OF CURRENT TAXES; FEE.]

The county treasurer, upon written application of any person, shall make search of the tax duplicates and records of his office and ascertain the amount of current tax against any lot or parcel of land described in the application, and shall certify the result of such search under his hand and seal of office, giving the description of land, year of tax and amount, if any, and for such certificate he shall be entitled to charge the applicant (THEREFOR THE SUM OF \$1) *a fee not to exceed \$5. The amount of the fee will be established by the county board on or before July 1 of each year.* The definition of "lot or parcel," for the purposes of this section, shall be the same as set forth in section 272.46.

This section shall not authorize such treasurer to charge any amount for certifying to taxes on a deed to be recorded or for information with reference to the current tax on any subdivision of land in his county, where no certificate thereof is necessary or required. The provisions of this section shall not apply to counties having a population of more than 200,000.

Sec. 7. Minnesota Statutes 1980, Section 273.138, Subdivision 2, is amended to read:

Subd. 2. Each county government, city and township shall receive reimbursement in 1978 and subsequent years in an amount equal to the product of its total mill rate for taxes payable in the calendar year *prior to the calendar year* in which the aid is to be paid, times the total 1972 assessed value of real property exempted from taxation by section 272.02, subdivision 1 which was located within the territory of such governmental unit, times 1.25. For the purpose of this subdivision, the "total mill rate" of a county government, city or township includes mill rates for taxes levied by such governmental unit which were not levied on the entire taxable value of such governmental unit.

Sec. 8. Minnesota Statutes 1980, Section 273.40, is amended to read:

273.40 [ANNUAL TAX ON COOPERATIVE ASSOCIATIONS.]

Cooperative associations organized under the provisions of Laws 1923, Chapter 326, and laws amendatory thereof and laws supplemental thereto, and engaged in electrical heat, light or power business upon a mutual, non-profit, and cooperative plan in rural areas, as hereinafter defined, are hereby recognized as quasi-public in their nature and purposes; but such cooperative associations, which operate within the corporate limits of any city shall be assessed on the basis of (40) 43 percent of the market value of that portion of its property located within the corporate limits of any city as provided for in section 273.13.

Sec. 9. Minnesota Statutes 1980, Section 275.075, is amended to read:

275.075 [OMISSION BY INADVERTENCE; CORRECTION.]

Whenever the amount of taxes as levied and certified by the tax levying body of any county, city, town, or school district has not been, as the result of error (OR), inadvertence, or from the estimates as provided in section 10, by the county auditor extended and spread in conformity therewith, such tax levying body may include in its tax levy for the year following, the whole or any part of the amount so omitted through error (OR), inadvertence, or from the estimates as provided in section 10, in addition to its current levy and in addition to and notwithstanding any limitations to the contrary.

Sec. 10. Minnesota Statutes 1980, Section 275.08, is amended to read:

275.08 [AUDITOR TO FIX RATE.]

Subdivision 1. [GENERALLY.] The rate percent of all taxes, except the state tax and taxes the rate of which may be fixed by law, shall be calculated and fixed by the county auditor according to the limitations in this chapter hereinafter prescribed; provided, that if any county, city, town, or school district shall return a greater amount than the prescribed rates will raise, the auditor shall extend only such amount of tax as the limited rate will produce.

Subd. 2. [ESTIMATES.] If, by December 15 of any year, the county auditor has not received from another county auditor the mill rate or assessed value applicable to any taxing district lying in two or more counties, the county auditor who has not received the necessary information may levy taxes for the overlapping district by estimating the mill rate or the assessed value.

Subd. 3. [ASSISTANCE OF COUNTY AUDITOR.] A county auditor who has not furnished the mill rate or assessed value of property in the county by December 15 shall, on request,

furnish the county auditor of a county in the overlapping district an estimate of the values or the mill rate. The auditor may request the assistance of the county assessor in determining the estimate.

Subd. 4. [SUBSEQUENT ADJUSTMENT.] After the correct mill rate or assessed value has been certified, the amount of taxes over or under levied shall be computed and notice sent to each affected taxing district. If the estimated tax levy exceeds the correct tax levy based on actual assessed value and mill rate, the county treasurer shall remit any amount of excess which he collects to the affected taxing district. In the following levy year, the estimating county auditor shall adjust the levy of the affected taxing district to compensate for the amount of variance.

In the event that the estimated tax levy is less than the correct tax levy based on actual assessed value and mill rate, the auditor shall adjust the levy of the affected taxing district as provided in section 275.075.

Sec. 11. Minnesota Statutes 1980, Section 276.01, is amended to read:

276.01 [DELIVERY OF LISTS TO TREASURER.]

On or before the first (MONDAY) *business day* in January in each year, the county auditor shall deliver the lists of the several districts of the county to the county treasurer, taking therefor his receipt, showing the total amount of taxes due upon the lists. Where the names of taxpayers appear in the property tax lists, the county auditor shall show the addresses of such taxpayers. Such lists shall be authority for the treasurer to receive and collect taxes therein levied.

In counties in which the auditor has elected to come under the provisions of section 273.03, subdivision 2, he shall, during the year in which such lists as provided for in section 275.28, subdivision 3, are in the possession of the county treasurer, have access thereto for the purposes of changing market valuations and the classifications of real estate contained therein which he would have been required to change or otherwise amend in the assessment books provided for in section 273.03, subdivision 1, except for his election to discontinue the preparation of such assessment books. The county auditor shall be the official custodian of such lists after the year during which they are in the county treasurer's possession.

Sec. 12. Minnesota Statutes 1980, Section 277.15, is amended to read:

277.15 [INTEREST.]

When a judgment has heretofore been entered and docketed, or shall hereafter be entered and docketed, for the recovery of taxes, except in the case of real estate tax judgments provided for in section 279.19, the same shall bear interest until paid at the rate of six percent per annum *until January 1, 1981, and at the rate determined under section 549.09 thereafter.*

Sec. 13. Minnesota Statutes 1980, Section 279.02, is amended to read:

279.02 [DUTIES OF COUNTY AUDITOR AND TREASURER.]

On the first (MONDAY) *business day* in January, of each year, the county treasurer shall return the tax lists in his hands to the county auditor, who shall compare the same with the statements receipted for by the treasurer on file in the auditor's office and each tract or lot of real property against which the taxes, or any part thereof, remain unpaid, shall be deemed delinquent, and thereupon an additional penalty of two percent on the amount of the original tax remaining unpaid shall immediately accrue and thereafter be charged upon all such delinquent taxes; and any auditor who shall make out and deliver any statement of delinquent taxes without including therein the penalties imposed by law, and any treasurer who shall receive payment of such taxes without including in such payment all items as shown on the auditor's statement, shall be liable to the county for the amounts of any items omitted.

Sec. 14. Minnesota Statutes 1980, Section 279.03, is amended to read:

279.03 [INTEREST ON DELINQUENT REAL ESTATE TAXES.]

The rate of interest on delinquent real estate taxes levied in 1979 and prior years is fixed at six percent per annum. The rate of interest on delinquent real estate taxes levied in 1980 and subsequent years (IS FIXED AT EIGHT PERCENT PER ANNUM) *shall be the rate determined pursuant to section 549.09.* All provisions of law providing for the calculation of interest at any different rate on delinquent taxes in any notice or proceeding in connection with the payment, collection, sale, or assignment of delinquent taxes, or redemption from such sale or assignment are hereby amended to correspond herewith. (IN CALCULATING SUCH INTEREST FOR ANY FRACTIONAL PART OF A YEAR, IT SHALL BE CALCULATED ON THE BASIS OF ONE-HALF OF ONE PERCENT FOR ANY MONTH OR MAJOR FRACTION THEREOF.)

Such interest shall be calculated from the second Monday of May following the year in which the taxes became due, on the full amount of the taxes, penalties and costs accrued.

The provisions of this section shall not apply to any taxes which have heretofore been bid in by an actual purchaser at a May tax sale or which have heretofore been assigned.

Sec. 15. Minnesota Statutes 1980, Section 279.14, is amended to read:

279.14 [CONCLUSIVENESS OF JUDGMENT, JURISDICTIONAL DEFECTS.]

When the last publication shall have been made the notice shall be deemed to have been served and the court to have acquired full and complete jurisdiction to enforce against each parcel of land in such published list described in the taxes, accrued penalties, and costs upon it then delinquent, so as to bind every estate, right, title, interest, claim, or lien, in law or equity, in, to, or upon such parcel of land, of every person, company, or corporation. Such jurisdiction shall not be affected by any error in making the list filed with the clerk, nor by any error, irregularity, or omission in the assessment or levy of the taxes, or in any other proceedings, prior to filing the list; nor by any mistake in copying the list for publication, or in publishing the list, or in the designation of the newspaper wherein such list is published; (NOR BY REASON OF THE FAILURE OF THE PUBLISHER TO GIVE THE BOND REQUIRED;) nor by reason of the taxes having been charged in any other name than that of the rightful owner; nor by any mistake in the amount of tax in such published list appearing against any piece or parcel of land therein described; provided, that any judgment rendered in such proceedings shall be void upon satisfactory proof made at any time that such real estate was exempt from taxation or that such taxes were paid before judgment was rendered.

Sec. 16. Minnesota Statutes 1980, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections 273.132 and 273.135, in any calendar year. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For

homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 23 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable and (i) the property must have been classified as homestead property pursuant to section 273.13, subdivisions 6, 7, or 14a on or before June 1 of the year in which the "property taxes payable" were levied; or (ii) the claimant must provide documentation from the local assessor that application for homestead classification has been made prior to July 1 of the year in which the "property taxes payable" were payable.

Sec. 17. Minnesota Statutes 1980, Section 375.192, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding section 270.07, upon written application by the owner of the property, where such application seeks a reduction in (FULL AND TRUE VALUATION) *estimated market value* not in excess of (300) \$2,000, the county board may grant such reduction or abatement of (ASSESSED) *estimated market valuation* or taxes and of any costs, penalties or interest thereon as said board may deem just and equitable and to order the refundment in whole or in part of any taxes, costs, penalties or interest thereon which have been erroneously or unjustly paid. Such application must be approved by the county assessor, or if the property is located in a city of the first class or city of the second class having a city assessor, by such assessor, and by the (COULTY) *county* auditor prior to consideration by the county board. The methods of obtaining a reduction or abatement of ad valorem values contained in subdivisions 1 and 2 shall be in addition to the method provided in Minnesota Statutes 1965, Section 270.07.

Sec. 18. Minnesota Statutes 1980, Section 473.626, is amended to read:

473.626 [VALUATION AND ASSESSMENT OF TAXABLE PROPERTY IN DETACHED AREA.]

The (COMMISSIONER OF REVENUE OF THE STATE OF MINNESOTA) *county assessor of the county in which the prop-*

erty is situated shall value and assess the taxable property in said area and shall report the same to the county auditor of the county in which such property is situated on or before October 1 of each year.

Sec. 19. [REPEALER.]

Minnesota Statutes 1980, Section 279.11, is repealed.

Sec. 20. [EFFECTIVE DATES.]

Sections 1, 2, 4, 5, 6, 15, 17, and 19 are effective July 1, 1981. Sections 3, 7, and 10 are effective for taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Sections 8, 11, and 13 are effective the day following final enactment. Section 9 is effective for taxes levied in 1982 and subsequent years, payable in 1983 and subsequent years. Sections 12 and 14 are effective January 1, 1981. Section 16 is effective for claims based on property taxes payable in 1982 and subsequent years. Section 18 is effective January 1, 1982.

ARTICLE VIII

Section 1. Minnesota Statutes 1980, Section 270.051, Subdivision 2, is amended to read:

Subd. 2. The commissioner of revenue shall collect five percent of the gross receipts from admission to every *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition held within the state, and five percent of the gross receipts from the lease or sale of radio, motion picture and television rights therein. All complimentary tickets for a *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition presented at any entrance gate shall likewise be assessed for the tax herein provided five percent of the value thereof.

Each person issued a license in accordance with section 341.05, subdivision 2, shall also, within 24 hours after the termination of the telecast or subscription television program, pay to the commissioner five percent of the gross receipts from the sale of tickets of admission or money received from subscription for the showing or exhibiting of the telecast or program. If the boxing or sparring match, exhibition, or performance shown or exhibited is wholly amateur no payment is due.

Sec. 2. Minnesota Statutes 1980, Section 340.621, is amended to read:

340.621 [INTOXICATING OR NONINTOXICATING LIQUOR; REGISTRATION OF BRAND BY OWNER.]

The label of any brand of *intoxicating liquor such as distilled spirits, wine*, intoxicating or nonintoxicating 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 section shall be construed to repeal, limit or otherwise affect the provisions of section 340.114.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for gross receipts of tickets sold or admissions charged after June 30, 1981. Section 2 is effective July 1, 1981.

ARTICLE IX

Section 1. Minnesota Statutes 1980, Section 273.112, Subdivision 3, is amended to read:

Subd. 3. Real estate shall be entitled to valuation and tax deferment under this section only if it is:

(a) actively and exclusively devoted to golf (OR), skiing or archery or firearms range recreational use or uses and other recreational uses carried on at (SUCH GOLF OR SKIING) the establishment;

(b) five acres in size or more, *except in the case of an archery or firearms range*; and

(c) (1) operated by private individuals and open to the public; or

(2) operated by firms or corporations for the benefit of employees or guests; or

(3) operated by private clubs having a membership of 50 or more.

Sec. 2. Minnesota Statutes 1980, Section 279.37, Subdivision 6, is amended to read:

Subd. 6. The county auditor shall give notice by mail not later than November 30 of each year to the person or persons making such confession of judgment at the address given therein of the payment due under the confession on the following December 31. *If the county auditor has not received the installment payment by December 31, he shall give notice by certified mail at the last known address of the person making the confession of judgment, without regard to the county or state of his residency. This notice*

shall state that the property shall be subject to the tax forfeiture laws if payment is not made within 60 days from the preceding December 31. Failure to send or receive the notice shall not operate to postpone any payment or excuse any default under the confession of judgment. Proof of such mailing shall be made by the certificate of the auditor filed in his office.

Sec. 3. Minnesota Statutes 1980, Section 281.23, Subdivision 5, is amended to to read:

Subd. 5. [SERVICE BY SHERIFF OR CERTIFIED MAIL.] Forthwith after the commencement of such publication the county auditor shall deliver to the sheriff of the county a sufficient number of copies of such published notice for service upon the persons in possession of all parcels of such land as are actually occupied, together with a copy of the posted notice or notices referred to in such published notice. Within 30 days after receipt thereof, the sheriff shall make such investigation as may be necessary to ascertain whether the parcels covered by such notice are actually occupied or not, and shall serve a copy of such published notice upon the person in possession of each parcel found to be so occupied, in the manner prescribed for serving summons in a civil action. The sheriff shall make prompt return to the auditor as to all notices so served and as to all parcels found vacant and unoccupied. Such return shall be made upon a copy of such published notice and of the posted notice or notices covered thereby and shall be prima facie evidence of the facts therein stated. Unless compensation for such services is otherwise provided by law, the sheriff shall receive from the county, in addition to his other compensation prescribed by law, such fees and mileage for service on persons in possession as are prescribed by law for such service in other cases, and shall also receive such compensation for making investigation and return as to vacant and unoccupied lands as the county board may fix, subject to appeal to the district court as in case of other claims against the county.

Forthwith after the commencement of such publication, the county auditor shall also give notice by certified mail to the taxpayer as shown on the last statement without regard to the county or state of residency, and give notice by certified mail at the last known address of the person in whose name the property is assessed on the latest tax statement without regard to the county or state of residency. Failure to receive the notice shall not operate to postpone any payment or excuse any default under this section. Proof of such mailing shall be made by the certificate of the auditor filed in his office.

Sec. 4. [TRANSITIONAL PROVISION.]

Any parcel of property forfeited subsequent to January 1, 1974 and prior to the enactment of this act, the landowner of which would have received the notice provided in section 2 if section

2 had been in effect at the time the installment payment on his property became overdue, and which has not been sold pursuant to chapter 282, may be repurchased pursuant to section 282.241 without the approval of the board of county commissioners.

Sec. 5. Laws 1975, Chapter 226, Section 4, as amended by Laws 1979, Chapter 311, Section 1, is amended to read:

Sec. 4. Section 1 is effective for taxable years commencing after December 31, 1975 (AND SHALL, UNLESS REENACTED, EXPIRE AFTER THE TAXABLE YEAR ENDING DECEMBER 31, 1981).

Sec. 6. [EFFECTIVE DATE.]

Section 1 is effective for taxes levied in 1981 and thereafter, payable in 1982 and thereafter. Section 4 is effective the day following final enactment."

Further delete the title and insert:

"A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that

the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivisions 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 1445 was read for the second time.

MOTIONS AND RESOLUTIONS

Gustafson moved that the name of Clark, K., be added as an author on H. F. No. 1470. The motion prevailed.

Tomlinson moved that S. F. No. 1265 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Ogren moved that the name of Wigley be added as an author on H. F. No. 1428. The motion prevailed.

CERTIFICATION

May 4, 1981

To the Senate
State of Minnesota

To the House of Representatives
State of Minnesota

This is to certify that the House of Representatives and the Senate in Joint Convention on Monday, May 4, 1981, have elected as members of the Board of Regents of the University of Minnesota the following members each to hold his or her respective office for the term specified from the first Monday of February, 1981:

Willis K. Drake, Third Congressional District, six years

Verne E. Long, Sixth Congressional District, six years

Erwin L. Goldfine, Eighth Congressional District, six years

David K. Roe, At-Large, six years

JACK DAVIES
President of the Senate

HARRY A. SIEBEN, JR.
Speaker of the House
of Representatives

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 1:00 p.m., Wednesday, May 6, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Wednesday, May 6, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FORTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MAY 6, 1981

The House of Representatives convened at 1:00 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Pastor Francis Dudley, Church of St. Michael, West St. Paul, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Knickerbocker | Ogren | Sieben, M. |
| Ainley | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, G. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, I. | Friedrich | Lehto | Otis | Staten |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Stowell |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Piepho | Sviggum |
| Berkelman | Halberg | Ludeman | Pogemiller | Swanson |
| Blatz | Hanson | Luknic | Redalen | Tomlinson |
| Brandl | Harens | Mann | Reding | Valan |
| Brinkman | Hauge | Marsh | Rees | Valento |
| Byrne | Haukoos | McCarron | Reif | Vanasek |
| Carlson, L. | Heap | McDonald | Rice | Vellenga |
| Clark, J. | Heinitz | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hoberg | Metzen | Rose | Welch |
| Dahlvang | Hokanson | Minne | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Niehaus | Schreiber | Zubay |
| Elioff | Kahn | Norton | Searles | Sprk. Sieben, H. |
| Ellingson | Kaley | Novak | Shea | |
| Erickson | Kalis | Nysether | Sherman | |
| Esau | Kelly | O'Connor | Sherwood | |

A quorum was present.

Hokr was excused. Carlson, D., 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. 1376, 1189, 1051, 1429, 1078, 61, 284 and 1445 and S. F. Nos. 359, 1058, 1087 and 835 have been placed in the members' files.

S. F. No. 662 and H. F. No. 859, 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. 662 be substituted for H. F. No. 859 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
SAINT PAUL 55155

May 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 415, relating to financial institutions; authorizing federal funds transactions for credit unions; removing the limitation on insurance commission income and prohibiting participation of officials in such income; permitting the sale of real estate loans;

H. F. No. 525, relating to St. Louis County; authorizing an eleven member county extension committee;

H. F. No. 731, relating to family; providing for solemnization of marriages by certain court officers;

H. F. No. 410, relating to public welfare; authorizing the commissioner of public welfare to designate the county of

financial responsibility for patients transferred under the Interstate Compact on Mental Health who are not residents of Minnesota;

H. F. No. 29, 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;

H. F. No. 171, relating to historic sites; changing the classification of the Kensington Runestone historic site;

H. F. No. 347, relating to the cities of St. Paul and Minneapolis; exempting a certain joint housing bonding program from the provisions of Minnesota Statutes, Section 462C.07, Subdivision 2; clarifying the application of Minnesota Statutes 1980, Section 462A.18, Subdivision 2.

H. F. No. 1070, relating to health; exempting students in schools of dental assisting from the requirement of a dental license;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 4, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 339 | 77 | May 4 | May 4 |
| | 480 | 78 | May 4 | May 4 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 569 | 79 | May 4 | May 4 |
| | 708 | 80 | May 4 | May 4 |
| | 847 | 81 | May 4 | May 4 |
| | 876 | 82 | May 4 | May 4 |
| | 1178 | 83 | May 4 | May 4 |
| | 1237 | 84 | May 4 | May 4 |
| | 1269 | 85 | May 4 | May 4 |
| 200 | | 86 | May 4 | May 4 |
| 225 | | 87 | May 4 | May 4 |
| 249 | | 88 | May 4 | May 4 |
| 353 | | 89 | May 4 | May 4 |
| 372 | | 90 | May 4 | May 4 |
| 375 | | 91 | May 4 | May 4 |
| 520 | | 92 | May 4 | May 4 |
| 741 | | 93 | May 4 | May 4 |
| 760 | | 94 | May 4 | May 4 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 647, A bill for an act relating to commerce; transferring the powers, duties, staff, and unexpended funds of the board of cosmetology examiners to the office of consumer services; establishing an advisory commission; authorizing licensing by occupation and operations; providing for enforcement;

providing a complaint handling procedure; prescribing penalties; providing remedies; amending Minnesota Statutes 1980, Section 214.01, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapter 155A; repealing Minnesota Statutes 1980, Sections 155.01 to 155.21.

Reported the same back with the following amendments:

Page 6, after line 8, insert *"The rule shall authorize a licensed manicurist who complies with the health, safety, sanitation, inspection, and insurance rules promulgated by the director to operate a salon solely for the performance of those personal services defined in section 3, subdivision 5."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 826, A bill for an act relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test; appropriating money.

Reported the same back with the following amendments:

Page 1, line 18, delete *"January 30, 1982"* and insert *"January 1, 1983"*

Page 1, line 23, after *"smoking,"* insert *"alcohol and drug usage,"*

Page 2, line 11, after *"1982"* insert *"defining the pilot project and its objectives"*

Page 2, line 13, delete *"1983"* and insert *"1984"*

Page 2, delete lines 23 to 30

Amend the title as follows:

Page 1, line 4, after *"test"* delete the semicolon

Page 1, line 5, delete *"appropriating money"*

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1022, A bill for an act relating to claims against the state; appropriating money for the payment thereof.

Reported the same back with the following amendments:

Page 3, after line 7, insert:

"Mrs. Elphie Gilbert (Ben), Route #3, Box #77, Sebeka, Minnesota 56477 \$600.00"

Page 3, after line 21, insert:

"Mrs. Laurie Horihan (Ben), c/o Robert Bergsrud, 134 Minnesota Street, Minnesota City, Minnesota 55959 \$195.00"

Page 4, after line 5, insert:

"Alan K. Obst, 2630 - 9th Lane, #113, Anoka, Minnesota 55303 \$300.00"

Page 4, after line 21, insert:

"Robert J. Stone, 2738 Dawn Drive, Great Falls, Montana 59404 \$600.00"

Page 4, after line 33, insert:

"Sec. 2. [CLAIMS; APPROPRIATIONS; GENERAL FUND.]

Subdivision 1. The sums set forth in this section are appropriated from the general fund to the persons named in this section in full and final payment of claims against the state.

Subd. 2. Robert Lee Bock, Route 2, Box 226, Brainerd, Minnesota 56401, for medical expenses incurred due to injuries sustained while doing assigned social restitution \$14.50.

Subd. 3. Norbert J. Gestach, Rural Route #1, Chaska, Minnesota 55318, for damage done to his property by a Jeffrey Hess, a ward of the department of public welfare \$250.00.

Subd. 4. Loretta Lidster, 344-16th Avenue North, Hopkins, Minnesota 55343, for medical expenses incurred due to injuries sustained by her son Kerry while he was doing assigned social restitution \$103.00.

Subd. 5. Roger D. Lundgren, 1616 E. 58th Street, Minneapolis, Minnesota 55417, for medical expenses incurred due to injuries sustained by his son Richard while he was doing assigned social restitution \$128.00.

Subd. 6. Geraldine Simmons, MCF-Shakopee, Box 7, Shakopee, Minnesota 55379, for loss of personal property when a fire occurred in the cottage in which it was stored. This property was in the custody and under the control of the state at the time of its damage or destruction \$175.00.

Subd. 7. Howard Tate, No. 40816, Box 900, Jefferson City, Missouri 65102, for compensation for injury incurred in the R-shop while in MCF-Stillwater \$2,513.00.

Subd. 8. Harold White, 819 Buffalo Street, St. Paul, Minnesota 55117, for compensation for injury incurred in the Cordage Industry while in MCF-Stillwater \$1,325.00.

Subd. 9. Eileen Wills, MCF-Shakopee, Box 7, Shakopee, Minnesota 55379, for loss of personal property when a fire occurred in the cottage in which it was stored. This property was in the custody and under the control of the state at the time of its damage or destruction \$280.00.

Sec. 3. [TRUNK HIGHWAY FUND CLAIMS.]

Subdivision 1. The sums set forth in this section are appropriated from the trunk highway fund to the commissioner of transportation for payment to the persons named in full and final payment of claims against the state.

Subd. 2. Church of St. Clotilde, Rural Route 3, Marshall, Minnesota 56258, for damages incurred when during construction of a by-pass around the Village of Green Valley an open drainage ditch was relocated and the tile line from the church was not re-connected, causing flooding in the basement from 1974 to 1979 \$4,519.00."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1357, A bill for an act relating to the Mountain Iron joint recreation board; regulating its tax levy.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 647, 826, 1022 and 1357 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 662 was read for the second time.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Rodriguez, C., introduced:

H. F. No. 1472, A bill for an act relating to education; adjusting amounts used to compute replacement levies and foundation aid in districts where the number of pupil units have increased in the 1980-1981 school year; amending Minnesota Statutes 1980, Section 124.212, by adding a subdivision.

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

McDonald introduced:

H. F. No. 1473, A bill for an act relating to public health; creating a physician's duty to make certain information available to women before performing the legalized killing of an unborn person; providing a criminal penalty; proposing new law coded in Minnesota Statutes, Chapter 145.

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

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. 357, A bill for an act relating to highway traffic regulation; authorizing and regulating the use of strobe lamps on school buses; correcting the applicability provision of a school bus law; authorizing and regulating flashing signals or school bus stop signal arms; imposing standards for the signal arms; restricting the meaning of "type three school bus"; prohibiting

a type three school bus from being equipped and identified as certain other school buses; amending Minnesota Statutes 1980, Sections 169.44, Subdivisions 3 and 10, and by adding subdivisions; 169.64, by adding a subdivision.

H. F. No. 1218, A bill for an act relating to education; extending due dates for plans and reports relating to the statewide education management information system; authorizing the state board to perform certain duties according to specified criteria in the absence of rules; amending Minnesota Statutes 1980, Sections 121.931, Subdivisions 3, 4 and 7; and 121.938, Subdivision 2.

H. F. No. 1344, A bill for an act relating to education; authorizing school boards to permit certain persons to enroll in classes and programs at a secondary school; providing for class fees in certain circumstances; prohibiting districts from counting certain persons enrolled in classes and programs for the purposes of state aid; authorizing districts to provide transportation; increasing the administration fee when senior citizens attend classes at higher education institutions; amending Minnesota Statutes 1980, Sections 123.35, by adding subdivisions; 123.39, by adding a subdivision; and 136A.81, Subdivision 1.

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. 624, A bill for an act relating to corrections; clarifying the transfer of correctional inmates to medical facilities; providing for tuberculosis testing for correctional employees; clarifying unclaimed property of correctional inmates, and diversified labor accounts; changing terminology of correctional facilities; harmonizing furlough provisions; prescribing the time for counties to submit estimates for reimbursement for probation services; prescribing a penalty; amending Minnesota Statutes 1980, Sections 241.07; 241.09; 241.14; 241.22; 241.64, Subdivisions 1 and 2; 242.20; 242.22; 242.43; 242.44; 242.45; 242.47; 242.48; 243.05; 243.20; 243.211; 243.465; 243.57; 243.58; 243.64; 244.07, Subdivision 1; 260.311, Subdivision 5; repealing Minnesota Statutes 1980, Sections 241.01, Subdivision 8; 241.15; 242.23; 242.24; 242.375; 242.52; 242.53; 243.06; 243.22; 243.25; 243.26; and 243.78.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Laidig moved that the House concur in the Senate amendments to H. F. No. 624 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 624, A bill for an act relating to corrections; clarifying the transfer of correctional inmates to medical facilities; providing for tuberculosis testing for correctional employees; clarifying unclaimed property of correctional inmates, and diversified labor accounts; changing terminology of correctional facilities; harmonizing furlough provisions; prescribing the time for counties to submit estimates for reimbursement for probation services; amending Minnesota Statutes 1980, Sections 241.07; 241.09; 241.14; 241.22; 242.20; 242.22; 242.43; 242.44; 242.45; 242.47; 242.48; 243.05; 243.20; 243.211; 243.465; 243.57; 243.58; 243.64; 244.07, Subdivision 1; 260.311, Subdivision 5; repealing Minnesota Statutes 1980, Sections 241.01, Subdivision 8; 241.15; 242.23; 242.24; 242.375; 242.52; 242.53; 243.06; 243.22; 243.25; 243.26; and 243.78.

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 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Erickson | Kaley | O'Connor | Sherwood |
| Ainley | Esau | Kalis | Ogren | Sieben, M. |
| Anderson, B. | Evans | Kelly | Olsen | Simoneau |
| Anderson, G. | Ewald | Kostohryz | Onnen | Skoglund |
| Anderson, I. | Fjoslien | Laidig | Osthoff | Stadum |
| Battaglia | Forsythe | Lehto | Otis | Stowell |
| Begich | Friedrich | Lemen | Peterson, D. | Stumpf |
| Berkelman | Greenfield | Levi | Piepho | Sviggum |
| Blatz | Gruenes | Long | Pogemiller | Swanson |
| Brandl | Gustafson | Ludeman | Redalen | Tomlinson |
| Brinkman | Hanson | Luknic | Reding | Valan |
| Byrne | Harens | Mann | Rees | Vanasek |
| Carlson, L. | Hauge | Marsh | Reif | Vellenga |
| Clark, J. | Haukoos | McCarron | Rice | Voss |
| Clark, K. | Heinitz | McDonald | Rodriguez, C. | Weaver |
| Clawson | Himle | Mehrkens | Rodriguez, F. | Welker |
| Dahlvang | Hoberg | Minne | Rose | Wenzel |
| Dempsey | Hokanson | Munger | Rothenberg | Wieser |
| Den Ouden | Jacobs | Murphy | Samuelson | Wigley |
| Drew | Jennings | Nelsen, B. | Schoenfeld | Wynia |
| Eken | Johnson, C. | Nelson, K. | Schreiber | Zubay |
| Elioff | Johnson, D. | Niehaus | Shea | Spkr. Sieben, H. |
| Ellingson | Kahn | Nysether | Sherman | |

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. 211, A bill for an act relating to local government; permitting agreements for compensation for transfers of taxable property to the city of Moorhead by certain annexations.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hoberg moved that the House concur in the Senate amendments to H. F. No. 211 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 211, A bill for an act relating to local government; permitting agreements for compensation for transfers of taxable property in certain annexations; proposing new law coded in Minnesota Statutes, Chapter 414.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Erickson | Kalis | Olsen | Skoglund |
| Ainley | Esau | Kelly | Onnen | Stadum |
| Anderson, B. | Evans | Kostohryz | Osthoff | Stowell |
| Anderson, G. | Ewald | Laidig | Otis | Stumpf |
| Anderson, I. | Fjoslien | Lehto | Peterson, D. | Svigum |
| Battaglia | Forsythe | Lemen | Piepho | Swanson |
| Begich | Friedrich | Levi | Pogemiller | Tomlinson |
| Berkelman | Greenfield | Long | Redalen | Valan |
| Blatz | Gruenes | Ludeman | Reding | Vanasek |
| Brandl | Gustafson | Luknic | Rees | Vellenga |
| Brinkman | Hanson | Mann | Reif | Voss |
| Byrne | Harens | Marsh | Rice | Weaver |
| Carlson, L. | Hauge | McCarron | Rodriguez, C. | Welch |
| Clark, J. | Haukoos | McDonald | Rodriguez, F. | Welker |
| Clark, K. | Heinitz | Mehrkens | Rose | Wenzel |
| Clawson | Himle | Minne | Rothenberg | Wieser |
| Dahlvang | Hoberg | Munger | Samuelson | Wigley |
| Dean | Hokanson | Murphy | Schafer | Wynia |
| Dempsey | Jennings | Nelsen, B. | Schoenfeld | Zubay |
| Den Ouden | Johnson, C. | Nelson, K. | Schreiber | Spkr. Sieben, H. |
| Drew | Johnson, D. | Niehaus | Sherman | |
| Eken | Jude | Nysether | Sherwood | |
| Elioff | Kahn | O'Connor | Sieben, M. | |
| Ellingson | Kaley | Ogren | Simoneau | |

Those who voted in the negative were :

Shea

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. 407, A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; amending Minnesota Statutes 1980, Section 60C.09, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wynia moved that the House refuse to concur in the Senate amendments to H. F. No. 407, 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. 912, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11;

111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 144.125; 144.653, Subdivision 1; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256B.15; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 485.14; 508.37, by adding a subdivision; 518.155; 518.66; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; Laws 1980, Chapter 614, Section 163; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 508.37, Subdivision 1; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8.

Jude moved that the House refuse to concur in the Senate amendments to H. F. No. 912, 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 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. 1443, A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1980, Sections 3.005, Subdivision 3; 3.304, by adding a subdivision; 4.16, by adding subdivisions; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 16A.123; 17.59, by adding a subdivision; 17A.04, Subdivision 5; 17B.15, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 43.46, Subdivisions 2 and 3; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 97.49, Subdivision 1; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, 19 and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 116C.69, Subdivisions 2 and 2a; 139.16; 139.17; 139.18; 139.19; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 179.72, Subdivision 3; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 270.66; 271.02; 284.28, Subdivision 8; 290.431; 299A.03, Subdivisions 1, 8 and 13; 322A.16; 322A.71; 352E.04; 354.43, Subdivision 3; 362.10; 362.12, Subdivisions 1a and 2; 362.121; 362.125; 362.13; 480.0595; 546.27; 638.08; and 648.39; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; proposing new law coded in Minnesota Statutes, Chapters 85; 116H; 270; 299A; and 362; repealing Minnesota Statutes 1980, Sections 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 299A.03, Subdivisions 1, 2, 3, 5, 6, 7, 9, 10, 11 and 14; 362.07; 362.08; 362.09; 362.11; 362.12, Subdivisions 3 and 4; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 473.56, Subdivision 15; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

The Senate has appointed as such committee Messrs. Luther, Willet, Humphrey, Knoll and Ashbach.

House File No. 1443 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. 1434, A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; providing for the regulation of professional wrestling; imposing a tax on the gross receipts from admission to professional wrestling exhibitions, and on the gross receipts from the lease or sale of radio, motion picture and television rights therein; providing penalties; amending Minnesota Statutes 1980, Sections 12.14; 15.0412, Subdivision 4; 16A.128; 161.242, Subdivision 4; 168.013, Subdivisions 1c and 1e; 168.12, Subdivisions 1 and 2a; 168.27, Subdivisions 16 and 17; 168.33, Subdivision 7; 169.09, Subdivision 7; 169.79; 169.974, Subdivision 2; 171.13, by adding a subdivision; 171.36; 173.25; 174.255, by adding a subdivision; 174.31; 214.06, Subdivision 1; 216B.62, Subdivision 3 and by adding a subdivision; 237.295, Subdivision 2 and by adding a subdivision; 239.10; 239.52; 270.051, Subdivision 2; 297B.035, Subdivision 2; 319A.21; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.02, Subdivisions 4 and 5; 340.11, Subdivisions 3, 3a and 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.14, Subdivision 5; 340.17; 340.18, Subdivision 4; 340.402; 340.435, Subdivision 2; 340.493, Subdivision 2; 340.62; 341.01; 341.02; 341.04; 341.05; 341.07; 341.08; 341.09; 341.10; 341.12; 341.13; 341.15; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; and 626.845, by adding a subdivision; Laws 1980, Chapter 534, Section 87; proposing new law coded in Minnesota Statutes, Chapter 138; repealing Minnesota Statutes 1980, Sections 168C.01; 168C.02; 168C.03; 168C.04; 168C.05; 168C.06; 168C.07; 168C.08; 168C.09; 168C.11; 168C.12; 168C.13; and 239.521.

The Senate has appointed as such committee Messrs. Menning, Purfeerst, Renneke, Stumpf and Pillsbury.

House File No. 1434 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. 1446, A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 16.851, by adding a subdivision; 144A.08, by adding a subdivision; 145.913, by adding a subdivision; 145.914, Subdivision 2; 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 245.802, by adding a subdivision; 245.812, by adding a subdivision; 245.84, Subdivision 2; 246.151; 246.54; 256.76, Subdivision 1; 256.87; 256.872; 256.873; 256.875; 256.877; 256B.02, Subdivision 8; 256B.03; 256B.06, Subdivision 1; 256B.08; 256B.15; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 8; 256D.03, Subdivisions 2 and 3, and by adding a subdivision; 256D.04; 256D.05, Subdivisions 1 and 4, and by adding a subdivision; 256D.06, Subdivisions 1 and 2, and by adding a subdivision; 256D.14; 260.311, Subdivision 5; 261.23; 393.07, Subdivision 10; 401.04; 401.12; 517.08, Subdivision 1b, and by adding a subdivision; 518.54, by adding subdivisions; 518.551; and 518.611; 518.64, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 144; 145; 241; 245; 256D; and 609; repealing Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.11.

The Senate has appointed as such committee Messrs. Sikorski, Knutson, Spear, Solon and Berglin.

House File No. 1446 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. 1421, A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 121.931, Subdivision 5; 123.742, by adding a subdivision; 123.743; and 136A.121, Subdivisions 4 and 5.

The Senate has appointed as such committee Messrs. Nelson, Willet, Penny, Tennessen and Keefe.

House File No. 1421 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. 969, A bill for an act relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating to the amendment of comprehensive plans; amending Minnesota Statutes 1980, Section 473.864, Subdivision 2.

The Senate has appointed as such committee Messrs. Knoll, Knutson and Luther.

House File No. 969 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. 1052, A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

The Senate has appointed as such committee Messrs. Olhoff, Setzepfandt and Rued.

House File No. 1052 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. 157, A bill for an act relating to public welfare; providing that every birth to a minor shall be reported within three working days to the commissioner of public welfare; amending Minnesota Statutes 1980, Section 257.33.

The Senate has appointed as such committee Messrs. Berglin, Dicklich and Benson.

House File No. 157 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. 582, A bill for an act relating to natural resources; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

The Senate has appointed as such committee Messrs. Merriam, Lessard and Bernhagen.

House File No. 582 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 Files, herewith transmitted:

S. F. Nos. 984 and 1212.

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. 376, 429 and 724.

PATRICK E. FLAHAVER, Secretary of the Senate

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 912:

Jude, Vellenga and Heinitz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 407:

Wynia, Ellingson and Kaley.

FIRST READING OF SENATE BILLS

S. F. No. 984, A bill for an act relating to game and fish; increasing game and fish licenses and other fees; including resident alien in the definition of resident for purposes of game and fish licenses; requiring the commissioner of natural resources to submit a license consolidation and elimination proposal to the legislature; amending Minnesota Statutes 1980, Sections 97.40, Subdivision 21; 98.45, Subdivision 6; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, and 19, and by adding a subdivision; 100.35, Subdivisions 1 and 5; and 101.44; proposing new law coded in Minnesota Statutes, Chapter 97; repealing Minnesota Statutes 1980, Section 99.28, Subdivision 5.

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

S. F. No. 1212, A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.358, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

The bill was read for the first time.

Clawson moved that S. F. No. 1212 and H. F. No. 1071, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 376, A bill for an act relating to taxation; altering the method of taxing the income of certain oil companies by prohibiting their use of certain deductions and requiring use of combined worldwide income; eliminating the use of the arithmetic average allocation formula for major oil companies; amending Minnesota Statutes 1980, Sections 290.01, by adding a subdivision; 290.09,

Subdivision 1; 290.091; 290.19, Subdivision 1; and 290.21, Subdivision 4.

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

S. F. No. 429, A bill for an act relating to public safety; regulating boilers, other apparatus and their operators; providing penalties; amending Minnesota Statutes 1980, Sections 183.375, Subdivision 2; 183.38; 183.39, Subdivision 1; 183.41, Subdivision 2; 183.411, Subdivision 3; 183.42; 183.44; 183.45; 183.46; 183.465; 183.48; 183.50; 183.51; 183.52; 183.53; 183.54; 183.545; 183.56; 183.57; 183.59; 183.60; 183.61; 183.62; and proposing new law coded in Minnesota Statutes, Chapter 183; repealing Minnesota Statutes 1980, Section 183.39, Subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 724, A bill for an act relating to game and fish; altering requirements for taking and possession; prescribing requirements for carrying and use of firearms and ammunition; prescribing penalties; amending Minnesota Statutes 1980, Sections 97.4841, Subdivision 2; 98.45, Subdivision 1; 98.46, Subdivisions 2 and 14; 98.47, Subdivision 7; 98.52, Subdivision 1; 99.27, Subdivision 1; and 100.29, Subdivisions 3 and 9; repealing Minnesota Statutes 1980, Section 101.42, Subdivision 10.

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 326

A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1980, Sections 62E.52, Subdivisions 2 and 3; 62E.53, Subdivisions 1 and 2; and 62E.531, Subdivision 2.

May 5, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 326, 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. 326 be further amended as follows:

Page 1, line 24, strike "20" and insert "25"

Page 2, line 3, delete "18" and insert "12"

Page 2, line 6, after "1," insert "or for services of an intermediate care facility, level I, for not more than 120 days in a year,"

Page 2, after line 7, insert

"Qualified expense" does not include a charge incurred by an individual who was a member of a health maintenance organization at the time the expense was incurred if that individual could have received the service at no cost through the health maintenance organization. If that individual could have received the service at reduced cost through the health maintenance organization, but elected instead to pay for the service elsewhere, "qualified expense" includes only the cost that would have been incurred through use of the health maintenance organization."

Page 2, line 33, strike "20" and insert "25"

Page 3, after line 5, insert

"Sec. 5. [62E.5305] [PROPERTY TRANSFERS.]

A person who has transferred any real or personal property within one year immediately preceding the date of application for assistance under sections 62E.51 to 62E.55 or who transfers the property while receiving assistance under sections 62E.51 to 62E.55 without receiving a reasonable consideration for it is presumed to have done so in order to become or remain eligible for assistance under sections 62E.51 to 62E.55 or to have deprived himself or his spouse of a resource that otherwise might have been used to meet his or their current needs. The person has the burden of overcoming the presumption to the satisfaction of the county agency."

Page 3, line 6, delete "Sec. 5." and insert "Sec. 6."

Page 3, after line 18, insert

"Sec. 7. Minnesota Statutes 1980, Section 62E.54, is amended by adding a subdivision to read:

Subd. 3. [TRANSFERS PROHIBITED.] The commissioner shall make no transfers between appropriations for the payment of health services under the provisions of sections 62E.51

to 62E.55 and appropriations for other programs of the department of public welfare.

Sec. 8. Minnesota Statutes 1980, Section 256.98, is amended to read:

256.98 [WRONGFULLY OBTAINING ASSISTANCE; THEFT.]

A person who obtains, or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, by intentional concealment of a material fact, or by impersonation or other fraudulent device, assistance to which he is not entitled or assistance greater than that to which he is entitled, or who knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the local agency with intent to defeat the purposes of sections 62E.51 to 62E.55, 256.12, 256.72 to 256.872, chapter 256B, is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses (1), (2) and (5). The amount of the assistance incorrectly paid shall be the difference between the amount of assistance actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts. The amount of any assistance determined to have been incorrectly paid shall be recoverable from the recipient or his estate by the county or the state as a debt due the county or the state or both in proportion to the contribution of each. Any amounts recovered shall be paid to the appropriate units of government in the same manner as provided in section 256.863. To prosecute or to recover assistance wrongfully obtained under this section, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general, may institute a criminal or civil action."

Page 3, line 19, delete "6" and insert "9"

Page 3, line 22, delete "5" and insert "8"

Amend the title as follows:

Page 1, line 7, after "2" insert "; 62E.54, by adding a subdivision; and 256.98; proposing new law coded in Minnesota Statutes, Chapter 62E"

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

House Conferees: JAMES C. SWANSON, LYNDON R. CARLSON and ROBERT W. REIF.

Senate Conferees: GERRY SIKORSKI, HOWARD A. KNUTSON and TOM NELSON.

Swanson moved that the report of the Conference Committee on H. F. No. 326 be adopted and that the bill be repassed as amended by the Conference Committee.

Schreiber moved that the Conference Committee Report on H. F. No. 326 be postponed until Thursday, May 14, 1981.

A roll call was requested and properly seconded.

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 | Ewald | Kostohryz | Onnen | Simoneau |
| Ainley | Fjoslien | Kvam | Osthoff | Skoglund |
| Anderson, B. | Forsythe | Laidig | Otis | Stadum |
| Anderson, G. | Friedrich | Lehto | Peterson, B. | Staten |
| Anderson, I. | Greenfield | Lemen | Peterson, D. | Stowell |
| Anderson, R. | Gruenes | Levi | Piepho | Stumpf |
| Battaglia | Gustafson | Long | Pogemiller | Sviggum |
| Begich | Halberg | Ludeman | Redalen | Swanson |
| Berkelman | Hanson | Luknic | Reding | Tomlinson |
| Blatz | Harens | Mann | Rees | Valan |
| Brandl | Hauge | Marsh | Reif | Valento |
| Brinkman | Haukoos | McCarron | Rice | Vanasek |
| Byrne | Heap | McDonald | Rodriguez, C. | Vellenga |
| Carlson, L. | Heinitz | McEachern | Rodriguez, F. | Voss |
| Clark, J. | Himle | Mehrkens | Rose | Weaver |
| Clark, K. | Hoberg | Metzen | Rothenberg | Welch |
| Dahlvang | Hokanson | Minne | Samuelson | Welker |
| Dean | Jacobs | Munger | Sarna | Wenzel |
| Den Ouden | Jennings | Murphy | Schafer | Wieser |
| Drew | Johnson, C. | Nelsen, B. | Schoenfeld | Wigley |
| Eken | Johnson, D. | Niehaus | Schreiber | Wynia |
| Elioff | Jude | Novak | Searles | Zubay |
| Ellingson | Kaley | Nysether | Shea | Spkr. Sieben, H. |
| Erickson | Kalis | O'Connor | Sherman | |
| Esau | Kelly | Ogren | Sherwood | |
| Evans | Knickerbocker | Olsen | 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 Schreiber motion.

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

The roll was called and there were 62 yeas and 69 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------|-----------|-------|-----------|
| Aasness | Blatz | Den Ouden | Esau | Fjoslien |
| Ainley | Dean | Drew | Evans | Forsythe |
| Anderson, R. | Dempsey | Erickson | Ewald | Friedrich |

| | | | | |
|-------------|---------------|--------------|------------|---------|
| Gruenes | Knickerbocker | Nelsen, B. | Rose | Valan |
| Halberg | Kvam | Niehaus | Rothenberg | Valento |
| Haukoos | Laidig | Nysether | Schafer | Weaver |
| Heap | Lemen | Olsen | Schreiber | Welker |
| Heintz | Levi | Onnen | Searles | Wieser |
| Himle | Ludeman | Peterson, B. | Sherman | Wigley |
| Hoberg | Luknic | Piepho | Sherwood | Zubay |
| Jennings | Marsh | Redalen | Stadum | |
| Johnson, D. | McDonald | Rees | Stowell | |
| Kaley | Mehrkens | Reif | Sviggum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Elioff | Lehto | Osthoff | Skoglund |
| Anderson, I. | Ellingson | Long | Otis | Staten |
| Battaglia | Greenfield | Mann | Peterson, D. | Stumpf |
| Begich | Gustafson | McCarron | Pogemiller | Swanson |
| Berkelman | Hanson | McEachern | Reding | Tomlinson |
| Brandl | Harens | Metzen | Rice | Vanasek |
| Brinkman | Hauge | Minne | Rodriguez, C. | Vellenga |
| Byrne | Hokanson | Munger | Rodriguez, F. | Voss |
| Carlson, L. | Jacobs | Murphy | Samuelson | Welch |
| Clark, J. | Johnson, C. | Nelson, K. | Sarna | Wenzel |
| Clark, K. | Jude | Norton | Schoenfeld | Wynia |
| Clawson | Kalis | Novak | Shea | Spkr. Sieben, H. |
| Dahlvang | Kelly | O'Connor | Sieben, M. | |

The Schreiber motion did not prevail.

The question recurred on the Swanson motion that the report of the Conference Committee on H. F. No. 326 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 326, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1980, Sections 62E.52, Subdivisions 2 and 3; 62E.53, Subdivisions 1 and 2; and 62E.531, 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.

Vanasek moved that those not voting be excused from voting. The motion did not prevail.

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

There were 94 yeas and 37 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Elioff | Kelly | Novak | Schoenfeld |
| Anderson, G. | Ellingson | Knickerbocker | Nysether | Shea |
| Anderson, I. | Evans | Kostohryz | O'Connor | Sieben, M. |
| Anderson, R. | Greenfield | Lehto | Ogren | Simoneau |
| Battaglia | Gustafson | Lemen | Olsen | Skoglund |
| Begich | Hanson | Levi | Osthoff | Staten |
| Berkelman | Harens | Long | Otis | Stumpf |
| Blatz | Hauge | Luknic | Peterson, B. | Swiggum |
| Brandl | Heap | Mann | Peterson, D. | Swanson |
| Brinkman | Heinitz | Marsh | Pogemiller | Tomlinson |
| Byrne | Hoberg | McCarron | Reding | Vanasek |
| Carlson, L. | Hokanson | McEachern | Rees | Vellenga |
| Clark, J. | Jacobs | Mehrkens | Reif | Voss |
| Clark, K. | Johnson, C. | Metzen | Rice | Weaver |
| Clawson | Johnson, D. | Minne | Rodriguez, C. | Welch |
| Dahlvang | Jude | Munger | Rodriguez, F. | Wenzel |
| Dean | Kahn | Murphy | Rose | Wynia |
| Drew | Kaley | Nelson, K. | Samuelson | Spkr. Sieben, H. |
| Eken | Kalis | Norton | Sarna | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|------------|-----------|---------|
| Aasness | Friedrich | Ludeman | Schafer | Valento |
| Ainley | Gruenes | McDonald | Schreiber | Welker |
| Dempsey | Halberg | Nelsen, B. | Searles | Wieser |
| Den Ouden | Haukoos | Niehaus | Sherman | Wigley |
| Erickson | Himle | Onnen | Sherwood | Zubay |
| Esau | Jennings | Piepho | Stadum | |
| Ewald | Kvam | Redalen | Stowell | |
| Forsythe | Laidig | Rothenberg | Valan | |

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

CALL OF THE HOUSE LIFTED

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

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 preceding General Orders for today, Wednesday, May 6, 1981:

H. F. Nos. 705, 1071, 184, 1163 and 1375 and S. F. Nos. 763, 835, 558, 660, 805, 690, 808, 876, 694, 939, 1321, 215, 1106, 399, 96, 99, 159, 513 and 732.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, I., requested immediate consideration of H. F. Nos. 242 and 1143.

H. F. No. 242, A bill for an act relating to taxation; increasing the deduction for tuition, textbooks, and transportation of dependents attending certain schools; amending Minnesota Statutes 1980, Section 290.09, 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 107 yeas and 16 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Fjoslien | Levi | Peterson, B. | Staten |
| Ainley | Forsythe | Ludeman | Piepho | Stowell |
| Anderson, B. | Friedrich | Luknic | Pogemiller | Stumpf |
| Anderson, G. | Gruenes | Mann | Redalen | Sviggum |
| Anderson, I. | Gustafson | Marsh | Reding | Swanson |
| Battaglia | Halberg | McCarron | Reif | Tomlinson |
| Begich | Hanson | McEachern | Rice | Valan |
| Blatz | Harens | Mehrkens | Rodriguez, F. | Valento |
| Brandl | Haukoos | Metzen | Rose | Vanasek |
| Brinkman | Heap | Munger | Rothenberg | Vellenga |
| Byrne | Himle | Murphy | Samuelson | Voss |
| Dahlvang | Hoberg | Nelsen, B. | Sarna | Weaver |
| Dean | Hokanson | Nelson, K. | Schafer | Welker |
| Dempsey | Jacobs | Niehaus | Schoenfeld | Wenzel |
| Den Ouden | Johnson, C. | Norton | Schreiber | Wieser |
| Drew | Johnson, D. | Novak | Shea | Wigley |
| Eken | Jude | Nysether | Sherman | Wynia |
| Elioff | Kelly | O'Connor | Sherwood | Zubay |
| Ellingson | Knickerbocker | Ogren | Sieben, M. | Spkr. Sieben, H. |
| Erickson | Kostohryz | Olsen | Simoneau | |
| Evans | Kvam | Onnen | Skoglund | |
| Ewald | Laidig | Osthoff | Stadum | |

Those who voted in the negative were:

| | | | | |
|-------------|------------|----------|-------|--------------|
| Carlson, D. | Clawson | Jennings | Long | Otis |
| Carlson, L. | Greenfield | Kahn | Minne | Peterson, D. |
| Clark, J. | Hauge | Kaley | | |
| Clark, K. | Heinitz | Lehto | | |

The bill was passed and its title agreed to.

H. F. No. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns

by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivision 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, 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 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|----------|---------------|
| Aasness | Brinkman | Eken | Gruenes | Jennings |
| Ainley | Byrne | Elioff | Halberg | Johnson, C. |
| Anderson, B. | Carlson, D. | Ellingson | Hanson | Johnson, D. |
| Anderson, G. | Carlson, L. | Erickson | Harens | Jude |
| Anderson, I. | Clark, J. | Esau | Hauge | Kahn |
| Anderson, R. | Clark, K. | Evans | Haukoos | Kaley |
| Battaglia | Clawson | Ewald | Heinitz | Kalis |
| Begich | Dahlvang | Fjoslien | Himle | Kelly |
| Berkelman | Dempsey | Forsythe | Hoberg | Knickerbocker |
| Blatz | Den Ouden | Friedrich | Hokanson | Kvam |
| Brandl | Drew | Greenfield | Jacobs | Laidig |

| | | | | |
|-----------|--------------|---------------|------------|------------------|
| Lehto | Nelsen, B. | Pogemiller | Schreiber | Valan |
| Levi | Nelson, K. | Redalen | Searles | Valento |
| Long | Niehaus | Reding | Sherman | Vanasek |
| Ludeman | Norton | Rees | Sherwood | Vellenga |
| Luknic | Novak | Reif | Sieben, M. | Voss |
| Mann | Nysether | Rice | Simoneau | Welch |
| Marsh | O'Connor | Rodriguez, C. | Skoglund | Wenzel |
| McCarron | Ogren | Rodriguez, F. | Stadum | Wieser |
| McDonald | Olsen | Rose | Staten | Wigley |
| McEachern | Onnen | Rothenberg | Stowell | Wynia |
| Mehrkens | Osthoff | Samuelson | Stumpf | Zubay |
| Metzen | Otis | Sarna | Sviggum | Spkr. Sieben, H. |
| Minne | Peterson, D. | Schafer | Swanson | |
| Murphy | Piepho | Schoenfeld | Tomlinson | |

Those who voted in the negative were:

Munger Welker

The bill was passed and its title agreed to.

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. No 1376 and S. F. No. 359.

H. F. No. 1376 was reported to the House.

Wenzel moved to amend H. F. No. 1376 as follows:

Page 1, line 18, after "Subd. 2." insert "[216B.031]"

Page 1, line 20, delete "providing" and insert "which provides"

Page 1, line 24, delete "This provision" and insert "The averaging of rates provided by this subdivision"

Page 2, line 2, delete "geographic areas" and insert "sources"

Page 2, delete line 4 and insert "Not later than August 1, 1981, any utility affected by provisions of this act shall file with the public utilities commission proposed rate increases and decreases to accomplish the purposes of section 1, subdivision 2."

Amend the title as follows:

Page 1, line 5, before the period insert " ; proposing new law coded in Minnesota Statutes, Chapter 216B"

The motion prevailed and the amendment was adopted.

Jacobs moved to amend H. F. No. 1376, as amended, as follows:

Page 2, line 2, after the period insert "Any changes in the rates for natural gas resulting from the provisions of this subdivision shall not be applied to natural gas customers in Anoka, Dakota, Carver, Hennepin, Ramsey, Scott, Washington, Wright, Sherburne, Kanabec, or Meeker county."

A roll call was requested and properly seconded.

Sieben, M., withdrew his request under rule 1.10 and H. F. No. 1376, as amended, was returned to General Orders.

S. F. No. 359 was reported to the House.

CALL OF THE HOUSE

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

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Erickson | Kostohryz | Olsen | Simoneau |
| Ainley | Esau | Kvam | Osthoff | Skoglund |
| Anderson, B. | Evans | Laidig | Otis | Stadum |
| Anderson, G. | Ewald | Lehto | Peterson, B. | Staten |
| Anderson, I. | Fjoslien | Lemen | Peterson, D. | Stowell |
| Battaglia | Forsythe | Levi | Piepho | Sviggum |
| Begich | Friedrich | Ludeman | Pogemiller | Tomlinson |
| Berkelman | Greenfield | Luknic | Redalen | Valan |
| Blatz | Gruenes | Mann | Reding | Valento |
| Brandl | Gustafson | Marsh | Rees | Vanasek |
| Brinkman | Halberg | McCarron | Reif | Vellenga |
| Byrne | Hanson | McDonald | Rice | Voss |
| Carlson, D. | Harens | McEachern | Rodriguez, C. | Weaver |
| Carlson, L. | Hauge | Mehrkens | Rodriguez, F. | Welch |
| Clark, J. | Haukoos | Metzen | Rose | Welker |
| Clark, K. | Heinitz | Minne | Rothenberg | Wenzel |
| Clawson | Himle | Munger | Samuelson | Wieser |
| Dahlvang | Hokanson | Murphy | Schafer | Wigley |
| Dean | Jacobs | Nelsen, B. | Schoenfeld | Wynia |
| Dempsey | Jennings | Nelson, K. | Schreiber | Zubay |
| Den Ouden | Johnson, C. | Niehaus | Searles | Spkr. Sieben, H. |
| Drew | Jude | Novak | Shea | |
| Eken | Kaley | Nysether | Sherman | |
| Eloff | Kelly | O'Connor | Sherwood | |
| Ellingson | Knickerbocker | Ogren | Sieben, M. | |

Carlson, D., 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.

Himle moved to amend S. F. No. 359, the unofficial engrossment as follows:

Page 4, line 22, after "manner" and page 4, line 27 after "manner" insert:

"and shall not engage in the following prohibited activities: (1) organizing a political party, committee or club; (2) actively participating in fund raising activities for partisan candidates or political parties; (3) becoming a partisan candidate for or campaigning for elective public office; (4) actively managing a campaign of a partisan candidate for public office; (5) initiating or circulating a partisan nominating petition or soliciting votes for a partisan candidate for public office; and (6) serving as a delegate, alternate or proxy to a political party convention".

A roll call was requested and properly seconded.

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

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

There were 38 yeas and 88 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|---------------|------------|--------------|----------|
| Ainley | Harens | Laidig | Peterson, B. | Sherman |
| Carlson, D. | Haukoos | Lemen | Piepho | Sherwood |
| Dempsey | Heinitz | McDonald | Redalen | Stadum |
| Erickson | Himle | Nelsen, B. | Rees | Valento |
| Fjoslien | Hoberg | Niehaus | Rothenberg | Wieser |
| Forsythe | Johnson, D. | Nysether | Schafer | Zubay |
| Gruenes | Kaley | Olsen | Schreiber | |
| Halberg | Knickerbocker | Onnen | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Den Ouden | Kalis | Novak | Simoneau |
| Anderson, B. | Drew | Kelly | O'Connor | Skoglund |
| Anderson, G. | Eken | Kostohryz | Ogren | Staten |
| Anderson, I. | Elioff | Lehto | Osthoff | Stowell |
| Anderson, R. | Ellingson | Levi | Otis | Stumpf |
| Battaglia | Evans | Long | Peterson, D. | Sviggum |
| Begich | Friedrich | Ludeman | Pogemiller | Swanson |
| Berkelman | Greenfield | Luknic | Reding | Tomlinson |
| Blatz | Gustafson | Mann | Reif | Vanasek |
| Brandl | Hanson | Marsh | Rice | Vellenga |
| Brinkman | Hauge | McCarron | Rodriguez, C. | Voss |
| Byrne | Heap | McEachern | Rodriguez, F. | Welch |
| Carlson, L. | Hokanson | Mehrkens | Rose | Wenzel |
| Clark, J. | Jacobs | Minne | Samuelson | Wigley |
| Clark, K. | Jennings | Munger | Sarna | Wynia |
| Clawson | Johnson, C. | Murphy | Schoenfeld | Spkr. Sieben, H. |
| Dahlvang | Jude | Nelson, K. | Shea | |
| Dean | Kahn | Norton | Sieben, M. | |

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

Stowell and Wenzel moved to amend S. F. No. 359, the unofficial engrossment, as follows:

Page 101, after line 15, insert a new section to read:

“Sec. 134. Laws 1980, Chapter 556, Section 12, is reenacted to read:

Sec. 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) \$8,000 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, of a farmer employed by the farmer, or any executive officer of 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 subsequent sections

Correct internal references

Further, amend the title as follows :

Page 2, line 58, after the semi-colon insert "reenacting Laws 1980, Chapter 556, Section 12;,"

The motion prevailed and the amendment was adopted.

Haukoos and Jennings moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows :

Page 46, after line 13, insert :

"Sec. 58. Minnesota Statutes 1980, Section 176.041, Subdivision 1, is amended to read :

Subdivision 1. [EMPLOYMENTS EXCLUDED.] This chapter does not apply to persons employed by any common carrier by railroad engaged in interstate or foreign commerce, which persons are covered by the Federal Employers' Liability Act (45 U.S.C. 51-60) or other comparable federal law; persons employed by family farms as defined by section 176.011, subdivision 11a, the spouse, parent and child, regardless of age, of a farmer employer working for him; partners engaged in any farm operation or partners engaged in a business and the spouse, parent, and child, regardless of age, of any of the partners of the farm operation or business; an executive officer of a family farm corporation; an executive officer of a closely held corporation referred to in section 176.012; any spouse, parent, or child, regardless of age, of an executive officer of a family farm corporation as defined in section 500.24, subdivision 2, employed by that family farm corporation; any spouse, parent, or child, regardless of age, of an executive officer of a closely held corporation referred to in section 176.012; or other farmers or members of their families exchanging work

with the farmer employer or family farm corporation operator in the same community, or persons whose employment at the time of the injury is casual, and not in the usual course of the trade, business, profession, or occupation of his employer; nor does it apply to officers or members of veteran's organizations whose employment relationship arises solely by virtue of attending meetings or conventions of their organization, unless the veteran's organizations elect by resolution to provide coverage under this chapter for the officers or members. Neither shall the chapter apply to any person employed as a household worker in, for, or about, a private home or household who earns less than \$500 in cash in any three month period from a single private home or household provided that any household worker who has earned \$500 or more from his present employer in any three month period within the previous year shall be covered by this chapter regardless of whether or not he has in the present quarter earned \$500. This chapter does not apply to those persons employed by a corporation where those persons are related by blood or marriage, within the third degree of kindred according to the rules of civil law, to all of the officers of the corporation, and if the corporation files a written election with the commissioner of labor and industry to have those persons excluded from this chapter. This chapter does not apply to (A NONPROFIT ASSOCIATION) *persons employed by an employer* which does not pay more than (\$500) \$8,000 in salary or wages in a year."

Renumber sections accordingly

Further amend the title:

Page 1, line 31, after the semi-colon, insert "exempting from coverage employees of employers who pay less than \$8,000 in wages annually;"

Page 2, line 39, after the comma insert "Subdivision 1 and"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|-----------|---------------|------------|--------------|
| Aasness | Erickson | Heinitz | Levi | Olsen |
| Ainley | Esau | Himle | Ludeman | Onnen |
| Berkelman | Ewald | Hoberg | Luknic | Peterson, B. |
| Blatz | Fjoslien | Jennings | Marsh | Piepho |
| Brinkman | Forsythe | Johnson, D. | McDonald | Redalen |
| Carlson, D. | Friedrich | Kaley | McEachern | Rees |
| Dean | Gruenes | Knickerbocker | Mehrkens | Reif |
| Dempsey | Halberg | Kvam | Nelsen, B. | Rose |
| Den Ouden | Haukoos | Laidig | Niehaus | Rothenberg |
| Drew | Heap | Lemen | Nysether | Schafer |

| | | | | |
|-----------|----------|---------|--------|--------|
| Schreiber | Sherwood | Sviggum | Weaver | Wigley |
| Searles | Stadum | Valan | Welker | Zubay |
| Sherman | Stowell | Valento | Wieser | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kelly | Ogren | Simoneau |
| Anderson, G. | Ellingson | Kostohryz | Osthoff | Skoglund |
| Anderson, I. | Evans | Lehto | Otis | Staten |
| Anderson, R. | Greenfield | Long | Peterson, D. | Stumpf |
| Battaglia | Gustafson | Mann | Pogemiller | Swanson |
| Begich | Hanson | McCarron | Reding | Tomlinson |
| Brandl | Harens | Metzen | Rice | Vanasek |
| Byrne | Hauge | Minne | Rodriguez, C. | Vellenga |
| Carlson, L. | Hokanson | Munger | Rodriguez, F. | Voss |
| Clark, J. | Jacobs | Murphy | Samuelson | Welch |
| Clark, K. | Johnson, C. | Nelson, K. | Sarna | Wenzel |
| Clawson | Jude | Norton | Schoenfeld | Wynia |
| Dahlvang | Kahn | Novak | Shea | Spkr. Sieben, H. |
| Eken | Kalis | O'Connor | Sieben, M. | |

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

Stadum moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 61, line 2, delete the last comma

Page 61, line 3, delete "Subdivision 1,"

Page 61, after line 6, insert:

"Subd. 2. The commissioner shall by rule establish a schedule of internal organs that are compensable and indicate in the schedule (TO WHAT) *the extent to which* the organs are compensable under section 176.101, subdivision 3.

Subd. 3. In order to accomplish the purposes of this section, the commissioner shall (STUDY) *utilize the disability (OR) and permanent impairment (SCHEDULES SET UP BY OTHER STATES,) guide established by the American Medical Association (AND OTHER ORGANIZATIONS). Temporary rule-making is authorized for the purposes of this section. The commissioner shall issue rules required by this section no later than July 1, 1982."*

Further, amend the title as follows:

Page 2, line 43, delete ", Subdivision 1"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|---------|
| Aasness | Ewald | Knickerbocker | Onnen | Stowell |
| Ainley | Fjoslien | Kvam | Peterson, B. | Stumpf |
| Anderson, R. | Forsythe | Laidig | Piepho | Sviggum |
| Berkelman | Friedrich | Lemen | Redalen | Valan |
| Blatz | Gruenes | Levi | Rees | Valento |
| Brinkman | Halberg | Ludeman | Reif | Weaver |
| Carlson, D. | Haukoos | Luknic | Rose | Welker |
| Dean | Heap | Marsh | Rothenberg | Wieser |
| Dempsey | Heinitz | McDonald | Schafer | Wigley |
| Den Ouden | Himle | Mehrkens | Schreiber | Zubay |
| Drew | Hoberg | Nelsen, B. | Searles | |
| Erickson | Jennings | Niehaus | Sherman | |
| Esau | Johnson, D. | Nysether | Sherwood | |
| Evans | Kaley | Olsen | Stadium | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Ellingson | Lehto | Osthoff | Skoglund |
| Anderson, G. | Greenfield | Long | Otis | Staten |
| Anderson, I. | Gustafson | Mann | Peterson, D. | Swanson |
| Battaglia | Hanson | McCarron | Pogemiller | Tomlinson |
| Begich | Harens | McEachern | Reding | Vanasek |
| Brandl | Hauge | Metzen | Rice | Vellenga |
| Byrne | Hokanson | Minne | Rodriguez, C. | Voss |
| Carlson, L. | Jacobs | Munger | Rodriguez, F. | Welch |
| Clark, J. | Johnson, C. | Murphy | Samuelson | Wenzel |
| Clark, K. | Jude | Nelson, K. | Sarna | Wynia |
| Clawson | Kahn | Norton | Schoenfeld | Spkr. Sieben, H. |
| Dahlvang | Kalis | Novak | Shea | |
| Eken | Kelly | O'Connor | Sieben, M. | |
| Elioff | Kostohryz | Ogren | Simoneau | |

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

Kaley moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 43, line 29, to Page 46, line 6, delete Sections 55 and 56 and insert a new Section 55 to read:

"Sec. 55. Minnesota Statutes 1980, Section 176.021, Subdivision 3, is amended to to read:

Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.] All employers shall commence payment of the compensation at the time and in the manner prescribed by this chapter without the necessity of any agreement or any order of the division. Except those of medical, burial, and other non-periodic benefits, payment shall be made as nearly as may be at the intervals when the wage was payable (; PROVIDED, HOWEVER, THAT). Payments for permanent partial disability (IN CASES IN WHICH RETURN TO WORK OCCURS PRIOR TO FOUR WEEKS FROM THE DATE OF INJURY) shall be made by lump sum payment, and the provisions of section 176.165 shall not apply, without the necessity of any agreement, or order of

the division, upon cessation of payments for temporary total disability and upon the employee's return to work, *unless 1) the employee has retired or 2) the employee has completed a rehabilitation plan pursuant to section 176.102, but is unable, with due diligence, to obtain work he can do in his permanently partially disabled condition with his previous employer or another employer, in either of which case payment shall be made on the cessation of payments for temporary total disability.* (IN CASES IN WHICH RETURN TO WORK DOES NOT OCCUR PRIOR TO FOUR WEEKS AFTER INJURY, PAYMENTS FOR PERMANENT PARTIAL DISABILITY SHALL BE MADE ACCORDING TO THE FOLLOWING SCHEDULE: 25 PERCENT OF THE AMOUNT DUE AFTER FOUR WEEKS FROM THE DATE OF INJURY, 25 PERCENT AFTER EIGHT WEEKS, 25 PERCENT AFTER 12 WEEKS AND 25 PERCENT AFTER 16 WEEKS, PROVIDED THAT ANY AND ALL PAYMENTS REMAINING SHALL BE PAID UPON THE CESSATION OF PAYMENTS FOR TEMPORARY TOTAL DISABILITY AND UPON THE EMPLOYEE'S RETURN TO WORK. IF DOUBT EXISTS AT THAT TIME AS TO THE EVENTUAL PERMANENT PARTIAL DISABILITY, PAYMENT SHALL BE THEN MADE FOR THE MINIMUM PERMANENT PARTIAL DISABILITY ASCERTAINABLE IN LUMP SUM, AND FURTHER LUMP SUM PAYMENT SHALL BE MADE UPON ANY LATER ASCERTAINMENT OF GREATER PERMANENT PARTIAL DISABILITY. AT THE TIME OF THE TENDER OF THE LUMP SUM PAYMENT, THE EMPLOYEE AND EMPLOYER SHALL BE FURNISHED WITH A COPY OF THE MEDICAL REPORT UPON WHICH THE PAYMENT IS BASED, TOGETHER WITH A STATEMENT BY THE INSURER AS TO WHETHER THE TENDERED PAYMENT IS FOR MINIMUM PERMANENT PARTIAL DISABILITY OR FINAL AND EVENTUAL DISABILITY.) Compensation for permanent partial disability is payable (CONCURRENTLY AND) in addition to compensation for temporary total disability and temporary partial disability as set forth in section 176.101, subdivisions 1 and 2, (AND) *but not for permanent total disability as defined in section 176.101, (SUBDIVISION) subdivisions 4 and 5* (; AND SUCH COMPENSATION FOR PERMANENT PARTIAL DISABILITY SHALL NOT BE DEFERRED PENDING COMPLETION OF PAYMENT FOR TEMPORARY DISABILITY OR PERMANENT TOTAL DISABILITY, AND NO CREDIT SHALL BE TAKEN FOR PAYMENT OF PERMANENT PARTIAL DISABILITY AGAINST LIABILITY FOR PERMANENT TOTAL DISABILITY). Liability on the part of an employer or his insurer for disability of a temporary total (,) *and* temporary partial (,) AND PERMANENT TOTAL) nature shall be considered as a continuing product and part of the employee's inability to earn or reduction in earning capacity due to injury or occupational disease and shall be payable accordingly. Permanent partial disability is payable for functional loss of use or impairment of function, permanent in nature (,) AND PAYMENT THEREFORE SHALL BE SEPARATE, DISTINCT, AND IN ADDITION TO PAYMENT FOR ANY

OTHER COMPENSATION). The right to receive temporary total, temporary partial, permanent partial or permanent total disability payments shall vest in the injured employee or his dependents under this chapter or, if none, in his legal heirs at the time the disability can be ascertained and the right shall not be abrogated by the employee's death prior to the making of the payment."

Renumber the sections accordingly

Correct internal cross-references

Further, amend the title as follows:

Page 1, lines 36 and 37, delete "and weekly payments if an employee could but does not return to work"

Page 2, line 39, delete "subdivisions" and insert "a subdivision"

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 68 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Ewald | Kaley | Nysether | Shea |
| Ainley | Fjoslien | Knickerbocker | Olsen | Sherman |
| Anderson, R. | Forsythe | Kvam | Onnen | Sherwood |
| Blatz | Friedrich | Laidig | Peterson, B. | Stadum |
| Brinkman | Gruenes | Lemen | Piepho | Stowell |
| Carlson, D. | Halberg | Levi | Redalen | Sviggum |
| Dean | Haukoos | Ludeman | Rees | Valan |
| Dempsey | Heap | Luknic | Reif | Valento |
| Den Ouden | Heinitz | Marsh | Rose | Weaver |
| Drew | Himle | McDonald | Rothenberg | Welker |
| Erickson | Hoberg | Mehrkens | Schafer | Wieser |
| Esau | Jennings | Nelsen, B. | Schreiber | Wigley |
| Evans | Johnson, D. | Niehaus | Searles | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Ogren | Skoglund |
| Anderson, G. | Ellingson | Lehto | Osthoff | Staten |
| Anderson, I. | Greenfield | Long | Otis | Stumpf |
| Battaglia | Gustafson | Mann | Peterson, D. | Swanson |
| Begich | Hanson | McCarron | Pogemiller | Tomlinson |
| Berkelman | Harens | McEachern | Reding | Vanasek |
| Brandl | Hauge | Metzen | Rice | Vellenga |
| Byrne | Hokanson | Minne | Rodriguez, C. | Voss |
| Carlson, L. | Jacobs | Munger | Rodriguez, F. | Welch |
| Clark, J. | Johnson, C. | Murphy | Samuelson | Wenzel |
| Clark, K. | Jude | Nelson, K. | Sarna | Wynia |
| Clawson | Kahn | Norton | Schoenfeld | Spkr. Sieben, H. |
| Dahlvang | Kalis | Novak | Sieben, M. | |
| Eken | Kelly | O'Connor | Simoneau | |

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

Rose moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 61, line 5, after "division" insert "*to the extent that such services can be provided without interfering with the section's responsibility to provide rehabilitation services to injured employees*"

Page 62, after line 4; Page 62, after line 34; and Page 63, after line 27, insert:

"The time periods for payments, number of years of weekly payments for purposes of calculating lump sum payments, and the application of the adjustment provided in section 176.645 as provided in this subdivision are subject to the limitations provided in subdivision 22."

Page 63, lines 28 to 34, delete section 79

Page 65, after line 2, insert a new section to read:

"Sec. 82. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

Subd. 22. [COMPENSATION MAXIMUM.] Compensation payable under this section to the dependents of a deceased employee, and to other persons entitled to compensation pursuant to this section, shall not exceed a total of \$75,000 in the case of a surviving spouse with no dependent child, a total of \$100,000 in the case of a surviving spouse with one dependent child, a total of \$130,000 in the case of a surviving spouse with two dependent children, and a total of \$150,000 in the case of a surviving spouse with three or more dependent children."

ReNUMBER subsequent sections

Correct internal references

Further, amend the title as follows:

Page 2, line 14, after the semi-colon, insert "providing a limitation on survivors' benefits;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|-------------|---------------|--------------|----------|
| Aasness | Ewald | Kaley | Nysether | Sherman |
| Ainley | Fjoslien | Knickerbocker | Olsen | Sherwood |
| Berkelman | Forsythe | Kvam | Onnen | Stadum |
| Blatz | Friedrich | Laidig | Peterson, B. | Stowell |
| Brinkman | Gruenes | Lemen | Piepho | Sviggum |
| Carlson, D. | Halberg | Levi | Redalen | Valan |
| Dean | Haukoos | Ludeman | Rees | Valento |
| Dempsey | Heap | Luknjic | Reif | Weaver |
| Den Ouden | Heinitz | Marsh | Rose | Welker |
| Drew | Himle | McDonald | Rothenberg | Wieser |
| Erickson | Hoberg | Mehrkens | Schafer | Wigley |
| Esau | Jennings | Nelsen, B. | Schreiber | Zubay |
| Evans | Johnson, D. | Niehaus | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Ellingson | Lehto | Osthoff | Skoglund |
| Anderson, I. | Greenfield | Long | Otis | Staten |
| Anderson, R. | Gustafson | Mann | Peterson, D. | Stumpf |
| Battaglia | Hanson | McCarron | Pogemiller | Swanson |
| Begich | Harens | McEachern | Reding | Tomlinson |
| Brandl | Hauge | Metzen | Rice | Vanasek |
| Byrne | Hokanson | Minne | Rodriguez, C. | Vellenga |
| Carlson, L. | Jacobs | Munger | Rodriguez, F. | Voss |
| Clark, J. | Johnson, C. | Murphy | Samuelson | Welch |
| Clark, K. | Jude | Nelson, K. | Sarna | Wenzel |
| Clawson | Kahn | Norton | Schoenfeld | Wynia |
| Dahlvang | Kalis | Novak | Shea | Spkr. Sieben, H. |
| Eken | Kelly | O'Connor | Sieben, M. | |

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

Gruenes moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 80, line 20, before "If" insert "Subd. 4."

Page 80, line 22, after "welfare" insert ", or he receives subsistence or other payments pursuant to such a program,"

Page 80, line 25, delete "medical expenses paid" and insert "payments made"

Page 80, after line 27, insert:

"Amounts paid to an injured employee pursuant to such a program and attributable to the personal injury shall be deducted from any settlement or award of compensation or benefits under this chapter. The insurer shall attempt, with due diligence, to ascertain whether payments have been made to an injured employee pursuant to such a program prior to any settlement or issuance of a binding award and shall notify the commissioner when such payments have been made."

The motion prevailed and the amendment was adopted.

Piepho moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 55, line 5, strike "that" and insert "*equal to 66-2/3 per cent of the employee's daily wage for the weeks specified for the disabilities*"

Page 55, line 6, after "maximum" insert "*weekly*"

Page 55, line 7, delete everything before the colon and insert "\$250"

Further, amend the title as follows:

Page 2, line 14, after the semi-colon, insert "providing a limitation on weekly amounts for permanent partial payments;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 48 yeas and 85 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|-----------|------------|------------|---------|
| Aasness | Forsythe | Kvam | Piepho | Stowell |
| Ainley | Friedrich | Lemen | Redalen | Svigum |
| Carlson, D. | Halberg | Levi | Reif | Valan |
| Dean | Haukoos | Ludeman | Rose | Valento |
| Dempsey | Heap | Marsh | Rothenberg | Welker |
| Den Ouden | Heinitz | McDonald | Schafer | Wieser |
| Erickson | Himle | Nelsen, B. | Searles | Wigley |
| Esau | Hoberg | Niehaus | Sherman | Zubay |
| Ewald | Jennings | Nysether | Sherwood | |
| Fjoslien | Kaley | Onnen | Stadum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Eken | Kelly | Novak | Schreiber |
| Anderson, G. | Elioff | Knickerbocker | O'Connor | Shea |
| Anderson, I. | Ellingson | Kostohryz | Ogren | Sieben, M. |
| Anderson, R. | Evans | Laidig | Olsen | Simoneau |
| Battaglia | Greenfield | Lehto | Osthoff | Skoglund |
| Begich | Gruenes | Long | Otis | Staten |
| Berkelman | Gustafson | Luknic | Peterson, B. | Stumpf |
| Blatz | Hanson | Mann | Peterson, D. | Swanson |
| Brandl | Harens | McCarron | Pogemiller | Tomlinson |
| Brinkman | Hauge | McEachern | Reding | Vanasek |
| Byrne | Hokanson | Mehrrens | Rees | Vellenga |
| Carlson, L. | Jacobs | Metzen | Rice | Voss |
| Clark, J. | Johnson, C. | Minne | Rodriguez, C. | Weaver |
| Clark, K. | Johnson, D. | Munger | Rodriguez, F. | Welch |
| Clawson | Jude | Murphy | Samuelson | Wenzel |
| Dahlvang | Kahn | Nelson, K. | Sarna | Wynia |
| Drew | Kalis | Norton | Schoenfeld | Spkr. Sieben, H. |

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

Swiggum moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 60, after line 35, insert:

“Sec. 74. Minnesota Statutes 1980, Section 176.101, is amended by adding a subdivision to read:

Subd. 8. [APPORTIONMENT.] The compensation payable under this chapter for a compensable personal injury or occupational disease shall be reduced in all cases in which a pre-existing condition or disability, not otherwise compensable under this chapter, aggravates or in any other manner contributes to the disability resulting from the compensable personal injury or occupational disease, by a percentage equal to the proportion of the resulting disability which is attributable to the pre-existing condition or disability.”

Renumber the sections accordingly

Correct internal cross-references

Further, amend the title as follows:

Page 1, line 33, after the semi-colon insert “providing for apportionment of liability;”

Page 2, line 42, after “3” insert “, and 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 66 yeas and 67 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|---------------|------------|--------------|---------|
| Aasness | Fjoslien | Kvam | Onnen | Stadum |
| Ainley | Forsythe | Laidig | Peterson, B. | Stowell |
| Berkelman | Friedrich | Lehto | Piepho | Swiggum |
| Blatz | Gruenes | Lemen | Redalen | Valan |
| Brinkman | Haukoos | Levi | Rees | Valento |
| Carlson, D. | Heap | Ludeman | Reif | Weaver |
| Dean | Heinitz | Luknic | Rose | Welker |
| Dempsey | Himle | Marsh | Rothenberg | Wieser |
| Den Ouden | Hoberg | McDonald | Schafer | Wigley |
| Drew | Jennings | Mehrkens | Schoenfeld | Zubay |
| Erickson | Johnson, D. | Nelsen, B. | Schreiber | |
| Esau | Kaley | Niehaus | Searles | |
| Evans | Kalis | Nysether | Sherman | |
| Ewald | Knickerbocker | Olsen | Sherwood | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Osthoff | Staten |
| Anderson, G. | Ellingson | Long | Otis | Stumpf |
| Anderson, I. | Greenfield | Mann | Peterson, D. | Swanson |
| Anderson, R. | Gustafson | McCarron | Pogemiller | Tomlinson |
| Battaglia | Halberg | McEachern | Reding | Vanasek |
| Begich | Hanson | Metzen | Rice | Vellenga |
| Brandl | Harens | Minne | Rodriguez, C. | Voss |
| Byrne | Hauge | Munger | Rodriguez, F. | Welch |
| Carlson, L. | Hokanson | Murphy | Samuelson | Wenzel |
| Clark, J. | Jacobs | Nelson, K. | Sarna | Wynia |
| Clark, K. | Johnson, C. | Norton | Shea | Spkr. Sieben, H. |
| Clawson | Jude | Novak | Sieben, M. | |
| Dahlvang | Kahn | O'Connor | Skoglund | |
| Eken | Kelly | Ogren | | |

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

Swiggum moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 43, after line 2, insert a new section to read:

"Sec. 53. Minnesota Statutes 1980, Section 176.011, Subdivision 16, is amended to read:

Subd. 16. [PERSONAL INJURY.] "Personal injury" means injury arising out of and in the course of employment and includes personal injury caused by occupational disease; but does not (COVER) *include an injury suffered by an employee except while he is engaged in, on, or about the premises where his services require his presence as a part of such service at the time of the injury and during the hours of such service. An injury which arises out of and in the course of employment in part and in part from other causes is a "personal injury" for the purposes of this chapter only to the extent of that portion of the injury directly attributable to the employment. Where the employer regularly (FURNISHED) furnishes transportation to his employees to and from the place of employment such employees are subject to this chapter while being so transported (, BUT SHALL). "Personal injury" does not include an injury caused by the act of a third person or fellow employee intended to injure the employee because of reasons personal to him, and not directed against him as an employee, or because of his employment. An injury which is not the result of a single discrete event or of an occupational disease shall be presumed not to be a "personal injury" unless the contrary is shown by clear and convincing evidence.*"

Renumber subsequent sections

Correct internal references

Further, amend the title as follows:

Page 1, line 28, after the semi-colon insert "providing for apportionment of liability;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 66 yeas and 66 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|---------------|------------|--------------|---------|
| Aasness | Fjoslien | Kvam | Onnen | Stadum |
| Ainley | Forsythe | Laidig | Peterson, B. | Stowell |
| Berkelman | Friedrich | Lehto | Piepho | Sviggum |
| Blatz | Gruenes | Lemen | Redalen | Valan |
| Brinkman | Halberg | Levi | Rees | Valento |
| Carlson, D. | Haukoos | Ludeman | Reif | Weaver |
| Dean | Heap | Luknic | Rose | Welker |
| Dempsey | Heinitz | Marsh | Rothenberg | Wieser |
| Den Ouden | Himle | McDonald | Schafer | Wigley |
| Drew | Hoberg | Mehrkens | Schoenfeld | Zubay |
| Erickson | Jennings | Nelsen, B. | Schreiber | |
| Esau | Johnson, D. | Niehaus | Searles | |
| Evans | Kaley | Nysether | Sherman | |
| Ewald | Knickerbocker | Olsen | Sherwood | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Long | Otis | Stumpf |
| Anderson, G. | Ellingson | Mann | Peterson, D. | Swanson |
| Anderson, I. | Greenfield | McCarron | Pogemiller | Tomlinson |
| Anderson, R. | Gustafson | McEachern | Reding | Vanasek |
| Battaglia | Hanson | Metzen | Rice | Vellenga |
| Begich | Harens | Minne | Rodriguez, C. | Voss |
| Brandl | Hauge | Munger | Rodriguez, F. | Welch |
| Byrne | Hokanson | Murphy | Samuelson | Wenzel |
| Carlson, L. | Johnson, C. | Nelson, K. | Sarna | Wynia |
| Clark, J. | Jude | Norton | Shea | Spkr. Sieben, H. |
| Clark, K. | Kahn | Novak | Sieben, M. | |
| Clawson | Kalis | O'Connor | Simoneau | |
| Dahlvang | Kelly | Ogren | Skoglund | |
| Eken | Kostohryz | Osthoff | Staten | |

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

Sviggum moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 60, after line 35, insert a new section to read:

"Sec. 74. Minnesota Statutes 1980, Section 176.101, is amended by adding a subdivision to read:

Subd. 8. Notwithstanding any other provision of this chapter to the contrary, an employee who suffers an injury that re-

sults in a permanent disability compensable under subdivisions 3, 4, or 5 shall not be compensated for that portion of the disability which is attributable to a prior injury which has been indemnified pursuant to any workers' compensation law, tort law, contract, arbitration award, or in any other manner."

Renumber the remaining sections

Further, amend the title as follows:

Page 1, line 41, after the semi-colon insert "providing for apportionment of liability;"

Page 2, line 42, after "3" insert "and 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 68 yeas and 65 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|----------|
| Aasness | Fjoslien | Kvam | Olsen | Sherman |
| Ainley | Forsythe | Laidig | Onnen | Sherwood |
| Anderson, R. | Friedrich | Lehto | Peterson, B. | Stadum |
| Berkelman | Gruenes | Lemen | Piepho | Stowell |
| Blatz | Halberg | Levi | Redalen | Sviggum |
| Carlson, D. | Haukoos | Ludeman | Rees | Valan |
| Dean | Heap | Luknic | Reif | Valento |
| Dempsey | Heinitz | Marsh | Rodriguez, C. | Weaver |
| Den Ouden | Himle | McDonald | Rose | Welker |
| Drew | Hoberg | Mehrkens | Rothenberg | Wieser |
| Erickson | Jennings | Metzen | Schafer | Wigley |
| Esau | Johnson, D. | Nelsen, B. | Schoenfeld | Zubay |
| Evans | Kaley | Niehaus | Schreiber | |
| Ewald | Knickerbocker | Nysether | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kalis | O'Connor | Simoneau |
| Anderson, G. | Elioff | Kelly | Ogren | Skoglund |
| Anderson, I. | Ellingson | Kostohryz | Osthoff | Staten |
| Battaglia | Greenfield | Long | Otis | Stumpf |
| Begich | Gustafson | Mann | Peterson, D. | Swanson |
| Brandl | Hanson | McCarron | Pogemiller | Tomlinson |
| Brinkman | Harens | McEachern | Reding | Vanasek |
| Byrne | Hauge | Minne | Rice | Vellenga |
| Carlson, L. | Hokanson | Munger | Rodriguez, F. | Voss |
| Clark, J. | Jacobs | Murphy | Samuelson | Welch |
| Clark, K. | Johnson, C. | Nelson, K. | Sarna | Wenzel |
| Clawson | Jude | Norton | Shea | Wynia |
| Dahlvang | Kahn | Novak | Sieben, M. | Spkr. Sieben, H. |

The motion prevailed and the amendment was adopted.

Kaley moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 55, after line 1, insert a new section to read:

"Sec. 73. Minnesota Statutes 1980, Section 176.101, Subdivision 1, is amended to read:

Subdivision 1. [TEMPORARY TOTAL DISABILITY.] For injury producing temporary total disability, 66 2/3 percent of the daily wage at the time of injury

((1)) , provided that during the year commencing on October 1, 1979, and each year thereafter, commencing on October 1, the maximum weekly benefits payable shall be the statewide average weekly wage for the period ending December 31, of the preceding year.

((2)) THE MINIMUM WEEKLY COMPENSATION BENEFITS FOR TEMPORARY TOTAL DISABILITY SHALL BE NOT LESS THAN 50 PERCENT OF THE STATEWIDE AVERAGE WEEKLY WAGE OR THE INJURED EMPLOYEE'S ACTUAL WEEKLY WAGE, WHICHEVER IS LESS. IN NO CASE SHALL A WEEKLY BENEFIT BE LESS THAN 20 PERCENT OF THE STATEWIDE AVERAGE WEEKLY WAGE.)

This compensation shall be paid during the period of disability, payment to be made at the intervals when the wage was payable, as nearly as may be."

Renumber the sections accordingly

Correct internal cross-references

Further, amend the title as follows:

Page 1, line 19, after the semi-colon, insert: "removing the minimum temporary total benefit requirement;"

Page 2, line 42, delete "subdivision" and insert "subdivisions 1 and"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|----------|-----------|----------|
| Aasness | Carlson, D. | Erickson | Forsythe | Heap |
| Ainley | Dean | Esau | Friedrich | Heinitz |
| Anderson, R. | Dempsey | Evans | Gruenes | Himle |
| Blatz | Den Ouden | Ewald | Halberg | Hoberg |
| Brinkman | Drew | Fjoslien | Haukoos | Jennings |

| | | | | |
|---------------|------------|--------------|-----------|---------|
| Johnson, D. | Luknic | Onnen | Schafer | Valan |
| Kaley | Marsh | Peterson, B. | Schreiber | Valento |
| Knickerbocker | McDonald | Piepho | Searles | Weaver |
| Kvam | Mehrkens | Redalen | Sherman | Welker |
| Laidig | Nelsen, B. | Rees | Sherwood | Wieser |
| Lemen | Niehaus | Reif | Stadum | Wigley |
| Levi | Nysether | Rose | Stowell | Zubay |
| Ludeman | Olsen | Rothenberg | Sviggum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Ellingson | Lehto | Osthoff | Skoglund |
| Anderson, I. | Greenfield | Long | Otis | Staten |
| Battaglia | Gustafson | Mann | Peterson, D. | Stumpf |
| Begich | Hanson | McCarron | Pogemiller | Swanson |
| Berkelman | Harens | McEachern | Reding | Tomlinson |
| Brandl | Hauge | Metzen | Rice | Vanasek |
| Byrne | Hokanson | Minne | Rodriguez, C. | Vellenga |
| Carlson, L. | Jacobs | Munger | Rodriguez, F. | Voss |
| Clark, J. | Johnson, C. | Murphy | Samuelson | Welch |
| Clark, K. | Jude | Nelson, K. | Sarna | Wenzel |
| Clawson | Kahn | Norton | Schoenfeld | Wynia |
| Dahlvang | Kalis | Novak | Shea | Spkr. Sieben, H. |
| Eken | Kelly | O'Connor | Sieben, M. | |

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

Peterson, B., moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 71, after line 21, insert a new section to read:

"Sec. 87. Minnesota Statutes 1980, Section 176.151, is amended to read:

176.151 [TIME LIMITATIONS.]

The time within which the following acts shall be performed shall be limited to the following periods, respectively:

(1) Actions or proceedings by an injured employee to determine or recover compensation, three years after the employer has made written report of the injury to the commissioner of the department of labor and industry, but not to exceed six years from the date of the accident.

(2) Actions or proceedings by dependents to determine or recover compensation, three years after the receipt by the commissioner of the department of labor and industry of written notice of death, given by the employer, but not to exceed six years from the date of injury, provided, however, if the employee was paid compensation for the injury from which the death resulted, such actions or proceedings by dependents must be commenced within three years after the receipt by the commissioner of the

department of labor and industry of written notice of death, given by the employer, but not to exceed six years from the date of death. In any such case, if a dependent of the deceased, or any one in his behalf, gives written notice of such death to the commissioner of the department of labor and industry, the commissioner shall forthwith give written notice to the employer of the time and place of such death. In case the deceased was a native of a foreign country and leaves no known dependent within the United States, the commissioner of the department of labor and industry shall give written notice of the death to the consul or other representative of the foreign country forthwith.

(3) Once compensation has been paid to the employee, he must bring any action for further compensation within eight years from the date compensation was last paid except in the case of lump sum payments made pursuant to section 176.021, subdivision 3, in which case any action must be commenced within eight years from what would have been the date of expiration of weekly benefits under section 176.101 had not lump sum payments been made.

(4) Clause (3) shall not apply where any existing order or award provides for further payments of compensation for recurrences of the disability from the injury to the employee; or in an injury of a nature where in the opinion of the compensation judge or workers' compensation court of appeals upon appeal there is a possibility of a future disability and the compensation judge or workers' compensation court of appeals upon appeal so finds.

(5) Clause (3) shall not apply where the employee's injury for which he has received compensation is such that as part of his medical care he is entitled to the future replacement or repair of crutches, apparatus, artificial members, glasses, spectacles, artificial eyes, dental bridge work, dentures or artificial teeth, hearing aids, canes, wheel chairs, or other prosthetic devices and his claim relates to items in this paragraph, or to future medical care as it relates to items in this paragraph.

((3)) (6) In case of physical or mental incapacity, other than minority, of the injured person or his dependents to perform or cause to be performed any act required within the time specified in this section, the period of limitation in any such case shall be extended for three years from the date when the incapacity ceases.

((4)) (7) In the case of injury caused by x-rays, radium, radioactive substances or machines, ionizing radiation, or any other occupational disease, the time limitations otherwise prescribed by Minnesota Statutes 1961, Chapter 176, and acts amendatory thereof, shall not apply, but the employee shall give notice to the employer and commence his action within three

years after the employee has knowledge of the cause of such injury and the injury has resulted in disability."

Renumber subsequent sections

Correct internal references

Further, amend the title as follows:

Page 1, line 19, after the semi-colon, insert "providing a time limitation on reopening of claims;"

Page 2, line 46, after "176.136" insert "176.151;"

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 58 yeas and 74 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-----------|-------------|------------|--------------|----------|
| Aasness | Forsythe | Laidig | Peterson, B. | Sherwood |
| Ainley | Friedrich | Lemen | Piepho | Stadum |
| Berkelman | Gruenes | Levi | Redalen | Stowell |
| Blatz | Halberg | Ludeman | Reif | Sviggum |
| Brinkman | Haukoos | Marsh | Rose | Valan |
| Dempsey | Heap | McDonald | Rothenberg | Valento |
| Den Ouden | Heinitz | Nelsen, B. | Schafer | Welker |
| Erickson | Himle | Niehaus | Schoenfeld | Wieser |
| Esau | Hoberg | Nysether | Schreiber | Wigley |
| Evans | Jennings | Olsen | Searles | Zubay |
| Ewald | Johnson, D. | Onnen | Shea | |
| Fjoslien | Kaley | Osthoff | Sherman | |

Those who voted in the negative were.

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Drew | Kelly | Norton | Simoneau |
| Anderson, G. | Eken | Knickerbocker | Novak | Skoglund |
| Anderson, I. | Elioff | Kostohryz | O'Connor | Staten |
| Anderson, R. | Ellingson | Lehto | Ogren | Stumpf |
| Battaglia | Greenfield | Long | Otis | Swanson |
| Begich | Gustafson | Luknic | Peterson, D. | Tomlinson |
| Brandl | Hanson | Mann | Pogemiller | Vanasek |
| Byrne | Harens | McCarron | Reding | Vellenga |
| Carlson, D. | Hauge | McEachern | Rees | Voss |
| Carlson, L. | Hokanson | Mehrkens | Rice | Weaver |
| Clark, J. | Jacobs | Metzen | Rodriguez, C. | Welch |
| Clark, K. | Johnson, C. | Minne | Rodriguez, F. | Wenzel |
| Clawson | Jude | Munger | Samuelson | Wynia |
| Dahlvang | Kahn | Murphy | Sarna | Spkr. Sieben, H. |
| Dean | Kalis | Nelson, K. | Sieben, M. | |

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

Stadum moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 99, line 30, to Page 100, line 23, delete Section 132 and insert a new section to read:

"Sec. 132. Minnesota Statutes 1980, Section 176.645, is amended to read:

176.645 [ADJUSTMENT OF BENEFITS.]

For injuries occurring after October 1, (1975) 1981 for which benefits are payable under section 176.101, (SUBDIVISIONS 1, 2 AND) *subdivision 4*, and section 176.111, subdivision 5, the amount due (THE) *an employee or (ANY DEPENDENTS) dependent who has received at least 104 weeks of benefits under this chapter, consecutive or otherwise*, shall be adjusted in accordance with this section. On October 1, (1976) 1981, and each October 1 thereafter the (AMOUNT) *total benefits* due shall be adjusted by multiplying the amount due prior to each adjustment by a fraction, the denominator of which is the statewide average weekly wage for December 31, 21 months prior to the adjustment and the numerator of which is the statewide average weekly wage for December 31, nine months prior to the adjustment. (FOR INJURIES OCCURRING AFTER OCTOBER 1, 1975, ALL ADJUSTMENTS PROVIDED FOR IN THIS SECTION SHALL BE INCLUDED IN COMPUTING ANY BENEFIT DUE UNDER THIS SECTION.) *No adjustment made in the benefits of an employee or dependent who has received compensation for 104 weeks shall include any payment based upon any adjustment which the employee or dependent would have received if adjustments were authorized prior to the receipt of 104 weeks of compensation. Any limitations of amounts due for daily or weekly compensation under this chapter shall not apply to adjustments made under this section, except as provided in section 176.111, subdivision 22. No adjustment increase made on October 1, 1977 or thereafter under this section shall exceed six percent a year. In those instances where the adjustment under the formula of this section would exceed this maximum the increase shall be deemed to be six percent."*

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 63 yeas and 70 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|----------|-------------|----------|-----------|---------|
| Aasness | Carlson, D. | Drew | Ewald | Gruenes |
| Ainley | Dean | Erickson | Fjoslien | Halberg |
| Blatz | Dempsey | Esau | Forsythe | Haukoos |
| Brinkman | Den Ouden | Evans | Friedrich | Heap |

| | | | | |
|---------------|------------|--------------|------------|---------|
| Heinitz | Lemen | Nysether | Rothenberg | Valan |
| Himle | Levi | Olsen | Schafer | Valento |
| Hoberg | Ludeman | Onnen | Schreiber | Weaver |
| Jennings | Luknic | Peterson, B. | Searles | Welker |
| Johnson, D. | Marsh | Piepho | Sherman | Wieser |
| Kaley | McDonald | Redalen | Sherwood | Wigley |
| Knickerbocker | Mehrkens | Rees | Stadum | Zubay |
| Kvam | Nelsen, B. | Reif | Stowell | |
| Laidig | Niehaus | Rose | Sviggum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kelly | O'Connor | Sieben, M. |
| Anderson, G. | Elioff | Kostohryz | Ogren | Simoneau |
| Anderson, I. | Ellingson | Lehto | Osthoff | Skoglund |
| Anderson, R. | Greenfield | Long | Otis | Staten |
| Battaglia | Gustafson | Mann | Peterson, D. | Stumpf |
| Begich | Hanson | McCarron | Pogemiller | Swanson |
| Berkelman | Harens | McEachern | Reding | Tomlinson |
| Brandl | Hauge | Metzen | Rice | Vanasek |
| Byrne | Hokanson | Minne | Rodriguez, C. | Vellenga |
| Carlson, L. | Jacobs | Munger | Rodriguez, F. | Voss |
| Clark, J. | Johnson, C. | Murphy | Samuelson | Welch |
| Clark, K. | Jude | Nelson, K. | Sarna | Wenzel |
| Clawson | Kahn | Norton | Schoenfeld | Wynia |
| Dahlvang | Kalis | Novak | Shea | Spkr. Sieben, H. |

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

Peterson, B., moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 43, line 20, after "PROOF" insert "AND INTERPRETATION OF CHAPTER 176"

Page 43, line 28, after the period insert:

"Chapter 176 shall not be liberally construed on behalf of any party to a dispute or class of such parties."

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

Brinkman moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 18, line 4, delete "and"

Page 18, line 6, after "conditions" insert " ; and (h) encourage insurers to provide alternative innovative methods whereby employers can meet the requirements imposed by Minnesota Statutes 1980, Section 176.181"

The motion prevailed and the amendment was adopted.

Brinkman and Heintz moved to amend S. F. No. 359, the unofficial engrossment, as amended, as follows:

Page 105, after line 36, insert a new section to read:

"Sec. 140. [SUNSET OF CHAPTER 176.] *Chapter 176 is repealed effective July 1, 1983.*"

Renumber the sections accordingly.

Correct internal cross references.

Further, amend the title as follows:

Page 1, line 3, after the first semi-colon insert "sunsetting the workers' compensation statute"

Page 2, line 69, after "2" insert "; and Chapter 176 as of July 1, 1983"

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 64 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|------------|----------|
| Aasness | Evans | Kaley | Nysether | Sherman |
| Ainley | Ewald | Kalis | Olsen | Sherwood |
| Anderson, B. | Fjoslien | Knickerbocker | Onnen | Stadum |
| Anderson, R. | Forsythe | Kvam | Piepho | Stowell |
| Blatz | Friedrich | Laidig | Redalen | Stumpf |
| Brinkman | Gruenes | Lemen | Rees | Sviggum |
| Carlson, D. | Halberg | Levi | Reif | Valan |
| Clawson | Haukoos | Ludeman | Rose | Valento |
| Dean | Heap | Luknic | Rothenberg | Weaver |
| Dempsey | Heintz | Marsh | Schafer | Welker |
| Den Ouden | Himle | McDonald | Schoenfeld | Wieser |
| Drew | Hoberg | Mehrkens | Schreiber | Wigley |
| Erickson | Jennings | Nelsen, B. | Searles | Zubay |
| Esau | Johnson, D. | Niehaus | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|--------------|---------------|
| Anderson, G. | Eken | Jude | Munger | Pogemiller |
| Anderson, I. | Elioff | Kahn | Murphy | Reding |
| Battaglia | Ellingson | Kelly | Nelson, K. | Rice |
| Begich | Greenfield | Kostohryz | Norton | Rodriguez, C. |
| Berkelman | Gustafson | Lehto | Novak | Rodriguez, F. |
| Brandl | Hanson | Long | O'Connor | Samuelson |
| Byrne | Harens | Mann | Ogren | Sarna |
| Carlson, L. | Hauge | McCarron | Osthoff | Sieben, M. |
| Clark, J. | Hokanson | McEachern | Otis | Simoneau |
| Clark, K. | Jacobs | Metzen | Peterson, B. | Skoglund |
| Dahlvang | Johnson, C. | Minne | Peterson, D. | Staten |

Swanson
TomlinsonVanasek
VellengaVoss
WelchWenzel
Wynia

Spkr. Sieben, H.

The motion prevailed and the amendment was adopted.

Anderson, I., moved that S. F. No. 359, as amended, be postponed until Friday, May 8, 1981.

A roll call was requested and properly seconded.

The question was taken on the Anderson, I., motion and the roll was called. There were 39 yeas and 94 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-----------|--------------|------------------|
| Anderson, I. | Ellingson | Jude | Murphy | Rodriguez, F. |
| Battaglia | Greenfield | Kahn | Nelson, K. | Samuelson |
| Begich | Gustafson | Kelly | O'Connor | Sarna |
| Carlson, L. | Hanson | McCarron | Ogren | Sieben, M. |
| Clark, J. | Harens | McEachern | Osthoff | Staten |
| Clark, K. | Hauge | Metzen | Peterson, D. | Voss |
| Dahlvang | Hokanson | Minne | Pogemiller | Spkr. Sieben, H. |
| Elioff | Jacobs | Munger | Rice | |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|------------|---------------|-----------|
| Aasness | Evans | Kvam | Otis | Stadum |
| Ainley | Ewald | Laidig | Peterson, B. | Stowell |
| Anderson, B. | Fjoslien | Lehto | Piepho | Stumpf |
| Anderson, G. | Forsythe | Lemen | Redalen | Swiggum |
| Anderson, R. | Friedrich | Levi | Reding | Swanson |
| Berkelman | Gruenes | Long | Rees | Tomlinson |
| Blatz | Halberg | Ludeman | Reif | Valan |
| Brandl | Haukoos | Luknic | Rodriguez, C. | Valento |
| Brinkman | Heap | Mann | Rose | Vanasek |
| Byrne | Heinitz | Marsh | Rothenberg | Vellenga |
| Carlson, D. | Himle | McDonald | Schafer | Weaver |
| Clawson | Hoberg | Mehrkens | Schoenfeld | Welch |
| Dean | Jennings | Nelsen, B. | Schreiber | Welker |
| Dempsey | Johnson, C. | Niehaus | Searles | Wenzel |
| Den Ouden | Johnson, D. | Norton | Shea | Wieser |
| Drew | Kaley | Novak | Sherman | Wigley |
| Eken | Kalis | Nysether | Sherwood | Wynia |
| Erickson | Knickerbocker | Olsen | Simoneau | Zubay |
| Esau | Kostohryz | Onnen | Skoglund | |

The motion did not prevail.

S. F. No. 359, A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a

rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3;

79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

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.

Vanasek moved that those not voting be excused from voting. The motion did not prevail.

There were 93 yeas and 40 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|------------|---------------|
| Aasness | Den Ouden | Heap | Kvam | Norton |
| Ainley | Drew | Heinitz | Laidig | Novak |
| Anderson, B. | Eken | Himle | Lehto | Nysether |
| Anderson, G. | Erickson | Hoberg | Lemen | Olsen |
| Anderson, R. | Esau | Hokanson | Levi | Onnen |
| Berkelman | Evans | Jennings | Long | Peterson, B. |
| Blatz | Ewald | Johnson, C. | Ludeman | Piepho |
| Brandl | Fjoslien | Johnson, D. | Luknic | Redalen |
| Brinkman | Forsythe | Jude | Mann | Reding |
| Byrne | Friedrich | Kaley | Marsh | Rees |
| Carlson, D. | Gruenes | Kalis | Mehrkens | Reif |
| Clawson | Halberg | Kelly | Munger | Rodriguez, C. |
| Dean | Hauge | Knickerbocker | Nelsen, B. | Rose |
| Dempsey | Haukoos | Kostohryz | Niehaus | Rothenberg |

| | | | | |
|------------|----------|-----------|----------|--------|
| Schafer | Sherman | Stumpf | Vanasek | Wigley |
| Schoenfeld | Sherwood | Svigum | Vellenga | Wynia |
| Schreiber | Simoneau | Tomlinson | Weaver | Zubay |
| Searles | Stadum | Valan | Welch | |
| Shea | Stowell | Valento | Wieser | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, I. | Ellingson | McDonald | Osthoff | Sieben, M. |
| Battaglia | Greenfield | McEachern | Otis | Skoglund |
| Begich | Gustafson | Metzen | Peterson, D. | Staten |
| Carlson, L. | Hanson | Minne | Pogemiller | Swanson |
| Clark, J. | Harens | Murphy | Rice | Voss |
| Clark, K. | Jacobs | Nelson, K. | Rodriguez, F. | Welker |
| Dahlvang | Kahn | O'Connor | Samuelson | Wenzel |
| Elioff | McCarron | Ogren | Sarna | Spkr. Sieben, H. |

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

CALL OF THE HOUSE LIFTED

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

Wynia was called to the Chair by the Speaker.

There being no objection the order of business reverted to Introduction and First Reading of House Bills.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

Sieben, M., for the Committee on Appropriations, introduced:

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

The bill was read for the first time and laid over one day.

Sieben, M., for the Committee on Appropriations, introduced:

H. F. No. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

The bill was read for the first time and laid over one day.

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. 829, A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sarna moved that the House refuse to concur in the Senate amendments to H. F. No. 829, 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. 182, A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes

1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

PATRICK E. FLAHAVEN, Secretary of the Senate

Berkelman moved that the House refuse to concur in the Senate amendments to H. F. No. 182, 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. 126, A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map to show notification of an assessment area; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 378.

PATRICK E. FLAHAVEN, Secretary of the Senate

Anderson, B., moved that the House refuse to concur in the Senate amendments to H. F. No. 126, 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 H. F. No. 126 :

Anderson, B.; Stumpf and Rees.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 182 :

Berkelman, Metzen and Ewald.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 829:

Sarna, McCarron and Anderson, R.

SPECIAL ORDERS

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

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 1:00 p.m., Thursday, May 7, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker pro tempore declared the House stands adjourned until 1:00 p.m., Thursday, May 7, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FORTY-NINTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 7, 1981

The House of Representatives convened at 1:00 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Pastor J. Marshall Newton, United Methodist Church and Chadashchay Ministries, North Branch, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | Nysether | Sherman |
| Ainley | Ewald | Knickerbocker | O'Connor | Sherwood |
| Anderson, B. | Fjoslien | Kostohryz | Ogren | Sieben, M. |
| Anderson, G. | Forsythe | Kvam | Olsen | Simoneau |
| Anderson, I. | Friedrich | Laidig | Onnen | Skoglund |
| Anderson, R. | Greenfield | Lehto | Osthoff | Stadum |
| Battaglia | Gruenes | Lemen | Otis | Staten |
| Begich | Gustafson | Levi | Peterson, B. | Stowell |
| Blatz | Halberg | Long | Peterson, D. | Stumpf |
| Brandl | Hanson | Ludeman | Piepho | Swiggum |
| Brinkman | Harens | Luknic | Pogemiller | Swanson |
| Byrne | Hauge | Mann | Redalen | Tomlinson |
| Carlson, D. | Haukoos | Marsh | Reding | Valan |
| Carlson, L. | Heap | McCarron | Reif | Valento |
| Clark, J. | Heinitz | McDonald | Rice | Vanasek |
| Clark, K. | Himle | McEachern | Rodriguez, C. | Vellenga |
| Clawson | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Dahlvang | Hokanson | Metzen | Rose | Welch |
| Dean | Jacobs | Minne | Rothenberg | Welker |
| Dempsey | Jennings | Munger | Samuelson | Wenzel |
| Den Ouden | Johnson, C. | Murphy | Sarna | Wieser |
| Drew | Johnson, D. | Nelsen, B. | Schafer | Wigley |
| Eken | Jude | Nelson, K. | Schoenfeld | Wynia |
| Ellingson | Kahn | Niehaus | Schreiber | Zubay |
| Erickson | Kaley | Norton | Searles | Spkr. Sieben, H. |
| Esau | Kalis | Novak | Shea | |

A quorum was present.

Hokr was excused. Rees was excused until 1:25 p.m. Berkelman and Elioff were excused until 1:45 p.m. Weaver was excused until 4:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Gustafson 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. 1357, 647, 826, 1022, 1474, 1475 and 1376 and S. F. Nos. 376, 429, 724, 984 and 1212 have been placed in the members' files.

S. F. No. 1212 and H. F. No. 1071, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clawson moved that the rules be so far suspended that S. F. No. 1212 be substituted for H. F. No. 1071 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

May 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 29 | 95 | May 6 | May 6 |
| | 171 | 96 | May 6 | May 6 |
| | 347 | 97 | May 6 | May 6 |

49th Day]

THURSDAY, MAY 7, 1981

2733

| <i>S.F.</i> No. | <i>H.F.</i> No. | <i>Session Laws</i> <i>Chapter No.</i> | <i>Date Approved</i> 1981 | <i>Date Filed</i> 1981 |
|--------------------|--------------------|---|------------------------------|---------------------------|
| | 410 | 98 | May 6 | May 6 |
| | 415 | 99 | May 6 | May 6 |
| | 525 | 100 | May 6 | May 6 |
| | 731 | 101 | May 6 | May 6 |
| | 1070 | 102 | May 6 | May 6 |
| 182 | | 103 | May 6 | May 6 |
| 218 | | 104 | May 6 | May 6 |
| 329 | | 105 | May 6 | May 6 |
| 1057 | | 106 | May 6 | May 6 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 477, A bill for an act relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; increasing the bonding authority of the higher education coordinating board; expanding the career guidance program; providing exclusive property rights in certain records; providing for certification of status of tuition subsidy recipients; amending Minnesota Statutes 1980, Sections 136A.141; 136A.15, Subdivision 7; 136A.16, Subdivisions 3 and 4; 136A.17, Subdivisions 1, 4, and 10; 136A.171; 136A.85; 136A.86, Subdivisions 2, 3, and by adding a subdivision.

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 493, A bill for an act relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money; amending Minnesota Statutes 1980, Sections 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; and 429.021, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 116H, 216B, 465, and 475.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [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 and from other sources available to municipalities.

Subd. 2. [DEFINITIONS.] In this section:

(a) “Commissioner” means the commissioner of finance.

(b) “Construction costs” means all costs associated with the construction, modification or expansion of a district heating system except for preliminary planning costs and detailed design costs. Construction costs include the cost of debt service from the time a construction loan is made until five years after the beginning of the operation of the district heating system constructed or the part of the system being modified or expanded.

(c) "Director" means the director of the Minnesota energy agency.

(d) "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.

(e) "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 or nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.

Subd. 3. [ELIGIBILITY.] The commissioner of finance, upon request of the governor, may make loans to municipalities for the acquisition, construction, expansion, or modification 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 feasible;

(c) The district heating project will become a cogeneration facility or the project will utilize hot water or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system, or the project will allow the use of nonpetroleum fuels or will construct an efficient heat transmission 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 nonpetroleum 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. [APPLICATION.] *Application for a loan to be made pursuant to subdivision 6 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. 6. [LOANS.] Upon the recommendation of the governor pursuant to subdivision 8, the commissioner shall make loans to municipalities on the following terms:

(a) In the case of loans for design costs, the maximum amount of the loan shall be limited by the provisions of this clause. For cities of the first class, the amount of the loan shall not exceed 40 percent of the design costs. For cities of the second, third and fourth class, the amount of the loan shall not exceed 90 percent of the design costs;

(b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project is economically and technologically feasible; that the district heating system will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project. For cities of the first class, the amount of the loan shall be up to 50 percent of the construction costs. For cities of the second class, the amount of the loan shall be up to 80 percent of the construction costs. For cities of the third or fourth class, the amount of the loan shall be up to 90 percent of the construction costs.

(c) A loan made pursuant to this section is repayable over a period of 20 years, with interest payments beginning the first year. Interest shall accrue from the date of the loan at a rate of interest assigned at the date of loan commitment. Principal payments shall begin in the sixth year after the receipt of the loan on a 25 year level payment schedule with the balance of the principal to be retired with the payment due 20 years after receipt of the loan.

Subd. 7. [MODERN STEAM SYSTEMS.] (a) A municipality which has operating within its boundaries a modern steam district heating system owned by a district heating utility may apply for a loan or grant under this section even though the district heating project for which the loan or grant application is made may be planned, constructed, or owned by a district heating utility. The loan or grant application shall be treated in the same manner as loan or grant applications for district heating projects where the projects are to be planned, constructed, or owned by a municipality.

All or a portion of the proceeds of a loan made to a municipality described in this subdivision may be used to make loans to a district heating utility to provide financial assistance for the planning, modification, expansion or construction of a district heating project. Prior to making the loan to the district heating utility, the municipality shall:

(1) Adopt a district heating plan which identifies the areas of the city to be served by district heating; a time schedule in-

dicating when service would be available in different areas of the city and the type of service to be offered; and

(2) Enter into a written agreement with the district heating utility which includes a requirement that the district heating utility restrict expansion of its existing steam system within its current geographic boundaries as determined by the municipality and develop a hot water system on a specific time schedule.

(b) The powers, authority and obligations granted to a municipality under this subdivision are supplemental to the powers, authority and obligations granted all municipalities under this section.

(c) As used in this subdivision, "modern steam district heating system" means a steam district heating system with condensate return built after 1970 and before the effective date of this section. "District heating utility" means any person, corporation, or other legal entity which owns or operates or plans to own or operate a district heating system. "District heating project" means a new district heating system, or the expansion or modification of the existing modern steam district heating system.

Subd. 8. [LOAN APPROVAL.] The director shall prepare and submit to the legislative advisory commission a list of district heating loan requests. The list shall contain the supporting information required by subdivisions 3, 4, 5, 6, and 7. The recommendation of the legislative advisory commission shall be transmitted to the governor. The governor shall approve or disapprove, or return for further consideration, each project recommended for approval by the legislative advisory commission. Loans may be disbursed only upon approval by the governor.

Subd. 9. [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 eligible costs 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 in the loan. The obligation may be payable

from user charges, franchise fees, special assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges, franchise fees, 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. 10. [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. 11. [RULES.] The director shall adopt rules necessary to carry out this section. The director shall 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 grant and loan applications.*

Sec. 2. Minnesota Statutes 1980, Section 412.321, Subdivision 1, is amended to read:

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. 3. Minnesota Statutes 1980, 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. 4. Minnesota Statutes 1980, 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. 5. Minnesota Statutes 1980, Section 429.021, Subdivision 1, is amended to read:

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 sta-

tions, 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, reconstruct, extend, and maintain district heating systems.*

Sec. 6. [465.74] [AUTHORIZATION TO OPERATE DISTRICT HEATING SYSTEMS.]

Subdivision 1. [CITIES OF THE FIRST CLASS.] Any city operating or authorized to operate a public utility pursuant to chapter 452 or its charter is authorized to 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 shall not be

subject to the election requirement of sections 452.11 and 452.12, 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 municipality pursuant to section 1 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.

Subd. 2. [CITIES OF THE SECOND, THIRD, AND FOURTH CLASS.] A home rule or statutory city of the second, third, or fourth class may, pursuant to sections 412.331 to 412.391, or chapter 455 or its charter acquire, construct, own, and operate a municipal district heating system.

Subd. 3. [EXTENSION OF SERVICE OUTSIDE CITY.] A municipal district heating system, operating pursuant to this section, may sell energy to customers located outside of the municipality.

Subd. 4. [NET DEBT LIMITS.] The loan obligations or debt incurred by a political subdivision pursuant to section 1 or 7 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.

Subd. 5. [DISTRICT HEATING FACILITIES.] Notwithstanding any other law, general or special, or the provisions of any home rule charter city to the contrary, the governing body of a municipality may by ordinance grant a district heating franchise for a term not to exceed 31 years and by resolution or ordinance secure any obligations issued by the municipality for a district heating system with a mortgage or indenture of trust co-extensive with the term of the obligations.

Sec. 7. [475.525] [MUNICIPAL DISTRICT HEATING BONDS.]

Subdivision 1. [GENERAL OBLIGATION BONDS.] A municipality may, by resolution, authorize, issue and sell general obligation bonds or obligations to finance any expenditure by the municipality for the acquisition, construction, expansion, modification or operation of a district heating system and for the purpose of loaning the proceeds of the bonds or obligations to any person, firm or public or private corporation to acquire, construct, expand or modify a district heating system. Except with regard to the net debt limit as provided in section 465.74, subdivision 4, the general obligation bonds or obligations authorized by this subdivision shall be authorized, issued and sold in the same manner and subject only to the same conditions as those provided in chapter 475. When revenues from the operation of a district heating system are pledged to the repayment of the bonds or obligations, the estimated collections of said revenues

so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds or obligations 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.

Subd. 2. [REVENUE BONDS.] Notwithstanding any other law, general or special, or the provisions of any home rule charter to the contrary, a municipality may, by resolution, authorize, issue and sell revenue bonds or obligations payable solely from all or a portion of revenues derived from a district heating system located wholly or partially within a municipality to finance the acquisition, construction, expansion, modification, or operation of a district heating system and for the purpose of loaning the proceeds of the bonds or obligations to any person, firm or public or private corporation to acquire, construct, expand or modify a district heating system. The bonds or obligations shall mature as determined by resolution of the municipality 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 or obligations may be sold at public or private sale at the price or prices as the municipality 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 or obligations of the municipality or the security therefor, any bond or obligation reciting in substance that it has been issued by the municipality to aid in the acquisition, construction, expansion, modification or operation of a district heating system shall be conclusively deemed to have been issued for such purpose. Neither the municipality nor any council member, officer, employee or agent of the municipality nor any person executing the bonds or obligations shall be liable personally on the bonds or obligations by reason of the issuance thereof. The bonds or obligations may be further secured by a pledge and mortgage of all or any portion of the property in aid of which the bonds or obligations are issued and such covenants as the municipality shall deem by such resolution to be necessary and proper to secure payment of the bonds or obligations. The bonds or obligations, and the bonds or obligations 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 municipality be subject to any liability thereon or have the powers to obligate itself to pay or pay the bonds or obligations from funds other than the revenues and properties pledged and mortgaged and no holder or holders of the bonds or obligations shall ever have the right to compel any exercise of any tax-

ing power of the issuing municipality or any other public body to pay the principal of or interest on any such bonds or obligations, nor to enforce payment thereof against any property of the municipality or other public body other than that expressly pledged or mortgaged for the payment thereof.

Subd. 3. [REDEVELOPMENT AGENCY.] A municipality may itself, or by ordinance authorize any redevelopment agency as defined in section 474.03, subdivision 3, acting for the municipality, to exercise any and all of the powers granted to the municipality under subdivision 2 and to the redevelopment agency under any other law for the purpose of financing all or any portion of the district heating system and any conversion facilities for modifying the user's heating or water system to use the heat energy converted from the steam or hot water furnished by the district heating system including, but without limitation, the payment of interest during construction and for a reasonable time thereafter and the establishment of reserves for bond payment and for working capital, in which event if the issuer is a redevelopment agency the sources of revenue that may be pledged to the payment of revenue bonds or obligations shall include any revenues of the redevelopment agency. The proceeds of bonds or obligations issued by the municipality or redevelopment agency may be used to make or purchase loans for facilities which the issuer estimates will require such financing, and, for the purpose of making or purchasing such loans the issuer shall have power to enter into loan agreements and other related agreements, both before and after the issuance of the obligations, with such persons, firms, public or private corporations, federal or state agencies, governmental units, and under such terms and conditions as the issuer shall deem appropriate; and any governmental unit in the state shall have the power to apply, contract for and receive the loans without limitation under any other provisions of chapter 475.

Sec. 8. Minnesota Statutes 1980, Section 474.02, Subdivision 1, is amended to read:

Subdivision 1. The term "project" as used in sections 474.01 to 474.13, unless a different meaning clearly appears from the context, means any properties, real or personal, used or useful in connection with a revenue producing enterprise, or any combination of two or more such enterprises engaged or to be engaged in generating, transmitting, or distributing electricity, assembling, fabricating, manufacturing, mixing, processing, storing, warehousing, or distributing any products of agriculture, forestry, mining, or manufacture, or in research and development activity in this field. The term "project" shall also include any properties, real or personal, used or useful in the abatement or control of noise, air or water pollution, or in the disposal of solid wastes, in connection with a revenue producing enterprise, or any combination of two or more such enterprises engaged or to be engaged in any business or industry. The term

“project” shall also mean any properties, real or personal, used or useful in connection with the business of telephonic communications, conducted or to be conducted by a telephone company, including, without limitation, toll lines, poles, cables, switching and other electronic equipment and administrative, data processing, garage and research and development facilities. *The term “project” also means any properties, real or personal, used or useful in connection with a district heating system, consisting of the use of one or more energy conversion facilities to produce hot water or steam for distribution to homes and businesses, including cogeneration facilities, distribution lines, service facilities and retrofit facilities for modifying the user’s heating or water system to use the heat energy converted from the steam or hot water.*

Sec. 9. [216B.166] [COGENERATING POWER PLANTS.]

Subdivision 1. [FINDING.] The legislature finds and declares that significant public benefits may be derived from the cogeneration of electrical and thermal energy and that co-generated 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 rapidly.

Subd. 2. [DEFINITIONS.] 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, corporation, or other legal entity which owns and operates a facility for district heating.

Subd. 3. [ALLOCATION.] 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 which is no greater than the cost per unit which would

exist if the power plants owned by the public utility had been normally constructed and operated without cogenerating capability;

(b) Costs which 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. 10. [16.244] [DISTRICT HEATING CONTRACTS.]

Notwithstanding any other law, general or special, the commissioner of administration is authorized to enter into or approve a written agreement not to exceed 31 years with a district heating utility that will specify, but not be limited to, the appropriate terms and conditions for the interchange of district heating services.

Sec. 11. [APPROPRIATIONS.]

Subdivision 1. The sum of \$43,170,000 is appropriated from the state building fund to the commissioner of finance for the purpose of making loans to municipalities for district heating systems pursuant to section 1.

Subd. 2. The sum of \$2,700,000 is appropriated from the state building fund to the commissioner of administration to install district heating in the capital complex, the capital square building, and the department of economic security building.

Subd. 3. The sum of \$2,500,000 is appropriated from the state building fund to Moorhead State University to install district heating in its facilities.

Subd. 4. The sum of \$1,200,000 is appropriated from the state building fund to the commissioner of finance for the purpose of making loans to develop wood fuel conversion facilities managed by a consortium consisting of Independent School District No. 692, Babbitt, Independent School District No. 696, Ely, and Independent School District No. 708, Tower-Soudan. The loans shall be repaid to the commissioner of finance 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. Repayments shall be credited to the state bond fund. The money shall not be loaned

until an agreement authorized pursuant to section 471.59 is executed by the boards of the designated districts. The agreement shall include the organization of the 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.

Subd. 5. The sum of \$400,000 is appropriated from the state building fund to Vermillion Community College for the purpose of funding a wood fuel conversion facility.

Subd. 6. The appropriations made by subdivisions 1, 2, 3, 4, and 5 are available until expended and shall not cancel pursuant to section 16A.28 or other law.

Sec. 12. [BOND SALE; DEBT SERVICE.]

To provide the money appropriated from the state building fund by section 11, subdivisions 1, 2, 3, 4 and 5, the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$50,000,000 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.

Sec. 13. [BOND SALE EXPENSES.]

The sum of \$30,000 is appropriated to the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Sections 16A.64, Subdivision 4; and 121.215, Subdivision 3.

Sec. 14. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 9, delete "and"

Page 1, line 10, after "1;" insert "and 474.02, Subdivision 1;"

Page 1, line 11, after "Chapters" insert "16,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 750, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

Reported the same back with the following amendments:

Page 3, lines 11 and 12, delete section 4

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 900, A bill for an act relating to open space and recreation; providing for costs of acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units; authorizing issuance of state bonds; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [OUTDOOR RECREATION BONDING.]

To provide the money appropriated by this act from the state building fund, the commissioner of finance, upon request of the governor, shall sell and issue bonds of the state in the amount of \$31,320,000 in the manner and upon terms prescribed by Minnesota Statutes, Sections 16A.63 to 16A.67 and the Minnesota Constitution, Article XI, Sections 4 to 7.

Sec. 2. [METROPOLITAN AREA RECREATION OPEN SPACE; APPROPRIATION FOR ACQUISITION AND DEVELOPMENT.]

\$12,490,000 is appropriated from the Minnesota state building fund to the state planning agency for payment to the metropolitan council established under Minnesota Statutes, Section 473.123. The state planning agency shall transfer the amount to the metropolitan council, upon receipt of a certified copy of a council resolution requesting payment. The appropriation shall be used to pay the cost of the acquisition and betterment by metropolitan council and local governmental units of regional recreation open space in accordance with the council's policy plan as provided in Minnesota Statutes, Sections 473.301 to 473.341, including relocation costs and tax equivalents required to be paid by Minnesota Statutes, Sections 473.315 and 473.341. Of the amount appropriated by this section, the metropolitan council may expend no more than \$400,000 for staff and inde-

pendent professional services necessary to acquire and better open space and for the performance of duties of the metropolitan council under this section.

With respect to grants for acquisition in the central river-front regional park, the council shall, to the maximum extent possible, require acquisition of non fee interest in the housing out parcel on Nicollet Island where consistent with continued housing use and the overall development of the park.

Sec. 3. [SPEED SKATING RINK.]

In connection with preparing the long-range system policy plan and development program for regional recreational open space under section 473.147 the council and the metropolitan parks and open space commission shall examine the need for a speed skating rink in the metropolitan area. The council and the commission shall submit recommendations and findings regarding the speed skating rink to the legislature on or before January 15, 1982.

Sec. 4. [DEPARTMENT OF NATURAL RESOURCES; APPROPRIATION FOR ACQUISITION AND DEVELOPMENT.]

The following sums are appropriated from the state building fund to the commissioner of natural resources to acquire and better public outdoor recreation lands and capital improvements:

| | |
|---|-------------|
| (1) For acquisition of state parks and recreation areas, as listed and described in Minnesota Statutes, Sections 85.012 and 85.013 | \$2,000,000 |
| (2) For betterment of state parks and recreation areas, as listed and described in Minnesota Statutes, Sections 85.012 and 85.013 | 2,434,800 |
| (3) For acquisition of state trails listed and described in Minnesota Statutes, Section 85.015, and pursuant to Minnesota Statutes, Section 84.029, Subdivision 2 | 90,000 |
| (4) For betterment of state trails and trails within state parks, state forests and other units of the outdoor recreational system as defined in Minnesota Statutes, Section 86A.05 | 2,000,000 |
| (5) For acquisition of Minnesota Valley Trail described in Minnesota Statutes, Section 85.021 | 200,000 |
| (6) For acquisition of state forests listed and described in Minnesota Statutes, Section 89.021 | 200,000 |

\$

| | |
|--|-----------|
| (7) For betterment of state forests roads and bridges | 1,500,000 |
| (8) For acquisition of fishing management lands including riparian rights and other interests therein needed for management of waters for primary wildlife use and benefit and for access to fishing waters pursuant to Minnesota Statutes, Section 97.48, Subdivisions 8, 11 and 15 | 400,000 |
| (9) For acquisition of wildlife management areas pursuant to Minnesota Statutes, Sections 97.48, Subdivision 13, and 97.481, and wetlands under the water bank program pursuant to Minnesota Statutes, Section 105.392 | 4,500,000 |
| (10) For betterment of wildlife management areas, acquired pursuant to Minnesota Statutes, Sections 97.48, Subdivision 13, and 97.481 | 400,000 |
| (11) For acquisition of natural and scientific areas designated pursuant to Minnesota Statutes, Section 84.033 | 300,000 |
| (12) For acquisition of wild, scenic, and recreational rivers, designated pursuant to Sections 104.25 to 104.40, and canoe and boating routes, portages, and camp sites, as listed and described in Minnesota Statutes, Section 85.32 | 400,000 |
| (13) For betterment of canoe and boating routes, portages, and camp sites as listed and described in Minnesota Statutes, Section 85.32 | 37,000 |
| (14) For acquisition of lands to provide public access to public waters pursuant to Minnesota Statutes, Section 97.48, Subdivision 15 | 650,000 |
| (15) For betterment of such public accesses to public waters pursuant to Minnesota Statutes, Section 97.48, Subdivision 15 | 1,089,000 |
| (16) For independent professional services necessary for the acquisition and betterment of the lands and improvements described above. From this appropriation the commissioner may employ not to exceed 41 persons in the unclassified civil service who are in addition to the complement otherwise authorized by law for the department | 2,594,400 |

Sec. 5. [LAND ACQUISITION.]

Lands shall be acquired by the commissioner of administration upon request of the commissioner of natural resources and in accordance with the policies established in Minnesota Statutes, Sections 86A.01 to 86A.09. Those acquired for each unit of the outdoor recreation system shall be suited for the purpose of that unit and suited for management in accordance with the principles applicable to it. The commissioner of natural resources shall submit semiannual work progress reports to the legislative commission on Minnesota resources, in the form requested by the commission, and shall submit a work program to the commission and request its recommendation thereon before expending any funds appropriated by section 4 for any purpose. The commission's recommendation shall be advisory only. Failure to respond to a request within 60 days after receipt shall be deemed a negative recommendation.

Sec. 6. Minnesota Statutes 1980, Section 4.36, Subdivision 2, is amended to read:

Subd. 2. [GRANTS FOR PARKS AND TRAILS.] The state planning agency shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States office of management and budget, but outside of the metropolitan area defined in *Minnesota Statutes*, Section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed for parks, trails, conservatories, zoos and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be (IDENTICAL TO THAT REQUIRED BY THE LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES FOR GRANTS-IN-AID FOR RECREATION OPEN SPACE OF REGIONAL SIGNIFICANCE) *not less than ten percent*. The program shall be administered so as to ensure the maximum possible use of available federal money.

Sec. 7. [YOUTH HOSTELS.]

The department of natural resources in cooperation with the outdoor recreation advisory council shall examine the need for youth hostels and the sources available for financial assistance to such hostels throughout the state in order to further the development of the national system of youth hostels to increase the opportunity for outdoor recreation. The examination shall be done in cooperation with the Minnesota historical society and

shall include the possibility of the use of historically significant structures and other structures on public land particularly those on or adjacent to units of the Outdoor Recreation System. The results of the study shall be submitted to the legislature on or before January 15, 1982. For the purposes of this section, the term "youth hostel" means an inexpensive, self-service, dormitory style, supervised, over-night facility, chartered by American Youth Hostels, Inc., and operated in accordance with their practices.

Sec. 8. [BOND SALES EXPENSES.]

The sum of \$34,800 is appropriated to the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Section 16A.64, Subdivision 4; and 121.215, Subdivision 3.

Sec. 9. [REPEALER.]

Laws 1979, Chapter 301, Section 6, Subdivision 1, is repealed. The appropriation provided in subdivision 2 of that section shall be expended in accordance with section 6 of this act."

Delete the title and insert:

"A bill for an act relating to open space and recreation; authorizing the issuance of state bonds and expenditure of the proceeds for the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units and for the acquisition and betterment of state parks, trails, forest, fish and wildlife management, scientific and natural areas, water accesses, wild, scenic and recreational rivers, and canoe and boating routes by the commissioner of natural resources; changing the terms of certain grants administered by the state planning agency; appropriating money; amending Minnesota Statutes 1980, Section 4.36, Subdivision 2; repealing Laws 1979, Chapter 301, Section 6, Subdivision 1."

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:

S. F. No. 674, A resolution memorializing the President and Congress to seek a settlement of the White Earth Indian Reservation controversy.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1474, 1475, 477, 493, 750 and 900 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 1212 and 674 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced :

Samuelson, Jude, Wenzel, Luknic and Sviggum introduced :

H. F. No. 1476, A resolution memorializing the United States Congress to propose a constitutional amendment to provide for protection of all human life.

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

Lehto, Munger, Vanasek, Battaglia and Carlson, D., introduced :

H. F. No. 1477, A bill for an act relating to snowmobiles; increasing the registration fee and appropriating the proceeds thereof for stated purposes; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3; and 84.83.

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

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. 142, A bill for an act relating to taxation; real property; extending 3 classification to certain property used for

recreational purposes; amending Minnesota Statutes 1980, Section 273.13, Subdivision 4.

H. F. No. 192, A bill for an act relating to labor; regulating migrant labor; requiring employers and recruiters to provide employment statements to migrant workers; setting requirements for employment statements and for payment of wages to migrant workers; providing for private causes of action; proposing new law coded in Minnesota Statutes, Chapter 181.

H. F. No. 217, A bill for an act relating to state trails; authorizing the sale or conveyance of certain lands acquired for the Luce Line Trail and certain other lands acquired for trail purposes; reducing the selling price on the sale of certain state owned trail land in Fillmore County.

H. F. No. 921, A bill for an act relating to motor vehicles; adjusting bond provisions for dealers; requiring bonds for motorized bicycle dealers; amending Minnesota Statutes 1980, Section 168.27, Subdivision 24.

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. 326, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1980, Sections 62E.52, Subdivisions 2 and 3; 62E.53, Subdivisions 1 and 2; and 62E.531, 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. 14, A bill for an act relating to agriculture; requiring notice of real estate improvement liens to be given to

certain farmers; amending Minnesota Statutes 1980, Section 514.011, Subdivision 4.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Mehrkens moved that the House concur in the Senate amendments to H. F. No. 14 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 14, A bill for an act relating to agriculture; requiring notice of real estate improvement liens to be given to certain farmers; amending Minnesota Statutes 1980, Section 514.011, by adding subdivisions; repealing Minnesota Statutes 1980, Section 514.011, 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 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kaley | Norton | Sieben, M. |
| Ainley | Esau | Kelly | Novak | Simoneau |
| Anderson, B. | Evans | Knickerbocker | Nysether | Skoglund |
| Anderson, G. | Fjoslien | Kostohryz | Ogren | Stadum |
| Anderson, I. | Friedrich | Kvam | Onnen | Staten |
| Anderson, R. | Greenfield | Lemen | Osthoff | Stowell |
| Battaglia | Gruenes | Levi | Otis | Stumpf |
| Begich | Gustafson | Long | Peterson, D. | Sviggum |
| Blatz | Halberg | Ludeman | Piepho | Tomlinson |
| Brandl | Hanson | Luknic | Pogemiller | Valento |
| Brinkman | Hauge | Mann | Redalen | Vanasek |
| Byrne | Haukoos | Marsh | Rice | Vellenga |
| Carlson, D. | Heap | McCarron | Rodriguez, C. | Voss |
| Clark, J. | Heinitz | McDonald | Rodriguez, F. | Welch |
| Clark, K. | Himle | McEachern | Rose | Welker |
| Clawson | Hoberg | Mehrkens | Rothenberg | Wenzel |
| Dahlvang | Hokanson | Metzen | Samuelson | Wieser |
| Dean | Jacobs | Minne | Sarna | Wigley |
| Dempsey | Jennings | Munger | Schafer | Wynia |
| Den Ouden | Johnson, C. | Murphy | Schoenfeld | Zubay |
| Drew | Johnson, D. | Nelsen, B. | Schreiber | Spkr. Sieben, H. |
| Eken | Jude | Nelson, K. | Shea | |
| Ellingson | Kahn | Niehaus | Sherman | |

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. 386, A bill for an act relating to the city of St. Paul; authorizing issuance of general obligation bonds for capital improvements; fixing amounts; amending Laws 1971, Chapter 773, Section 1, as amended; and Laws 1978, Chapter 788, Section 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Byrne moved that the House concur in the Senate amendments to H. F. No. 386 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 386, A bill for an act relating to the City of St. Paul; authorizing issuance of general obligation bonds for capital improvements; fixing amounts; amending Laws 1971, Chapter 773, Section 1, as amended; and Laws 1978, Chapter 788, Section 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 87 yeas and 22 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, I. | Forsythe | Kelly | Osthoff | Simoneau |
| Anderson, R. | Greenfield | Knickerbocker | Otis | Skoglund |
| Battaglia | Gruenes | Kostohryz | Peterson, D. | Staten |
| Begich | Gustafson | Lehto | Pogemiller | Stowell |
| Blatz | Halberg | Lemen | Redalen | Stumpf |
| Brandl | Hanson | Long | Reif | Tomlinson |
| Brinkman | Hauge | Mann | Rice | Valan |
| Byrne | Heap | McCarron | Rodriguez, C. | Valento |
| Clark, J. | Heinitz | McEachern | Rodriguez, F. | Vanasek |
| Clawson | Himle | Mehrkens | Rose | Vellenga |
| Dahlvang | Hoberg | Metzen | Rothenberg | Voss |
| Drew | Hokanson | Minne | Samuelson | Welch |
| Eken | Jacobs | Munger | Sarna | Wenzel |
| Ellingson | Johnson, C. | Murphy | Schafer | Wynia |
| Erickson | Johnson, D. | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Evans | Jude | Norton | Shea | |
| Ewald | Kahn | Novak | Sherman | |
| Fjoslien | Kaley | Ogren | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|-------------|----------|------------|-----------|--------|
| Aasness | Esau | Marsh | Onnen | Welker |
| Ainley | Haukoos | McDonald | Piepho | Wigley |
| Carlson, D. | Jennings | Nelsen, B. | Schreiber | |
| Dempsey | Kvam | Niehaus | Stadum | |
| Den Ouden | Ludeman | Nysether | Sviggum | |

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. 473, A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

PATRICK E. FLAHAVEN, Secretary of the Senate

Hauge moved that the House concur in the Senate amendments to H. F. No. 473 and that the bill be repassed as amended by the Senate.

Sviggum moved that the House refuse to concur in the Senate amendments to H. F. No. 473, 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 Sviggum motion and the roll was called. There were 62 yeas and 64 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|--------------|----------|
| Aasness | Friedrich | Kvam | Olsen | Sherwood |
| Ainley | Gruenes | Laidig | Onnen | Stadum |
| Anderson, R. | Halberg | Lemen | Peterson, B. | Stowell |
| Blatz | Haukoos | Levi | Piepho | Sviggum |
| Carlson, D. | Heap | Ludeman | Redalen | Valan |
| Dempsey | Heinitz | Luknic | Rees | Valento |
| Den Ouden | Himle | Mann | Reif | Welker |
| Drew | Hoberg | Marsh | Rose | Wenzel |
| Erickson | Jennings | McDonald | Rothenberg | Wigley |
| Esau | Johnson, D. | Mehrkens | Schafer | Zubay |
| Evans | Kaley | Nelsen, B. | Schreiber | |
| Ewald | Kalis | Niehaus | Searles | |
| Forsythe | Knickerbocker | Nysether | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|--------------|--------|----------|-------------|
| Anderson, B. | Anderson, I. | Begich | Brinkman | Carlson, L. |
| Anderson, G. | Battaglia | Brandl | Byrne | Clark, J. |

| | | | | |
|------------|-----------|------------|---------------|------------------|
| Clark, K. | Hauge | Metzen | Peterson, D. | Staten |
| Clawson | Hokanson | Minne | Pogemiller | Stumpf |
| Dahlvang | Jacobs | Munger | Rice | Swanson |
| Dean | Jude | Murphy | Rodriguez, C. | Tomlinson |
| Eken | Kahn | Nelson, K. | Rodriguez, F. | Vanasek |
| Ellingson | Kelly | Norton | Sarna | Vellenga |
| Fjoslien | Kostohryz | Novak | Schoenfeld | Voss |
| Greenfield | Lehto | O'Connor | Shea | Welch |
| Gustafson | Long | Ogren | Sieben, M. | Wynia |
| Hanson | McCarron | Osthoff | Simoneau | Spkr. Sieben, H. |
| Harens | McEachern | Otis | Skoglund | |

The motion did not prevail.

CALL OF THE HOUSE

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

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Fjoslien | Kostohryz | O'Connor | Sherwood |
| Ainley | Forsythe | Kvam | Ogren | Sieben, M. |
| Anderson, G. | Friedrich | Laidig | Olsen | Simoneau |
| Anderson, I. | Greenfield | Lehto | Onnen | Skoglund |
| Battaglia | Gruenes | Lemen | Osthoff | Stadum |
| Berkelman | Gustafson | Levi | Otis | Staten |
| Blatz | Halberg | Long | Peterson, B. | Stowell |
| Brandl | Hanson | Ludeman | Peterson, D. | Stumpf |
| Brinkman | Harens | Luknic | Piepho | Sviggum |
| Byrne | Hauge | Mann | Pogemiller | Swanson |
| Carlson, D. | Haukoos | Marsh | Redalen | Tomlinson |
| Carlson, L. | Heap | McCarron | Reding | Valan |
| Clark, J. | Heinitz | McDonald | Rees | Valento |
| Clark, K. | Himle | McEachern | Reif | Vanasek |
| Clawson | Hoberg | Mehrkens | Rice | Vellenga |
| Dean | Hokanson | Metzen | Rodriguez, C. | Voss |
| Dempsey | Jacobs | Minne | Rodriguez, F. | Welch |
| Den Ouden | Jennings | Munger | Rose | Welker |
| Drew | Johnson, C. | Murphy | Rothenberg | Wenzel |
| Eken | Johnson, D. | Nelsen, B. | Sarna | Wieser |
| Elioff | Jude | Nelson, K. | Schafer | Wigley |
| Ellingson | Kahn | Niehaus | Schoenfeld | Wynia |
| Erickson | Kaley | Norton | Schreiber | Zubay |
| Esau | Kelly | Novak | Shea | Spkr. Sieben, H. |
| Evans | Knickerbocker | Nysether | Sherman | |

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 Hauge motion that the House concur in the Senate amendments to H. F. No. 473 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

The question recurred on the Hauge motion and the roll was called.

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

There were 61 yeas and 68 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, G. | Elihoff | Lehto | Otis | Swanson |
| Anderson, I. | Ellingson | Long | Peterson, D. | Tomlinson |
| Battaglia | Fjoslien | Luknic | Pogemiller | Vanasek |
| Begich | Greenfield | McCarron | Reding | Vellenga |
| Berkelman | Gustafson | Minne | Rice | Voss |
| Brandl | Hanson | Munger | Rodriguez, F. | Welch |
| Byrne | Harens | Murphy | Sarna | Wenzel |
| Carlson, L. | Hauge | Nelson, K. | Shea | Wynia |
| Clark, J. | Hokanson | Norton | Sieben, M. | Spkr. Sieben, H. |
| Clark, K. | Jude | Novak | Simoneau | |
| Clawson | Kahn | O'Connor | Skoglund | |
| Dahlvang | Kelly | Ogren | Staten | |
| Eken | Kostohryz | Osthoff | Stumpf | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|-----------|
| Aasness | Forsythe | Kalis | Niehaus | Schreiber |
| Ainley | Friedrich | Knickerbocker | Nysether | Sherman |
| Anderson, R. | Gruenes | Kvam | Olsen | Sherwood |
| Blatz | Halberg | Laidig | Onnen | Stadum |
| Brinkman | Haukoos | Lemen | Peterson, B. | Stowell |
| Carlson, D. | Heap | Levi | Piepho | Sviggum |
| Dean | Heinitz | Ludeman | Redalen | Valan |
| Dempsey | Himle | Mann | Rees | Valento |
| Den Ouden | Hoberg | Marsh | Reif | Welker |
| Drew | Jacobs | McDonald | Rodriguez, C. | Wieser |
| Erickson | Jennings | McEachern | Rose | Wigley |
| Esau | Johnson, C. | Mehrkens | Rothenberg | Zubay |
| Evans | Johnson, D. | Metzen | Schafer | |
| Ewald | Kaley | Nelsen, B. | Schoenfeld | |

The motion did not prevail.

Hauge moved that the House refuse to concur in the Senate amendments to H. F. No. 473, 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.

CALL OF THE HOUSE LIFTED

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

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. 70, A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a legislative study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivisions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision; 124.247, Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4;

124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

PATRICK E. FLAHAVEN, Secretary of the Senate

McEachern moved that the House refuse to concur in the Senate amendments to H. F. No. 70, 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. 732, A bill for an act relating to agriculture; providing for continuation of certain farm tenancies on termination of life estates; proposing new law coded in Minnesota Statutes, Chapter 500.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Erickson moved that the House concur in the Senate amendments to H. F. No. 732 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 732, A bill for an act relating to agriculture; providing for continuation of certain farm tenancies on termination of life estates; proposing new law coded in Minnesota Statutes, Chapter 500.

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 | Dahlvang | Erickson | Gustafson |
| Ainley | Brandl | Dean | Esau | Halberg |
| Anderson, B. | Brinkman | Dempsey | Evans | Hanson |
| Anderson, G. | Byrne | Den Ouden | Ewald | Harens |
| Anderson, I. | Carlson, D. | Drew | Fjoslien | Hauge |
| Battaglia | Carlson, L. | Eken | Friedrich | Haukoos |
| Begich | Clark, J. | Elhoff | Greenfield | Heap |
| Berkelman | Clawson | Ellingson | Gruenes | Heinitz |

| | | | | |
|---------------|------------|---------------|---------------|------------------|
| Himle | Levi | Novak | Rodriguez, F. | Swanson |
| Hoberg | Long | Nysether | Rothenberg | Tomlinson |
| Hokanson | Ludeman | O'Connor | Samuelson | Valan |
| Jacobs | Luknic | Ogren | Sarna | Valento |
| Jennings | Mann | Olsen | Schafer | Vanasek |
| Johnson, C. | Marsh | Onnen | Schoenfeld | Vellenga |
| Johnson, D. | McCarron | Osthoff | Schreiber | Voss |
| Jude | McDonald | Otis | Shea | Welch |
| Kahn | McEachern | Peterson, B. | Sherman | Welker |
| Kaley | Mehrkens | Peterson, D. | Sherwood | Wenzel |
| Kalis | Metzen | Piepho | Sieben, M. | Wieser |
| Kelly | Minne | Pogemiller | Simoneau | Wigley |
| Knickerbocker | Munger | Redalen | Skoglund | Wynia |
| Kostohryz | Murphy | Reding | Stadum | Zubay |
| Kvam | Nelsen, B. | Rees | Staten | Spkr. Sieben, H. |
| Laidig | Nelson, K. | Reif | Stowell | |
| Lehto | Niehaus | Rice | Stumpf | |
| Lemen | Norton | Rodriguez, C. | Svigum | |

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

Reif was excused from 2:45 p.m. to 3:50 p.m.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 209, A bill for an act relating to gambling devices; clarifying definitions of gambling devices; authorizing an additional gambling device; authorizing certain payments for operation of gambling devices; changing prize limitations; changing the penalty provision for violation; amending Minnesota Statutes 1980, Sections 349.26, Subdivisions 2, 4, 5, 12, 13, 14 and 15, and by adding a subdivision; 349.30, Subdivision 2; and 349.31, Subdivision 1.

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. 209

A bill for an act relating to gambling devices; clarifying definitions of gambling devices; authorizing an additional gambling device; authorizing certain payments for operation of gambling devices; changing prize limitations; changing the penalty provision for violation; amending Minnesota Statutes 1980, Sections 349.26, Subdivisions 2, 4, 5, 12, 13, 14 and 15, and by adding a subdivision; 349.30, Subdivision 2; and 349.31, Subdivision 1.

April 29, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 209, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 209 be amended as follows:

Page 2, line 17, delete "\$20 for a gambling"

Page 2, line 18, delete "*occasion, not to exceed \$30*" and insert "\$25", and strike "to any person"

Page 4, line 6, restore the stricken language

Page 4, line 7, restore all the stricken language after "(AND;)" after "(AND)", insert "," and after "tipboards", insert "*and pull-tabs (or ticket jars)*"

Page 4, line 8, restore "(OPERATED SHALL NOT EXCEED)", after stricken "\$500" insert "\$1,000" and restore the stricken period

Page 4, line 10, after the first comma insert "*each tipboard limited to a single seal,*"

Page 4, line 12, strike "and" and insert a comma

Page 4, line 13, after "tipboards" insert "*and pull-tabs (or ticket jars)*"

Page 4, line 14, delete "\$50,000" and insert "\$35,000"

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

Senate Conferees: TOM A. NELSON, JOHN B. KEEFE and COLLIN C. PETERSON.

House Conferees: LEO J. REDING, JAMES I. RICE and DWAIN H. HOBERG.

Reding moved that the report of the Conference Committee on S. F. No. 209 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 209, A bill for an act relating to gambling devices; clarifying definitions of gambling devices; authorizing an additional gambling device; authorizing certain payments for operation of gambling devices; changing prize limitations; changing the penalty provision for violation; amending Minnesota Statutes 1980, Sections 349.26, Subdivisions 2, 4, 5, 12, 13, 14 and 15, and by adding a subdivision; 349.30, Subdivision 2; and 349.31, 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 98 yeas and 24 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Ellingson | Jude | Norton | Sherman |
| Anderson, B. | Evans | Kahn | Novak | Sieben, M. |
| Anderson, G. | Ewald | Kaley | Nysether | Skoglund |
| Anderson, I. | Fjoslien | Kalis | O'Connor | Stadum |
| Battaglia | Friedrich | Knickerbocker | Ogren | Staten |
| Begich | Greenfield | Kostohryz | Olsen | Stowell |
| Berkelman | Gruenes | Lehto | Osthoff | Stumpf |
| Blatz | Gustafson | Levi | Otis | Swanson |
| Brandl | Halberg | Long | Peterson, D. | Valan |
| Brinkman | Harens | Luknic | Piepho | Valento |
| Byrne | Hauge | Mann | Pogemiller | Vanasek |
| Carlson, L. | Haukoos | Marsh | Redalen | Vellenga |
| Clark, J. | Heap | McCarron | Reding | Welch |
| Clark, K. | Heinitz | McEachern | Rees | Wenzel |
| Clawson | Hoberg | Mehrkens | Rodriguez, C. | Wigley |
| Dahlvang | Hokanson | Metzen | Rodriguez, F. | Wynia |
| Dean | Jacobs | Minne | Rose | Zubay |
| Dempsey | Jennings | Munger | Rothenberg | Spkr. Sieben, H. |
| Drew | Johnson, C. | Murphy | Samuelson | |
| Elioff | Johnson, D. | Nelson, K. | Sarna | |

Those who voted in the negative were:

| | | | | |
|-------------|--------|------------|--------------|---------|
| Aasness | Hanson | Lemen | Peterson, B. | Swiggum |
| Carlson, D. | Himle | Ludeman | Schafer | Voss |
| Den Ouden | Kelly | Nelsen, B. | Schoenfeld | Welker |
| Erickson | Kvam | Niehaus | Shea | Wieser |
| Esau | Laidig | Onnen | Sherwood | |

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 Files, herewith transmitted:

S. F. Nos. 118, 980, 1079, 1237, 1243 and 1323.

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. 1305.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 118, A bill for an act relating to crimes; prohibiting the furnishing of tobacco related devices to minors; prohibiting minors from using tobacco or tobacco related devices; prescribing penalties; amending Minnesota Statutes 1980, Section 609.685.

The bill was read for the first time.

Luknic moved that S. F. No. 118 and H. F. No. 61, now on the Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 980, A bill for an act relating to state lands; providing for the lease of certain lands to the city of Hastings.

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

S. F. No. 1079, A bill for an act relating to retirement; providing for an exemption from membership therein for city managers; modifying the income taxation of deferred compensation contributions by certain city managers; amending Minnesota Statutes 1980, Section 290.01, Subdivision 20; proposing new law coded in Minnesota Statutes, Chapter 353.

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

S. F. No. 1237, A bill for an act relating to taxation; extending the special levy for shade tree disease control by two years; amending Minnesota Statutes 1980, Section 275.50, Subdivision 6.

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

S. F. No. 1243, A bill for an act relating to handicapped persons; providing that certain social services be available to recipients of attendant care; proposing new law coded in Minnesota Statutes, Chapter 256C.

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

S. F. No. 1323, A bill for an act relating to local government; Lake County, Independent School District No. 381, and the town of Beaver Bay; providing for the valuation and assessment for property taxes of certain unique mining property.

The bill was read for the first time.

Battaglia moved that S. F. No. 1323 and H. F. No. 1375, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1305, A bill for an act relating to the city of Duluth and the city of Cloquet and the city of Hermantown; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant; requiring the public utilities commission to set the terms for water service to be provided by the city of Duluth to the city of Hermantown unless the cities conclude a contract governing those services; amending Laws 1969, Chapter 720, Section 11, Subdivision 1, as amended.

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

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 File was introduced:

McCarron, for the Committee on Reapportionment and Elections, introduced:

H. F. No. 1478, A bill for an act relating to congressional districts; apportioning congressional districts; amending Minnesota Statutes 1980, Sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

The bill was read for the first time and laid over one day.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 70:

McEachern; Johnson, C.; Nelson, K.; Levi and Jennings.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 704

A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; increasing the tax thereon; amending Minnesota Statutes 1980, Section 168.10, Subdivision 1b.

May 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 704, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recedes from its amendments and H. F. No. 704 be further amended as follows:

Page 1, line 26, reinstate the stricken language and delete the new language.

Page 5, after line 35, insert:

"Sec. 2. Minnesota Statutes 1980, Section 169.73, is amended to read:

169.73 [BUMPERS, SAFEGUARDS.]

Subdivision 1. [DEFINITIONS.] As used in this section "private passenger vehicle" means a four wheeled passenger automobile (, STATION WAGON, OR TRUCK OF A GROSS VEHICLE WEIGHT OF 9,000 POUNDS OR LESS,) as (THOSE TERMS ARE) defined in section 168.011, (OR A JEEP TYPE AUTOMOBILE,) but does not include (ANY) a collector vehicle as defined in section 168.10, *a station wagon or other multi-purpose vehicle or a truck having a gross weight of 9,000 pounds or less. "Suspension system" includes both the front and rear wheels and tires of a vehicle as specified in subdivision 3.*

Subd. 2. [BUMPER REQUIREMENT.] All private passenger vehicles shall be equipped with front and rear bumpers. (THE BUMPERS SHALL BE SECURELY ATTACHED TO THE FRAME, AND SHALL EXTEND BEYOND THE EXTREME FRONT AND REAR POINTS, RESPECTIVELY, OF THE VEHICLES. THE CENTER POINT OF THE BUMPERS SHALL BE NOT MORE THAN 20, NOR LESS THAN 16,

INCHES FROM THE GROUND WHEN THE VEHICLE IS UNLOADED, PROVIDED THAT TWO RIGID CROSS BARS MAY BE ATTACHED TO ANY BUMPER TO EXTEND IT SO THAT IT WILL REACH INTO A POINT WITHIN THE REQUIRED HEIGHT FROM THE GROUND.)

Subd. 3. [BUMPER RESTRICTIONS.] No person shall operate a passenger automobile, station wagon, jeep type automobile, or truck of a gross weight of 9,000 pounds or less that: (a) Was originally equipped with bumpers as standard equipment, unless the vehicle is equipped with bumpers equal to the original equipment; or (b) Has a suspension system or body so modified that the height of any bumper on the vehicle varies more than three inches from the original manufactured bumper height for the vehicle.

Subd. 4. [PENALTY.] Any person who violates this section is guilty of a misdemeanor."

Amend the title as follows:

Page 1, line 5, after "plates;" insert "redefining a private passenger vehicle for certain purposes; clarifying certain requirements for front and rear bumpers; providing penalties;"

Page 1, line 5, delete "increasing the tax thereon;"

Page 1, line 6, delete "Section" and insert "Sections"

Page 1, line 7, after "1b" insert "; and 169.73"

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

House Conferees: BERNARD J. BRINKMAN, DAVID B. GRUENES and RICHARD J. KOSTOHRYZ.

Senate Conferees: JAMES C. PEHLER, STEVE ENGLER and MIKE MENNING.

Brinkman moved that the report of the Conference Committee on H. F. No. 704 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 704, A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; increasing the tax thereon; amending Minnesota Statutes 1980, Section 168.10, Subdivision 1b.

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 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Esau | Kvam | Olsen | Sieben, M. |
| Ainley | Evans | Laidig | Onnen | Simoneau |
| Anderson, G. | Ewald | Lehto | Osthoff | Skoglund |
| Anderson, I. | Fjoslien | Lemen | Otis | Stadum |
| Battaglia | Friedrich | Levi | Peterson, B. | Staten |
| Begich | Greenfield | Long | Peterson, D. | Stowell |
| Berkelman | Gruenes | Ludeman | Piepho | Stumpf |
| Blatz | Gustafson | Luknic | Pogemiller | Sviggum |
| Brandl | Halberg | Mann | Redalen | Swanson |
| Brinkman | Harens | Marsh | Reding | Tomlinson |
| Byrne | Heap | McCarron | Rees | Valan |
| Carlson, D. | Heinitz | McDonald | Rice | Valento |
| Carlson, L. | Himle | McEachern | Rodriguez, C. | Vanasek |
| Clark, J. | Hoberg | Metzen | Rodriguez, F. | Vellenga |
| Clark, K. | Hokanson | Minne | Rose | Voss |
| Clawson | Jacobs | Munger | Rothenberg | Welker |
| Dahlvang | Jennings | Murphy | Samuelson | Wenzel |
| Dean | Johnson, C. | Nelsen, B. | Sarna | Wieser |
| Dempsey | Johnson, D. | Nelson, K. | Schafer | Wigley |
| Den Ouden | Jude | Niehaus | Schoenfeld | Wynia |
| Drew | Kaley | Norton | Schreiber | Spkr. Sieben, H. |
| Eken | Kalis | Novak | Searles | |
| Elioff | Kelly | Nysether | Shea | |
| Ellingson | Knickerbocker | O'Connor | Sherman | |
| Erickson | Kostohryz | Ogren | Sherwood | |

Those who voted in the negative were:

| | | |
|--------|------|-------|
| Hanson | Kahn | Zubay |
|--------|------|-------|

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

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. Nos. 647, 826, 1022 and 1376.

Wynia was called to the Chair by the Speaker.

H. F. No. 647, A bill for an act relating to commerce; transferring the powers, duties, staff, and unexpended funds of the board of cosmetology examiners to the office of consumer services; establishing an advisory commission; authorizing licensing by occupation and operations; providing for enforcement; providing a complaint handling procedure; prescribing penalties; providing remedies; amending Minnesota Statutes 1980, Section 214.01, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapter 155A; repealing Minnesota Statutes 1980, Sections 155.01 to 155.21.

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 105 yeas and 16 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Fjoslien | Kvam | Novak | Sherwood |
| Ainley | Greenfield | Laidig | Nysether | Sieben, M. |
| Anderson, B. | Gruenes | Lehto | Ogren | Skoglund |
| Anderson, G. | Gustafson | Lemen | Olsen | Stadum |
| Anderson, R. | Halberg | Levi | Onnen | Staten |
| Berkelman | Hanson | Long | Otis | Stowell |
| Blatz | Hauge | Ludeman | Peterson, D. | Stumpf |
| Byrne | Heap | Luknic | Piepho | Sviggum |
| Carlson, D. | Heinitz | Mann | Pogemiller | Swanson |
| Clark, J. | Himle | Marsh | Redalen | Tomlinson |
| Clark, K. | Hoberg | McCarron | Reding | Valento |
| Clawson | Hokanson | McEachern | Rice | Vanasek |
| Dahlvang | Johnson, C. | Mehrkens | Rodriguez, C. | Vellenga |
| Dean | Johnson, D. | Metzen | Rodriguez, F. | Voss |
| Dempsey | Jude | Minne | Rothenberg | Welker |
| Den Ouden | Kahn | Munger | Sarna | Wenzel |
| Drew | Kaley | Murphy | Schafer | Wieser |
| Ellingson | Kalis | Nelsen, B. | Schreiber | Wigley |
| Erickson | Kelly | Nelson, K. | Searles | Wynia |
| Esau | Knickerbocker | Niehaus | Shea | Zubay |
| Evans | Kostohryz | Norton | Sherman | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|----------|------|------------|
| Anderson, I. | Carlson, L. | Jacobs | Rees | Samuelson |
| Battaglia | Elioff | McDonald | Rose | Schoenfeld |
| Begich | Friedrich | O'Connor | | |
| Brinkman | Harens | Osthoff | | |

The bill was passed and its title agreed to.

H. F. No. 826 was reported to the House.

Lemen moved to amend H. F. No. 826, as follows:

Page 1, line 12, delete "*and there may be a link to*"

Page 1, delete line 13 to "*well*"

Page 1, line 16, delete "*and birth defects*"

Page 1, line 24, after "*occupational*" insert "*and other*"

Page 1, line 25, delete "*and birth defect*"

Page 2, line 2, delete "*and birth defect*"

Page 2, line 5, delete "*and birth defect*"

Page 2, delete lines 6 and 7

Amend the title as follows:

Page 1, line 3, delete "and birth defects"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 14 yeas and 94 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|---------|----------|--------------|-----------|--------|
| Dempsey | Lemen | Nysether | Schafer | Stadum |
| Esau | McDonald | Peterson, B. | Schreiber | Weiker |
| Haukoos | Niehaus | Piepho | Sherwood | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Ainley | Eken | Kalis | Novak | Sherman |
| Anderson, B. | Elioff | Kelly | O'Connor | Sieben, M. |
| Anderson, G. | Ellingson | Kostohryz | Ogren | Simoneau |
| Anderson, I. | Evans | Kvam | Olsen | Skoglund |
| Anderson, R. | Forsythe | Laidig | Onnen | Staten |
| Battaglia | Greenfield | Lehto | Osthoff | Stumpf |
| Begich | Gruenes | Long | Otis | Swanson |
| Berkelman | Gustafson | Luknic | Peterson, D. | Tomlinson |
| Blatz | Hanson | Mann | Pogemiller | Valan |
| Brandl | Harens | Marsh | Redalen | Valento |
| Brinkman | Hauge | McCarron | Reding | Vanasek |
| Byrne | Heap | Mehrkens | Rees | Vellenga |
| Carlson, L. | Himle | Metzen | Rice | Voss |
| Clark, J. | Hoberg | Minne | Rodriguez, C. | Welch |
| Clark, K. | Hokanson | Munger | Rodriguez, F. | Wenzel |
| Clawson | Jacobs | Murphy | Rothenberg | Wigley |
| Dahlvang | Johnson, C. | Nelsen, B. | Samuelson | Wynia |
| Den Ouden | Jude | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Drew | Kahn | Norton | Shea | |

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

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

H. F. No. 826, A bill for an act relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test.

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:

| | | | | |
|--------------|--------------|--------------|-----------|--------|
| Aasness | Anderson, G. | Anderson, R. | Begich | Blatz |
| Anderson, B. | Anderson, I. | Battaglia | Berkelman | Brandl |

| | | | | |
|-------------|---------------|------------|---------------|------------------|
| Brinkman | Gruenes | Kostohryz | Ogren | Shea |
| Byrne | Gustafson | Laidig | Olsen | Sherman |
| Carlson, D. | Halberg | Lehto | Osthoff | Sieben, M. |
| Carlson, L. | Hanson | Levi | Otis | Simoneau |
| Clark, J. | Harens | Long | Peterson, B. | Skoglund |
| Clark, K. | Hauge | Luknic | Peterson, D. | Staten |
| Clawson | Heap | Mann | Pogemiller | Stowell |
| Dahlvang | Heinitz | Marsh | Reding | Stumpf |
| Dean | Himle | McCarron | Rees | Swanson |
| Drew | Hoberg | McEachern | Rice | Tomlinson |
| Eken | Hokanson | Mehrkens | Rodriguez, C. | Valan |
| Elioff | Jacobs | Metzen | Rodriguez, F. | Vanasek |
| Ellingson | Johnson, C. | Minne | Rose | Vellenga |
| Erickson | Johnson, D. | Munger | Rothenberg | Welch |
| Evans | Jude | Murphy | Samuelson | Wenzel |
| Ewald | Kahn | Nelson, K. | Sarna | Wieser |
| Fjoslien | Kalis | Norton | Schoenfeld | Wynia |
| Forsythe | Kelly | Novak | Schreiber | Spkr. Sieben, H. |
| Greenfield | Knickerbocker | O'Connor | Searles | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|------------|----------|--------|
| Ainley | Jennings | Nelsen, B. | Schafer | Wigley |
| Dempsey | Kaley | Niehaus | Sherwood | Zubay |
| Den Ouden | Kvam | Nysether | Stadum | |
| Esau | Lemen | Onnen | Sviggum | |
| Friedrich | Ludeman | Piepho | Valento | |
| Haukoos | McDonald | Redalen | Welker | |

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 1022, A bill for an act relating to claims against the state; appropriating money for the payment thereof.

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 | Dahlvang | Hanson | Kelly | Minne |
| Anderson, B. | Dean | Harens | Kostohryz | Munger |
| Anderson, G. | Dempsey | Hauge | Kvam | Murphy |
| Anderson, I. | Den Ouden | Haukoos | Laidig | Nelsen, B. |
| Anderson, R. | Drew | Heap | Lehto | Nelson, K. |
| Battaglia | Eken | Heinitz | Lemen | Niehaus |
| Begich | Elioff | Himle | Levi | Norton |
| Berkelman | Ellingson | Hoberg | Long | Novak |
| Blatz | Erickson | Hokanson | Ludeman | Nysether |
| Brandl | Esau | Jacobs | Luknic | O'Connor |
| Brinkman | Evans | Jennings | Mann | Ogren |
| Byrne | Ewald | Johnson, C. | Marsh | Olsen |
| Carlson, D. | Fjoslien | Johnson, D. | McCarron | Onnen |
| Carlson, L. | Forsythe | Jude | McDonald | Osthoff |
| Clark, J. | Greenfield | Kahn | McEachern | Otis |
| Clark, K. | Gruenes | Kaley | Mehrkens | Peterson, B. |
| Clawson | Gustafson | Kalis | Metzen | Peterson, D. |

| | | | | |
|---------------|------------|------------|-----------|------------------|
| Piepho | Rothenberg | Sherwood | Swanson | Wieser |
| Pogemiller | Samuelson | Sieben, M. | Tomlinson | Wigley |
| Redalen | Sarna | Simoneau | Valan | Wynia |
| Reding | Schafer | Skoglund | Valento | Zubay |
| Rees | Schoenfeld | Stadum | Vanasek | Spkr. Sieben, H. |
| Rice | Schreiber | Staten | Vellenga | |
| Rodriguez, C. | Searles | Stowell | Welch | |
| Rodriguez, F. | Shea | Stumpf | Welker | |
| Rose | Sherman | Sviggum | Wenzel | |

The bill was passed and its title agreed to.

H. F. No. 1376, A bill for an act relating to appropriations; appropriating funds to the public utilities commission for a report on natural gas rate averaging; directing the averaging of rates in a certain geographic area.

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 11 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Forsythe | Knickerbocker | O'Connor | Sherman |
| Anderson, B. | Greenfield | Kostohryz | Olsen | Sherwood |
| Anderson, I. | Gruenes | Kvam | Osthoff | Sieben, M. |
| Battaglia | Halberg | Laidig | Otis | Staten |
| Begich | Hanson | Lehto | Peterson, B. | Stowell |
| Blatz | Hauge | Levi | Peterson, D. | Sviggum |
| Brandl | Haukoos | Luknic | Piepho | Swanson |
| Brinkman | Heap | Mann | Pogemiller | Valan |
| Byrne | Heinitz | Marsh | Redalen | Valento |
| Carlson, L. | Himle | McEachern | Reding | Vellenga |
| Clark, J. | Hoberg | Metzen | Rees | Welch |
| Dahlvang | Hokanson | Minne | Rodriguez, C. | Wenzel |
| Dempsey | Jennings | Munger | Rodriguez, F. | Wieser |
| Drew | Johnson, C. | Murphy | Rothenberg | Wigley |
| Elioff | Johnson, D. | Nelsen, B. | Samuelson | Wynia |
| Erickson | Jude | Nelson, K. | Sarna | Zubay |
| Esau | Kahn | Niehaus | Schafer | Spkr. Sieben, H. |
| Evans | Kaley | Norton | Schoenfeld | |
| Ewald | Kalis | Novak | Searles | |
| Fjoslien | Kelly | Nysether | Shea | |

Those who voted in the negative were:

| | | | | |
|-----------|--------|-----------|----------|--------|
| Dean | Jacobs | Rose | Skoglund | Welker |
| Den Ouden | Lemen | Schreiber | | |
| Eken | Ogren | Simoneau | | |

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

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1223, A bill for an act relating to retirement; providing for an exemption from membership therein for city managers; modifying the income taxation of deferred compensation contributions by certain city managers; amending Minnesota Statutes 1980, Section 290.01, Subdivision 20; proposing new law coded in Minnesota Statutes, Chapter 353.

Reported the same back with the following amendments:

Page 2, line 18, delete "*federal*"

Page 10, line 25, strike "and"

Page 10, line 27, after "27" insert "; and

(19) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 1, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(20)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1346, A bill for an act relating to the city of Duluth; providing tax and bond financing for the transit authority; amending Laws 1969, Chapter 720, Section 11, Subdivision 1, as amended; and Section 13.

Reported the same back with the following amendments:

Pages 1 to 3, delete section 2

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

Amend the title as follows:

Page 1, line 2, delete "and bond"

Page 1, line 5, delete "; and Section 13"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1448, A bill for an act relating to counties; excepting a county legal assistance levy from levy limits; amending Minnesota Statutes 1980, Section 375.167, Subdivision 1.

Reported the same back with the following amendments:

Page 1, line 10, strike "and any other law"

Page 1, line 11, strike "to the contrary,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

S. F. No. 1265, A bill for an act relating to the Ramsey-Washington Metro watershed district; permitting deferral of special assessments in certain cases of hardship.

Reported the same back with the following amendments:

Page 1, line 12, delete "*as far*"

Page 1, line 13, delete "*as possible,*"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1223, 1346 and 1448 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 1265 was read for the second time.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 473:

Hauge, Otis and Sviggum.

CALENDAR

H. F. No. 1051, A bill for an act relating to health; changing the claim limitations on cost of removing nuisances; authorizing the commissioner of health to issue orders concerning well water quality; clarifying the commissioner's authority over water wells and exploratory boring to include repairs and abandonment; establishing a moratorium on certain uranium drilling; changing the penalties for violations; amending Minnesota Statutes 1980, Sections 145.22; 156A.02, Subdivisions 1, 2, and 3; 156A.03, Subdivisions 1 and 2; 156A.05; 156A.07, Subdivisions 1 and 4; and 156A.08.

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 | Esau | Kalis | Norton | Searles |
| Ainley | Evans | Kelly | Novak | Shea |
| Anderson, B. | Ewald | Knickerbocker | Nysether | Sherman |
| Anderson, G. | Fjoslien | Kostohryz | O'Connor | Sherwood |
| Anderson, I. | Friedrich | Kvam | Ogren | Sieben, M. |
| Anderson, R. | Greenfield | Laidig | Olsen | Simoneau |
| Battaglia | Gruenes | Lehto | Onnen | Skoglund |
| Begich | Gustafson | Lemen | Osthoff | Stadum |
| Berkelman | Halberg | Levi | Otis | Staten |
| Blatz | Hanson | Long | Peterson, B. | Stowell |
| Brandl | Harens | Ludeman | Peterson, D. | Sviggum |
| Brinkman | Hauge | Luknic | Piepho | Swanson |
| Byrne | Haukoos | Mann | Pogemiller | Valan |
| Carlson, L. | Heap | Marsh | Reding | Valento |
| Clark, J. | Heinitz | McCarron | Rees | Vanasek |
| Clark, K. | Himle | McDonald | Rice | Vellenga |
| Clawson | Hoberg | McEachern | Rodriguez, C. | Welch |
| Dahlvang | Hokanson | Mehrkens | Rodriguez, F. | Wenzel |
| Dean | Jacobs | Metzen | Rose | Wieser |
| Dempsey | Jennings | Minne | Rothenberg | Wigley |
| Den Ouden | Johnson, C. | Munger | Samuelson | Wynia |
| Drew | Johnson, D. | Murphy | Sarna | Zubay |
| Eken | Jude | Nelsen, B. | Schafer | Spkr. Sieben, H. |
| Ellingson | Kahn | Nelson, K. | Schoenfeld | |
| Erickson | Kaley | Niehaus | Schreiber | |

Those who voted in the negative were:

Carlson, D.

The bill was passed and its title agreed to.

S. F. No. 1058, A bill for an act relating to elections; authorizing the validation of absentee ballots by judges of absentee ballot precincts; providing for notice to election judges in an absentee ballot precinct; amending Minnesota Statutes 1980, Sections 207.09, Subdivision 2; 207.11, Subdivisions 1 and 5; and 207.30, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------|
| Aasness | Erickson. | Kelly | Nysether | Sherwood |
| Ainley | Esau | Knickerbocker | O'Connor | Sieben, M. |
| Anderson, B. | Evans | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Ewald | Kvam | Olsen | Skoglund |
| Anderson, I. | Fjoslien | Laidig | Onnen | Stadium |
| Anderson, R. | Friedrich | Lehto | Osthoff | Staten |
| Battaglia | Greenfield | Lemen | Otis | Stowell |
| Begich | Gruenes | Levi | Peterson, B. | Stumpf |
| Berkelman | Gustafson | Long | Peterson, D. | Sviggum |
| Blatz | Halberg | Ludeman | Piepho | Swanson |
| Brandl | Hanson | Luknic | Pogemiller | Tomlinson |
| Brinkman | Hauge | Mann | Redalen | Valan |
| Byrne | Haukoos | Marsh | Reding | Valento |
| Carlson, D. | Heap | McCarron | Rees | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Welch |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Welker |
| Clawson | Hokanson | Metzen | Rose | Wenzel |
| Dahlvang | Jacobs | Minne | Rothenberg | Wieser |
| Dean | Jennings | Munger | Samuelson | Wigley |
| Dempsey | Johnson, C. | Murphy | Sarna | Wynia |
| Den Ouden | Johnson, D. | Nelsen, B. | Schafer | Zubay |
| Drew | Jude | Nelson, K. | Schoenfeld | |
| Eken | Kahn | Niehaus | Schreiber | |
| Elioff | Kaley | Norton | Shea | |
| Ellingson | Kalis | Novak | Sherman | |

The bill was passed and its title agreed to.

Begich was excused from 3:15 p.m. to 3:50 p.m.

H. F. No. 986, A bill for an act relating to financial institutions; savings associations; increasing the loan term of direct reduction loans; providing for the organization, operation, conversion, merger, reorganization, consolidation, and dissolution of mutual and capital stock associations; granting the commissioner certain supervisory powers; providing certain examination and reporting requirements; authorizing the issuance and sale of capital certificates; authorizing the payment of dividends on capital stock; authorizing the issuance of certain accounts to married persons or minors as sole owners thereof; defining terms; pre-

scribing penalties; amending Minnesota Statutes 1980, Sections 51A.02, Subdivisions 2 and 4, and by adding subdivisions; 51A.-03; 51A.04; 51A.07; 51A.08; 51A.09; 51A.10; 51A.11; 51A.12; 51A.13; 51A.15, Subdivision 7; 51A.19, Subdivision 1, and by adding subdivisions; 51A.20; 51A.21, Subdivision 5, and by adding subdivisions; 51A.22; 51A.50; 51A.52; 51A.53; proposing new law coded in Minnesota Statutes, Chapter 51A; repealing Minnesota Statutes 1980, Sections 51A.06, Subdivisions 1 and 2; and 51A.49.

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 112 yeas and 11 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kalis | Nysether | Sherman |
| Ainley | Ewald | Kelly | O'Connor | Sherwood |
| Anderson, B. | Fjoslien | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Friedrich | Kostohryz | Olsen | Stadum |
| Anderson, I. | Greenfield | Kvam | Onnen | Stowell |
| Anderson, R. | Gruenes | Laidig | Osthoff | Stumpf |
| Battaglia | Gustafson | Lehto | Otis | Swanson |
| Berkelman | Halberg | Lemen | Peterson, B. | Tomlinson |
| Blatz | Hanson | Levi | Piepho | Valan |
| Brandl | Hauge | Long | Redalen | Valento |
| Brinkman | Haukoos | Ludeman | Reding | Vanasek |
| Byrne | Heap | Luknic | Rees | Vellenga |
| Carlson, D. | Heinitz | Mann | Rodriguez, C. | Welch |
| Carlson, L. | Himle | Marsh | Rodriguez, F. | Welker |
| Dahlvang | Hoberg | McDonald | Rose | Wenzel |
| Dean | Hokanson | McEachern | Rothenberg | Wieser |
| Dempsey | Jacobs | Mehrkens | Samuelson | Wigley |
| Den Ouden | Jennings | Metzen | Sarna | Wynia |
| Drew | Johnson, C. | Munger | Schafer | Zubay |
| Eken | Johnson, D. | Murphy | Schoenfeld | Spkr. Sieben, H. |
| Elioff | Jude | Nelsen, B. | Schreiber | |
| Erickson | Kahn | Niehaus | Searles | |
| Esau | Kaley | Norton | Shea | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|--------------|----------|--------|
| Clark, J. | McCarron | Peterson, D. | Skoglund | Staten |
| Clark, K. | Minne | Rice | | |
| Ellingson | Novak | Simoneau | | |

The bill was passed and its title agreed to.

H. F. No. 1048, A bill for an act relating to insurance; removing insurance solicitors from insurance licensing provisions; prescribing certain fees; providing for licensing of certain legal entities as agents; providing for the licensing of other insurance agents; providing for examinations; providing exceptions to the licensing requirements; authorizing temporary licenses; providing for appointment of agents by insurers; prohibiting certain persons from obtaining an agent's license; providing for the

revocation or suspension of licenses upon specified conditions; providing for the surrender, loss, or destruction of licenses; prescribing certain powers of the commissioner; authorizing the sale of contracts on a variable basis without licensure in certain circumstances; authorizing the commissioner to promulgate rules; prescribing penalties; amending Minnesota Statutes 1980, Sections 60A.02, Subdivision 7; 60A.14, Subdivision 1; 60A.17, Subdivisions 1, 3, 5, 6, 10, 12, and 13, and by adding subdivisions; repealing Minnesota Statutes 1980, Sections 60A.02, Subdivision 8; and 60A.17, Subdivisions 2, 2a, 2b, 4, 5a, 6a, 7, and 9.

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 4 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Esau | Kostohryz | Ogren | Sherwood |
| Anderson, B. | Evans | Kvam | Olsen | Sieben, M. |
| Anderson, G. | Ewald | Laidig | Onnen | Simoneau |
| Anderson, I. | Fjoslien | Lehto | Osthoff | Skoglund |
| Anderson, R. | Friedrich | Lemen | Otis | Stadum |
| Battaglia | Greenfield | Levi | Peterson, B. | Staten |
| Berkelman | Gruenes | Long | Peterson, D. | Stowell |
| Blatz | Gustafson | Luknic | Piepho | Stumpff |
| Brandl | Halberg | Mann | Pogemiller | Sviggum |
| Brinkman | Hanson | Marsh | Redalen | Swanson |
| Byrne | Hauge | McCarron | Reding | Tomlinson |
| Carlson, D. | Haukoos | McDonald | Rees | Valan |
| Carlson, L. | Heap | McEachern | Rice | Valento |
| Clark, J. | Himle | Mehrrens | Rodriguez, C. | Vanasek |
| Clark, K. | Hoberg | Metzen | Rodriguez, F. | Vellenga |
| Clawson | Hokanson | Minne | Rose | Welch |
| Dahlvang | Jacobs | Munger | Rothenberg | Welker |
| Dean | Johnson, C. | Murphy | Samuelson | Wenzel |
| Dempsey | Johnson, D. | Nelsen, B. | Sarna | Wieser |
| Den Ouden | Jude | Nelson, K. | Schafer | Wigley |
| Drew | Kahn | Niehaus | Schoenfeld | Wynia |
| Eken | Kaley | Norton | Schreiber | Zubay |
| Elioff | Kalis | Novak | Searies | Spkr. Sieben, H. |
| Ellingson | Kelly | Nysether | Shea | |
| Erickson | Knickerbocker | O'Connor | Sherman | |

Those who voted in the negative were:

| | | | |
|--------|---------|----------|---------|
| Ainley | Heinitz | Jennings | Ludeman |
|--------|---------|----------|---------|

The bill was passed and its title agreed to.

H. F. No. 1078, A bill for an act relating to transportation; providing for the repair of impassable town roads; establishing a dollar limit per mile for work performed by a county on impassable town roads; amending Minnesota Statutes 1980, Section 163.16, 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 113 yeas and 11 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kaley | Novak | Sherman |
| Ainley | Erickson | Kalis | O'Connor | Sherwood |
| Anderson, B. | Esau | Kelly | Ogren | Sieben, M. |
| Anderson, G. | Evans | Knickerbocker | Olsen | Simoneau |
| Anderson, I. | Ewald | Kostohryz | Onnen | Skoglund |
| Anderson, R. | Fjoslien | Laidig | Osthoff | Staten |
| Battaglia | Friedrich | Lehto | Otis | Stowell |
| Berkelman | Greenfield | Lemen | Peterson, B. | Stumpf |
| Blatz | Gruenes | Levi | Peterson, D. | Sviggum |
| Brandl | Gustafson | Long | Piepho | Swanson |
| Brinkman | Halberg | Ludeman | Reding | Tomlinson |
| Byrne | Hanson | Luknic | Rees | Valan |
| Carlson, D. | Haukoos | Mann | Rice | Valento |
| Carlson, L. | Heap | Marsh | Rodriguez, C. | Vanasek |
| Clark, J. | Heinitz | McDonald | Rodriguez, F. | Vellenga |
| Clark, K. | Himle | McEachern | Rose | Welker |
| Clawson | Hoberg | Metzen | Rothenberg | Wenzel |
| Dahlvang | Hokanson | Minne | Samuelson | Wigley |
| Dean | Jacobs | Munger | Sarna | Wynia |
| Dempsey | Jennings | Murphy | Schafer | Zubay |
| Den Ouden | Johnson, C. | Nelsen, B. | Schreiber | Spkr. Sieben, H. |
| Eken | Jude | Nelson, K. | Searles | |
| Elioff | Kahn | Norton | Shea | |

Those who voted in the negative were:

| | | | | |
|-------------|----------|------------|-------|--------|
| Drew | McCarron | Nysether | Welch | Wieser |
| Johnson, D. | Mehrkens | Pogemiller | | |
| Kvam | Niehaus | Schoenfeld | | |

The bill was passed and its title agreed to.

S. F. No. 982, A bill for an act relating to the city of St. Cloud; authorizing the improvement and operation of the city-owned Mississippi River dam to provide for generation of hydro-electric power, and the issuance of revenue bonds to finance the project.

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 | Anderson, I. | Blatz | Carlson, D. | Clawson |
| Ainley | Anderson, R. | Brandl | Carlson, L. | Dahlvang |
| Anderson, B. | Battaglia | Brinkman | Clark, J. | Dean |
| Anderson, G. | Berkelman | Byrne | Clark, K. | Dempsey |

| | | | | |
|------------|---------------|------------|---------------|------------------|
| Den Ouden | Himle | Mann | Peterson, B. | Skoglund |
| Drew | Hoberg | Marsh | Peterson, D. | Stadum |
| Eken | Hokanson | McCarron | Piepho | Staten |
| Elioff | Jacobs | McDonald | Pogemiller | Stowell |
| Ellingson | Jennings | McEachern | Redalen | Stumpf |
| Erickson | Johnson, C. | Mehrkens | Reding | Sviggum |
| Esau | Johnson, D. | Metzen | Rees | Swanson |
| Evans | Jude | Minne | Rice | Tomlinson |
| Ewald | Kahn | Munger | Rodriguez, C. | Valan |
| Fjoslien | Kaley | Murphy | Rodriguez, F. | Valento |
| Forsythe | Kalis | Nelsen, B. | Rose | Vanasek |
| Friedrich | Kelly | Nelson, K. | Rothenberg | Vellenga |
| Greenfield | Knickerbocker | Niehaus | Samuelson | Welch |
| Gruenes | Kostohryz | Norton | Sarna | Welker |
| Gustafson | Kvam | Novak | Schafer | Wenzel |
| Halberg | Laidig | Nysether | Schoenfeld | Wiesner |
| Hanson | Lehto | O'Connor | Schreiber | Wigley |
| Harens | Lemen | Ogren | Searles | Wynia |
| Hauge | Levi | Olsen | Shea | Zubay |
| Haukoos | Long | Onnen | Sherman | Sprk. Sieben, H. |
| Heap | Ludeman | Osthoff | Sherwood | |
| Heinitz | Luknic | Otis | Sieben, M. | |

The bill was passed and its title agreed to.

S. F. No. 1087, A bill for an act relating to insurance; providing for the examination of certain insurers; requiring certain reports and providing certain alternatives to examinations; authorizing the commissioner to promulgate rules; broadening the commissioner's power to revoke or suspend certificates of authority; expanding certain insurers' investment authority; allowing the commissioner to regulate an insurer's ratio of qualified assets to required liabilities; broadening the coverage of the financial statement requirement; providing for annual audits; providing standards for the investment of assets of insurance companies; allowing the use of certain depositories and systems; providing certain limitations on the acquisition of specified investments and holdings; providing for miscellaneous changes and clarifications; amending Minnesota Statutes 1980, Sections 60A.031, Subdivisions 1, 3, 4, 5, and by adding subdivisions; 60A.05; 60A.11, by adding subdivisions; 60A.13, Subdivisions 1 and 6, and by adding subdivisions; 61A.28, Subdivisions 2, 3, and 6; 61A.282; 61A.29, Subdivision 2; 61A.30; 61A.31, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapters 60A and 61A; repealing Minnesota Statutes 1980, Sections 60A.031, Subdivision 2; and 60A.11, Subdivisions 2 to 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 115 yeas and 8 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|---------|--------------|--------------|--------|----------|
| Aasness | Anderson, B. | Anderson, R. | Blatz | Brinkman |
| Ainley | Anderson, I. | Berkelman | Brandl | Byrne |

| | | | | |
|-------------|---------------|------------|---------------|------------------|
| Carlson, D. | Halberg | Laidig | Ogren | Sherman |
| Carlson, L. | Hanson | Lehto | Olsen | Sherwood |
| Clark, J. | Harens | Lemen | Osthoff | Sieben, M. |
| Clark, K. | Hauge | Levi | Otis | Skoglund |
| Clawson | Haukoos | Long | Peterson, B. | Stadum |
| Dahlvang | Heap | Luknic | Peterson, D. | Stowell |
| Dean | Heinitz | Mann | Piepho | Stumpf |
| Dempsey | Himle | Marsh | Redalen | Swiggum |
| Den Ouden | Hoberg | McCarron | Reding | Swanson |
| Drew | Hokanson | McEachern | Rees | Tomlinson |
| Eken | Jacobs | Mehrkens | Rodriguez, C. | Valan |
| Elioff | Johnson, C. | Metzen | Rodriguez, F. | Valento |
| Ellingson | Johnson, D. | Minne | Rose | Vanasek |
| Erickson | Jude | Munger | Rothenberg | Vellenga |
| Evans | Kahn | Murphy | Samuelson | Welch |
| Ewald | Kaley | Nelsen, B. | Sarna | Wenzel |
| Fjoslien | Kalis | Nelson, K. | Schafer | Wieser |
| Forsythe | Kelly | Niehaus | Schoenfeld | Wigley |
| Friedrich | Knickerbocker | Norton | Schreiber | Wynia |
| Greenfield | Kostohryz | Novak | Searles | Zubay |
| Gruenes | Kvam | O'Connor | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|------------|----------|--------|--------|
| Anderson, G. | Ludeman | Rice | Staten | Welker |
| Jennings | Pogemiller | Simoneau | | |

The bill was passed and its title agreed to.

S. F. No. 207, A bill for an act relating to retirement; making various changes in the laws governing the operation of the public employees retirement association; amending Minnesota Statutes 1980, Section 353.01, Subdivision 19; 353.03, Subdivisions 1, 2, and 3a; 353.15; 353.27, Subdivision 4; 353.28, Subdivision 5; 353.29, Subdivision 8; 353.31, Subdivision 1; 353.32, Subdivision 9; 353.33, Subdivisions 4, 5, and 6; 353.64, Subdivisions 1 and 6; 353.656, Subdivision 2; and 353.657, Subdivision 3; repealing Minnesota Statutes 1980, Sections 353.272; 353.37, Subdivision 1a; and 353.46, 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 | Byrne | Eken | Gruenes | Hokanson |
| Ainley | Carlson, D. | Elioff | Gustafson | Jacobs |
| Anderson, B. | Carlson, L. | Ellingson | Halberg | Jennings |
| Anderson, G. | Clark, J. | Frickson | Hanson | Johnson, C. |
| Anderson, I. | Clark, K. | Esau | Harens | Johnson, D. |
| Anderson, R. | Clawson | Evans | Hauge | Jude |
| Battaglia | Dahlvang | Ewald | Haukoos | Kahn |
| Berkelman | Dean | Fjoslien | Heap | Kaley |
| Blatz | Dempsey | Forsythe | Heinitz | Kalis |
| Brandl | Den Ouden | Friedrich | Himle | Kelly |
| Brinkman | Drew | Greenfield | Hoberg | Knickerbocker |

| | | | | |
|-----------|------------|---------------|------------|------------------|
| Kostohryz | Metzen | Peterson, B. | Schoenfeld | Tomlinson |
| Kvam | Minne | Peterson, D. | Schreiber | Valan |
| Laidig | Munger | Piepho | Searles | Valento |
| Lehto | Murphy | Pogemiller | Shea | Vanasek |
| Lemen | Nelsen, B. | Redalen | Sherman | Vellenga |
| Levi | Nelson, K. | Reding | Sherwood | Welch |
| Long | Niehaus | Rees | Sieben, M. | Welker |
| Ludeman | Norton | Rice | Simoneau | Wenzel |
| Luknic | Novak | Rodriguez, C. | Skoglund | Wieser |
| Mann | Nysether | Rodriguez, F. | Stadum | Wigley |
| Marsh | O'Connor | Rose | Staten | Wynia |
| McCarron | Ogren | Rothenberg | Stowell | Zubay |
| McDonald | Olsen | Samuelson | Stumpf | Spkr. Sieben, H. |
| McEachern | Osthoff | Sarna | Sviggum | |
| Mehrkens | Otis | Schafer | Swanson | |

The bill was passed and its title agreed to.

H. F. No. 284 was reported to the House and given its third reading.

Elioff moved that the action whereby H. F. No. 284, was given its third reading be now reconsidered. The motion prevailed

Elioff moved to amend H. F. No. 284 as follows:

Page 1, line 26, delete "*and either*" and insert "*at his usual place of abode and delivered personally to the parent by the physician or his agent.*"

Page 2, delete lines 1 to 4

Page 2, line 6, delete "*may*" and insert "*shall*"

Page 2, line 6, delete "*receipted for by the persons*"

Page 2, line 7, delete "*specified for delivery in clause (a)*" and insert "*addressed to the parent at his usual place of abode with return receipt requested and restricted delivery to the addressee which means postal employee can only deliver the mail to the authorized addressee*"

Lehto moved to amend the Elioff amendment to H. F. No. 284, as follows:

In the Elioff amendment, line 1 after "*at*" delete "*his*" and insert "*the*"

Line 3, delete "*his*" and insert "*an*"

Line 8, delete "*his*" and insert "*the*"

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

The question recurred on the Elioff amendment to H. F. No. 284.

The motion prevailed and the amendment was adopted.

H. F. No. 284, A bill for an act relating to health; prescribing procedures for notification of parents, guardians, and conservators prior to performing abortions on certain persons; providing a penalty; amending Minnesota Statutes 1980, Section 144.343.

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 19 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherman |
| Ainley | Evans | Kelly | O'Connor | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Onnen | Stadum |
| Anderson, R. | Friedrich | Laidig | Osthoff | Stowell |
| Battaglia | Gruenes | Lemen | Peterson, B. | Stumpf |
| Begich | Gustafson | Levi | Piepho | Stvggum |
| Blatz | Halberg | Ludeman | Redalen | Swanson |
| Brinkman | Hanson | Luknic | Reding | Valan |
| Byrne | Harens | Mann | Rees | Valentó |
| Carlson, D. | Hauge | Marsh | Reif | Vanasek |
| Clawson | Haukoos | McCarron | Rice | Vellenga |
| Dahlvang | Heap | McDonald | Rodriguez, F. | Weaver |
| Dean | Himle | McEachern | Rose | Welch |
| Dempsey | Hoberg | Mehrkens | Rothenberg | Welker |
| Den Ouden | Hokanson | Metzen | Samuelson | Wenzel |
| Drew | Jacobs | Minne | Sarna | Wieser |
| Eken | Jennings | Murphy | Schafer | Wigley |
| Elioff | Johnson, C. | Nelsen, B. | Schoenfeld | Zubay |
| Ellingson | Johnson, D. | Niehaus | Schreiber | Spkr. Sieben, H. |
| Erickson | Jude | Novak | Shea | |

Those who voted in the negative were:

| | | | | |
|-------------|------------|------------|--------------|-----------|
| Brandl | Greenfield | Lehto | Norton | Staten |
| Carlson, L. | Heinitz | Long | Otis | Tomlinson |
| Clark, J. | Kahn | Munger | Peterson, D. | Wynia |
| Clark, K. | Kaley | Nelson, K. | Searles | |

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

SPECIAL ORDERS

H. F. No. 705 was reported to the House.

Anderson, I., moved that H. F. No. 705 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 184 was reported to the House.

Eken moved to amend H. F. No. 184, as follows:

Page 1, line 23, after "distribution" insert "*or cable television*"

Page 1, line 26, after the comma insert "*and programs*"

Page 1, line 26, after the period strike "This" and insert "The"

The motion prevailed and the amendment was adopted.

Osthoff moved to amend H. F. No. 184, as amended, as follows:

Page 2, line 13, after "system" delete the new language

Page 2, lines 14 and 15 delete the new language

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 80 yeas and 41 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|-----------|
| Aasness | Fjoslien | Jude | Nelsen, B. | Sarna |
| Ainley | Forsythe | Knickerbocker | Niehaus | Schafer |
| Anderson, I. | Friedrich | Kostohryz | Novak | Schreiber |
| Anderson, R. | Gruenes | Kvam | Olsen | Sherman |
| Berkelman | Halberg | Laidig | Onnen | Sherwood |
| Blatz | Harens | Lemen | Osthoff | Stadum |
| Brinkman | Hauge | Levi | Piepho | Stowell |
| Carlson, D. | Haukoos | Ludeman | Pogemiller | Sviggum |
| Carlson, L. | Heap | Luknic | Redalen | Swanson |
| Dahlvang | Heinitz | Marsh | Reding | Valan |
| Dean | Himle | McCarron | Rees | Valento |
| Den Ouden | Hoberg | McDonald | Reif | Welker |
| Erickson | Hokanson | McEachern | Rodriguez, F. | Wenzel |
| Esau | Jacobs | Mehrkens | Rose | Wieser |
| Evans | Jennings | Metzen | Rothenberg | Wigley |
| Ewald | Johnson, D. | Minne | Samuelson | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kelly | Otis | Tomlinson |
| Anderson, G. | Elioff | Lehto | Peterson, D. | Vanasek |
| Battaglia | Ellingson | Long | Rice | Vellenga |
| Begich | Greenfield | Mann | Rodriguez, C. | Welch |
| Brandl | Gustafson | Munger | Schoenfeld | Spkr. Sieben, H. |
| Byrne | Hanson | Murphy | Shea | |
| Clark, J. | Johnson, C. | Nelson, K. | Skoglund | |
| Clark, K. | Kahn | Nysether | Staten | |
| Clawson | Kalis | Ogren | Stumpf | |

The motion prevailed and the amendment was adopted.

H. F. No. 184, A bill for an act relating to cities; enlarging the class of cities that may maintain cable television or signal distribution systems; clarifying the description of a system; increasing the amount of obligations that may be issued for television systems; providing for revenue obligations; validating prior issuances; amending Minnesota Statutes 1980, Section 465.70.

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 100 yeas and 24 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Eken | Kahn | Nelson, K. | Schoenfeld |
| Anderson, B. | Elioff | Kaley | Niehaus | Schreiber |
| Anderson, G. | Ellingson | Kalis | Norton | Shea |
| Anderson, I. | Erickson | Kelly | Novak | Sherman |
| Anderson, R. | Evans | Kostohryz | Nysether | Sherwood |
| Battaglia | Ewald | Laidig | Ogren | Simoneau |
| Begich | Friedrich | Lehto | Osthoff | Skoglund |
| Berkelman | Greenfield | Lemen | Otis | Stadum |
| Blatz | Gruenes | Levi | Peterson, D. | Staten |
| Brandl | Gustafson | Long | Pogemiller | Stumpf |
| Brinkman | Hanson | Luknic | Redalen | Swanson |
| Byrne | Haukoos | Mann | Reding | Tomlinson |
| Carlson, D. | Heinitz | McCarron | Rees | Valan |
| Carlson, L. | Himle | McEachern | Reif | Vanasek |
| Clark, J. | Hoberg | Mehrkens | Rice | Vellenga |
| Clark, K. | Hokanson | Metzen | Rodriguez, C. | Welch |
| Clawson | Jacobs | Minne | Rodriguez, F. | Wenzel |
| Dahlvang | Johnson, C. | Munger | Rose | Wynia |
| Dean | Johnson, D. | Murphy | Samuelson | Zubay |
| Drew | Jude | Nelsen, B. | Sarna | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|----------|--------------|------------|---------|
| Ainley | Forsythe | Marsh | Piepho | Valento |
| Dempsey | Harens | McDonald | Rothenberg | Welker |
| Den Ouden | Jennings | Olsen | Schafer | Wieser |
| Esau | Kvam | Onnen | Stowell | Wigley |
| Fjoslien | Ludeman | Peterson, B. | Sviggum | |

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

H. F. No. 1163 was reported to the House.

Lemen moved to amend H. F. No. 1163, as follows:

Page 1, line 7, after "tax" insert "*not to exceed 3.5 mills*"

Page 1, line 15, delete "*lieu of*" and insert "*addition to*"

Page 1, line 17, after "towns" insert "other than for the support of the joint recreation board"

Page 2, delete section 2

Renumber the section

The motion prevailed and the amendment was adopted.

H. F. No. 1163, A bill for an act relating to the Greenway joint recreation board; regulating its tax levies.

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 117 yeas and 5 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Ewald | Kostohryz | O'Connor | Sieben, M. |
| Ainley | Fjoslien | Kvam | Ogren | Skoglund |
| Anderson, B. | Friedrich | Laidig | Olsen | Stadum |
| Anderson, I. | Greenfield | Lehto | Onnen | Staten |
| Anderson, R. | Gruenes | Lemen | Osthoff | Stowell |
| Battaglia | Gustafson | Levi | Otis | Stumpf |
| Begich | Halberg | Long | Peterson, D. | Sviggum |
| Berkelman | Hanson | Ludeman | Piepho | Swanson |
| Brandl | Harens | Luknic | Pogemiller | Tomlinson |
| Brinkman | Hauge | Mann | Redalen | Valan |
| Byrne | Haukoos | Marsh | Reding | Valento |
| Carlson, D. | Heap | McCarron | Rees | Vellenga |
| Carlson, L. | Heinitz | McDonald | Reif | Weaver |
| Clark, J. | Himle | Mehrkens | Rodriguez, C. | Welch |
| Clark, K. | Hoberg | Metzen | Rodriguez, F. | Welker |
| Clawson | Hokanson | Minne | Rose | Wenzel |
| Dahlvang | Jacobs | Munger | Rothenberg | Wieser |
| Dean | Jennings | Murphy | Samuelson | Wigley |
| Dempsey | Johnson, D. | Nelsen, B. | Schafer | Wynia |
| Elioff | Kahn | Nelson, K. | Schoenfeld | Zubay |
| Ellingson | Kaley | Niehaus | Schreiber | Spkr. Sieben, H. |
| Erickson | Kalis | Norton | Searles | |
| Esau | Kelly | Novak | Sherman | |
| Evans | Knickerbocker | Nysether | Sherwood | |

Those who voted in the negative were:

Anderson, G. Den Ouden Johnson, C. Rice Vanasek

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

S. F. No. 763 was reported to the House.

Nelson, K., moved to amend S. F. No. 763 as follows:

Page 3, line 25, delete "all or a" and insert "revenues from the program and other city housing programs. The revenue bonds or obligations may be payable from"

Page 3, line 26, delete "portion of program revenues and"

The motion prevailed and the amendment was adopted.

S. F. No. 763, A bill for an act relating to the cities of Minneapolis and St. Paul; authorizing the implementation of energy conservation programs; authorizing the financing of residential energy conservation programs; authorizing the issuance of qualified mortgage bonds; requiring a report to the legislature.

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 94 yeas and 28 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Evans | Johnson, D. | O'Connor | Shea |
| Anderson, G. | Ewald | Jude | Ogren | Sherman |
| Anderson, I. | Fjoslien | Kahn | Olsen | Sieben, M. |
| Anderson, R. | Forsythe | Kelly | Onnen | Simoneau |
| Battaglia | Greenfield | Knickerbocker | Osthoff | Skoglund |
| Begich | Gruenes | Kostohryz | Otis | Staten |
| Berkelman | Gustafson | Laidig | Piepho | Stumpf |
| Blatz | Halberg | Lehto | Pogemiller | Swanson |
| Brandl | Hanson | Lemen | Reding | Tomlinson |
| Brinkman | Harens | Levi | Reif | Valento |
| Byrne | Hauge | Long | Rice | Vanasek |
| Carlson, L. | Haukoos | Luknic | Rodriguez, C. | Vellenga |
| Clark, J. | Heap | Mann | Rodriguez, F. | Weaver |
| Clawson | Heinitz | McCarron | Rose | Welch |
| Dahlvang | Himle | Munger | Rothenberg | Wenzel |
| Drew | Hoberg | Murphy | Samuelson | Wieser |
| Eken | Hokanson | Nelson, K. | Sarna | Wynia |
| Elioff | Jacobs | Norton | Schoenfeld | Spkr. Sieben, H. |
| Ellingson | Johnson, C. | Novak | Searles | |

Those who voted in the negative were:

| | | | | |
|-------------|----------|--------------|----------|---------|
| Aasness | Esau | McDonald | Redalen | Sviggum |
| Ainley | Jennings | Mehrkens | Rees | Welker |
| Carlson, D. | Kaley | Nelsen, B. | Schafer | Wigley |
| Dempsey | Kvam | Niehaus | Sherwood | Zubay |
| Den Ouden | Ludeman | Nysether | Stadum | |
| Erickson | Marsh | Peterson, B. | Stowell | |

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

S. F. No. 835 was reported to the House.

Lehto and Skoglund moved to amend S. F. No. 835, the unofficial engrossment, as follows:

Page 11, line 16, before the semicolon insert: "*, including, but not limited to noise abatement*"

The motion prevailed and the amendment was adopted.

Fjoslien moved to amend S. F. No. 835, the unofficial engrossment, as follows:

Page 12, line 34, after the period insert "*The permit fee is in lieu of all other taxes provided for in sections 360.511 to 360.67.*"

Page 12, after line 34, insert the following: "*An aircraft owned by a non-resident of this state and operated or used in this state solely for display or exhibition is exempt from the provisions of sections 360.511 to 360.67.*"

The motion prevailed and the amendment was adopted.

S. F. No. 835, A bill for an act relating to transportation; classifying the engineers' estimates for all state transportation construction projects as non-public data; adding a new route to the trunk highway system in substitution of an existing route; authorizing the commissioner of transportation to convey or otherwise dispose of certain lands no longer needed for trunk highway purposes; authorizing the temporary transfer of money from certain public funds under certain conditions to certain agency accounts and providing for repayment; increasing the dollar limits for certain contracts and agreements negotiated by the commissioner; defining motor carrier and exempt carrier; granting enforcement powers to hazardous material specialists; transferring the licensing and regulatory provisions for building movers to the transportation regulation board; requiring excess revenue from an airport to be applied to the improvement of the airport or other air navigation facility; increasing the dollar limit for development of landing strips; providing fees for hot air balloons and certain non-resident aircraft; amending Minnesota Statutes 1980, Sections 161.16, Subdivision 4; 161.32, Subdivision 2; 161.36, Subdivision 5; 161.46, Subdivision 3; 221.011, Subdivisions 15 and 22; 221.031, Subdivision 2; 221.221; 221.261; 221.81; 360.037, Subdivision 3; 360.305, Subdivision 4; and 360.55, by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 15 and 161.

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 | Anderson, G. | Anderson, R. | Begich | Blatz |
| Anderson, B. | Anderson, I. | Battaglia | Berkelman | Brandl |

| | | | | |
|-------------|---------------|------------|---------------|------------------|
| Brinkman | Gustafson | Lehto | Olsen | Sherwood |
| Byrne | Halberg | Lemen | Onnen | Sieben, M. |
| Carlson, D. | Hanson | Levi | Osthoff | Simoneau |
| Carlson, L. | Harens | Long | Otis | Skoglund |
| Clark, J. | Hauge | Ludeman | Peterson, D. | Stadum |
| Clark, K. | Haukoos | Luknic | Piepho | Staten |
| Clawson | Heap | Mann | Pogemiller | Stowell |
| Dahlvang | Heinitz | Marsh | Redalen | Stumpf |
| Dean | Himle | McCarron | Reding | Sviggum |
| Dempsey | Hoberg | McDonald | Rees | Swanson |
| Den Ouden | Hokanson | McEachern | Reif | Tomlinson |
| Drew | Jacobs | Mehrkens | Rice | Valento |
| Eken | Jennings | Metzen | Rodriguez, C. | Vanasek |
| Elioff | Johnson, C. | Minne | Rodriguez, F. | Vellenga |
| Ellingson | Johnson, D. | Munger | Rose | Weaver |
| Erickson | Jude | Murphy | Rothenberg | Welch |
| Esau | Kahn | Nelsen, B. | Samuelson | Welker |
| Evans | Kaley | Nelson, K. | Sarna | Wenzel |
| Ewald | Kalis | Niehaus | Schafer | Wieser |
| Fjoslien | Kelly | Norton | Schoenfeld | Wigley |
| Forsythe | Knickerbocker | Novak | Schreiber | Wynia |
| Friedrich | Kostohryz | Nysether | Searles | Zubay |
| Greenfield | Kvam | O'Connor | Shea | Spkr. Sieben, H. |
| Gruenes | Laidig | Ogren | Sherman | |

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

S. F. No. 558, A bill for an act relating to the city of Robbinsdale; providing that certain tax increment backed bond issues shall be exempt from net debt limits.

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 | Jacobs | McEachern | Reding |
| Ainley | Elioff | Jennings | Mehrkens | Rees |
| Anderson, B. | Ellingson | Johnson, C. | Metzen | Reif |
| Anderson, G. | Erickson | Johnson, D. | Minne | Rice |
| Anderson, I. | Esau | Jude | Munger | Rodriguez, C. |
| Anderson, R. | Evans | Kahn | Murphy | Rodriguez, F. |
| Battaglia | Ewald | Kaley | Nelsen, B. | Rose |
| Begich | Fjoslien | Kalis | Nelson, K. | Rothenberg |
| Berkelman | Forsythe | Kelly | Niehaus | Sarna |
| Blatz | Friedrich | Knickerbocker | Norton | Schafer |
| Brandl | Greenfield | Kostohryz | Novak | Schoenfeld |
| Brinkman | Gruenes | Kvam | Nysether | Schreiber |
| Byrne | Gustafson | Laidig | O'Connor | Searles |
| Carlson, D. | Halberg | Lehto | Ogren | Shea |
| Carlson, L. | Hanson | Lemen | Olsen | Sherman |
| Clark, J. | Harens | Levi | Onnen | Sherwood |
| Clark, K. | Hauge | Long | Osthoff | Sieben, M. |
| Clawson | Haukoos | Ludeman | Otis | Simoneau |
| Dahlvang | Heap | Luknic | Peterson, B. | Skoglund |
| Dean | Heinitz | Mann | Peterson, D. | Stadum |
| Dempsey | Himle | Marsh | Piepho | Staten |
| Den Ouden | Hoberg | McCarron | Pogemiller | Stowell |
| Drew | Hokanson | McDonald | Redalen | Stumpf |

| | | | | |
|-----------|----------|--------|--------|------------------|
| Sviggum | Valento | Welch | Wigley | Zubay |
| Swanson | Vanasek | Welker | Wynia | Spkr. Sieben, H. |
| Tomlinson | Vellenga | Wenzel | | |
| Valan | Weaver | Wieser | | |

The bill was passed and its title agreed to.

Eken 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 and Rothenberg were excused from 7:30 p.m. until 8:30 p.m. Berkelman, Long and Wieser were excused at 7:30 p.m. Halberg was excused at 7:45 p.m.

SPECIAL ORDERS, Continued

S. F. No. 660 was reported to the House.

Rees moved to amend S. F. No. 660, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 238.08, Subdivision 5, is amended 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. *A member of the commission may, by ordinance adopted in the manner provided by section 412.191, subdivision 4, adopt by reference the joint cable communication franchise in the manner provided by section 471.62.* 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. 2. Minnesota Statutes 1980, Section 375.58, Subdivision 3, is amended to read:

Subd. 3. At the option of the county board, the following positions may be excluded from the jurisdiction of the county personnel department:

(a) Any or all positions subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and (393.07, SUBDIVISION 5) 256.012;

(b) Positions designated as temporary or seasonal;

(c) Positions held by special deputies and volunteers serving without pay;

(d) Positions held by students in training.

Sec. 3 Minnesota Statutes 1980, Section 375.62, is amended to read:

375.62 [CIVIL SERVICE AND MERIT SYSTEM RELATIONSHIPS.]

Unless a county board has elected to exclude any or all positions otherwise subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and (393.07, SUBDIVISION 5) 256.012, from the jurisdiction of the personnel department, the provisions of sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and (393.07, SUBDIVISION 5) 256.012 and any rules and regulations promulgated pursuant to those sections shall be superseded insofar as they are inconsistent; provided that no positions subject to merit systems established pursuant to sections 12.22, subdivision 3; 144.071; and (393.07, SUBDIVISION 5) 256.012, shall be removed from existing merit system coverage and placed under a personnel department established pursuant to sections 375.56 to 375.71, until that personnel department is certified (BY THE UNITED STATES CIVIL SERVICE COMMISSION AS MEETING THE OPERATING STANDARDS OF A MERIT SYSTEM) *in accordance with the United States office of personnel management's standards for a merit system of personnel administration.* Nothing in section 387.43, shall be construed to prohibit the inclusion of sheriff's department personnel in a personnel system established pursuant to sections 375.56 to 375.69.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment."

Delete the title and insert:

"A bill for an act relating to local government; providing for adoption of certain joint cable franchises; providing correct

references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 238.08, Subdivision 5; 375.58, Subdivision 3; and 375.62.”

The motion prevailed and the amendment was adopted.

S. F. No. 660, A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

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 117 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Fjoslien | Knickerbocker | Olsen | Sieben, M. |
| Anderson, B. | Forsythe | Kostohryz | Onnen | Skoglund |
| Anderson, G. | Friedrich | Laidig | Osthoff | Stadum |
| Anderson, I. | Greenfield | Lehto | Otis | Staten |
| Anderson, R. | Gruenes | Lemen | Peterson, B. | Stowell |
| Battaglia | Gustafson | Long | Peterson, D. | Stumpf |
| Begich | Halberg | Ludeman | Piepho | Sviggum |
| Blatz | Hanson | Luknic | Pogemiller | Swanson |
| Brandl | Hauge | Mann | Redalen | Tomlinson |
| Brinkman | Haukoos | Marsh | Reding | Valan |
| Carlson, D. | Heap | McDonald | Rees | Valento |
| Carlson, L. | Heinitz | McEachern | Reif | Vanasek |
| Clark, J. | Himle | Mehrkens | Rice | Vellenga |
| Clawson | Hoberg | Metzen | Rodriguez, F. | Weaver |
| Dahlvang | Hokanson | Minne | Rose | Welch |
| Dempsey | Jacobs | Munger | Samuelson | Welker |
| Den Ouden | Jennings | Murphy | Sarna | Wenzel |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Elioff | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Ellingson | Jude | Niehaus | Schreiber | Zubay |
| Erickson | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Esau | Kaley | Novak | Shea | |
| Evans | Kalis | Nysether | Sherman | |
| Ewald | Kelly | Ogren | Sherwood | |

Those who voted in the negative were:

Ainley

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

S. F. No. 805 was reported to the House.

Lehto moved to amend S. F. No. 805, the second engrossment, as follows:

Page 10, line 31, after “corporations” insert “, but not including investments in the exploration, mining or development of uranium”

A roll call was requested and properly seconded.

Lehto moved to amend the Lehto amendment to S. F. No. 805, as follows:

In the last line of the Lehto amendment, after "*uranium*" insert "*in Minnesota before July 1, 1982*"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 32 yeas and 84 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|------------|---------------|-----------|
| Anderson, G. | Ellingson | Murphy | Peterson, D. | Tomlinson |
| Battaglia | Greenfield | Nelson, K. | Pogemiller | Vanasek |
| Begich | Hauge | Niehaus | Rice | Vellenga |
| Brandl | Jude | Novak | Rodriguez, C. | Wynia |
| Byrne | Kahn | O'Connor | Rodriguez, F. | |
| Clark, K. | Kelly | Ogren | Skoglund | |
| Elioff | Lehto | Otis | Staten | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|------------|------------------|
| Aasness | Evans | Knickerbocker | Nysether | Sherwood |
| Ainley | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, B. | Forsythe | Kvam | Onnen | Simoneau |
| Anderson, I. | Friedrich | Laidig | Osthoff | Stadum |
| Anderson, R. | Gruenes | Lemen | Piepho | Stowell |
| Blatz | Haukoos | Ludeman | Redalen | Sviggum |
| Carlson, D. | Heap | Luknic | Reding | Swanson |
| Carlson, L. | Heinitz | Mann | Rees | Valan |
| Clawson | Himle | Marsh | Reif | Valento |
| Dahlvang | Hoberg | McCarron | Rose | Weaver |
| Dean | Hokanson | McDonald | Sarna | Welch |
| Dempsey | Jacobs | McEachern | Schafer | Welker |
| Den Ouden | Jennings | Mehrkens | Schoenfeld | Wenzel |
| Drew | Johnson, C. | Metzen | Schreiber | Wigley |
| Eken | Johnson, D. | Minne | Searles | Zubay |
| Erickson | Kaley | Nelsen, B. | Shea | Spkr. Sieben, H. |
| Esau | Kalis | Norton | Sherman | |

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

The question recurred on the Lehto amendment and the roll was called. There were 34 yeas and 85 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-----------|------------|--------------|
| Anderson, B. | Byrne | Gustafson | Lehto | Novak |
| Anderson, G. | Clark, J. | Hauge | McCarron | O'Connor |
| Battaglia | Jude | Kahn | Murphy | Ogren |
| Begich | Elioff | Kelly | Nelson, K. | Otis |
| Brandl | Greenfield | | Niehaus | Peterson, D. |

| | | | | |
|---------------|----------|----------|---------|-------|
| Pogemiller | Shea | Skoglund | Vanasek | Wynia |
| Rodriguez, F. | Simoneau | Staten | Welch | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Fjoslien | Kalis | Nysether | Sherman |
| Ainley | Forsythe | Knickerbocker | Olsen | Sherwood |
| Anderson, I. | Friedrich | Kostohryz | Onnen | Sieben, M. |
| Anderson, R. | Gruenes | Kvam | Osthoff | Stadum |
| Blatz | Hanson | Laidig | Peterson, B. | Stowell |
| Carlson, D. | Harens | Lemen | Piepho | Stumpf |
| Carlson, L. | Haukoos | Ludeman | Redalen | Sviggum |
| Clawson | Heap | Luknic | Reding | Swanson |
| Dahlvang | Heinitz | Mann | Rees | Tomlinson |
| Dean | Himle | Marsh | Reif | Valan |
| Dempsey | Hoberg | McDonald | Rodriguez, C. | Valento |
| Den Ouden | Hokanson | McEachern | Rose | Vellenga |
| Drew | Jacobs | Mehrkens | Sarna | Weaver |
| Erickson | Jennings | Metzen | Schafer | Welker |
| Esau | Johnson, C. | Minne | Schoenfeld | Wenzel |
| Evans | Johnson, D. | Nelsen, B. | Schreiber | Zubay |
| Ewald | Kaley | Norton | Searles | Spkr. Sieben, H. |

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

Wynia was called to the Chair by the Speaker.

S. F. No. 805, A bill for an act relating to state government; authorizing a new account in the Minnesota supplemental investment fund; modifying the post-retirement adjustment; authorizing the state board of investment to invest in commingled funds and limited partnerships; amending Minnesota Statutes 1980, Sections 11A.17; 11A.18, Subdivision 9; 11A.24, Subdivisions 3, 4, 5, and by adding a subdivision; 69.77, Subdivision 2; and 69.775.

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 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|---------------|------------|
| Aasness | Clark, K. | Fjoslien | Jennings | Ludeman |
| Ainley | Clawson | Forsythe | Johnson, C. | Luknic |
| Anderson, B. | Dahlvang | Friedrich | Johnson, D. | Mann |
| Anderson, G. | Dean | Greenfield | Jude | Marsh |
| Anderson, I. | Dempsey | Gruenes | Kahn | McCarron |
| Battaglia | Den Ouden | Hanson | Kaley | McDonald |
| Begich | Drew | Hauge | Kalis | McEachern |
| Blatz | Eken | Haukoos | Kelly | Metzen |
| Brandl | Elioff | Heap | Knickerbocker | Minne |
| Brinkman | Ellingson | Heinitz | Kostohryz | Munger |
| Byrne | Erickson | Himle | Kvam | Murphy |
| Carlson, D. | Esau | Hoberg | Laidig | Nelsen, B. |
| Carlson, L. | Evans | Hokanson | Lehto | Nelson, K. |
| Clark, J. | Ewald | Jacobs | Lemen | Norton |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Novak | Piepho | Samuelson | Simoneau | Valento |
| Nysether | Pogemiller | Sarna | Skoglund | Vanasek |
| O'Connor | Redalen | Schafer | Stadum | Vellenga |
| Ogren | Reding | Schoenfeld | Staten | Weaver |
| Olsen | Rees | Schreiber | Stowell | Welch |
| Onnen | Reif | Searles | Stumpf | Wenzel |
| Osthoff | Rice | Shea | Sviggum | Wigley |
| Otis | Rodriguez, C. | Sherman | Swanson | Wynia |
| Peterson, B. | Rodriguez, F. | Sherwood | Tomlinson | Zubay |
| Peterson, D. | Rose | Sieben, M. | Valan | Spkr. Sieben, H. |

Those who voted in the negative were :

Niehaus Welker

The bill was passed and its title agreed to.

S. F. No. 690 was reported to the House.

Reding moved to amend S. F. No. 690, as follows :

Delete everything after the enacting clause and insert :

Section 1. Minnesota Statutes 1980, Section 490.124, Subdivision 9, is amended to read :

Subd. 9. [SURVIVORS' ANNUITY.] Upon the death of a judge prior to retirement, or upon the death of a person who has qualified for an annuity but who ceases to be a judge prior to retirement and has not received a refund of contributions pursuant to subdivision 12, his surviving spouse or, if there be no surviving spouse, his dependent children, shall receive an annuity, payable monthly, equal to 60 percent of the normal retirement annuity which would have been payable to the judge or former judge had the date of his death been the normal retirement date, provided that the surviving spouse or dependent children shall receive an annuity of not less than 25 percent of the judge's or former judge's final average compensation.

If a judge, whose surviving spouse was not entitled to survivors benefits provided solely for judges under statutes in effect prior to January 1, 1974, shall have died prior to retirement on or after May 23, 1973 and before January 1, 1974, his surviving spouse and dependent children, if any, shall be entitled to survivors benefits as provided hereunder as if such judge had died on January 1, 1974.

Sec. 2. Minnesota Statutes 1980, Section 490.124, Subdivision 12, is amended to read :

Subd. 12. [REFUND.] Any person who ceases to be a judge but who does not qualify for a retirement annuity or other benefit under section 490.121 shall be entitled to a refund in an amount equal to all his contributions to the judges' retire-

ment fund plus interest computed to the first day of the month in which the refund is processed based on fiscal year balances at the rate of five percent per annum compounded annually. (THE SURVIVING SPOUSE, OR IF THERE IS NO SURVIVING SPOUSE, THEN THE ESTATE, OF ANY PERSON WHO HAS CEASED TO BE A JUDGE AND HAS DIED PRIOR TO RECEIVING A RETIREMENT ANNUITY OR OTHER RETIREMENT BENEFITS SHALL BE ENTITLED TO RECEIVE A REFUND IN AN AMOUNT EQUAL TO ALL THE CONTRIBUTIONS MADE BY THE PERSON TO THE JUDGES RETIREMENT FUND PLUS INTEREST COMPUTED TO THE DATE OF DEATH AT THE RATE OF FIVE PERCENT PER ANNUM COMPOUNDED ANNUALLY.)

Sec. 3. [EFFECTIVE DATE.]

This act is effective July 1, 1981, and shall apply retroactively to any person living on the effective date of this act who ceased to be a judge prior to retirement and who has not received a refund pursuant to section 490.124, subdivision 12.

The motion prevailed and the amendment was adopted.

S. F. No. 690, A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Aasness | Den Ouden | Himle | McCarron | Peterson, D. |
| Ainley | Drew | Hoberg | McDonald | Pogemiller |
| Anderson, B. | Eken | Hokanson | McEachern | Redalen |
| Anderson, G. | Elioff | Jacobs | Mehrkens | Reding |
| Anderson, I. | Ellingson | Jennings | Metzen | Rees |
| Anderson, R. | Erickson | Johnson, C. | Minne | Reif |
| Battaglia | Esau | Johnson, D. | Munger | Rice |
| Begich | Evans | Jude | Murphy | Rodriguez, C. |
| Blatz | Ewald | Kahn | Nelsen, B. | Rodriguez, F. |
| Brandl | Fjoslien | Kalis | Nelson, K. | Rose |
| Brinkman | Forsythe | Kelly | Niehaus | Samuelson |
| Byrne | Greenfield | Knickerbocker | Norton | Sarna |
| Carlson, D. | Gruenes | Kostohryz | Novak | Schafer |
| Carlson, L. | Gustafson | Kvam | Nysether | Schoenfeld |
| Clark, J. | Hanson | Lehto | Ogren | Schreiber |
| Clark, K. | Harens | Lemen | Olsen | Searles |
| Clawson | Hauge | Ludeman | Onnen | Shea |
| Dahlvang | Haukoos | Luknic | Osthoff | Sherman |
| Dean | Heap | Mann | Otis | Sherwood |
| Dempsey | Heinitz | Marsh | Peterson, B. | Sieben, M. |

| | | | | |
|----------|---------|-----------|----------|------------------|
| Simoneau | Stowell | Tomlinson | Vellenga | Wigley |
| Skoglund | Stumpf | Valan | Weaver | Wynia |
| Stadum | Sviggum | Valento | Welch | Zubay |
| Staten | Swanson | Vanasek | Wenzel | Spkr. Sieben, H. |

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

S. F. No. 808 was reported to the House.

Nelson, K., moved to amend S. F. No. 808 as follows:

Page 2, line 15, after the period insert:

"An energy audit to document the cost effectiveness of a full range of energy conserving measures must be performed prior to investment in such measures."

The motion prevailed and the amendment was adopted.

S. F. No. 808, A bill for an act relating to the city of Duluth; authorizing the establishment of a home energy conservation program as part of its municipal utility system and the issuance of municipal revenue bonds or notes for that purpose; requiring a report to the legislature.

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 106 yeas and 15 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kalis | Osthoff | Simoneau |
| Anderson, B. | Ewald | Kelly | Otis | Skoglund |
| Anderson, G. | Fjoslien | Knickerbocker | Peterson, B. | Staten |
| Anderson, R. | Forsythe | Kostohryz | Peterson, D. | Stowell |
| Battaglia | Greenfield | Lehto | Piepho | Stumpf |
| Begich | Gruenes | Lemen | Pogemiller | Swanson |
| Blatz | Gustafson | Luknic | Reding | Tomlinson |
| Brandl | Hanson | Mann | Reif | Valan |
| Brinkman | Harens | Marsh | Rice | Valento |
| Byrne | Hauge | McCarron | Rodriguez, C. | Vanasek |
| Carlson, L. | Haukoos | McEachern | Rodriguez, F. | Vellenga |
| Clark, J. | Heap | Mehrkens | Rose | Weaver |
| Clark, K. | Heinitz | Metzen | Rothenberg | Welch |
| Clawson | Himle | Minne | Samuelson | Wenzel |
| Dahlvang | Hoberg | Munger | Sarna | Wigley |
| Dean | Hokanson | Murphy | Schoenfeld | Wynia |
| Dempsey | Jacobs | Nelson, K. | Schreiber | Zubay |
| Drew | Jennings | Norton | Searles | Spkr. Sieben, H. |
| Eken | Johnson, C. | Novak | Shea | |
| Elioff | Johnson, D. | O'Connor | Sherman | |
| Ellingson | Jude | Ogren | Sherwood | |
| Esau | Kahn | Olsen | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|-----------|------------|----------|---------|---------|
| Den Ouden | Ludeman | Niehaus | Redalen | Stadum |
| Erickson | McDonald | Nysether | Rees | Sviggun |
| Kvam | Nelsen, B. | Onnen | Schafer | Welker |

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

S. F. No. 876 was reported to the House.

Simoneau moved to amend S. F. No. 876, the second engrossment, as follows:

Page 8, line 22, after the period, insert *"Unless otherwise provided by law, the power or authority shall not apply to unclassified employees in the legislative and judicial branches."*

Page 15, line 30, delete *"his deputies"* and insert *"the deputy legislative auditors"*; before *"confidential"* delete *"his"* and insert *"their"*; delete *"secretary"* and insert *"secretaries"*

Page 17, line 19, delete *"subdivision"* and insert *"subdivisions"*; after *"4"* insert *"and 6"*

Page 18, line 6, delete *"43.09"* and insert *"43A.09"*

Page 30, line 28, after *"employees"* insert *", except unclassified employees in the legislative and judicial branches,"*

Page 34, after line 10, insert:

"Subd. 6. [LEGISLATIVE AND JUDICIAL BRANCH COMPENSATION.] Total compensation plans for unclassified employees of the legislature and of legislative commissions shall be determined by the legislature consistent with chapter 3, provided that insurance benefits for these employees and for legislators shall be determined by the legislative coordinating commission, consistent with sections 22 to 30. Total compensation plans for unclassified employees of the judicial branch shall be determined by the appointing authority, unless other law provides a different method for establishing this compensation. Judicial branch compensation plans shall be consistent with sections 22 to 30."

Renumber subsequent subdivisions of Section 18

Page 36, line 14, after *"agencies"* insert *"in the executive branch"*

Page 36, line 30, after *"agency"* insert *"in the executive branch"*

Page 38, line 20, after *"commissioner"* insert *"or by plans pursuant to section 18, subdivision 6"*

Page 39, line 4, delete the second comma and insert a semi-colon

Page 39, delete lines 5 to 7

Page 39, line 9, delete the first "a" and insert "the"

Page 41, line 19, delete "or" and insert ", a"

Page 41, line 20, after "court" insert ", a county court, a county municipal court, or a probate court"

Page 42, line 30, delete everything after the period

Page 42, delete line 31

Page 50, line 19, delete ", compacts"

Page 51, line 16, delete "OFFICER" and insert "EMPLOYEE"

Page 51, line 17, delete "officer" and insert "employee"

Page 51, line 19, delete "officer" and insert "employee"

Page 51, line 22, delete "officer" and insert "employee"

Page 51, line 26, delete "OFFICERS" and insert "EMPLOYEES"

Page 51, line 36, delete "OFFICERS AND"

Page 60, after line 6, insert:

"Sec. 47. Minnesota Statutes 1980, Section 3.095, is amended to read:

3.095 [LEGISLATIVE EMPLOYEES, LEAVES.]

(RULES OF THE DEPARTMENT OF EMPLOYEE RELATIONS) *The legislative coordinating commission shall adopt plans pertaining to sick leave and annual leave which shall apply to all permanent employees of the legislature and of legislative committees and commissions.*

Sec. 48. Minnesota Statutes 1980, Section 15.55, is amended to read:

15.55 [TRAVEL EXPENSES OF EMPLOYEES OF THIS STATE.]

A sending agency in this state may, in accordance with the travel regulations of such agency, pay the travel expenses of

employees assigned to a receiving agency on either a detail or leave basis, but shall not pay the travel expenses of such employees incurred in connection with their work assignments at the receiving agency. During the period of assignment, the sending agency may pay a per diem allowance to the employee on assignment or detail. Such per diem allowance shall be in lieu of, but not to exceed, the travel expense allowable under (STATE TRAVEL RULES PROMULGATED) *the plan adopted by the commissioner of employee relations pursuant to section 18, subdivision 2.*

Sec. 49. Minnesota Statutes 1980, Section 16A.17, Subdivision 7, is amended to read:

Subd. 7. (1) The commissioner of finance may authorize certification by authorized officials as to hours worked for payroll purposes in anticipation of the hours actually worked. The commissioner shall prescribe procedures as may be necessary to assure that no payment shall be made for hours not worked unless covered by leave in accordance with *collective bargaining agreements, or plans pursuant to section 18 or rules of the department of employee relations or pursuant to the resolution of a grievance through the formal steps of a grievance procedure established by law or collective bargaining agreement or as provided in clause (2).*

(2) Upon certification by the commissioner of finance, any agency of the state government shall release part or all of any fund held for an employee to correct an overpayment to any officer or employee described in subdivision 6 who has been erroneously paid.

Provided, however, that employee contributions in a retirement fund shall not be released until such time as the former state employee or person otherwise entitled thereto would be eligible to apply for a refundment and has been given proper notice. Amounts paid under the provisions of this section shall be considered the equivalent of a refundment. If an employee or survivor is entitled to an immediate or deferred annuity or survivor benefit, no funds shall be paid from his retirement account under the provisions of this section."

Page 60, line 7, delete "47" and insert "50"

Page 60, after line 23, insert:

"Sec. 51. Minnesota Statutes 1980, Section 216A.035, is amended to read:

216A.035 [CONFLICT OF INTEREST.]

No person during his term of membership on the public utilities commission shall receive any significant portion of

his income directly or indirectly from any public utility. No person shall be eligible to be appointed as a member of the public utilities commission unless and until he divests himself of any significant interest or abandons any employment with a utility.

No person who is an employee of the public service department shall participate in any manner in any decision or action of the commission where he has a direct or indirect financial interest. Each commissioner or employee of the public service department who is in the (CIVIL SERVICE SCHEDULE A) *general professional, supervisory, or technical units established in section 179.741 or who is a professional, supervisory, or technical employee defined as confidential in section 179.63, subdivision 8, or who is a management classification (LEVEL) employee* and whose duties are related to public utilities or transportation regulation shall report to the ethical practices board annually before April 15 any interest he has in an industry or business regulated by the commission.

Sec. 52. Minnesota Statutes 1980, Section 484.54, Subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 2, judges shall be compensated for travel and subsistence expenses in the same manner and amount as (STATE EMPLOYEES) *provided in the plan adopted by the commissioner of employee relations pursuant to section 18, subdivision 3.* Additionally, judges of the district court shall be reimbursed for all sums, not reimbursed by counties, they shall necessarily hereafter pay out for only the following purposes: telephone tolls, postage, expressage, stationery, including printed letterheads and envelopes for official business; tuition, travel and subsistence for attending educational programs except that no expense shall be paid to satisfy continuing legal education requirements, attendance at which is approved by the supreme court."

Page 60, line 24, delete "48" and insert "53"

Page 60, line 29, delete "49" and insert "54"

Page 61, after line 21, insert:

"241.01, Subd. 3 43.24 Section 33"

Page 61, after line 30, insert:

"Further the revisor shall remove any references to chapter 43 and replace them with references to chapter 43A, unless the context clearly indicates a different intent."

Page 61, line 31, delete "50" and insert "55"

Page 62, line 2, delete "51" and insert "56"

Further, amend the title as follows :

Page 1, line 3, after the semi-colon insert "appropriating money; amending Minnesota Statutes 1980, Sections 3.095; 15.55; 16A.17, Subdivision 7; 216A.035; and 484.54, Subdivision 1;"

The motion prevailed and the amendment was adopted.

S. F. No. 876, A bill for an act relating to state government; improving the state's personnel management and labor relations functions; proposing new law coded as Minnesota Statutes, Chapter 43A; proposing new law coded in Minnesota Statutes, Chapter 210A; repealing Minnesota Statutes 1980, Chapter 43.

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 | Erickson | Kelly | O'Connor | Shea |
| Ainley | Esau | Knickerbocker | Ogren | Sherman |
| Anderson, B. | Evans | Kostohryz | Olsen | Sherwood |
| Anderson, G. | Ewald | Kvam | Onnen | Sieben, M. |
| Anderson, I. | Fjoslien | Lehto | Osthoff | Simoneau |
| Anderson, R. | Forsythe | Lemen | Otis | Skoglund |
| Battaglia | Friedrich | Levi | Peterson, B. | Stadum |
| Begich | Greenfield | Ludeman | Peterson, D. | Staten |
| Blatz | Gruenes | Luknic | Piepho | Stowell |
| Brandl | Hanson | Mann | Pogemiller | Stumpf |
| Brinkman | Harens | Marsh | Redalen | Sviggum |
| Byrne | Hauge | McCarron | Reding | Swanson |
| Carlson, D. | Haukoos | McDonald | Rees | Tomlinson |
| Carlson, L. | Heap | McEachern | Reif | Valan |
| Clark, J. | Heinitz | Mehrkens | Rice | Valento |
| Clark, K. | Himle | Metzen | Rodriguez, C. | Vanasek |
| Clawson | Hoberg | Minne | Rodriguez, F. | Vellenga |
| Dahlvang | Hokanson | Munger | Rose | Weaver |
| Dean | Jacobs | Murphy | Rothenberg | Welch |
| Dempsey | Jennings | Nelsen, B. | Samuelson | Welker |
| Den Ouden | Johnson, C. | Nelson, K. | Sarna | Wenzel |
| Drew | Johnson, D. | Niehaus | Schafer | Wigley |
| Eken | Jude | Norton | Schoenfeld | Wynia |
| Elioff | Kahn | Novak | Schreiber | Zubay |
| Ellingson | Kalis | Nysether | Searles | Sprk. Sieben, H. |

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

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

S. F. No. 694 was reported to the House.

Rees moved to amend S. F. No. 694, the second engrossment, as follows:

Page 2, delete lines 31 to 33 and insert:

“structure, transportable in one or more sections, which in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and 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 includes the plumbing, heating, air conditioning, and electrical systems contained therein; except that the term includes any structure which meets all the requirements and with respect to which the manufacturer voluntarily files a certification required by the secretary and complies with the standards established under this chapter.”

Page 6, delete the new language lines 27 to 29.

Page 8, line 19, delete “also”

Page 11, line 15, delete everything after “penalty”

Page 11, delete lines 16 through 18, and insert:

“of not to exceed \$1,000 for each offense. Each violation involving a separate manufactured home or involving a separate failure or refusal to allow or perform any act required by this section constitutes a separate offense, except that the maximum civil penalties for any related series of violations occurring within one year from the date of the first violation may not exceed \$1,000,000.”

Page 11, delete lines 23 to 25, and insert:

“fined not more than \$1,000 or imprisoned not more than one year, or both.”

Page 12, delete lines 16 through 20, and insert:

“authorized agent access at any reasonable time to or the copying of records, or fail to make reports available or provide information, or fail or refuse to permit reasonable entry or inspection at any reasonable time of any manufactured home manufactured after June 14, 1976 or reasonable inspection of any related records pertaining to the manufactured home.”

Page 13, line 12, after “appears” insert:

“except in section 10”

Page 13, line 13, insert a new section as follows:

"Sec. 10. [327.36] [APPLICATION TO LOCAL OFFICIAL CONTROLS.]

For purposes of local land use controls adopted before the effective date of this act pursuant to chapters 462, 394, and 366 or special law, mobile homes shall be defined to include the term "manufactured homes" as used in sections 327.31 to 327.34 and sections 8 and 10."

Renumber the remaining section accordingly.

The motion prevailed and the amendment was adopted.

S. F. No. 694, A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, 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 96 yeas and 18 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|--------------|---------------|------------------|
| Anderson, B. | Hanson | Levi | Peterson, D. | Skoglund |
| Anderson, I. | Harens | Luknic | Pogemiller | Staten |
| Anderson, R. | Hauge | Mann | Redalen | Stowell |
| Blatz | Haukoos | Marsh | Reding | Stumpf |
| Brandl | Heap | McCarron | Rees | Sviggum |
| Brinkman | Heinitz | McDonald | Reif | Swanson |
| Carlson, D. | Himle | Metzen | Rice | Tomlinson |
| Carlson, L. | Hoberg | Minne | Rodriguez, C. | Valan |
| Clark, J. | Hokanson | Munger | Rodriguez, F. | Valento |
| Clark, K. | Jacobs | Murphy | Rose | Vellenga |
| Clawson | Johnson, C. | Nelsen, B. | Rothenberg | Weaver |
| Dahlvang | Jude | Nelson, K. | Samuelson | Welch |
| Dean | Kahn | Niehaus | Sarna | Wenzel |
| Drew | Kalis | Norton | Schoenfeld | Wynia |
| Eken | Kelly | Novak | Schreiber | Zubay |
| Elioff | Knickerbocker | Ogren | Searles | Spkr. Sieben, H. |
| Ewald | Kostohryz | Olsen | Shea | |
| Greenfield | Laidig | Osthoff | Sherwood | |
| Gruenes | Lehto | Otis | Sieben, M. | |
| Gustafson | Lemen | Peterson, B. | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-----------|---------|---------|
| Ainley | Den Ouden | Ludeman | Onnen | Vanasek |
| Anderson, G. | Erickson | McEachern | Schafer | Welker |
| Battaglia | Esau | Mehrkens | Sherman | |
| Begich | Jennings | Nysether | Stadum | |

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

S. F. No. 939 was reported to the House.

Staten moved to amend S. F. No. 939, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 363.06, Subdivision 1, is amended to read:

Subdivision 1. [CHARGE FILING.] Any person aggrieved by a violation of this chapter *may bring a civil action as provided in section 5 or may file a verified charge with the commissioner or his designated agent, stating the name and address of the person alleged to have committed an unfair discriminatory practice, setting out the details of the practice complained of and any other information required by the commissioner. The commissioner within five days of such filing shall serve a copy of the charge upon the respondent personally or by registered or certified mail. Periodically after the filing of a charge but at intervals of no more than 60 days, until the charge is no longer in the jurisdiction of the department the commissioner shall in writing inform the charging party of the status of his charge. A copy of the periodic notice shall be mailed to the respondent.*

Sec. 2. Minnesota Statutes 1980, Section 363.06, Subdivision 3, is amended to read:

Subd. 3. [TIME FOR FILING CHARGE.] A charge of an unfair discriminatory practice must be *brought as a civil action or filed with the commissioner* within six months after the occurrence of the practice.

Sec. 3. Minnesota Statutes 1980, Section 363.06, Subdivision 4, is amended to read:

Subd. 4. [INQUIRY INTO CHARGE.] When a charge has been filed, the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when necessary to prevent a charging party from suffering irreparable loss in the absence of immediate action. On each charge the commissioner shall make a de-

termination as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices, and

(1) If the commissioner shall determine after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ten days after receipt of notice, the charging party may request in writing on forms prepared by the department that the commissioner reconsider his determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner, the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall either reaffirm or reverse his determination of no probable cause within 20 days after receipt of the request for reconsideration, and he shall within ten days notify in writing the charging party and respondent of his decision to reaffirm or reverse. A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to district court pursuant to section 363.072 or section 15.0424.

(2) If the commissioner shall determine after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and his attorney if he is represented by counsel, by first class mail, a notice setting forth a short plain written statement of the alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 5 have been or would be unsuccessful or unproductive, the commissioner shall issue a complaint and serve on the respondent, by registered or certified mail, a written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before a hearing examiner at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.

(3) *If the commissioner determines that a reprisal in section 363.03, subdivision 7, has occurred or after the commissioner has determined that there is probable cause to believe that a respondent has engaged in (AN) any other unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining him from doing*

or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory practice. The Minnesota rules of civil procedure shall apply to an application, and the district court shall have authority to grant or deny such relief sought on conditions as it deems just and equitable. All hearings under this section shall be given precedence as nearly as practicable over all other pending civil actions.

(4) If a lessor, after he has engaged in a discriminatory practice defined in section 363.03, subdivision 2, clause (1), (a), shall lease or rent a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in this section requiring the person to be evicted from the dwelling unit.

(5) In any complaint issued under this section, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date six months prior to the filing of the charge from which the complaint originates.

Sec. 4. Minnesota Statutes 1980, Section 363.071, Subdivision 2, is amended to read:

Subd. 2. [DETERMINATION OF DISCRIMINATORY PRACTICE.] The hearing examiner shall make findings of fact and conclusions of law, and if the hearing examiner finds that the respondent has engaged in an unfair discriminatory practice, the hearing examiner shall issue an order directing the respondent to cease and desist from the unfair discriminatory practice found to exist and to take such affirmative action as in the judgment of the examiner will effectuate the purposes of this chapter. Such order shall be a final decision of the department. In all cases the examiner may order the respondent to pay an aggrieved party, who has suffered discrimination, compensatory damages, (EXCEPT) *which may include* damages for mental anguish or suffering, and, in all cases, may also order the respondent to pay an aggrieved party, who has suffered discrimination, punitive damages in an amount not more than (\$1,000) \$10,000. In addition to the aforesaid remedies, in a case involving discrimination in

(a) employment, the examiner may order the hiring, reinstatement or upgrading of an aggrieved party, who has suffered

discrimination, with or without back pay, admission or restoration to membership in a labor organization, or his admission to or participation in an apprenticeship training program, on-the-job training program, or other retraining program, or any other relief the examiner deems just and equitable.

(b) housing, the examiner may order the sale, lease, or rental of the housing accommodation or other real property to an aggrieved party, who has suffered discrimination, or the sale, lease or rental of a like accommodation or other real property owned by or under the control of the person against whom the complaint was filed, according to terms as listed with a real estate broker, or if no such listing has been made, as otherwise advertised or offered by the vendor or lessor, or any other relief the examiner deems just and equitable.

The examiner shall cause the findings of fact, conclusions of law, and order to be served on the respondent personally, the charging party by registered or certified mail, and shall furnish copies to the attorney general and the commissioner.

Sec. 5. Minnesota Statutes 1980, Section 363.14, Subdivision 1, is amended to read:

Subdivision 1. [COURT ACTIONS, SUITS BY PRIVATE PARTIES, INTERVENTION.] A person may bring a civil action seeking redress for an unfair discriminatory practice (, UPON WITHDRAWAL OF THE COMPLAINT FROM THE DEPARTMENT OF HUMAN RIGHTS, AT THE FOLLOWING TIMES):

(a) *Directly to district court; or*

(b) Within 45 days after the commissioner has determined that there is no probable cause to credit the allegations contained in a charge filed with the commissioner, or, if the charging party requested a reconsideration, within 45 days after the commissioner has reaffirmed his determination of no probable cause; or

((B)) (c) After 45 days from the filing of a charge pursuant to section 363.06, subdivision 1 if a hearing has not been held pursuant to section 363.071 or if the commissioner has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the commissioner of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice.

A charging party bringing a civil action *pursuant to this clause* shall mail by registered or certified mail a copy of the summons and complaint to the commissioner, and upon his receipt thereof the commissioner shall cause all proceedings in the

department relating to the charge to terminate. No charge shall be filed or reinstated with the commissioner after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Upon application by the complaining party to the district court at a special term thereof and in such circumstances as the court may deem just, the court may appoint an attorney for such person and may authorize the commencement of the action without payment of fees, costs, or security.

Upon timely application, the court may, in its discretion, permit the department to intervene in a civil action brought pursuant to this section upon certification that the case is of general public importance.

(UPON REQUEST, THE COURT MAY, IN ITS DISCRETION, STAY FURTHER PROCEEDINGS FOR NOT MORE THAN 60 DAYS PENDING FURTHER EFFORTS OF THE DEPARTMENT TO OBTAIN VOLUNTARY COMPLIANCE.)

Delete the title and insert:

“A bill for an act relating to human rights; permitting the filing of a charge of unfair discriminatory practice directly in district court; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivisions 1, 3 and 4; 363.071, Subdivision 2; and 363.14, Subdivision 1.”

The motion prevailed and the amendment was adopted.

S. F. No. 939, A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Section 363.06, Subdivision 4; and 363.071, 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 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|---------|--------------|--------------|-----------|----------|
| Aasness | Anderson, B. | Anderson, I. | Battaglia | Brandl |
| Ainley | Anderson, G. | Anderson, R. | Begich | Brinkman |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Byrne | Haukoos | McCarron | Piepho | Simoneau |
| Carlson, D. | Heap | McDonald | Pogemiller | Skoglund |
| Carlson, L. | Heinitz | McEachern | Redalen | Stadum |
| Clark, J. | Hokanson | Mehrkens | Reding | Staten |
| Clark, K. | Jacobs | Metzen | Rees | Stumpf |
| Clawson | Jennings | Minne | Reif | Sviggum |
| Dahlvang | Johnson, C. | Munger | Rice | Swanson |
| Dean | Johnson, D. | Murphy | Rodriguez, C. | Tomlinson |
| Dempsey | Jude | Nelsen, B. | Rodriguez, F. | Valan |
| Drew | Kahn | Nelson, K. | Rose | Valento |
| Eken | Kalis | Norton | Rothenberg | Vanasek |
| Elioff | Kelly | Novak | Samuelson | Vellenga |
| Esau | Knickerbocker | Nysether | Sarna | Weaver |
| Evans | Kostohryz | O'Connor | Schoenfeld | Welch |
| Greenfield | Lehto | Ogren | Searles | Wenzel |
| Gruenes | Lemen | Onnen | Shea | Wigley |
| Gustafson | Levi | Otis | Sherman | Wynia |
| Hanson | Luknic | Peterson, B. | Sherwood | Zubay |
| Hauge | Mann | Peterson, D. | Sieben, M. | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|---------|---------|---------|--------|
| Den Ouden | Ludeman | Niehaus | Stowell | Welker |
| Kvam | | | | |

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

S. F. No. 1321 was reported to the House.

Anderson, G., moved to amend S. F. No. 1321 as follows:

Page 2, line 3, after "458" insert "*, except section 458.193*"

Page 2, line 11, after "458" insert "*, except section 458.193*"

Page 6, line 2, delete "*following final enactment*" and insert "*after compliance by the governing body of the city of Granite Falls with the provisions of Minnesota Statutes, section 645.021, subdivision 3*"

The motion prevailed and the amendment was adopted.

Osthoff and Aasness were excused for the remainder of today's session.

S. F. No. 1321, A bill for an act relating to the city of Granite Falls; authorizing the establishment of a community development program and providing powers for it.

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 77 yeas and 39 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Eken | Kahn | Novak | Skoglund |
| Anderson, G. | Elioff | Kalis | O'Connor | Stadum |
| Anderson, I. | Evans | Knickerbocker | Ogren | Staten |
| Anderson, R. | Fjoslien | Kostohryz | Olsen | Stumpf |
| Battaglia | Forsythe | Lehto | Otis | Swanson |
| Begich | Greenfield | Levi | Peterson, D. | Tomlinson |
| Blatz | Gustafson | Luknic | Pogemiller | Valan |
| Brandl | Hanson | Mann | Reding | Vanasek |
| Brinkman | Hauge | McCarron | Rice | Vellenga |
| Byrne | Heinitz | Mehrkens | Rodriguez, C. | Weaver |
| Carlson, L. | Himle | Metzen | Rodriguez, F. | Welch |
| Clark, J. | Hoberg | Minne | Samuelson | Wenzel |
| Clark, K. | Hokanson | Munger | Schreiber | Spkr. Sieben, H. |
| Clawson | Jacobs | Murphy | Shea | |
| Dahlvang | Johnson, C. | Nelson, K. | Sieben, M. | |
| Dean | Jude | Norton | Simoneau | |

Those who voted in the negative were:

| | | | | |
|-------------|-------------|------------|------------|----------|
| Ainley | Gruenes | Lemen | Piepho | Sherman |
| Carlson, D. | Haukoos | Ludeman | Redalen | Sherwood |
| Dempsey | Heap | Marsh | Rees | Sviggum |
| Den Ouden | Jennings | McDonald | Reif | Valento |
| Drew | Johnson, D. | Nelsen, B. | Rose | Welker |
| Erickson | Kaley | Niehaus | Rothenberg | Wigley |
| Esau | Kelly | Nysether | Schafer | Zubay |
| Friedrich | Kvam | Onnen | Searles | |

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

S. F. No. 215, A bill for an act relating to taxation; allowing urban towns to increase their tax levy limit base by eight percent per year; amending Minnesota Statutes 1980, Section 275.52, 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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|-------------|---------------|------------|
| Ainley | Clark, K. | Friedrich | Johnson, D. | Mann |
| Anderson, B. | Clawson | Greenfield | Jude | Marsh |
| Anderson, G. | Dahlvang | Gruenes | Kahn | McCarron |
| Anderson, I. | Dean | Hanson | Kaley | McDonald |
| Anderson, R. | Dempsey | Hauge | Kalis | McEachern |
| Battaglia | Den Ouden | Haukoos | Kelly | Mehrkens |
| Begich | Drew | Heap | Knickerbocker | Metzen |
| Blatz | Eken | Heinitz | Kostohryz | Minne |
| Brandl | Elioff | Himle | Kvam | Munger |
| Brinkman | Erickson | Hoberg | Lehto | Murphy |
| Byrne | Esau | Hokanson | Lemen | Nelsen, B. |
| Carlson, D. | Evans | Jacobs | Levi | Nelson, K. |
| Carlson, L. | Fjoslien | Jennings | Ludeman | Niehaus |
| Clark, J. | Forsythe | Johnson, C. | Luknic | Norton |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Novak | Pogemiller | Samuelson | Skoglund | Vanasek |
| Nysether | Redalen | Sarna | Stadum | Vellenga |
| O'Connor | Reding | Schafer | Staten | Weaver |
| Ogren | Rees | Schreiber | Stowell | Welch |
| Olsen | Reif | Searles | Stumpf | Wenzel |
| Onnen | Rice | Shea | Sviggum | Wenzel |
| Otis | Rodriguez, C. | Sherman | Swanson | Wigley |
| Peterson, B. | Rodriguez, F. | Sherwood | Tomlinson | Wynia |
| Peterson, D. | Rose | Sieben, M. | Valan | Zubay |
| Piepho | Rothenberg | Simoneau | Valento | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

S. F. No. 1106 was reported to the House.

Reding moved that S. F. No. 1106 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 399, A bill for an act relating to drugs; requiring imprinting of legend drugs; amending Minnesota Statutes 1980, Section 151.361.

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 118 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Evans | Knickerbocker | Ogren | Sherwood |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, G. | Forsythe | Kvam | Onnen | Simoneau |
| Anderson, I. | Friedrich | Lehto | Otis | Skoglund |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Stadum |
| Battaglia | Gruenes | Levi | Peterson, D. | Staten |
| Begich | Gustafson | Luknic | Piepho | Stowell |
| Blatz | Hanson | Mann | Pogemiller | Stumpf |
| Brandl | Harens | Marsh | Redalen | Sviggum |
| Brinkman | Hauge | McCarron | Reding | Swanson |
| Byrne | Haukoos | McDonald | Rees | Tomlinson |
| Carlson, D. | Heap | McEachern | Reif | Valan |
| Carlson, L. | Heinitz | Mehrkens | Rice | Valento |
| Clark, J. | Himle | Metzen | Rodriguez, C. | Vanasek |
| Clark, K. | Hoberg | Minne | Rodriguez, F. | Vellenga |
| Clawson | Hokanson | Munger | Rose | Weaver |
| Dahlvang | Jacobs | Murphy | Rothenberg | Welch |
| Dean | Johnson, C. | Nelsen, B. | Samuelson | Wenzel |
| Dempsey | Johnson, D. | Nelson, K. | Sarna | Wigley |
| Den Ouden | Jude | Niehaus | Schafer | Wynia |
| Drew | Kahn | Norton | Schreiber | Zubay |
| Eken | Kaley | Novak | Searles | Spkr. Sieben, H. |
| Elioff | Kalis | Nysether | Shea | |
| Erickson | Kelly | O'Connor | Sherman | |

Those who voted in the negative were:

Jennings Welker

The bill was passed and its title agreed to.

S. F. No. 96, A bill for an act relating to state property; providing for the conveyance to Kandiyohi County of a residence building in Sibley state park.

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 112 yeas and 5 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Fjoslien | Kostohryz | Ogren | Sherman |
| Anderson, B. | Forsythe | Kvam | Olsen | Sherwood |
| Anderson, G. | Friedrich | Lehto | Onnen | Sieben, M. |
| Anderson, I. | Greenfield | Lemen | Otis | Simoneau |
| Anderson, R. | Gruenes | Levi | Peterson, B. | Stadum |
| Battaglia | Hanson | Ludeman | Peterson, D. | Staten |
| Begich | Harens | Luknic | Piepho | Stowell |
| Blatz | Hauge | Mann | Pogemiller | Stumpf |
| Brinkman | Haukoos | Marsh | Redalen | Sviggum |
| Carlson, D. | Heap | McCarron | Reding | Swanson |
| Carlson, L. | Heinitz | McDonald | Rees | Valan |
| Clark, J. | Himle | McEachern | Reif | Valento |
| Clark, K. | Hoberg | Mehrkens | Rice | Vanasek |
| Dahlvang | Hokanson | Metzen | Rodriguez, C. | Weaver |
| Dean | Jacobs | Minne | Rodriguez, F. | Welch |
| Dempsey | Jennings | Munger | Rose | Welker |
| Den Ouden | Johnson, C. | Murphy | Rothenberg | Wenzel |
| Drew | Johnson, D. | Nelsen, B. | Samuelson | Wigley |
| Eken | Jude | Nelson, K. | Sarna | Zubay |
| Elioff | Kahn | Niehaus | Schafer | Spkr. Sieben, H. |
| Erickson | Kalis | Norton | Schreiber | |
| Esau | Kelly | Novak | Searles | |
| Evans | Knickerbocker | Nysether | Shea | |

Those who voted in the negative were:

| | | | | |
|--------|-------|---------|----------|-------|
| Brandl | Byrne | Clawson | Skoglund | Wynia |
|--------|-------|---------|----------|-------|

The bill was passed and its title agreed to.

S. F. No. 99 was reported to the House.

Peterson, D., moved to amend S. F. No. 99, the unofficial engrossment, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 208.03, is amended to read:

208.03 [NOMINATION OF PRESIDENTIAL ELECTORS.]

Presidential electors for the several political parties of this state shall be nominated by delegate conventions called and held

under the supervision of the respective state central committees of the parties of this state. The names of the persons nominated as presidential electors shall be certified to the secretary of state by the chairperson of the convention for the office of presidential elector *on or before primary election day.*

Sec. 2. Minnesota Statutes 1980, Section 208.05, is amended to read:

208.05 [STATE CANVASSING BOARD.]

The state canvassing board at its meeting on the second Tuesday after each general election shall open and canvass the returns made to the secretary of state for presidential electors, prepare a statement of the number of votes cast for the persons receiving votes for these offices, and declare the person or persons receiving the highest number of votes for each office duly elected. When it appears that more than the number of persons to be elected as presidential electors have the highest and an equal number of votes, the secretary of state, in the presence of the board shall decide by lot which of the persons shall be declared elected. The governor shall transmit to each person declared elected a certificate of election, signed by the governor, sealed with the state seal, and countersigned by the secretary of state. **(IMMEDIATELY AFTER THE CANVASS IS COMPLETED THE SECRETARY OF STATE SHALL CAUSE A STATEMENT OF THEIR ELECTION TO BE PUBLISHED IN ONE OR MORE OF THE DAILY NEWSPAPERS PUBLISHED IN ST. PAUL AND IN ONE OR MORE OF THE DAILY NEWSPAPERS PUBLISHED IN MINNEAPOLIS.)**

Sec. 3. Minnesota Statutes 1980, Section 201.061, as amended by Laws 1981, Chapter 29, Article II, Section 8, is amended to read:

Sec. 8. Minnesota Statutes 1980, Section 201.061, is amended to read:

201.061 [REGISTRATION ON OR BEFORE ELECTION DAY.]

Subdivision 1. **[PRIOR TO ELECTION DAY.]** At any time (BEFORE THE 20th DAY) *except during the 20 days immediately preceding any election*, an eligible voter or any individual who will be an eligible voter at the time of the next election may register to vote in the precinct in which the voter maintains residence by completing a registration card and submitting it in person or by mail to the county auditor of that county. A registration card that is postmarked no later than (11:59) 5:00 p.m. on the (20TH) 21st day preceding any election (OR RECEIVED ON THE NEXT WORKING DAY) shall be accepted. An improperly addressed or delivered registration card shall be

forwarded within two working days after receipt to the county auditor of the county where the voter maintains residence.

Subd. 2. [POLITICAL SUBDIVISION WITHOUT PERMANENT SYSTEM.] Subdivision 1 does not apply to eligible voters in any political subdivision which does not on July 1, 1973 have a permanent system of voter registration unless the governing body of that political subdivision by ordinance or resolution elects to come under the provisions of subdivision 1. The decision to allow preregistration may not be rescinded.

Subd. 3. [ELECTION DAY REGISTRATION.] Any individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration card, making an oath in the form prescribed by the secretary of state and providing proof of residence. An individual may prove residence for purposes of registering by:

(1) Showing his drivers license or Minnesota identification card issued pursuant to section 171.07;

(2) Showing any document approved by the secretary of state as proper identification; or

(3) Having a voter who is registered to vote in the precinct sign an oath in the presence of the election judge stating that he personally knows that the individual is a resident of the precinct. No individual who registers to vote on election day by proving residence as provided in clause (3) shall provide proof of residence for any other individual on that election day.

A county or municipality may require that an election judge responsible for election day registration initial each completed registration card.

Subd. 4. [REGISTRATION BY ELECTION JUDGES; PROCEDURES.] Registration at the polling place on election day shall be conducted by the election judges. The election judge who registers an individual at the polling place on election day shall not handle that voter's ballots at any time prior to the opening of the ballot box after the voting ends. Registration cards and forms for oaths shall be available at each polling place. If an individual who registers on election day proves residence by oath of a registered voter, the form containing the oath shall be attached to the individual's registration card until his address is verified by the county auditor. Registration cards completed on election day shall be forwarded to the county auditor who shall add the name of each voter to the registration system unless the information forwarded is substantially deficient. A county auditor who finds an election day registration substantially deficient shall give written notice to the individual whose registration is found deficient. An election day registra-

tion shall not be found deficient solely because the individual who provided proof of residence was ineligible to do so.

Subd. 5. [UNREGISTERED VOTERS; PENALTY.] No election judge in any precinct in which registration is required may receive the vote at any election of any individual whose name is not registered in a manner specified in Article II, Section 6, Subdivision 1 or not recorded under Article III, Section 19. A violation of this subdivision is a felony.

Subd. 6. [PRECINCT MAP.] Except as otherwise provided by this subdivision, the county auditor shall provide each precinct with an accurate precinct map or precinct finder to assist the election judges in determining whether an address is located in that precinct. A county auditor may delegate this responsibility as provided in Article II, Section 24, Subdivision 4, to a municipal clerk who prepares precinct maps as provided in Article IV, Section 14, Subdivision 5.

Subd. 7. [RECORD OF ATTEMPTED REGISTRATIONS.] The election judge responsible for election day registration shall attempt to keep a record of the number of individuals who attempt to register on election day but who cannot provide proof of residence as required by this section. The record shall be forwarded to the county auditor with the election returns for that precinct.

Sec. 4. Minnesota Statutes 1980, Section 206.20, Subdivision 2, as amended by Laws 1981, Chapter 29, Article VII, Section 20, is amended to read:

Sec. 20. Minnesota Statutes 1980, Section 206.20, Subdivision 2, is amended to read:

Subd. 2. For the instruction of the voters there shall be, so far as practicable in each polling place, at least one mechanical model being a mechanical reproduction of a portion of the face of the voting machine. The model shall be located during the election in some place which the voter must pass to reach the machine. Every voter before entering the booth shall be instructed regarding its operation. The instruction shall be illustrated on the model and the voter given the opportunity to personally operate the model. The voter's attention shall also be called to the diagram (ON) of the face of the machine so that the voter becomes familiar with the location of the questions and the names of the offices and candidates. At least one election judge shall remain in constant attendance at the instruction model and diagram and occupy himself at all times with the duties of instructing the voters. If any voter after entering the voting machine booth asks for additional instruction in operating the machine the instruction shall be given him by two election judges who are members of different major political parties, if such there be. After giving instruction the election judges shall retire from the voting machine booth and the voter

shall thereafter proceed to vote alone and in secrecy. If any voter at a primary after entering the voting machine booth and setting the primary lever of a major political party so as to release the candidates of that party for voting, and turning down levers over the names of candidates, but before recording the votes for any candidates, states to the election judges that he wishes to enter the primary of a different major political party, the entire election board shall go to the machine and shall see that all voting levers have been returned to the unvoted position so that no votes may be cast for any candidates or for or against any questions or other propositions, and the voter shall then be permitted to return the operating lever to its original position and start from the beginning once more. In each such case the entire election board shall sign a certificate stating what was done and the certificate shall be returned with the official returns of the primary.

Sec. 5. Laws 1981, Chapter 29, Article IV, Section 28, is amended to read:

Sec. 28. [204B.28] [CLERKS; ELECTION SUPPLIES; DUTIES.]

Subdivision 1. [TRAINING PROGRAM FOR ELECTION OFFICIALS.] Before each state primary, each county auditor shall conduct a training program for local election officials. The county auditor may require the municipal clerks and the chairmen of the election boards in the county to meet for this training program *before the election* at a time and place set by the county auditor. The training program shall include instruction in election procedures and the duties of municipal clerks and election judges. The chairmen of the election boards shall be compensated by the municipalities for the incidental expenses incurred by them to attend a training program.

Subd. 2. [ELECTION SUPPLIES; DUTIES OF COUNTY AUDITORS AND CLERKS.] Except as otherwise provided for absentee ballots in Article IV, Section 35, Subdivision 4, the county auditor shall complete the preparation of the election materials for which he is responsible at least one week before every state primary and state general election. At any time after all election materials are available from the county auditor but not later than one week before the election each municipal clerk shall secure from the county auditor:

(a) The forms that are required for the conduct of the election;

(b) Any printed voter instruction materials furnished by the secretary of state;

(c) Any other instructions for election officers; and

(d) A sufficient quantity of the official ballots, ballot boxes, registers, registration files, envelopes for ballot returns, and other supplies and materials required for each precinct in order to comply with the provisions of the Minnesota election law. The county auditor may furnish the election supplies to the municipal clerks in the same manner as the supplies are furnished to precincts in unorganized territory pursuant to Article IV, Section 29, Subdivision 1.

Sec. 6. Laws 1981, Chapter 29, Article V, Section 10, is amended to read:

Sec. 10. [204C.10] [PERMANENT REGISTRATION; COMPLETION OF VOTER CERTIFICATES; VERIFICATION OF REGISTRATION.]

In election precincts with a permanent registration system, an individual seeking to vote shall print his name and address on a certificate which states that the individual *is at least 18 years of age, a citizen of the United States, has resided in Minnesota for 20 days immediately preceding the election, certifies that he resides at the address shown, is not under guardianship of the person, has not been adjudicated insane or convicted of a felony without having civil rights restored, is registered and will be voting only in that precinct. The individual shall then sign the certificate.*

An election judge shall compare the signature on the voter's certificate with the signature as it appears on the duplicate registration card *and the address with the address on the duplicate registration card.* If the election judge is satisfied that the signatures are the same, the election judge shall initial the certificate and record the fact of voting on the back of the duplicate registration card. The initialed certificate shall be handed to the voter, who shall deliver it to the election judge in charge of ballots as proof of the right to vote.

Sec. 7. Laws 1981, Chapter 29, Article V, Section 24, is amended to read:

Sec. 24. [204C.24] [ELECTION RETURNS; SUMMARY STATEMENTS.]

Subdivision 1. [INFORMATION REQUIREMENTS.] Notwithstanding the provisions of Minnesota Statutes, Sections 206.185, Subdivision 5; and 206.21, Subdivisions 1 and 2, precinct summary statements shall be submitted by the election judges in every precinct. The election judges shall complete three or more copies of the summary statements, and each copy shall contain the following information for each kind of ballot:

(a) The number of votes each candidate received or the number of yes and no votes on each question, the number of partially blank ballots and the number of partially defective ballots with respect to each office or question;

(b) The number of totally blank ballots, the number of totally defective ballots, the number of spoiled ballots, and the number of unused ballots;

(c) The number of individuals who voted at the election in the precinct;

(d) In counties with permanent registration, the number of voters registered before the polling place opened and the number of voters registering on election day in that precinct; and

(e) The signatures of the election judges who counted the ballots certifying that the national flag was displayed on a suitable staff during voting hours; that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question.

Subd. 2. [SEALING IN ENVELOPES.] The election judges shall place a full set of completed summary statements in each of three separate envelopes and seal them so that the envelopes cannot be opened without leaving evidence that they have been opened. The election judges shall then sign each envelope over the sealed part so that no envelope can be opened without disturbing the continuity of the signatures. Each of the envelopes shall show substantially the following information on its face:

"Summary statements of the returns of the election precinct, (Town) or (City) of , in the County of , State of Minnesota".

Sec. 8. Laws 1981, Chapter 29, Article V, Section 26, is amended to read:

Sec. 26. [204C.26] [SUMMARY STATEMENTS AND ENVELOPES FOR BALLOT RETURNS; ELECTION OFFICIALS TO FURNISH.]

Subdivision 1. [SUMMARY STATEMENTS.] Each official responsible for printing ballots shall furnish three or more blank summary statement forms for the returns of those ballots for each precinct. The blank summary statement forms shall be furnished at the same time and in the same manner as the ballots. The county auditor shall furnish blank summary statement forms containing separate space for the summary statement of

the returns of the white ballot and the summary statement of the returns for the state pink ballot.

Subd. 2. [SUMMARY STATEMENTS; CONTENTS.] The blank summary statement forms furnished to each precinct shall identify the precinct, ward number if any, city or town, date, and kind of election and, under appropriate headings identifying each color ballot, shall contain spaces for the election judges to enter the information required by Article V, Section 24, Subdivision 1.

Each blank summary statement form shall also contain a certificate to be signed by the election judges stating that the national flag was displayed on a suitable staff during voting hours; that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question.

Subd. 3. [SECRETARY OF STATE.] On or before July 1 of each even numbered year, the secretary of state shall prescribe the form for summary statements of election returns and the methods by which returns for the state primary and state general election shall be recorded by precinct, county, and state election officials. Each county auditor and municipal clerk required to furnish summary statements shall prepare them in the manner prescribed by the secretary of state. The summary statement of the primary returns shall be in the same form as the summary statement of the general election returns except that a separate part of the summary statement shall be provided for the partisan primary ballot and a separate part for the non-partisan primary ballot.

Subd. 4. [ENVELOPES FOR COUNTED BALLOTS.] Each official responsible for printing ballots shall also furnish envelopes to contain those ballots after they have been counted. The envelopes shall be made of heavy paper (OF THE SAME COLOR AS), *printed or marked to distinguish the color of* the ballots to be contained in them. They shall be of convenient size to hold the ballots and shall be furnished at the same time and in the same manner as the ballots.

Sec. 9. Laws 1981, Chapter 29, Article VI, Section 15, is amended to read:

Sec. 15. [204D.15] [PINK BALLOT; FORM; DISTRIBUTION; SAMPLE BALLOT.]

Subdivision 1. [TITLES FOR CONSTITUTIONAL AMENDMENTS.] The secretary of state shall provide an appropriate title for each question printed on the pink ballot. The title shall be approved by the attorney general, and shall consist of not

more than one printed line above the question to which it refers. At the top of the ballot just below the heading, a conspicuous notice shall be printed stating that a voter's failure to vote on a constitutional amendment has the effect of a negative vote.

Subd. 2. [DISTRIBUTION.] The pink ballot shall be provided in groups of 50. At least 15 days before the state general election the secretary of state shall forward to the county auditor of each county sufficient ballots to enable the county auditor to comply with the absentee voting provisions of Article IV, Section 28, Subdivision 2. The county auditor shall give a receipt to the secretary of state stating the number of pink ballots and the date when they were received.

Subd. 3. [SAMPLE PINK BALLOT.] Four weeks before the state general election the secretary of state shall file sample copies of the pink ballot in his office for public inspection. Three weeks before the state general election the secretary of state shall mail sample copies of the pink ballot to each county auditor. *Each auditor shall post the sample ballot in a conspicuous place in the auditor's office.*

Sec. 10. Laws 1981, Chapter 29, Article VI, Section 16, is amended to read:

Sec. 16. [204D.16] [SAMPLE GENERAL ELECTION BALLOTS; POSTING; PUBLICATION.]

Two weeks before the state general election the county auditor shall prepare sample copies of the white and canary ballots and shall post copies of these sample ballots and a sample of the pink ballot in his office for public inspection. (AT LEAST ONE WEEK) *No earlier than 15 days and no later than two days before the state general election the county auditor shall cause the sample white, canary and pink ballots to be published in at least one newspaper of general circulation in the county.*

Sec. 11. [REPEALER.]

Minnesota Statutes 1980, Section 201.18, as amended by Laws 1981, Chapter 29, Article II, Section 21, is repealed."

Further, delete the title and insert:

"A bill for an act relating to elections; changing certain procedures and requirements relating to elections; amending Minnesota Statutes 1980, Sections 208.03; and 208.05; Minnesota Statutes 1980, Sections 201.061, as amended by Laws 1981, Chapter 29, Article II, Section 8; and 206.20, Subdivision 2, as amended by Laws 1981, Chapter 29, Article VII, Section 20; Laws 1981, Chapter 29, Article IV, Section 28; Article V, Sections 10, 24,

and 26; Article VI, Sections 15 and 16; repealing Minnesota Statutes 1980, Section 201.18, as amended by Laws 1981, Chapter 29, Article II, Section 21."

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

S. F. No. 99, A bill for an act relating to elections; changing certain procedures and requirements relating to elections; amending Minnesota Statutes 1980, Sections 201.061, Subdivisions 1 and 3; 203A.13; 203A.31, Subdivision 3; 203A.32, Subdivision 3; 203A.33, Subdivision 4; 204A.14; 204A.29; 204A.34, Subdivision 2; 204A.44, Subdivision 1; 204A.45, Subdivision 1; 204A.47, Subdivision 1; 204A.49, Subdivision 1; 206.03; 206.20, Subdivision 2; 207.08, Subdivision 2; 208.03; and 208.05; repealing Minnesota Statutes 1980, Section 201.18.

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 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Fjoslien | Lehto | Onnen | Skoglund |
| Anderson, B. | Forsythe | Lemen | Otis | Stadum |
| Anderson, G. | Friedrich | Levi | Peterson, B. | Staten |
| Anderson, I. | Greenfield | Ludeman | Peterson, D. | Stowell |
| Anderson, R. | Gruenes | Luknic | Piepho | Stumpf |
| Battaglia | Gustafson | Mann | Pogemiller | Sviggum |
| Blatz | Hanson | Marsh | Redalen | Swanson |
| Brandl | Harens | McCarron | Reding | Tomlinson |
| Brinkman | Hauge | McDonald | Rees | Valan |
| Byrne | Heap | McEachern | Reif | Valento |
| Carlson, D. | Himle | Mehrkens | Rice | Vanasek |
| Carlson, L. | Hoberg | Metzen | Rodriguez, C. | Vellenga |
| Clark, J. | Hokanson | Minne | Rodriguez, F. | Weaver |
| Clark, K. | Jacobs | Munger | Rose | Welch |
| Clawson | Johnson, C. | Murphy | Rothenberg | Welker |
| Dahlvang | Johnson, D. | Nelsen, B. | Samuelson | Wenzel |
| Dean | Jude | Nelson, K. | Sarna | Wigley |
| Dempsey | Kahn | Niehaus | Schafer | Wynia |
| Drew | Kaley | Norton | Schreiber | Zubay |
| Eken | Kalis | Novak | Shea | Spkr. Sieben, H. |
| Elioff | Kelly | Nysether | Sherman | |
| Erickson | Knickerbocker | O'Connor | Sherwood | |
| Esau | Kostohryz | Ogren | Sieben, M. | |
| Evans | Kvam | Olsen | Simoneau | |

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

S. F. No. 159, A bill for an act relating to transportation; providing for the allocation of federal aid secondary funds; and the full utilization of those funds; amending Minnesota Statutes 1980, Section 161.086.

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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Evans | Knickerbocker | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Kostohryz | Onnen | Skoglund |
| Anderson, G. | Forsythe | Kvam | Otis | Stadum |
| Anderson, I. | Friedrich | Lehto | Peterson, B. | Staten |
| Anderson, R. | Greenfield | Lemen | Peterson, D. | Stowell |
| Battaglia | Gruenes | Levi | Piepho | Stumpf |
| Begich | Gustafson | Ludeman | Pogemiller | Sviggunn |
| Blatz | Hanson | Luknic | Redalen | Swanson |
| Brandl | Harens | Mann | Reding | Tomlinson |
| Brinkman | Hauge | Marsh | Rees | Valan |
| Byrne | Haukoos | McCarron | Reif | Valento |
| Carlson, D. | Heap | McDonald | Rice | Vanasek |
| Carlson, L. | Heinitz | McEachern | Rodriguez, C. | Vellenga |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dean | Jennings | Murphy | Sarna | Wigley |
| Dempsey | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Den Ouden | Johnson, D. | Nelson, K. | Schreiber | Zubay |
| Drew | Jude | Niehaus | Searles | Spkr. Sieben, H. |
| Eken | Kahn | Norton | Shea | |
| Elioff | Kaley | Novak | Sherman | |
| Erickson | Kalis | Nysether | Sherwood | |
| Esau | Kelly | Ogren | Sieben, M. | |

The bill was passed and its title agreed to.

Eken moved that the House advance to the order of business "Motions and Resolutions". The motion prevailed. Pursuant to Rules of the House S. F. Nos. 513 and 732 were returned from Special Orders to General Orders.

MOTIONS AND RESOLUTIONS

Anderson, G., moved that the name of Wigley be stricken and the name of Rodriguez, C., be added as an author on H. F. No. 553. The motion prevailed.

Schreiber moved that his name be stricken as an author on H. F. No. 900. The motion prevailed.

There being no objection the order of business reverted to Petitions and Communications.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 7, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 972, relating to financial institutions; increasing the percentage of capital and surplus a bank or trust company may invest in the stock of certain banks or bank holding companies;

H. F. No. 13, relating to criminal procedure, providing officers of the United States customs service and the immigration and naturalization service with the arrest powers of peace officers;

H. F. No. 90, relating to administrative rules; clarifying which rules have the force of law;

H. F. No. 150, relating to parks; removing authority to lease certain lands within Tettegouche state park;

H. F. No. 272, relating to administrative rules; clarifying certain powers and duties of the legislative commission to review administrative rules;

H. F. No. 467, relating to motor vehicles; authorizing identification of certain tax exempt vehicles use of removable plates or placards;

H. F. No. 937, relating to the city of Duluth; authorizing the city to continue to issue the number of liquor licenses it was authorized to issue in the year 1980.

H. F. No. 574, relating to intoxicating liquor; authorizing the issuance of one off-sale license in the town of Tofte.

H. F. No. 222, relating to families; designating an American family day; proposing new law coded in Minnesota Statutes, Chapter 517.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 7, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 1047 | | 107 | May 7 | May 7 |
| | 13 | 108 | May 7 | May 7 |
| | 90 | 109 | May 7 | May 7 |
| | 150 | 110 | May 7 | May 7 |
| | 222 | 111 | May 7 | May 7 |
| | 272 | 112 | May 7 | May 7 |
| | 467 | 113 | May 7 | May 7 |
| | 574 | 114 | May 7 | May 7 |
| | 937 | 115 | May 7 | May 7 |
| | 972 | 116 | May 7 | May 7 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m. Friday, May 8, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Friday, May 8, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTIETH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 8, 1981

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

Prayer was offered by Pastor Susan Hedahl, Lutheran Church of Peace, Maplewood, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherman |
| Ainley | Evans | Kelly | O'Connor | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, R. | Friedrich | Laidig | Osthoff | Staten |
| Battaglia | Greenfield | Lehto | Otis | Stowell |
| Begich | Gruenes | Lemen | Peterson, B. | Stumpf |
| Berkelman | Gustafson | Levi | Peterson, D. | Sviggum |
| Blatz | Halberg | Long | Piepho | Swanson |
| Brandl | Hanson | Ludeman | Pogemiller | Tomlinson |
| Brinkman | Harens | Luknic | Redalen | Valan |
| Byrne | Hauge | Mann | Reding | Valento |
| Carlson, D. | Haukoos | Marsh | Rees | Vanasek |
| Carlson, L. | Heap | McCarron | Reif | Vellenga |
| Clark, J. | Heinitz | McDonald | Rice | Voss |
| Clark, K. | Himle | McEachern | Rodriguez, C. | Weaver |
| Clawson | Hoberg | Mehrkens | Rodriguez, F. | Welch |
| Dahlvang | Hokanson | Metzen | Rose | Welker |
| Dean | Hokr | Minne | Rothenberg | Wenzel |
| Dempsey | Jacobs | Munger | Samuelson | Wieser |
| Den Ouden | Jennings | Murphy | Sarna | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Eken | Johnson, D. | Nelson, K. | Schoenfeld | Zubay |
| Elioff | Jude | Niehaus | Schreiber | Spkr. Sieben, H. |
| Ellingson | Kahn | Norton | Searles | |
| Erickson | Kaley | Novak | Shea | |

A quorum was present.

Stadum was excused until 11:30 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dis-

pensed 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. 477, 1478, 1445, 750, 900, 1346, 1448, 184, 284, 493, 1163 and 1223 and S. F. Nos. 118, 980, 1079, 1237, 1243, 1323, 1265 and 1305 have been placed in the members' files.

S. F. No. 118 and H. F. No. 61, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Luknic moved that the rules be so far suspended that S. F. No. 118 be substituted for H. F. No. 61 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1323 and H. F. No. 1375, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Battaglia moved that the rules be so far suspended that S. F. No. 1323 be substituted for H. F. No. 1375 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1184, A bill for an act relating to the city of Falcon Heights; authorizing the imposition of a tax on the gross receipts of amusements within the city limits.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, 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, 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 *unless the lessee or user owns a permanent structure or structures attached to the leased premises and the primary use is for commercial purposes*, 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, 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 leased or used jointly by two or more persons, each lessee or user shall be jointly and severally liable for payment of the tax.

Sec. 2. Minnesota Statutes 1980, Section 273.13, is amended by adding a subdivision to read:

Subd. 7d. [LEASED HOMESTEAD PROPERTY.] Class 3g consists of all buildings and appurtenances located upon land owned by the occupant and used for the purposes of a homestead together with the land upon which they are located shall be valued and assessed as if they were homestead property within the scope of class 3c or 3cc, whichever is applicable, if all of the following criteria are met:

(a) *the occupant is using such property as his permanent residence; and*

(b) *the occupant is paying the ad valorem property taxes and any special assessments levied against such property; and*

(c) *the occupant has signed a lease which has an option to purchase the buildings and appurtenances; and*

(d) *the term of the lease is at least five years.*

Any taxpayer meeting all the requirements herein must notify the county assessor, or the assessor who has the powers of the

county assessor pursuant to section 273.063, in writing, prior to September 1, 1981 and in future years, as soon as possible after signing the lease agreement and occupying the buildings as his homestead.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective for taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Taxpayers who meet the requirements in section 2 and who notify the assessor prior to September 1, 1981, shall receive homestead classification on the qualifying property for the 1981 assessment to the same extent as other 3c and 3cc property."

Delete the title and insert:

"A bill for an act relating to taxation; providing for taxation of certain leased fairground property; providing for homestead classification of certain leased premises; amending Minnesota Statutes 1980, Sections 272.01, Subdivision 2; and 273.13, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1478 and 1184 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 118 and 1323 were read for the second time.

**INTRODUCTION AND FIRST READING
OF HOUSE BILLS**

The following House Files were introduced:

Berkelman; Murphy; Nelsen, B.; Ainley and Wenzel introduced:

H. F. No. 1479, A bill for an act relating to public utilities; prohibiting city jurisdiction over securities or indebtedness of a utility; amending Minnesota Statutes 1980, Sections 216B.36; and 216B.49, Subdivision 5.

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

Hanson introduced :

H. F. No. 1480, A bill for an act relating to metropolitan government; eliminating the requirement that certain commissions reimburse the metropolitan council for certain costs; repealing Minnesota Statutes 1980, Sections 473.164 and 473.595, Subdivision 4.

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

Hanson introduced :

H. F. No. 1481, A bill for an act relating to transit; eliminating certain requirements from the metropolitan transit commission; amending Minnesota Statutes 1980, Section 473.164, Subdivision 1.

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

Kalis; Nelsen, B., and Dempsey introduced :

H. F. No. 1482, A bill for an act relating to public welfare; removing certain exceptions from the authority of the state and counties to file liens against the property of persons receiving medical assistance; amending Minnesota Statutes 1980, Sections 256B.15; and 510.05.

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

Reding introduced :

H. F. No. 1483, A bill for an act relating to retirement; computation of benefits for correctional officers receiving social security payments; repealing Minnesota Statutes 1980, Section 352.93, Subdivision 3.

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

Anderson, R., and Forsythe were excused while in conference committee.

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. 6, A bill for an act relating to commerce; prohibiting the sale of certain petroleum products on any basis other than gross volume; amending Minnesota Statutes 1980, Section 296.05, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate substituted Mr. Tennesen for Ms. Berglin on the Conference Committee to H. F. No. 1446:

H. F. No. 1446, A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 16.851, by adding a subdivision; 144A.08, by adding a subdivision; 145.913, by adding a subdivision; 145.914, Subdivision 2; 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 245.802, by adding a subdivision; 245.812, by adding a subdivision; 245.84, Subdivision 2; 246.151; 246.54; 256.76, Subdivision 1; 256.87; 256.872; 256.873; 256.875; 256.877; 256B.02, Subdivision 8; 256B.03; 256B.06, Subdivision 1; 256B.-08; 256B.15; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 8; 256D.03, Subdivisions 2 and 3, and by adding a subdivision; 256D.04; 256D.05, Subdivisions 1 and 4, and by adding a subdivision; 256D.06, Subdivisions 1 and 2, and by adding a subdivision; 256D.14; 260.311, Subdivision 5; 261.23; 393.07, Subdivision 10; 401.04; 401.12; 517.08, Subdivision 1b, and by adding a subdivision; 518.54, by adding subdivisions; 518.551; and 518.611; 518.64, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 144; 145; 241; 245; 256D; and 609; repealing Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.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, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 979, A bill for an act relating to health; encouraging philanthropic support of hospitals; providing that funds derived from specified types of gifts or grants shall not be deducted from the operating costs of a hospital; proposing new law coded in Minnesota Statutes, Chapter 144.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Norton moved that the House concur in the Senate amendments to H. F. No. 979 and that the bill be repassed as amended by the Senate.

Carlson, L., moved that the House refuse to concur in the Senate amendments to H. F. No. 979, 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 Norton motion that the House concur in the Senate amendments to H. F. No. 979 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 979, A bill for an act relating to health; encouraging philanthropic support of hospitals; providing that funds derived from specified types of gifts or grants shall not be deducted from the operating costs of a hospital; granting a hospital a specific waiver from certificate of need requirements; proposing new law coded in Minnesota Statutes, Chapter 144.

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:

| | | | | |
|--------------|-----------|------------|---------------|-----------|
| Ainley | Clark, K. | Friedrich | Jacobs | Levi |
| Anderson, B. | Clawson | Greenfield | Jennings | Long |
| Anderson, G. | Dahlvang | Gruenes | Johnson, C. | Ludeman |
| Anderson, I. | Dean | Gustafson | Johnson, D. | Luknic |
| Battaglia | Dempsey | Halberg | Jude | Mann |
| Begich | Den Ouden | Hanson | Kahn | Marsh |
| Berkelman | Drew | Harens | Kaley | McCarron |
| Blatz | Eken | Hauge | Kalis | McDonald |
| Brandl | Elioff | Haukoos | Kelly | McEachern |
| Brinkman | Ellingson | Heinitz | Knickerbocker | Mehrkens |
| Byrne | Erickson | Himle | Kostohryz | Metzen |
| Carlson, D. | Esau | Hoberg | Laidig | Minne |
| Carlson, L. | Evans | Hokanson | Lehto | Munger |
| Clark, J. | Fjoslien | Hokr | Lemen | Murphy |

| | | | | |
|------------|---------------|------------|-----------|------------------|
| Nelsen, B. | Peterson, D. | Samuelson | Skoglund | Voss |
| Nelson, K. | Piepho | Sarna | Staten | Weaver |
| Niehaus | Pogemiller | Schafer | Stowell | Welch |
| Norton | Redalen | Schoenfeld | Stumpf | Wenzel |
| Novak | Reding | Schreiber | Sviggum | Wieser |
| Nysether | Rees | Searles | Swanson | Wigley |
| O'Connor | Reif | Shea | Tomlinson | Wynia |
| Ogren | Rice | Sherman | Valan | Zubay |
| Onnen | Rodriguez, C. | Sherwood | Valento | Spkr. Sieben, H. |
| Osthoff | Rodriguez, F. | Sieben, M. | Vanasek | |
| Otis | Rose | Simoneau | Vellenga | |

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. 276, A bill for an act relating to juveniles; prescribing the elements of a prima facie case for referring a child to adult court for criminal prosecution; amending Minnesota Statutes 1980, Section 260.125, Subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 276 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 276, A bill for an act relating to juveniles; prescribing the elements of a prima facie case for referring a child to adult court for criminal prosecution; amending Minnesota Statutes 1980, Sections 260.125, Subdivision 3; and 480.0595.

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 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|------------|----------|
| Ainley | Byrne | Den Ouden | Fjoslien | Hauge |
| Anderson, B. | Carlson, D. | Drew | Friedrich | Haukoos |
| Anderson, G. | Carlson, L. | Eken | Greenfield | Heinitz |
| Battaglia | Clark, J. | Elioff | Gruenes | Himle |
| Begich | Clark, K. | Erickson | Gustafson | Hoberg |
| Berkelman | Clawson | Esau | Halberg | Hokanson |
| Brandl | Dean | Evans | Hanson | Hokr |
| Brinkman | Dempsey | Ewald | Harens | Jacobs |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Jennings | Ludeman | Novak | Rose | Sviggum |
| Johnson, C. | Mann | Nysether | Samuelson | Swanson |
| Johnson, D. | Marsh | O'Connor | Sarna | Tomlinson |
| Jude | McCarron | Onnen | Schafer | Valan |
| Kahn | McDonald | Otis | Schoenfeld | Valento |
| Kaley | McEachern | Peterson, D. | Schreiber | Vanasek |
| Kalis | Mehrkens | Piepho | Searles | Vellenga |
| Kelly | Metzen | Pogemiller | Shea | Voss |
| Knickerbocker | Minne | Redalen | Sherman | Weaver |
| Kostohryz | Munger | Reding | Sherwood | Wenzel |
| Laidig | Murphy | Rees | Sieben, M. | Wieser |
| Lehto | Nelsen, B. | Reif | Simoneau | Wigley |
| Lemen | Nelson, K. | Rice | Skoglund | Wynia |
| Levi | Niehaus | Rodriguez, C. | Stowell | Zubay |
| Long | Norton | Rodriguez, F. | Stumpf | Spkr. Sieben, H. |

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. 665, A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Penny, Sikorski and Keefe 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 like committee.

PATRICK E. FLAHAVER, Secretary of the Senate

Swanson 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. 665. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 145, A bill for an act relating to crimes; authorizing notices of dishonored checks to be made by certified or regular

mail and an affidavit of service by mailing; amending Minnesota Statutes 1980, Section 609.535, Subdivision 3.

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. 145

A bill for an act relating to crimes; authorizing notices of dishonored checks to be made by certified or regular mail and an affidavit of service by mailing; amending Minnesota Statutes 1980, Section 609.535, Subdivision 3.

April 29, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 145, report that we have agreed upon the items in dispute and recommend as follows:

The House recede from its amendment and that S. F. No. 145 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 609.535, Subdivision 3, is amended to read:

Subd. 3. [PROOF OF INTENT.] Any of the following is evidence sufficient to sustain a finding that the person at the time he issued the check or other order for the payment of money, intended it should not be paid:

(1) Proof that, at the time of issuance, he did not have an account with the drawee; or

(2) Proof that, at the time of issuance, he did not have sufficient funds or credit with the drawee and that he failed to pay the check or other order within five business days after mailing of notice of nonpayment or dishonor as provided in this subdivision; or

(3) Proof that, when presentment was made within a reasonable time, the issuer did not have sufficient funds or credit with the drawee and that he failed to pay the check or other order within five business days after mailing of notice of non-payment or dishonor as provided in this subdivision.

Notice of nonpayment or dishonor shall be sent by the payee or holder of the check to the maker or drawer by certified mail, return receipt requested, or by regular mail, supported by an affidavit of service by mailing, to the address (OF RECORD) printed on the check. Refusal by the maker or drawer of the check to accept certified mail notice or failure to claim certified or regular mail notice shall not constitute a defense that notice was not received.

The notice may state that unless the check is paid in full within five business days after mailing of the notice of non-payment or dishonor, the payee or holder of the check or other order for the payment of money will or may refer the matter to proper authorities for prosecution under this section.

An affidavit of service by mailing shall be retained by the payee or holder of the check.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1981, and applies to all crimes committed on or after that date."

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

Senate Conferees: MEL FREDERICK, MYRTON O. WEGENER and WAYNE OLHOFT

House Conferees: RANDY C. KELLY, PAUL MCCARRON and O. J. HEINITZ.

Kelly moved that the report of the Conference Committee on S. F. No. 145 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 145, A bill for an act relating to crimes; authorizing notices of dishonored checks to be made by certified or regular mail and an affidavit of service by mailing; amending Minnesota Statutes 1980, Section 609.535, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Evans | Knickerbocker | O'Connor | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Fjoslien | Laidig | Onnen | Skoglund |
| Anderson, I. | Friedrich | Lehto | Osthoff | Stadum |
| Battaglia | Greenfield | Lemen | Otis | Staten |
| Begich | Gruenes | Levi | Peterson, D. | Stowell |
| Berkelman | Gustafson | Long | Piepho | Stumpf |
| Brandl | Halberg | Ludeman | Pogemiller | Sviggum |
| Brinkman | Hanson | Luknic | Redalen | Swanson |
| Byrne | Harens | Mann | Reding | Tomlinson |
| Carlson, D. | Hauge | Marsh | Rees | Valan |
| Carlson, L. | Haukoos | McCarron | Reif | Valento |
| Clark, J. | Heinitz | McDonald | Rice | Vanasek |
| Clark, K. | Himle | McEachern | Rodriguez, C. | Vellenga |
| Clawson | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Dahlvang | Hokanson | Metzen | Rose | Weaver |
| Dean | Jacobs | Minne | Samuelson | Welch |
| Dempsey | Jennings | Munger | Sarna | Welker |
| Den Ouden | Johnson, C. | Murphy | Schafer | Wenzel |
| Drew | Johnson, D. | Nelsen, B. | Schoenfeld | Wieser |
| Eken | Jude | Nelson, K. | Schreiber | Wigley |
| Elioff | Kahn | Niehaus | Searles | Wynia |
| Ellingson | Kaley | Norton | Shea | Zubay |
| Erickson | Kalis | Novak | Sherman | Spkr. Sieben, H. |
| Esau | Kelly | Nysether | Sherwood | |

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. 121, A bill for an act relating to statutory cities and urban towns; permitting publication of summaries of ordinances prior to enactment; amending Minnesota Statutes 1980, Sections 368.01, Subdivision 21; and 412.191, Subdivision 4.

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. 121

A bill for an act relating to statutory cities and urban towns; permitting publication of summaries of ordinances prior to enactment; amending Minnesota Statutes 1980, Sections 368.01, Subdivision 21; and 412.191, Subdivision 4.

April 29, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 121, 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. 121 be further amended as follows:

Page 1, line 16, delete "*complete text*" and insert "*title and a summary*"

Page 1, lines 16 and 17, delete "*is not worth the expense and that a summary*"

Page 1, line 19, delete "*unanimous*" and insert "*four-fifths*"

Page 1, line 19, after "*vote*" insert "*of its members*"

Page 1, line 20, after "*that*" insert "*a*" and delete "*copies*" and insert "*copy*"

Page 1, line 21, delete "*are*" and insert "*is*"

Page 1, line 21, delete "*to*" and insert "*for inspection by*"

Page 1, line 23, after the period insert "*A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the council designates.*"

Page 1, line 26, after the period, insert "*The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published.*"

Page 2, line 16, delete "*complete text*" and insert "*title and a summary*"

Page 2, line 17, delete "*is not worth the expense and that a summary*"

Page 2, line 19, delete "*unanimous*" and insert "*a four-fifths*"

Page 2, line 19, after "*vote*" insert "*of its members*"

Page 2, line 21, after "that" insert "a" and delete "copies" and insert "copy"

Page 2, line 21, delete "are" and insert "is"

Page 2, line 21, delete "to" and insert "for inspection by"

Page 2, line 23, delete "council" and insert "town board"

Page 2, line 23, after the period, insert "A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the town board designates."

Page 2, line 26, after the period, insert "The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published."

Amend the title as follows:

Page 1, line 2, after "to" insert "local government; permitting"

Page 1, lines 2 and 3, delete "; permitting publication of" and insert "to publish"

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

Senate Conferees: MYRTON O. WEGENER, JAMES C. FEHLER and DENNIS R. FREDERICKSON.

House Conferees: JOHN T. CLAWSON and CONNIE M. LEVI.

Clawson moved that the report of the Conference Committee on S. F. No. 121 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 121, A bill for an act relating to statutory cities and urban towns; permitting publication of summaries of ordinances prior to enactment; amending Minnesota Statutes 1980, Sections 368.01, Subdivision 21; and 412.191, 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 100 yeas and 19 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Ewald | Kaley | Novak | Sherman |
| Anderson, B. | Friedrich | Kalis | Nysether | Sherwood |
| Anderson, I. | Greenfield | Kelly | O'Connor | Sieben, M. |
| Berkelman | Gruenes | Kostohryz | Ogren | Simoneau |
| Blatz | Gustafson | Lehto | Olsen | Skoglund |
| Brandl | Hanson | Lemen | Onnen | Stadum |
| Byrne | Harens | Levi | Osthoff | Staten |
| Carlson, D. | Hauge | Long | Otis | Stowell |
| Carlson, L. | Haukoos | Ludeman | Piepho | Swanson |
| Clark, J. | Heap | Luknic | Pogemiller | Tomlinson |
| Clawson | Heinitz | Mann | Reding | Valan |
| Dahlvang | Himle | McCarron | Rees | Vellenga |
| Dempsey | Hoberg | McDonald | Reif | Voss |
| Den Ouden | Hokanson | Minne | Rodriguez, C. | Weaver |
| Drew | Hokr | Munger | Rodriguez, F. | Welch |
| Eken | Jacobs | Murphy | Rose | Welker |
| Ellingson | Jennings | Nelsen, B. | Samuelson | Wenzel |
| Erickson | Johnson, D. | Nelson, K. | Schafer | Wynia |
| Esau | Jude | Niehaus | Schreiber | Zubay |
| Evans | Kahn | Norton | Searles | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|-------------|--------------|--------------|--------|
| Ainley | Elioff | Marsh | Peterson, D. | Stumpf |
| Battaglia | Fjoslien | McEachern | Sarna | Wieser |
| Begich | Johnson, C. | Metzen | Schoenfeld | Wigley |
| Dean | Kvam | Peterson, B. | Shea | |

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

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 445, A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Tennesen, Davies and Stumpf 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Blatz 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. 445. The motion prevailed.

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. 182, A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes 1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

The Senate has appointed as such committee Messrs. Peterson, C. C.; Bang and Tennesen.

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. 407, A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's

insurance guaranty association act; amending Minnesota Statutes 1980, Section 60C.09, Subdivision 1.

The Senate has appointed as such committee Messrs. Stern, Bang and Davies.

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. 98, A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 7.

The Senate has appointed as such committee Messrs. Humphrey, Waldorf and Bernhagen.

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. 829, A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

The Senate has appointed as such committee Messrs. Frank Merriam and Ms. Stokowski.

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. 473, A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

The Senate has appointed as such committee Messrs. Dahl, Dicklich and Taylor.

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. 126, A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map to show notification of an assessment area; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 378.

The Senate has appointed as such committee Messrs. Menning, Setzepfandt and Berg.

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. 70, A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a legislative

study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivisions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision; 124.247, Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

The Senate has appointed as such committee Messrs. Dieterich, Hughes, Merriam, Langseth and Olhoff.

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. 912, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 144.125; 144.653, Subdivision 1; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256B.15; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdi-

visions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 485.14; 508.37, by adding a subdivision; 518.155; 518.66; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; Laws 1980, Chapter 614, Section 163; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 508.37, Subdivision 1; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8.

The Senate has appointed as such committee Messrs. Hanson, Peterson, R. W. and Davies.

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 Files, herewith transmitted:

S. F. Nos. 1018 and 1262.

PATRICK E. FLAHAVEN, Secretary of the Senate

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 665:

Swanson, Greenfield and Kaley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 445:

Blatz, Rice and Kelly.

FIRST READING OF SENATE BILLS

S. F. No. 1018, A bill for an act relating to taxation; eliminating unnecessary language concerning a property tax exemption for cheese; amending Minnesota Statutes 1980, Sections 272.02, Subdivision 1; 273.115, Subdivisions 1, 2, and 3; and 273.116, Subdivisions 1 and 2.

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

S. F. No. 1262, A bill for an act relating to the Coon Creek watershed district; authorizing an annual administrative levy by the district.

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 582

A bill for an act relating to natural resources; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

May 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 582, 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. 582 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 84.90, Subdivision 4, is amended to read:

Subd. 4. It is unlawful for a person to post, mutilate, or remove any notice or sign provided in this section upon any lands or waters over which he has no right, title, interest, or license. It is unlawful for a person other than a duly constituted legal authority to so post any public lands, including but not limited to tax forfeited lands, as above described. *It is unlawful for a person to mutilate, destroy, damage, or remove any shelter, comfort station or other trail facility on any trail established on state owned land or on any recreational trail which is funded in whole or in part by state grant-in-aid funds.*

Sec. 2. [85.018] [TRAIL USE; VEHICLES REGULATED.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "trail" means a recreational trail, which is funded in whole or in part by state grant-in-aids to a local unit of government.

Subd. 2. [AUTHORITY OF LOCAL GOVERNMENT.] A local government unit that receives state grant-in-aids for any trail may:

(a) *Designate the trail for use by snowmobiles or for non-motorized use from December 1 to April 1 of any year; and*

(b) *Issue any permit required under subdivisions 3 to 5.*

Subd. 3. [MOTORIZED USE; PERMITS.] Motorized use of trails shall be allowed only by permit between April 2 and November 30 of any year. Permits shall require that permit holders return the trail and any associated facility to their original condition if any damage is done by the permittee. Limited permits for special events such as races may be issued and shall require the removal of any trail markers, banners and other material used in connection with the special event.

Subd. 4. [NONMOTORIZED TRAILS; WINTER.] From December 1 to April 1 of any year no motorized vehicle shall be operated on a trail designated for nonmotorized use such as ski touring or snowshoe use.

Subd. 5. [SNOWMOBILE TRAILS.] From December 1 to April 1 in any year no use of a motorized vehicle other than a snowmobile, unless authorized by permit, lease or easement, shall be permitted on a trail designated for use by snowmobiles.

Subd. 6. [EXCEPTIONS.] The following motor vehicles are exempt from the provisions of subdivisions 3 to 5:

(a) *military, fire, emergency or law enforcement vehicles used for official or emergency purposes;*

(b) *vehicles registered to the county, state or federal government;*

(c) *vehicles authorized by permit, lease or contract;*

(d) *vehicles owned by private citizens engaged in the upkeep and maintenance of the trail systems under the direction of the local unit of government which manages the trail; and*

(e) *vehicles registered to or operated with the permission of a land owner on whose lands the trail system has been constructed, but only with respect to operation on the land of that owner.*

Subd. 7. [STREETS AND HIGHWAYS.] This section does not apply to any portion of a trail located on any street or highway as defined in section 169.01.

Subd. 8. [ENFORCEMENT.] The provisions of this section may be enforced by officers of the department of natural resources as provided in section 97.50."

Amend the title as follows:

Page 1, line 3, after the first semicolon, insert "permitting conservation officers to enforce prohibitions of vandalism of shelters and facilities on state and local trails;"

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

House Conferees: JOSEPH R. BEGICH, DOUGLAS W. CARLSON and PHYLLIS L. KAHN.

Senate Conferees: GENE MERRIAM, BOB LESSARD and JOHN BERNHAGEN.

Begich moved that the report of the Conference Committee on H. F. No. 582 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 582, A bill for an act relating to natural resources; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

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:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kaley | Nysether | Shea |
| Ainley | Esau | Kalis | O'Connor | Sherman |
| Anderson, B. | Evans | Kelly | Olsen | Sherwood |
| Anderson, G. | Fjoslien | Knickerbocker | Onnen | Sieben, M. |
| Anderson, I. | Friedrich | Kostohryz | Osthoff | Simoneau |
| Battaglia | Greenfield | Kvam | Otis | Skoglund |
| Begich | Gruenes | Lehto | Peterson, B. | Stadum |
| Berkelman | Gustafson | Lemen | Peterson, D. | Stowell |
| Blatz | Halberg | Levi | Piepho | Stumpf |
| Brandl | Hanson | Long | Pogemiller | Sviggum |
| Brinkman | Harens | Ludeman | Redalen | Swanson |
| Byrne | Hauge | Mann | Reding | Tomlinson |
| Carlson, D. | Haukoos | Marsh | Rees | Valan |
| Carlson, L. | Heap | McCarron | Reif | Valento |
| Clark, J. | Heinitz | McDonald | Rice | Vanasek |
| Clark, K. | Himle | McEachern | Rodriguez, C. | Vellenga |
| Clawson | Hoberg | Metzen | Rodriguez, F. | Voss |
| Dahlvang | Hokanson | Minne | Rose | Weaver |
| Dean | Hokr | Munger | Rothenberg | Welch |
| Dempsey | Jacobs | Murphy | Samuelson | Welker |
| Den Ouden | Jennings | Nelsen, B. | Sarna | Wenzel |
| Drew | Johnson, C. | Nelson, K. | Schafer | Wieser |
| Eken | Johnson, D. | Niehaus | Schoenfeld | Wigley |
| Elioff | Jude | Norton | Schreiber | Wynia |
| Ellingson | Kahn | Novak | Searles | Spkr. Sieben, H. |

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

CONSIDERATION UNDER RULE NO. 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. Nos. 1474, 1475, 493, 900 and 477.

CALL OF THE HOUSE

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

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Clawson | Gruenes | Jude | Marsh |
| Ainley | Dahlvang | Gustafson | Kahn | McCarron |
| Anderson, B. | Dean | Halberg | Kaley | McEachern |
| Anderson, G. | Dempsey | Hanson | Kalis | Metzen |
| Anderson, I. | Den Ouden | Harens | Kelly | Minne |
| Battaglia | Drew | Haukoos | Knickerbocker | Munger |
| Begich | Eken | Heap | Kostohryz | Murphy |
| Berkelman | Elioff | Heinitz | Kvam | Nelsen, B. |
| Blatz | Ellingson | Himle | Laidig | Nelson, K. |
| Brandl | Erickson | Hoberg | Lehto | Niehaus |
| Brinkman | Esau | Hokanson | Lemen | Norton |
| Byrne | Evans | Hokr | Levi | Novak |
| Carlson, D. | Ewald | Jacobs | Long | O'Connor |
| Carlson, L. | Fjoslien | Jennings | Ludeman | Ogren |
| Clark, J. | Friedrich | Johnson, C. | Luknic | Olsen |
| Clark, K. | Greenfield | Johnson, D. | Mann | Onnen |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Osthoff | Rice | Sherman | Swanson | Wenzel |
| Peterson, B. | Rodriguez, C. | Sherwood | Tomlinson | Wieser |
| Peterson, D. | Rodriguez, F. | Sieben, M. | Valento | Wigley |
| Piepho | Rose | Simoneau | Vanasek | Wynia |
| Pogemiller | Rothenberg | Skoglund | Vellenga | Zubay |
| Redalen | Samuelson | Stadum | Voss | Spkr. Sieben, H. |
| Reding | Sarna | Staten | Weaver | |
| Rees | Schafer | Stowell | Welch | |
| Reif | Searles | Stumpf | Weiker | |

Carlson, L., 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 Speaker called Wynia to the Chair.

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

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, M., moved that those not voting be excused from voting. The motion did not prevail.

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

There were 96 yeas and 35 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Anderson, B. | Eken | Johnson, C. | Minne | Rees |
| Anderson, G. | Elioff | Johnson, D. | Munger | Rice |
| Anderson, I. | Ellingson | Jude | Murphy | Rodriguez, C. |
| Battaglia | Erickson | Kalis | Nelsen, B. | Rodriguez, F. |
| Begich | Evans | Kelly | Nelson, K. | Samuelson |
| Berkelman | Ewald | Knickerbocker | Norton | Sarna |
| Blatz | Greenfield | Kostohryz | Novak | Schoenfeld |
| Brandl | Gruenes | Laidig | Nysether | Shea |
| Brinkman | Gustafson | Lehto | O'Connor | Sherman |
| Byrne | Hanson | Long | Ogren | Sherwood |
| Carlson, D. | Harens | Luknic | Olsen | Sieben, M. |
| Carlson, L. | Hauge | Mann | Osthoff | Simoneau |
| Clark, J. | Haukoos | Marsh | Otis | Skoglund |
| Clark, K. | Heap | McCarron | Peterson, D. | Stadum |
| Clawson | Himle | McEachern | Piepho | Staten |
| Dahlvang | Hokanson | Mehrkens | Pogemiller | Stowell |
| Dean | Jacobs | Metzen | Reding | Stumpf |

| | | | | |
|-----------|----------|--------|-------|------------------|
| Swanson | Vanasek | Weaver | Wynia | Spkr. Sieben, H. |
| Tomlinson | Vellenga | Welch | | |
| Valan | Voss | Wenzel | | |

Those who voted in the negative were :

| | | | | |
|-----------|-----------|----------|--------------|---------|
| Aasness | Forsythe | Kaley | Onnen | Searles |
| Ainley | Friedrich | Kvam | Peterson, B. | Sviggum |
| Dempsey | Heinitz | Lemen | Redalen | Valento |
| Den Ouden | Hoberg | Levi | Reif | Welker |
| Drew | Hokr | Ludeman | Rose | Wieser |
| Esau | Jennings | McDonald | Rothenberg | Wigley |
| Fjoslien | Kahn | Niehaus | Schafer | Zubay |

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 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.

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

There were 114 yeas and 16 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ellingson | Jude | Norton | Shea |
| Anderson, B. | Erickson | Kahn | Novak | Sherman |
| Anderson, G. | Esau | Kaley | O'Connor | Sieben, M. |
| Anderson, I. | Evans | Kalis | Ogren | Simoneau |
| Anderson, R. | Ewald | Kelly | Olsen | Skoglund |
| Battaglia | Forsythe | Knickerbocker | Onnen | Stadum |
| Begich | Friedrich | Kostohryz | Osthoff | Staten |
| Berkelman | Greenfield | Laidig | Peterson, B. | Stowell |
| Blatz | Gruenes | Lehto | Peterson, D. | Stumpf |
| Brandl | Gustafson | Lemen | Pogemiller | Swanson |
| Brinkman | Halberg | Levi | Redalen | Tomlinson |
| Byrne | Hanson | Long | Reding | Valento |
| Carlson, D. | Harens | Luknic | Rees | Vanasek |
| Carlson, L. | Hauge | Mann | Rice | Vellenga |
| Clark, J. | Heap | McCarron | Rodriguez, C. | Voss |
| Clark, K. | Heinitz | McEachern | Rodriguez, F. | Weaver |
| Clawson | Himle | Mehrkens | Rose | Welch |
| Dahlvang | Hoberg | Metzen | Rothenberg | Wenzel |
| Dean | Hokanson | Minne | Samuelson | Wieser |
| Dempsey | Hokr | Munger | Sarna | Wynia |
| Drew | Jacobs | Murphy | Schoenfeld | Zubay |
| Eken | Johnson, C. | Nelsen, B. | Schreiber | Spkr. Sieben, H. |
| Elioff | Johnson, D. | Nelson, K. | Searles | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|----------|----------|--------|
| Ainley | Jennings | McDonald | Schafer | Welker |
| Den Ouden | Kvam | Niehaus | Sherwood | Wigley |
| Fjoslien | Ludeman | Nysether | | |
| Haukoos | Marsh | Reif | | |

The bill was passed and its title agreed to.

Eken 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.

CONSIDERATION UNDER RULE NO. 1.10, Continued

H. F. No. 493, A bill for an act relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money; amending Minnesota Statutes 1980, Sections 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; 429.021, Subdivision 1; and 474.02, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 16, 116H, 216B, 465, and 475.

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.

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

There were 90 yeas and 42 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|------------|---------------|
| Aasness | Clark, K. | Halberg | Kalis | Niehaus |
| Anderson, B. | Clawson | Hanson | Kelly | Norton |
| Anderson, G. | Dahlvang | Harans | Kostohryz | Novak |
| Anderson, I. | Dean | Hauge | Laidig | O'Connor |
| Battaglia | Drew | Heinitz | Lehto | Ogren |
| Begich | Eken | Himle | Lemen | Osthoff |
| Berkelman | Elioff | Hoberg | Long | Otis |
| Blatz | Ellingson | Hokanson | Mann | Peterson, D. |
| Brandl | Ewald | Hokr | McCarron | Pogemiller |
| Brinkman | Fjoslien | Jacobs | Metzen | Reding |
| Byrne | Forsythe | Johnson, C. | Minne | Rees |
| Carlson, D. | Greenfield | Johnson, D. | Munger | Rice |
| Carlson, L. | Gruenes | Jude | Murphy | Rodriguez, C. |
| Clark, J. | Gustafson | Kahn | Nelson, K. | Rodriguez, F. |

| | | | | |
|------------|------------|-----------|----------|------------------|
| Sarna | Sieben, M. | Staten | Valan | Welch |
| Schoenfeld | Simoneau | Stumpf | Vanasek | Wenzel |
| Shea | Skoglund | Swanson | Vellenga | Wynia |
| Sherman | Stadum | Tomlinson | Voss | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|--------------|------------|---------|
| Ainley | Jennings | Mehrkens | Rose | Valento |
| Anderson, R. | Kaley | Nelsen, B. | Rothenberg | Weaver |
| Dempsey | Knickerbocker | Nysether | Samuelson | Welker |
| Den Ouden | Kvam | Olsen | Schafer | Wieser |
| Erickson | Levi | Onnen | Schreiber | Wigley |
| Esau | Ludeman | Peterson, B. | Searles | Zubay |
| Evans | Luknic | Piepho | Sherwood | |
| Friedrich | Marsh | Redalen | Stowell | |
| Heap | McDonald | Reif | Svigvum | |

The bill was passed and its title agreed to.

H. F. No. 900 was reported to the House.

Voss, Valan and Nelsen, B., moved to amend H. F. No. 900, as follows:

Page 1, line 23, delete "\$31,320,000" and insert "\$30,320,000"

Page 5, line 2, delete "41" and insert "26"

Page 5, line 6, after "department" insert "*provided that these positions shall be used exclusively to provide only the following acquisition and development services associated with the projects of this section: landowner contact, land appraisal, appraisal review pursuant to Minnesota Statutes, Section 84.0271, landowner negotiation, land surveys, legal assistance, financial transactions, project coordination, surveys required for design, soil borings, engineering plans and specifications, contract administration and construction supervision*"

Page 5, line 6, delete "2,594,400" and insert "1,594,400"

The motion prevailed and the amendment was adopted.

Weaver moved to amend H. F. No. 900, as amended, as follows:

Page 4, line 36, delete "From" and insert "None"

Page 5, line 1, before "this" insert "of"

Page 5, line 1, after "appropriation" insert "to"

Page 5, line 2, delete "may employ not to exceed 41" and insert "*shall be used to employ*"

Line 4, of the Voss, Valan and Nelsen, B., amendment delete "*positions shall*" and insert "*funds*"

A roll call was requested and properly seconded.

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

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

There were 51 yeas and 78 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|------------|---------|
| Aasness | Friedrich | Kvam | Onnen | Stowell |
| Ainley | Gruenes | Levi | Piepho | Sviggum |
| Anderson, R. | Haukoos | Ludeman | Redalen | Valento |
| Carlson, D. | Heap | Luknic | Rees | Weaver |
| Dempsey | Heinitz | Marsh | Reif | Welker |
| Den Ouden | Himle | McDonald | Rose | Wigley |
| Drew | Hokr | Mehrkens | Rothenberg | Zubay |
| Esau | Jennings | Nelsen, B. | Schafer | |
| Evans | Johnson, D. | Niehaus | Searles | |
| Fjoslien | Kaley | Nysether | Sherwood | |
| Forsythe | Knickerbocker | Olsen | Stadum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Ellingson | Laidig | Osthoff | Skoglund |
| Anderson, I. | Ewald | Lehto | Otis | Stumpf |
| Battaglia | Greenfield | Lemen | Peterson, B. | Swanson |
| Begich | Gustafson | Long | Peterson, D. | Tomlinson |
| Berkelman | Hanson | Mann | Pogemiller | Valan |
| Brandl | Harens | McCarron | Reding | Vanasek |
| Brinkman | Hauge | McEachern | Rice | Vellenga |
| Byrne | Hoberg | Metzen | Rodriguez, C. | Voss |
| Carlson, L. | Hokanson | Minne | Rodriguez, F. | Welch |
| Clark, J. | Jacobs | Munger | Samuelson | Wenzel |
| Clark, K. | Johnson, C. | Murphy | Sarna | Wieser |
| Clawson | Jude | Nelson, K. | Schoenfeld | Wynia |
| Dahlvang | Kahn | Norton | Shea | Spkr. Sieben, H. |
| Dean | Kalis | Novak | Sherman | |
| Eken | Kelly | O'Connor | Sieben, M. | |

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

H. F. No. 900, A bill for an act relating to open space and recreation; authorizing the issuance of state bonds and expenditure of the proceeds for the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units and for the acquisition and betterment of state parks, trails, forest, fish and wildlife management, scientific and natural areas, water accesses,

wild, scenic and recreational rivers, and canoe and boating routes by the commissioner of natural resources; changing the terms of certain grants administered by the state planning agency; appropriating money; amending Minnesota Statutes 1980, Section 4.36, Subdivision 2; repealing Laws 1979, Chapter 301, Section 6, 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 84 yeas and 50 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Ellingson | Kalis | Norton | Sieben, M. |
| Anderson, I. | Evans | Kelly | Novak | Simoneau |
| Anderson, R. | Ewald | Knickerbocker | O'Connor | Skoglund |
| Battaglia | Greenfield | Kostohryz | Ogren | Staten |
| Begich | Gustafson | Laidig | Osthoff | Stowell |
| Berkelman | Halberg | Lehto | Otis | Stumpf |
| Brandl | Hanson | Lemen | Peterson, B. | Tomlinson |
| Byrne | Harens | Long | Peterson, D. | Valan |
| Carlson, L. | Hauge | Mann | Pogemiller | Vanasek |
| Clark, J. | Heap | McCarron | Reding | Vellenga |
| Clark, K. | Himle | McEachern | Rice | Voss |
| Clawson | Hoberg | Mehrrens | Rodriguez, C. | Welch |
| Dahlvang | Hokanson | Metzen | Rodriguez, F. | Wenzel |
| Dean | Jacobs | Munger | Rose | Wieser |
| Drew | Johnson, C. | Murphy | Rothenberg | Wynia |
| Eken | Jude | Nelsen, B. | Sarna | Spkr. Sieben, H. |
| Elioff | Kahn | Nelson, K. | Schoenfeld | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|----------|-----------|----------|
| Aasness | Fjoslien | Kvam | Onnen | Sherman |
| Ainley | Forsythe | Levi | Piepho | Sherwood |
| Anderson, G. | Friedrich | Ludeman | Redalen | Stadum |
| Blatz | Gruenes | Luknic | Rees | Sviggum |
| Brinkman | Haukoos | Marsh | Reif | Swanson |
| Carlson, D. | Heinitz | McDonald | Samuelson | Valento |
| Dempsey | Hokr | Minne | Schafer | Weaver |
| Den Ouden | Jennings | Niehaus | Schreiber | Welker |
| Erickson | Johnson, D. | Nysether | Searles | Wigley |
| Esau | Kaley | Olsen | Shea | Zubay |

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

H. F. No. 477, A bill for an act relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; increasing the bonding authority of the higher education coordinating board; expanding the career guidance program; providing exclusive property rights in certain records; providing for certification of status of tuition subsidy recipients; amending Minnesota Statutes 1980, Sections 136A.141; 136A.15, Subdivision 7; 136A.16, Subdivisions

3 and 4; 136A.17, Subdivisions 1, 4, and 10; 136A.171; 136A.85; 136A.86, Subdivisions 2, 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 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Novak | Searles |
| Ainley | Evans | Kelly | Nysether | Sherman |
| Anderson, B. | Ewald | Knickerbocker | O'Connor | Sherwood |
| Anderson, G. | Fjoslien | Kostohryz | Ogren | Sieben, M. |
| Anderson, I. | Friedrich | Kvam | Olsen | Simoneau |
| Anderson, R. | Greenfield | Laidig | Onnen | Skoglund |
| Battaglia | Gruenes | Lehto | Osthoff | Stadum |
| Begich | Gustafson | Lemen | Otis | Staten |
| Berkelman | Halberg | Levi | Peterson, B. | Stowell |
| Blatz | Hanson | Long | Peterson, D. | Stumpf |
| Brandl | Harens | Ludeman | Piepho | Svigum |
| Brinkman | Hauge | Luknic | Pogemiller | Swanson |
| Byrne | Haukoos | Mann | Redalen | Tomlinson |
| Carlson, D. | Heap | Marsh | Reding | Valan |
| Carlson, L. | Heinitz | McCarron | Rees | Valento |
| Clark, J. | Himle | McDonald | Reif | Vanasek |
| Clawson | Hoberg | McEachern | Rice | Voss |
| Dahlvang | Hokanson | Mehrkens | Rodriguez, C. | Weaver |
| Dean | Hokr | Metzen | Rodriguez, F. | Welch |
| Dempsey | Jacobs | Minne | Rose | Wenzel |
| Den Ouden | Jennings | Munger | Rothenberg | Wieser |
| Drew | Johnson, C. | Murphy | Samuelson | Wigley |
| Eken | Johnson, D. | Nelsen, B. | Sarna | Wynia |
| Elioff | Jude | Nelson, K. | Schafer | Zubay |
| Ellingson | Kahn | Niehaus | Schoenfeld | Spkr. Sieben, H. |
| Erickson | Kaley | Norton | Schreiber | |

Those who voted in the negative were:

Welker

The bill was passed and its title agreed to.

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
SAINT PAUL 55155

May 8, 1981

The Honorable Harry A. Sieben, Jr., Speaker
House of Representatives
276 State Office Building
St. Paul, Minnesota

Dear Mr. Speaker :

I am vetoing H. F. 326. This Act, if allowed to become law, would continue the Catastrophic Health Expense Protection Program in an amended form.

When I first recommended elimination of the Catastrophic Health Expense Protection Program, I cited three reasons: first, the rapid growth in cost, projected in January to be \$25 Million for the upcoming biennium; second, the lack of a means test; and third, the lack of incentive to purchase catastrophic health insurance.

In regard to my first concern, I have indicated for several months my willingness to have the Legislature reassign priorities within my budget recommendations, while observing my total spending figure of \$8.6 Billion. But in order to spend more in certain areas, other programs must be reduced. The Legislature has sent me a bill calling for spending \$12 Million more than my budget and has not indicated to date where they intend to reduce \$12 Million from my budget.

My second concern with the existing catastrophic health program is the lack of a means test to determine what assets an individual may have. Although the Senate originally had approved a modest means test, the final bill does not include one, and I still maintain that it is a reasonable requirement.

Finally, H. F. No. 326 does not contain any incentive to individuals to purchase insurance. What is provided is a reward after the fact by allowing the premiums paid to apply toward the deductible amount.

Several measures were provided in the bill which indicate a sincere effort on the part of the Legislature to apply controls to the program. These include a time restriction on eligible charges, reinstatement of a \$2500 minimum amount payable, and inclusion of language pertaining to utilization of Health Maintenance Organizations. However, my primary concerns have not been fully addressed.

Therefore, I remain concerned with the design and cost of the program and the fact that it exceeds my budget. Since no bill with a corresponding reduction has been given to me, I am choosing to veto the legislation rather than increase the taxes necessary to fund this \$12 Million program.

Sincerely,

ALBERT H. QUIE
Governor

Swanson moved that H. F. No. 326 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 re-pass H. F. No. 326, 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 79 yeas and 55 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Drew | Kelly | Novak | Shea |
| Anderson, G. | Eken | Knickerbocker | O'Connor | Sieben, M. |
| Anderson, I. | Elioff | Kostohryz | Ogren | Simoneau |
| Anderson, R. | Ellingson | Lehto | Osthoff | Skoglund |
| Battaglia | Fjoslien | Lemen | Otis | Staten |
| Begich | Greenfield | Long | Peterson, D. | Stumpf |
| Berkelman | Gustafson | Luknic | Pogemiller | Swanson |
| Brandl | Hanson | Mann | Reding | Tomlinson |
| Brinkman | Harens | McCarron | Rees | Vanasek |
| Byrne | Hauge | McEachern | Reif | Vellenga |
| Carlson, D. | Hokanson | Metzen | Rice | Voss |
| Carlson, L. | Jacobs | Minne | Rodriguez, C. | Welch |
| Clark, J. | Johnson, C. | Munger | Rodriguez, F. | Wenzel |
| Clark, K. | Jude | Murphy | Samuelson | Wynia |
| Clawson | Kahn | Nelson, K. | Sarna | Spkr. Sieben, H. |
| Dahivang | Kalis | Norton | Schoenfeld | |

Those who voted in the negative were:

| | | | | |
|-----------|-------------|------------|--------------|----------|
| Aasness | Friedrich | Kaley | Olsen | Sherwood |
| Ainley | Gruenes | Kvam | Onnen | Stadum |
| Blatz | Halberg | Laidig | Peterson, B. | Stowell |
| Dean | Haukoos | Levi | Piepho | Sviggum |
| Dempsey | Heap | Ludeman | Redalen | Valan |
| Den Ouden | Heinitz | Marsh | Rose | Valento |
| Erickson | Himle | McDonald | Rothenberg | Weaver |
| Esau | Hoberg | Mehrkens | Schafer | Welker |
| Evans | Hokr | Nelsen, B. | Schreiber | Wieser |
| Ewald | Jennings | Niehaus | Searles | Wigley |
| Forsythe | Johnson, D. | Nysether | Sherman | Zubay |

Not having received the required two-thirds vote, the bill was not re-passed.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, I., requested immediate consideration of H. F. No. 1445.

H. F. No. 1445 was reported to the House.

Osthoff moved to amend H. F. No. 1445, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 297A.02, is amended to read:

297A.02 [IMPOSITION OF TAX.]

Except as otherwise provided in (EXTRA SESSION LAWS 1971, CHAPTER 31, ARTICLE 1) *this chapter*, there is hereby imposed an excise tax of (FOUR) *five* percent of the gross receipts from sales at retail, as hereinbefore defined, made by any person in this state (AFTER OCTOBER 31, 1971).

Notwithstanding the foregoing, the tax imposed hereby upon sales at retail through coin-operated vending machines shall be three percent of the gross receipts of such sales.

Sec. 2. Minnesota Statutes 1980, Section 297A.14, is amended to read:

297A.14 [USING, STORING OR CONSUMING TANGIBLE PERSONAL PROPERTY; ADMISSIONS; UTILITIES.]

For the privilege of using, storing or consuming in Minnesota tangible personal property, tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service purchased for use, storage or consumption in this state, there is hereby imposed on every person in this state a use tax at the rate of (FOUR) *five* percent of the sales price of sales at retail of any of the aforementioned items made to such person (AFTER OCTOBER 31, 1971), unless the tax imposed by section 297A.02 was paid on said sales price.

Motor vehicles subject to tax under this section shall be taxed at the fair market value at the time of transport into Minnesota if such motor vehicles were acquired more than three months prior to its transport into this state.

Notwithstanding any other provisions of sections 297A.01 to 297A.44 to the contrary, the cost of paper and ink products exceeding \$100,000 in any calendar year, used or consumed in producing a publication as defined in section 297A.25, Subdivision 1, clause (i) is subject to the tax imposed by this section.

Sec. 3. Minnesota Statutes 1980, Section 297A.24, is amended to read:

297A.24 [TAXES IN OTHER STATES.]

If any article of tangible personal property or any item enumerated in section 297A.14 has already been subjected to a tax by any other state in respect of its sale, storage, use or other consumption in an amount less than the tax imposed by sections 297A.01 to 297A.44, then as to the person who paid the tax in such other state, the provisions of section 297A.14 shall apply only at a rate measured by the difference between the rate herein fixed and the rate by which the previous tax was computed. If such tax imposed in such other state was (FOUR PERCENT OR MORE) *equal to or greater than the tax imposed in this state*, then no tax shall be due from such person under section 297A.14.

Sec. 4. Minnesota Statutes 1980, Section 297B.02, is amended to read:

297B.02 [TAX IMPOSED.]

There is hereby imposed an excise tax at the rate (PROVIDED IN CHAPTER 297A) of *four percent* on the purchase price of any motor vehicle purchased or acquired, either in or outside of the state of Minnesota, which is required to be registered under the laws of this state.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective for sales or uses occurring after June 30, 1981."

Delete the title and insert:

"A bill for an act relating to taxation; increasing the sales and use tax rate; amending Minnesota Statutes 1980, Sections 297A.02; 297A.14; 297A.24; and 297B.02."

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

H. F. No. 1445, A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classifications ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdi-

vision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivision 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295, and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.

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 68 yeas and 66 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Ogren | Skoglund |
| Anderson, G. | Ellingson | Lehto | Otis | Staten |
| Anderson, I. | Greenfield | Long | Peterson, D. | Stumpf |
| Battaglia | Gustafson | Mann | Pogemiller | Swanson |
| Begich | Hanson | McCarron | Reding | Tomlinson |
| Brandl | Harens | McEachern | Rice | Vanasek |
| Brinkman | Hauge | Metzen | Rodriguez, C. | Vellenga |
| Byrne | Hokanson | Minne | Rodriguez, F. | Voss |
| Carlson, L. | Jacobs | Munger | Samuelson | Welch |
| Clark, J. | Johnson, C. | Murphy | Sarna | Wenzel |
| Clark, K. | Jude | Nelson, K. | Schoenfeld | Wynia |
| Clawson | Kahn | Norton | Shea | Spkr. Sieben, H. |
| Dahlvang | Kalis | Novak | Sieben, M. | |
| Eken | Kelly | O'Connor | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|---------|
| Aasness | Fjoslien | Knickerbocker | Onnen | Stadum |
| Ainley | Forsythe | Kvam | Osthoff | Stowell |
| Anderson, R. | Friedrich | Laidig | Peterson, B. | Swiggum |
| Berkelman | Gruenes | Lemen | Piepho | Valan |
| Blatz | Halberg | Levi | Redalen | Valento |
| Carlson, D. | Haukoos | Ludeman | Rees | Weaver |
| Dean | Heap | Luknic | Reif | Welker |
| Dempsey | Heinitz | Marsh | Rose | Wieser |
| Den Ouden | Himle | McDonald | Rothenberg | Wigley |
| Drew | Hoberg | Mehrkens | Schafer | Zubay |
| Erickson | Hokr | Nelsen, B. | Schreiber | |
| Esau | Jennings | Niehaus | Searles | |
| Evans | Johnson, D. | Nysether | Sherman | |
| Ewald | Kaley | Olsen | Sherwood | |

The bill was passed and its title agreed to.

SPECIAL ORDERS

There being no objection the bills on Special Orders for today were continued one day, and the House advanced to the order of business Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Clawson moved that H. F. No. 565, now on General Orders, be re-referred to the Committee on Governmental Operations. The motion prevailed.

Greenfield moved that H. F. No. 662, now on General Orders, be re-referred to the Committee on Education. The motion prevailed.

Jude moved that S. F. No. 918, now on General Orders, be re-referred to the Committee on Judiciary. The motion prevailed.

Anderson, I., moved that S. F. No. 1079 be recalled from the Committee on Taxes and together with H. F. No. 1223, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Anderson, I., moved that S. F. No. 1305 be recalled from the Committee on Taxes and together with H. F. No. 1346, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

O'Connor moved that H. F. No. 502 be returned to its author. The motion prevailed.

Aasness moved that H. F. No. 463 be returned to its author. 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:

H. F. No. 312, A bill for an act relating to agriculture; requiring the commissioner of agriculture to examine fluid milk and milk product marketing and packaging; repealing the prohibition on the sale of milk in non-returnable plastic containers; proposing new law coded in Minnesota Statutes, Chapter 32; repealing Minnesota Statutes 1980, Sections 116F.21 and 116F.22.

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. 562, A bill for an act relating to agriculture; regulating fertilizers and soil and plant amendments; providing a penalty; amending Minnesota Statutes 1980, Sections 17.711; 17.713; 17.714; 17.716, by adding subdivisions; 17.717, Subdivisions 4, 5 and by adding a subdivision; 17.718, Subdivision 1; 17.719; 17.72; 17.721; 17.722; 17.723; 17.725; 17.726; 17.727; 17.728, Subdivision 1; 17.729; repealing Minnesota Statutes 1980, Section 17.717, Subdivision 2.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hauge moved that the House concur in the Senate amendments to H. F. No. 562 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 562, A bill for an act relating to agriculture; regulating fertilizers and soil and plant amendments; regulating the transportation of certain fertilizer materials; providing a penalty; amending Minnesota Statutes 1980, Sections 17.711; 17.713; 17.714; 17.716, by adding subdivisions; 17.717, Subdivisions 4, 5 and by adding a subdivision; 17.718, Subdivision 1; 17.719; 17.72; 17.721, Subdivision 1; 17.722; 17.723; 17.725; 17.726; 17.727; 17.728, Subdivision 1; 17.729; 169.81, Subdivision 10; repealing Minnesota Statutes 1980, Section 17.717, 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 128 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Aasness | Eken | Hokanson | McEachern | Reding |
| Ainley | Elioff | Hokr | Mehrkens | Rees |
| Anderson, B. | Ellingson | Jacobs | Metzen | Reif |
| Anderson, G. | Erickson | Johnson, C. | Minne | Rice |
| Anderson, I. | Esau | Johnson, D. | Munger | Rodriguez, C. |
| Anderson, R. | Evans | Jude | Murphy | Rodriguez, F. |
| Battaglia | Ewald | Kahn | Nelsen, B. | Rose |
| Begich | Fjoslien | Kaley | Nelson, K. | Rothenberg |
| Berkelman | Forsythe | Kalis | Niehaus | Samuelson |
| Blatz | Friedrich | Kelly | Norton | Sarna |
| Brandl | Greenfield | Knickerbocker | Novak | Schafer |
| Brinkman | Gruenes | Kostohryz | Nysether | Schoenfeld |
| Byrne | Gustafson | Kvam | O'Connor | Schreiber |
| Carlson, L. | Halberg | Laidig | Ogren | Searles |
| Clark, J. | Hanson | Lemen | Olsen | Shea |
| Clark, K. | Harens | Levi | Onnen | Sherman |
| Clawson | Hauge | Long | Osthoff | Sherwood |
| Dahlvang | Haukoos | Luknic | Otis | Sieben, M. |
| Dean | Heap | Mann | Peterson, B. | Simoneau |
| Dempsey | Heinitz | Marsh | Peterson, D. | Skoglund |
| Den Ouden | Himle | McCarron | Piepho | Stadum |
| Drew | Hoberg | McDonald | Pogemiller | Staten |

Stowell
Stumpf
Sviggum
Swanson

Tomlinson
Valento
Vanasek
Vellenga

Voss
Weaver
Welch
Welker

Wenzel
Wieser
Wigley
Wynia

Zubay
Spkr. Sieben, H.

Those who voted in the negative were:

Ludeman

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

There being no objection the order of business reverted to Petitions and Communications.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
ST. PAUL 55155

May 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 63, relating to health maintenance organizations; eliminating any requirements that health maintenance organizations provide elective, induced abortions;

H. F. No. 121, relating to intoxicating liquor; authorizing municipalities to permit on-sale of liquor at publicly-owned sports or convention facilities by existing licensees;

H. F. No. 168, relating to motor vehicle carriers; providing procedures for granting permits to courier service carriers in certain cases.

H. F. No. 258, relating to commerce; allowing the manufacture, sale, and shipment of gambling devices for use in jurisdictions where use of the gambling device is legal;

H. F. No. 277, relating to insurance; broadening the investment authority of township mutual insurance companies; prescribing recordkeeping duties; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 67A; repealing Minnesota Statutes 1980, Sections 67A.23 and 67A.24.

H. F. No. 365, relating to building code inspectors; authorizing certain municipalities to choose between two options to enforce the provisions of the building code related to access for handicapped persons;

H. F. No. 371, relating to insurance; prohibiting insurance companies which offer funeral or burial expense policies from

designating as beneficiaries under the policies persons who provide funeral or burial services and supplies; removing the prohibition against an insurance company's affiliation with a funeral establishment; proposing new law coded in Minnesota Statutes, Chapter 72A; repealing Minnesota Statutes 1980, Section 72A.321.

H. F. No. 395, relating to state government; allowing other public employees, as well as spouses of state and other public employees, to participate in state employee van pools under certain circumstances;

H. F. No. 413, relating to persons handicapped in communication; prohibiting person serving as foreign language interpreters or interpreters for persons with hearing or speaking impairments from disclosing communications made to them during the course of civil, criminal or administrative proceedings;

H. F. No. 436, relating to financial institutions; setting application fees for industrial loan and thrifts; providing for publication of notices; establishing procedures for consideration of applications for consent to sell and issue certificates; increasing the minimum amounts for insurance of accounts;

H. F. No. 449, relating to courts; providing that court reporter salaries shall be set by the district court administrator after consultation with the chief judge;

H. F. No. 462, relating to commerce; requiring invoices on certain repairs;

H. F. No. 484, relating to commerce; clarifying the definition of "continuing care"; providing for the implementation of the continuing care facilities disclosure and rehabilitation act in self-executing manner;

H. F. No. 564, relating to insurance; allowing a township mutual fire insurance company to insure certain property;

H. F. No. 579, relating to financial institutions; allowing new mortgage instruments; modifying rate restrictions on certain loans; providing a maximum late charge on certain loans;

H. F. No. 588, relating to financial institutions; providing for maximum interest rates on overdraft checking loans;

H. F. No. 601, relating to cemeteries; requiring public cemeteries having permanent care and improvement funds to file a notice and an annual report with the county auditor; increasing the filing fee for the report;

H. F. No. 634, relating to securities; providing for improved regulation of the sale of securities and the licensing of broker-dealers, agents, and investment advisers; making miscellaneous clarifications and revisions;

H. F. No. 739, relating to local government; regulating the tax levy of the joint recreation and park board of the city of Hibbing and Independent School District 701;

H. F. No. 775, relating to public utilities; removing municipal utilities from public utilities commission jurisdiction and granting an option in regard thereto;

H. F. No. 893, relating to transportation; authorizing the purchase of the closed combination railroad and highway bridge connecting St. Paul Park in Washington County and Inver Grove Heights in Dakota County, and authorizing its operation as a toll bridge by a private business entity; providing for the regulation and operation and maintenance of the bridge and the establishment of maximum toll charges by the counties of Washington and Dakota.

H. F. No. 918, relating to cooperatives; procedure for elections by members or shareholders of cooperative electric associations on public utilities commission regulation;

H. F. No. 928, relating to the city of Isanti; authorizing the city to issue general obligation bonds for the acquisition and betterment of a municipal building.

H. F. No. 1015, relating to education; modifying the provisions governing teachers placed on unrequested leave of absence in experimental paired districts;

H. F. No. 1059, relating to crimes; providing for the type of proof of the fact of killing in murder and manslaughter cases;

H. F. No. 1075, relating to social and charitable organizations; increasing the threshold dollar amount required for the use of a certified financial statement; determining what is properly included in cost of goods or services;

H. F. No. 1080, relating to children; authorizing counties to establish multidisciplinary child protection teams; proposing new law coded in Minnesota Statutes, Chapter 626.

H. F. No. 1304, relating to state government, providing for deficiencies in and supplementing appropriations for the expenses of state government; appropriating money.

H. F. No. 189, relating to governmental operations; prohibiting the use of state government vehicles for nongovernmental functions; prohibiting compensation for employees for use of personal vehicles for nongovernmental purposes;

Sincerely,

ALBERT H. QUIE
Governor

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Monday, May 11, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Monday, May 11, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 11, 1981

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

Prayer was offered by Pastor John L. Spencer, Calvary Lutheran Church, Willmar, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherwood |
| Ainley | Evans | Kelly | O'Connor | Sieben, M. |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Simoneau |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Skoglund |
| Anderson, I. | Forsythe | Kvam | Onnen | Stadum |
| Anderson, R. | Friedrich | Laidig | Osthoff | Staten |
| Battaglia | Greenfield | Lehto | Otis | Stowell |
| Begich | Gruenes | Lemen | Peterson, B. | Stumpf |
| Berkelman | Gustafson | Levi | Peterson, D. | Swigum |
| Blatz | Halberg | Long | Piepho | Swanson |
| Brandl | Hanson | Ludeman | Pogemiller | Tomlinson |
| Brinkman | Harens | Luknic | Redalen | Valan |
| Byrne | Hauge | Mann | Reding | Valento |
| Carlson, D. | Haukoos | Marsh | Rees | Vanasek |
| Carlson, L. | Heap | McCarron | Reif | Vallenga |
| Clark, J. | Heinitz | McDonald | Rice | Voss |
| Clark, K. | Himle | McEachern | Rodriguez, C. | Weaver |
| Clawson | Hoberg | Mehrkens | Rodriguez, F. | Welch |
| Dahlvang | Hokanson | Metzen | Rose | Welker |
| Dean | Hokr | Minne | Rothenberg | Wenzel |
| Dempsey | Jacobs | Munger | Samuelson | Wieser |
| Den Ouden | Jennings | Murphy | Sarna | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Eken | Johnson, D. | Nelson, K. | Schreiber | Zubay |
| Elioff | Jude | Niehaus | Searles | Spkr. Sieben, H. |
| Ellingson | Kahn | Norton | Shea | |
| Erickson | Kaley | Novak | Sherman | |

A quorum was present.

Schoenfeld was excused until 11:55 a.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. 1184 and 900 and S. F. Nos. 1018 and 1262 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

May 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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> No. | <i>H.F.</i> No. | <i>Session Laws</i> <i>Chapter No.</i> | <i>Date Approved</i> 1981 | <i>Date Filed</i> 1981 |
|--------------------|--------------------|---|------------------------------|---------------------------|
| 149 | | 117 | May 8 | May 8 |
| 168 | | 118 | May 8 | May 8 |
| 562 | | 119 | May 8 | May 8 |
| 671 | | 120 | May 8 | May 8 |
| 825 | | 121 | May 8 | May 8 |
| | 63 | 122 | May 8 | May 8 |
| | 121 | 123 | May 8 | May 8 |
| | 168 | 124 | May 8 | May 8 |
| | 189 | 125 | May 8 | May 8 |

51st Day]

MONDAY, MAY 11, 1981

2871

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 258 | 126 | May 8 | May 8 |
| | 277 | 127 | May 8 | May 8 |
| | 365 | 128 | May 8 | May 8 |
| | 371 | 129 | May 8 | May 8 |
| | 395 | 130 | May 8 | May 8 |
| | 413 | 131 | May 8 | May 8 |
| | 436 | 132 | May 8 | May 8 |
| | 449 | 133 | May 8 | May 8 |
| | 462 | 134 | May 8 | May 8 |
| | 484 | 135 | May 8 | May 8 |
| | 564 | 136 | May 8 | May 8 |
| | 579 | 137 | May 8 | May 8 |
| | 588 | 138 | May 8 | May 8 |
| | 601 | 139 | May 8 | May 8 |
| | 634 | 140 | May 8 | May 8 |
| | 739 | 141 | May 8 | May 8 |
| | 775 | 142 | May 8 | May 8 |
| | 893 | 143 | May 8 | May 8 |
| | 918 | 144 | May 8 | May 8 |
| | 928 | 145 | May 8 | May 8 |
| | 1015 | 146 | May 8 | May 8 |
| | 1059 | 147 | May 8 | May 8 |
| | 1075 | 148 | May 8 | May 8 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 1304 | 149 | May 8 | May 8 |
| | 1080 | 150 | May 8 | May 8 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 942, A bill for an act relating to welfare; clarifying certain provisions for determination of cost of care at state hospitals; directing the commissioner of public welfare to promulgate rules; changing the responsibility of relatives under certain circumstances; altering the method of charging for outpatient care; giving claims against estates of deceased patients or responsible relatives preferred status; amending Minnesota Statutes 1980, Sections 246.50, Subdivision 5; 246.51; 246.53; and 487.39, Subdivision 1.

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 227, A bill for an act relating to the organization and operation of government; creating a legislative commission on metropolitan governance; requiring a study of relationships among metropolitan institutions and agencies of government; specifying other duties; mandating a report to the legislature.

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 502, A bill for an act relating to public welfare; modifying certain provisions regarding continued eligibility for

medical assistance; amending Minnesota Statutes 1980, Section 256B.062.

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 1154, A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 942 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 227, 502 and 1154 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Vanasek; Levi; Johnson, D.; Gustafson and Jude introduced:

H. F. No. 1484, A bill for an act relating to highway traffic regulations; providing for administrative driving privilege revocations for failure to submit to chemical testing or exceeding prescribed alcohol concentration; authorizing revocations prior to judicial review; revising the procedure for hearings and appeals on administrative revocations; authorizing introduction into evidence certain peace officer records and reports; amending Minnesota Statutes 1980, Section 169.123, Subdivisions 5, 5a, 6, 7, and by adding a subdivision.

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

Rothenberg; Vanasek; Valento; Peterson, B., and Kelly introduced:

H. F. No. 1485, A bill for an act relating to crimes; authorizing counties to establish crime victim service funds and coordinating committees on victim assistance; requiring the commissioner of corrections to develop a model victim service plan; providing for a penalty assessment on convicted persons; proposing new law coded in Minnesota Statutes, Chapter 241.

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

Onnen, Lemen and Reif introduced:

H. F. No. 1486, A bill for an act relating to health insurance; providing for a statewide catastrophic health expense protection plan; allowing persons electing to purchase this coverage to pay for it by increasing their income tax liability by the amount of the yearly premium; prescribing powers and duties; creating a certain account in the state treasury; appropriating money; repealing Minnesota Statutes 1980, Sections 62E.51 to 62E.55; proposing new law coded in Minnesota Statutes, Chapter 62E.

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

Skoglund, Jacobs, Ellingson, Vanasek and Gustafson introduced:

H. F. No. 1487, A bill for an act relating to taxation; providing for a freeze on property taxes paid on homesteads owned by elderly persons; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 273.

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

Berkelman, Brinkman, Ewald, Dean and Norton introduced:

H. F. No. 1488, A bill for an act relating to insurance; regulating minimum nonforfeiture benefits and reserves of life insurance policies and annuity contracts; amending Minnesota Statutes 1980, Sections 61A.24, Subdivisions 2, 4, 6, 9, 10, 11, 12, 13, 14, and by adding subdivisions; and 61A.25, Subdivisions 3, 3a, 4, 5, 7, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Skoglund, Tomlinson, Jacobs, Brandl and Novak introduced:

H. F. No. 1489, A bill for an act relating to taxation; providing for the valuation of income producing property; amending Minnesota Statutes 1980, Section 273.12.

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

Clawson introduced:

H. F. No. 1490, A bill for an act relating to statutes; defining the term "person" for the purposes of Minnesota law; amending Minnesota Statutes 1980, Section 645.44, Subdivision 7.

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

Nelsen, B., introduced:

H. F. No. 1491, A bill for an act relating to education; providing for the higher education coordinating board to be the commissioner of administration; appropriating money; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; and 136A.142; proposing new law coded in Minnesota Statutes, Chapter 136A; repealing Minnesota Statutes 1980, Section 136A.02, Subdivisions 1a and 3.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Stadum; Anderson, G.; Kalis; Mehrkens and Valan introduced:

H. A. No. 28, A proposal to study county maintenance of trunk highways; revenues from out-of-state motor vehicles.

The advisory was referred to the Committee on Transportation.

Nelson, K.; Johnson, C.; Vellenga; Jennings and Levi introduced:

H. A. No. 29, A proposal to study various issues relating to teaching and learning.

The advisory was referred to the Committee on Education.

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. 619, A bill for an act relating to intoxicating liquor; correcting the wording of the ballot question for a municipal liquor store referendum; amending Minnesota Statutes 1980, Section 340.353, Subdivision 2.

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. 582, A bill for an act relating to natural resources; permitting conservation officers to enforce prohibitions of vandalism of shelters and facilities on state and local trails; regulating the use of state funded trails; providing a penalty; amending Minnesota Statutes 1980, Section 84.90, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 85.

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. 704, A bill for an act relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; redefining a private passenger vehicle for certain purposes; clarifying certain requirements for front and rear bumpers; providing penalties; amending Minnesota Statutes 1980, Section 168.10, Subdivision 1b; and 169.73.

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. 2, A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, Subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wenzel moved that the House concur in the Senate amendments to H. F. No. 2 and that the bill be repassed as amended by the Senate.

Rothenberg moved that the House refuse to concur in the Senate amendments to H. F. No. 2, 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 Rothenberg motion and the roll was called. There were 77 yeas and 50 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|----------|
| Aasness | Fjoslien | Kvam | O'Connor | Sherwood |
| Ainley | Forsythe | Laidig | Olsen | Stadum |
| Anderson, B. | Friedrich | Lemen | Onnen | Stowell |
| Anderson, I. | Gruenes | Levi | Peterson, B. | Swiggum |
| Anderson, R. | Halberg | Ludeman | Piepho | Valan |
| Battaglia | Hanson | Mann | Redalen | Valento |
| Begich | Haukoos | Marsh | Rees | Vellenga |
| Blatz | Heap | McDonald | Reif | Voss |
| Carlson, D. | Heinitz | McEachern | Rodriguez, C. | Weaver |
| Dahlyang | Himle | Mehrkens | Rose | Welker |
| Den Ouden | Hoberg | Minne | Rothenberg | Wieser |
| Drew | Jennings | Munger | Sarna | Wigley |
| Erickson | Johnson, D. | Murphy | Schafer | Zubay |
| Esau | Kaley | Nelsen, B. | Schreiber | |
| Evans | Kalis | Niehaus | Searles | |
| Ewald | Knickerbocker | Nysether | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|--------|-----------|---------|--------|
| Anderson, G. | Brandl | Clark, J. | Dean | Eken |
| Berkelman | Byrne | Clark, K. | Dempsey | Elioff |

| | | | | |
|-------------|------------|--------------|---------------|------------------|
| Ellingson | Kahn | Norton | Rice | Stumpf |
| Greenfield | Kelly | Novak | Rodriguez, F. | Swanson |
| Gustafson | Lehto | Ogren | Samuelson | Tomlinson |
| Hauge | Long | Osthoff | Shea | Vanasek |
| Hokanson | Luknic | Otis | Sieben, M. | Welch |
| Jacobs | McCarron | Peterson, D. | Simoneau | Wenzel |
| Johnson, C. | Metzen | Pogemiller | Skoglund | Wynia |
| Jude | Nelson, K. | Reding | Staten | Spkr. Sieben, H. |

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. 586, A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

Anderson, B., moved that the House refuse to concur in the Senate amendments to H. F. No. 586, 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. 1445, A bill for an act relating to taxation; appropriating money for state payments to local units of government; providing for the financing of certain services of the department of transportation; defining and clarifying certain gross weights; increasing the motor vehicle registration tax on certain vehicles; providing for temporary farm truck licenses; increasing the tax on gasoline and special fuels; authorizing the issuance of state transportation bonds and appropriating the proceeds for the purpose of providing money for capital improvements comprising construction and reconstruction of key bridges on the trunk highway system, segments of the interstate system and interstate highway substitution projects; limiting the amount of homestead credits; limiting local levies; imposing addition-

al income taxes on individuals, estates, trusts, and corporations; limiting certain deductions; redefining the method for inflation proofing brackets, credits, and deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; allowing deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the permissible levy for school districts to 23 mills; providing for a one year suspension of the penalty for school district underlevy; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 124.212, by adding a subdivision; 168.011, Subdivisions 7, 10 16, 17 and 25; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1g, 1h, 2, and 3; 168.017, Subdivisions 1 and 3; 168.10, Subdivisions 1a, 1b, 1c, and 1d; 168.12, Subdivision 2a; 174.50, Subdivision 1; 270.75; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivision 15a; 273.136, Subdivision 3; 273.138, Subdivision 5; 273.139, Subdivision 3; 275.125, Subdivision 2a; 275.50, Subdivision 2; 275.51, Subdivision 1 and by adding subdivisions; 275.55; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding subdivisions; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10, and 15; 290.10; 290.18, Subdivision 2, and by adding a subdivision; 290A.03, Subdivision 8; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 296.02, Subdivision 1; 477A.01, Subdivision 4b; 477A.03; 477A.13; proposing new law coded in Minnesota Statutes, Chapters 168, 275 and 295; repealing Minnesota Statutes 1980, Sections 168.013, Subdivisions 16 and 17; 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4, and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59 and 291.33.

PATRICK E. FLAHAVEN, Secretary of the Senate

Anderson, I., moved that the House refuse to concur in the Senate amendments to H. F. No. 1445, 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. 936, A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Min-

nesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

PATRICK E. FLAHAVEN, Secretary of the Senate

Lehto moved that the House refuse to concur in the Senate amendments to H. F. No. 936, 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. 660, A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Schmitz, Renneke and Petty 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rees 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. 660. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 694, A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32;

327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, Subdivision 2.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Stern, Knutson and Menning 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rees 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. 694. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 939, A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, Subdivision 2.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Ms. Berglin; Messrs. Moe, D. M. and Peterson, R. W. 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Staten 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. 939. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 690, A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Peterson, C. C.; Spear and Frederickson 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Reding 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. 690. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 359, A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; pro-

viding for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Sub-

division 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Peterson, C. C.; Chmielewski; Moe, D. M.; Nelson and Benson 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 like committee.

PATRICK E. FLAHAVEN, 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 5 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. 359. The motion prevailed.

Mr. Speaker:

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

S. F. Nos. 177, 440, 446, 568, 636, 728 and 960.

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. 1040 and 1187.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 177, A bill for an act relating to foods; directing the establishment of labeling requirements for wild rice which is

planted or cultivated; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 30.

The bill was read for the first time.

Clark, J., moved that S. F. No. 177 and H. F. No. 756, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 440, A bill for an act establishing the North Koochiching county waste water treatment board; prescribing its duties and powers; providing for the treatment and disposal of waste water in described areas.

The bill was read for the first time.

Anderson, I., moved that S. F. No. 440 and H. F. No. 491, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 446, A bill for an act relating to the legislature; changing the membership and manner of appointment of certain committees and commissions with legislative members; amending Minnesota Statutes 1980, Sections 3.30, Subdivision 2; 3.855, Subdivision 1; 15.50, Subdivision 1; 16.872, Subdivision 3; and 121.938, Subdivision 1.

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

S. F. No. 568, A bill for an act relating to financial institutions; permitting banks to make adjustable-rate mortgage loans; proposing new law coded in Minnesota Statutes, Chapter 48.

The bill was read for the first time.

Brinkman moved that S. F. No. 568 and H. F. No. 658, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 636, A bill for an act relating to taxation; providing that the disallowance of income tax deductions relating to sub-standard housing shall not expire; amending Laws 1975, Chapter 226, Section 4, as amended.

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

S. F. No. 728, A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

The bill was read for the first time.

Anderson, I., moved that S. F. No. 728 and H. F. No. 705, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 960, A bill for an act relating to transportation; authorizing road authorities to designate nine-ton collector routes; prescribing maximum vehicle weights on those routes; proposing new law coded in Minnesota Statutes, Chapter 169.

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

S. F. No. 1040, A bill for an act relating to the environment; clarifying terms and duties in the waste management act; extending time limits for site selections and reports; clarifying and changing waste management powers of metropolitan counties; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivisions 4 and 5, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c and 2e, and by adding a subdivision; 473.153, Subdivisions 1, 2 and 6; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, and 8, and by adding subdivisions; 473.831, Subdivision 1; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 4 and 5.

The bill was read for the first time.

Long moved that S. F. No. 1040 and H. F. No. 1086, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1187, A bill for an act relating to game and fish; increasing and making permanent a surcharge on small game licenses for wildlife land acquisition; amending Minnesota Statutes 1980, Section 97.482, Subdivision 1; repealing Laws 1961, Chapter 66, Section 1, as amended.

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

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 939:

Staten, Greenfield and Luknic.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 694:

Rees, Voss and Gruenes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 586:

Anderson, B.; Simoneau and Dempsey.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 936:

Lehto, Munger and Nysether.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 690:

Reding, Sarna and Kaley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 660:

Rees; Carlson, L., and Hokr.

REPORT FROM THE COMMITTEE ON RULES AND
LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, designates the following bills as a Special Order to be acted upon immediately following Special Orders pending for Monday, May 11, 1981:

H. F. No. 491; S. F. No. 732; H. F. No. 769; S. F. No. 452; H. F. No. 756; S. F. Nos. 1132 and 662; H. F. No. 403; S. F. Nos. 804, 886, 1174, 338, 903, 964, 1043, 98, 664, 525, 818, 1074, 767 and 2.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 969

A bill for an act relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating

to the amendment of comprehensive plans; amending Minnesota Statutes 1980, Section 473.864, Subdivision 2.

May 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 969, 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: GORDON O. VOSS, WILLIAM SCHREIBER and PAUL MCCARRON.

Senate Conferees: FRANKLIN J. KNOLL, HOWARD A. KNUTSON and WILLIAM P. LUTHER.

Voss moved that the report of the Conference Committee on H. F. No. 969 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 969, A bill for an act relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating to the amendment of comprehensive plans; amending Minnesota Statutes 1980, Section 473.864, 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 | Brandl | Dempsey | Forsythe | Heap |
| Ainley | Brinkman | Den Ouden | Friedrich | Heinitz |
| Anderson, B. | Byrne | Drew | Greenfield | Himle |
| Anderson, G. | Carlson, D. | Elioff | Gruenes | Hoberg |
| Anderson, I. | Carlson, L. | Ellingson | Gustafson | Hokanson |
| Anderson, R. | Clark, J. | Erickson | Halberg | Jacobs |
| Battaglia | Clark, K. | Esau | Hanson | Jennings |
| Begich | Clawson | Evans | Harens | Johnson, C. |
| Berkelman | Dahlvang | Ewald | Hauge | Johnson, D. |
| Blatz | Dean | Fjoslien | Haukoos | Jude |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Kahn | McCarron | Olsen | Samuelson | Tomlinson |
| Kaley | McDonald | Osthoff | Sarna | Valan |
| Kalis | McEachern | Otis | Schafer | Valento |
| Kelly | Mehrkens | Peterson, B. | Schreiber | Vanasek |
| Knickerbocker | Metzen | Peterson, D. | Searles | Vellenga |
| Kostohryz | Minne | Piepho | Shea | Voss |
| Kvam | Munger | Pogemiller | Sherman | Weaver |
| Laidig | Murphy | Redalen | Sherwood | Welch |
| Lehto | Nelsen, B. | Reding | Sieben, M. | Welker |
| Lemen | Nelson, K. | Rees | Skoglund | Wenzel |
| Levi | Niehaus | Reif | Stadum | Wieser |
| Long | Norton | Rice | Staten | Wigley |
| Ludeman | Novak | Rodriguez, C. | Stowell | Wynia |
| Luknic | Nysether | Rodriguez, F. | Stumpf | Zubay |
| Mann | O'Connor | Rose | Sviggum | Spkr. Sieben, H. |
| Marsh | Ogren | Rothenberg | Swanson | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1088

A bill for an act relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for filing certain documents with the Minnesota historical society; amending Minnesota Statutes 1980, Section 5.03.

May 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1088, 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. 1088 be further amended as follows:

Page 1, lines 17 to 23, delete the new language and insert "*The secretary of state shall maintain a microfilmed copy of government survey documents for public inspection. The original documents shall be preserved in a climate controlled environment prescribed by the secretary of state. The documents shall be maintained so that they are available for public inspection.*"

Amend the title as follows:

Page 1, line 4, delete "filing" and insert "preserving" and delete "with"

Page 1, line 5, delete "the Minnesota historical society"

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

House Conferees: LAWRENCE J. POGEMILLER, FRANK J. RODRIGUEZ, SR. and JOHN R. KALEY.

Senate Conferees: JAMES C. PEHLER, STEVEN O. LINDGREN and RONALD R. DICKLICH.

Pogemiller moved that the report of the Conference Committee on H. F. No. 1088 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1088, A bill for an act relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for filing certain documents with the Minnesota historical society; amending Minnesota Statutes 1980, Section 5.03.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | O'Connor | Sieben, M. |
| Ainley | Evans | Knickerbocker | Ogren | Simoneau |
| Anderson, B. | Ewald | Kostohryz | Olsen | Skoglund |
| Anderson, G. | Fjoslien | Kvam | Onnen | Stadum |
| Anderson, I. | Forsythe | Laidig | Osthoff | Staten |
| Anderson, R. | Friedrich | Lehto | Otis | Stowell |
| Battaglia | Greenfield | Lemen | Peterson, B. | Stumpf |
| Begich | Gruenes | Levi | Peterson, D. | Sviggum |
| Berkelman | Gustafson | Long | Piepho | Swanson |
| Blatz | Halberg | Ludeman | Pogemiller | Tomlinson |
| Brandl | Hanson | Luknic | Redalen | Valan |
| Brinkman | Harens | Mann | Reding | Valento |
| Byrne | Hauge | Marsh | Rees | Vanasek |
| Carlson, D. | Haukoos | McCarron | Reif | Vellenga |
| Carlson, L. | Heap | McDonald | Rice | Voss |
| Clark, J. | Heinitz | McEachern | Rodriguez, C. | Weaver |
| Clark, K. | Himle | Mehrkens | Rodriguez, F. | Welch |
| Clawson | Hoberg | Metzen | Rose | Welker |
| Dahlvang | Hokanson | Minne | Rothenberg | Wenzel |
| Dean | Jacobs | Munger | Samuelson | Wieser |
| Dempsey | Jennings | Murphy | Sarna | Wigley |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Drew | Johnson, D. | Nelson, K. | Schreiber | Zubay |
| Eken | Jude | Niehaus | Searles | Spkr. Sieben, H. |
| Elioff | Kahn | Norton | Shea | |
| Ellingson | Kaley | Novak | Sherman | |
| Erickson | Kalis | Nysether | Sherwood | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 473

A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

May 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 473, 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. 473 be further amended as follows:

Page 1, line 13, delete "*long range*"

Page 1, line 14, delete "*interests of*"

Page 1, line 17, delete "*16 U.S.C. Section 2601*" and insert "*Pub.L. 95-617, 92 Stat. 3117,*"

Page 1, line 18, delete "*et seq.*"

Page 1, line 19, delete "*Section*" and insert "*Part*"

Page 1, line 19, delete "*292.101 et seq.*" and insert "*292,*"

Page 1, line 25, delete "*20*" and insert "*40*"

Page 2, line 5, delete "*calculated using the rate schedule that would apply to*" and insert "*at a per kilowatt hour rate set by the commission. In setting these rates, the commission shall consider the fixed distribution costs to the utility not otherwise accounted for in the basic monthly charge and shall ensure that the costs charged to the qualifying facility are not discriminatory in relation to the costs charged to other customers of the utility. Notwithstanding any other language to the contrary in this section, the commission shall set the rates for net input into the utility system based on avoided costs as defined in 18 C.F.R. Section 292.101(b)(6), the factors listed in 18 C.F.R. Section 292.304, and all other relevant factors*"

Page 2, delete line 6

Page 2, line 7, delete "*energy less 40 percent*"

Page 2, lines 14 and 18, delete "20" and insert "40"

Page 2, line 17, after "(a)" insert "Except as otherwise provided in paragraph (c),"

Page 2, line 26, after "(c)" insert "For all qualifying facilities having 30 kilowatt capacity or more,"

Page 2, line 26, after "facility's" insert "or the utility's"

Page 2, line 32, after "charges" insert "and line losses"

Page 3, after line 14, insert:

"Subd. 8. [CUSTOMER, INTERCONNECTION AND WHEELING CHARGES.] Nothing contained in this section shall be construed to excuse the qualifying facility from any obligation for costs of interconnection and wheeling in excess of those normally incurred by the utility for customers with similar load characteristics who are not cogenerators or small power producers, or from any fixed charges normally assessed such non-generating customers."

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

House Conferees: EARL HAUGE, TODD H. OTIS and STEVE A. SVIGGUM.

Senate Conferees: GREGORY L. DAHL, RONALD R. DICKLICH and GLEN TAYLOR.

Hauge moved that the report of the Conference Committee on H. F. No. 473 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 473, A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

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 107 yeas and 23 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|----------|-------------|-----------|
| Aasness | Anderson, R. | Blatz | Carlson, D. | Clawson |
| Anderson, B. | Battaglia | Brandl | Carlson, L. | Dahlvarg |
| Anderson, G. | Begich | Brinkman | Clark, J. | Dean |
| Anderson, I. | Berkelman | Byrne | Clark, K. | Den Ouden |

| | | | | |
|------------|---------------|--------------|---------------|-----------|
| Drew | Hokanson | McEachern | Redalen | Staten |
| Eken | Hokr | Mehrkens | Reding | Stowell |
| Elioff | Johnson, C. | Metzen | Rees | Stumpf |
| Ellingson | Johnson, D. | Minne | Reif | Sviggum |
| Erickson | Jude | Munger | Rice | Swanson |
| Evans | Kahn | Murphy | Rodriguez, C. | Tomlinson |
| Ewald | Kelly | Nelsen, B. | Rodriguez, F. | Valan |
| Fjoslien | Knickerbocker | Nelson, K. | Rose | Vanasek |
| Forsythe | Kostohryz | Norton | Rothenberg | Vellenga |
| Greenfield | Laidig | Novak | Sarna | Voss |
| Gruenes | Lehto | O'Connor | Schreiber | Weaver |
| Gustafson | Lemen | Olsen | Shea | Welch |
| Halberg | Levi | Onnen | Sherman | Wenzel |
| Hanson | Long | Osthoff | Sherwood | Wieser |
| Harens | Luknic | Otis | Sieben, M. | Wynia |
| Heap | Mann | Peterson, B. | Simoneau | |
| Himle | Marsh | Peterson, D. | Skogiund | |
| Hoberg | McCarron | Pogemiller | Stadum | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|----------|-----------|--------|
| Ainley | Heinitz | Kvam | Piepho | Welker |
| Dempsey | Jacobs | Ludeman | Samuelson | Wigley |
| Esau | Jennings | McDonald | Schafer | Zubay |
| Friedrich | Kaley | Niehaus | Searles | |
| Haukoos | Kalis | Nysether | Valento | |

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

Rose was excused from 11:45 a.m. until 1:30 p.m.

CALENDAR

S. F. No. 118 was reported to the House and given its third reading.

UNANIMOUS CONSENT

Luknic requested unanimous consent to offer an amendment. The request was granted.

Luknic moved to amend S. F. No. 118, as follows:

Page 2, line 2, after "*crimes*" insert "*or offenses*"

The motion prevailed and the amendment was adopted.

UNANIMOUS CONSENT

Rodriguez, C., requested unanimous consent to offer an amendment. The request was granted.

Rodriguez, C., moved to amend S. F. No. 118, as amended, as follows:

Page 1, after line 25, insert:

"Sec. 2 [EFFECT ON LOCAL ORDINANCES.] *Nothing in Section 1 shall supersede or preclude the continuation or adoption of any local ordinance which provides for more stringent regulation of the subject matter in Section 1.*"

Renumber the remaining section.

Amend the title as follows:

Page 1, line 5, after the semi-colon insert "preserving local ordinances relating to minors' use of tobacco related devices;"

The motion prevailed and the amendment was adopted.

S. F. No. 118, A bill for an act relating to crimes; prohibiting the furnishing of tobacco related devices to minors; prohibiting minors from using tobacco or tobacco related devices; prescribing penalties; amending Minnesota Statutes 1980, Section 609.-685.

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 4 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Ewald | Kostohryz | Olsen | Skoglund |
| Ainley | Fjoslien | Kvam | Onnen | Stadum |
| Anderson, B. | Forsythe | Laidig | Osthoff | Stowell |
| Anderson, G. | Friedrich | Lehto | Otis | Stumpf |
| Anderson, I. | Gruenes | Lemen | Peterson, B. | Sviggum |
| Anderson, R. | Halberg | Levi | Peterson, D. | Swanson |
| Battaglia | Hanson | Long | Piepho | Tomlinson |
| Begich | Harens | Ludeman | Pogemiller | Valan |
| Berkelman | Hauge | Luknic | Redalen | Valento |
| Blatz | Haukoos | Marsh | Reding | Vanasek |
| Brandl | Heap | McCarron | Rees | Vellenga |
| Carlson, D. | Heinitz | McDonald | Reif | Voss |
| Carlson, L. | Himle | McEachern | Rodriguez, C. | Weaver |
| Clark, J. | Hoberg | Mehrkens | Rothenberg | Welch |
| Clawson | Hokanson | Minne | Samuelson | Welker |
| Dean | Hokr | Munger | Sarna | Wenzel |
| Dempsey | Jacobs | Murphy | Schafer | Wieser |
| Den Ouden | Jennings | Nelsen, B. | Schoenfeld | Wigley |
| Drew | Johnson, C. | Nelson, K. | Schreiber | Wynia |
| Eken | Johnson, D. | Niehaus | Searles | Zubay |
| Elioff | Jude | Norton | Shea | Spkr. Sieben, H. |
| Ellingson | Kaley | Novak | Sherman | |
| Erickson | Kalis | Nysether | Sherwood | |
| Esau | Kelly | O'Connor | Sieben, M. | |
| Evans | Knickerbocker | Ogren | Simoneau | |

Those who voted in the negative were:

| | | | |
|-------|-----------|------------|------|
| Byrne | Clark, K. | Greenfield | Kahn |
|-------|-----------|------------|------|

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

Eken 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.

Weaver was excused between 1:00 p.m. and 2:45 p.m.

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

REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 20, A bill for an act relating to health; establishing a state advisory task force on epilepsy; appropriating money.

Reported the same back with the following amendments:

Page 1, line 11, delete "the"

Page 1, delete line 12

Page 1, line 13, delete "security, and insurance, or their designees;"

Page 1, lines 13 and 14, delete "five" and insert "three"

Page 1, line 17, delete "ten" and insert "eight"

Page 1, line 18, after the period insert "*The commissioners of education, health, public welfare, economic security, and insurance, or their designees shall act as ex-officio members.*"

Page 2, line 15, delete "June 30, 1983" and insert "January 15, 1983"

Page 2, lines 22 to 36, delete subdivision 4

Renumber the subdivisions

Page 3, line 2, after "with" insert "staff support,"

Page 3, line 3, after the period insert "*Staff and administrative support for the commission shall be provided by existing legislative service offices.*"

Page 3, line 22, in the blank insert "*16,500*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 165, A bill for an act relating to corporations; modernizing and improving provisions governing business corporations; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 53.01; 290.61; 303.05, Subdivision 1; 308.341; 319A.03; 319A.05; 319A.12, Subdivisions 1a and 2; 319A.20; 367.42, Subdivision 1; 462.601; and 462.605; proposing new law coded in Minnesota Statutes, Chapters 302A and 316; repealing Minnesota Statutes 1980, Sections 301.01 to 301.67.

Reported the same back with the following amendments:

Page 22, line 20, before the period insert "*accompanied by a payment of \$60, which includes a \$50 incorporation fee in addition to the \$10 filing fee required by section 1, subdivision 11*"

Page 113, line 11, delete "*\$131,800*" and insert "*\$20,900*"

Page 113, line 16, delete "*1981*"

Page 113, delete line 17

Page 113, line 18, delete "*(b) Other duties*" and "*\$2,900*"

Page 113, after line 18, insert "*Additional approved complement—5*"

Page 113, line 23, delete "*1984*" and insert "*1985*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 295, A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

Reported the same back with the following amendments:

Page 3, line 5, after "appropriated" insert "from the general fund"

Page 3, line 6, after "of" delete the balance of the line and insert "\$5,785,361 in fiscal year 1982 and \$5,514,639 in fiscal year 1983 for the"

Page 3, delete lines 12 to 19, and insert:

| | <i>"FY 1982</i> | <i>FY 1983</i> |
|--|--------------------|--------------------|
| <i>public employees retirement fund</i> | <i>\$2,109,753</i> | <i>\$2,002,430</i> |
| <i>public employees police and fire fund</i> | <i>73,926</i> | <i>70,837</i> |
| <i>teachers retirement fund</i> | <i>1,680,154</i> | <i>1,606,863</i> |
| <i>highway patrol retirement fund</i> | <i>63,900</i> | <i>63,784</i> |
| <i>state employees retirement fund</i> | <i>1,530,092</i> | <i>1,458,534</i> |
| <i>Minneapolis municipal employees retirement fund</i> | <i>327,536</i> | <i>312,191"</i> |

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 553, A bill for an act relating to drivers licenses; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of a new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; amending Minnesota Statutes 1980, Sections 171.02, Subdivision 3; 171.06, Subdivisions 1, 2, 4, and by adding a subdivision; 171.07, Subdivision 3; and 171.29.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 168.011, Subdivision 7, is amended to read:

Subd. 7. [PASSENGER AUTOMOBILE.] "Passenger automobile" means any motor vehicle designed and used for the carrying of not more than eight persons (BUT EXCLUDING), and includes station wagons and motor vehicles commonly designated as pickup trucks other than farm trucks. Passenger automobile does not include motorcycles (,) and motor scooters (, AND STATION WAGONS).

Sec. 2. Minnesota Statutes 1980, Section 168.011, Subdivision 10, is amended to read:

Subd. 10. [TRUCK.] "Truck" means any motor vehicle designed and used for carrying things other than passengers, except pickup trucks included within the definition of passenger automobile in subdivision 7.

Sec. 3. Minnesota Statutes 1980, Section 168.013, Subdivision 1a, is amended to read:

Subd. 1a. [PASSENGER AUTOMOBILES; AMBULANCES; HEARSEs.] On passenger automobiles as defined in section 168.011, subdivision 7, ambulances, and hearses, except as otherwise provided, the tax shall be \$10 plus an additional tax equal to (1.25) 1.30 percent of the base value. Subject to the classification provisions herein, "base value" means the manufacturer's suggested retail price of the vehicle including destination charge as reflected on the price listing affixed to the vehicle in conformity with 15 U.S.C. 1231 to 1233 (Public Law 85-506) or otherwise suggested by the manufacturer or determined by the registrar if no suggested retail price exists, and shall not include the cost of each accessory or item of optional equipment separately added to the vehicle and the suggested retail price.

If the registrar is unable to determine the base value because the vehicle is specially constructed, or for any other reason, he may establish such value upon the cost price to the purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales or use tax or any local sales or other local tax.

The registrar shall classify every vehicle in its proper base value class as follows:

| FROM | TO |
|------|----------|
| \$ 0 | \$199.99 |
| 200 | 399.99 |

and thereafter a series of classes successively set in brackets having a spread of \$200 consisting of such number of classes as will permit classification of all vehicles.

The base value for purposes of this section shall be the middle point between the extremes of its class.

The registrar shall establish the base value, when new, of every passenger automobile, ambulance and hearse registered prior to the effective date of Extra Session Laws 1971, Chapter 31, using list price information published by the manufacturer or any nationally recognized firm or association compiling such data for the automotive industry. If the registrar is unable to ascertain the base value of any registered vehicle in the foregoing manner, he may use any other available source or method. The tax on all previously registered vehicles shall be computed upon the base value thus determined taking into account the depreciation provisions of Extra Session Laws 1971, Chapter 31.

The annual additional tax computed upon the base value as provided herein, during the first year of vehicle life shall be computed upon 100 percent of the base value; for the second year, 90 percent of such value; for the third year, (75) 80 percent of such value; for the fourth year, (60) 70 percent of such value; for the fifth year, (45) 60 percent of such value; for the sixth year, (35) 50 percent of such value; for the seventh year, (30) 40 percent of such value; for the eighth year, (20) 30 percent of such value; for the ninth year, (15) 20 percent of such value; for the tenth year, 10 percent of such value; for the eleventh and each succeeding year, the sum of (\$2) \$15; *provided that for registrations renewed on or after January 1, 1983, and each year thereafter, the annual additional tax for the eleventh and each succeeding year of vehicle life shall be \$25.*

In no event shall the annual additional tax be less than \$15 for any registration renewed after January 1, 1982, nor less than \$25 for any registration renewed after January 1, 1983, and subsequent years.

Sec. 4. Minnesota Statutes 1980, Section 168.013, Subdivision 1b, is amended to read:

Subd. 1b. [MOTORCYCLES.] On motorcycles the tax (IS \$5, WHICH) *shall be three-tenths of one percent of the base value when new, but in no event less than \$10. Base value has the meaning given it in subdivision 1a. This tax includes the surtax provided for in subdivision 14.*

Sec. 5. Minnesota Statutes 1980, Section 168.013, Subdivision 1c, is amended to read:

Subd. 1c. [FARM TRUCKS.] On farm trucks *having a gross weight of not more than 51,000 pounds, the tax shall be based on total gross weight and shall be (30) 45 percent of the Minnesota base rate prescribed by subdivision 1e under Schedule I during each of the first six years of vehicle life, but in no*

event less than (\$19) \$35, and during the seventh and succeeding years of vehicle life (AS TAKEN FROM SCHEDULE II, BUT IN NO EVENT LESS THAN \$11) the tax shall be 27 percent of the Minnesota base rate prescribed by subdivision 1e, but in no event less than \$21. On farm trucks having a gross weight of more than 51,000 pounds, the tax shall be 60 percent of the Minnesota base rate during the first nine years of vehicle life and 36 percent of the Minnesota base rate during the tenth and succeeding years. In addition to (SUCH) the gross weight tax imposed on a truck-tractor or truck used as a truck-tractor, each semi-trailer shall be taxed a fee of (\$10) \$30 for a one year period or (\$50) \$150 for a five year period whichever the applicant elects.

Sec. 6. Minnesota Statutes 1980, Section 168.013, Subdivision 1d, is amended to read:

Subd. 1d. [TRAILERS.] On trailers the annual tax shall be based on total gross weight and shall be 30 percent of the Minnesota base rate prescribed in subdivision 1e, (SCHEDULE I,) but in no event less than (\$2) \$5, provided, that the tax on trailers with a total gross weight of 3,000 pounds or less shall be payable biennially.

Sec. 7. Minnesota Statutes 1980, Section 168.013, Subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On all trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on all truck-tractor and semi-trailer combinations except those defined as farm combinations and urban combinations and on commercial zone vehicles, the tax based on total gross weight (DURING THE FIRST SIX YEARS OF VEHICLE LIFE) shall be graduated according to (SCHEDULE I OF) the Minnesota base rate schedule prescribed in this subdivision, but in no event less than (\$28, AND DURING THE SEVENTH AND SUCCEEDING YEARS OF VEHICLE LIFE THE TAX SHALL BE GRADUATED ACCORDING TO SCHEDULE II OF THIS SUBDIVISION, BUT IN NO EVENT LESS THAN \$17) \$120.

MINNESOTA BASE RATE SCHEDULE

Scheduled taxes include five percent surtax provided for in subdivision 14

| | TOTAL GROSS WEIGHT IN POUNDS | (SCHEDULE (SCHEDULE | |
|---|------------------------------|---------------------|------------|
| | | I) Tax | II TAX) |
| A | 0 - 1,500 | \$ (5.00) | 15 \$(...) |
| B | 1,501 - 3,000 | (9.00) | 20 (...) |

| | TOTAL GROSS WEIGHT IN POUNDS | (SCHEDULE I) Tax | (SCHEDULE II TAX) |
|---|------------------------------------|------------------------|-------------------------|
| C | 3,001 - 4,500 | (14.00) | 25 (8.00) |
| D | 4,501 - 6,000 | (19.00) | 35 (11.00) |
| E | 6,001 - 9,000 | (28.00) | 45 (17.00) |
| F | 9,001 - 12,000 | (39.00) | 70 (23.00) |
| G | 12,001 - 15,000 | (62.00) | 105 (37.00) |
| H | 15,001 - 18,000 | (86.00) | 145 (52.00) |
| I | 18,001 - 21,000 | (114.00) | 190 (68.00) |
| J | 21,001 - 27,000 | (158.00) | 270 (95.00) |
| K | 27,001 - 33,000 | (230.00) | 360 (138.00) |
| L | 33,001 - 39,000 | (320.00) | 470 (192.00) |
| M | 39,001 - 45,000 | (420.00) | 590 (252.00) |
| N | 45,001 - 51,000 | (540.00) | 710 (324.00) |
| O | 51,001 - 57,000 | (690.00) | 860 (414.00) |
| P | 57,001 - 63,000 | (830.00) | 1010 (498.00) |
| Q | 63,001 - 69,000 | (970.00) | 1180 (582.00) |
| R | 69,001 - 73,280 | (1,050.00) | 1320 (630.00) |
| S | 73,281 - (77,000) 78,000 | (1,155.00) | 1520 (693.00) |
| T | (77,001) 78,001 - 81,000 | (1,260.00) | 1620 (746.00) |

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of (\$36) \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to provisions of subdivision 12.

(PROVIDED HOWEVER, THAT ON ALL TRUCKS, EXCEPT THOSE IN THIS CHAPTER DEFINED AS FARM

TRUCKS AND URBAN TRUCKS, HAVING A GROSS WEIGHT IN EXCESS OF 18,000 POUNDS BUT LESS THAN 27,001 POUNDS, THE TAX SHALL BE:)

((A) FOR THE REGISTRATION YEAR 1976, 70 PERCENT OF THE APPLICABLE SCHEDULE I OR SCHEDULE II OF THIS SUBDIVISION;)

((B) FOR THE REGISTRATION YEAR 1977, 80 PERCENT OF THE APPLICABLE SCHEDULE I OR SCHEDULE II OF THIS SUBDIVISION;)

((C) FOR THE REGISTRATION YEAR 1978, 90 PERCENT OF THE APPLICABLE SCHEDULE I OR SCHEDULE II OF THIS SUBDIVISION;)

((D) FOR THE REGISTRATION YEAR 1979 AND THEREAFTER, 100 PERCENT OF THE APPLICABLE SCHEDULE I OR SCHEDULE II OF THIS SUBDIVISION.)

(ON VEHICLES HAVING A GROSS WEIGHT IN EXCESS OF 27,000 POUNDS, AND USED FOR THE TRANSPORTATION OF LIVESTOCK OR UNPROCESSED AND RAW FARM PRODUCTS SHALL BE TAXED AT 90 PERCENT OF THE MINNESOTA BASE RATE PRESCRIBED BY THIS SUBDIVISION UNDER SCHEDULE I DURING EACH OF THE FIRST SIX YEARS OF VEHICLE LIFE AND DURING THE SEVENTH AND SUCCEEDING YEARS OF VEHICLE LIFE AS TAKEN FROM SCHEDULE II, PROVIDED THE GROSS RECEIPTS DERIVED FROM SUCH USE EQUAL OR EXCEED 60 PERCENT OF THE OWNER'S TOTAL GROSS RECEIPTS FROM THE OPERATION OF SUCH VEHICLE DURING THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE SET BY LAW FOR THE REREGISTRATION OF SUCH VEHICLE. THE OWNER SHALL FURNISH SUCH INFORMATION AS THE COMMISSIONER OF PUBLIC SAFETY MAY REQUIRE, INCLUDING SWORN STATEMENTS OF FACT, AND THE COMMISSIONER OF PUBLIC SAFETY SHALL THEREUPON DETERMINE WHETHER SUCH OWNER COMES WITHIN THE PROVISIONS OF THIS PARAGRAPH.)

(IF AN OWNER HAS NOT USED SUCH VEHICLE FOR THE TRANSPORTATION OF LIVESTOCK OR UNPROCESSED AND RAW FARM PRODUCTS SO AS TO BE ABLE TO REPORT GROSS RECEIPTS FOR THE 12 MONTH PERIOD AS HEREIN SET FORTH, HE MAY, NEVERTHELESS, APPLY FOR REGISTRATION HEREUNDER AND PAY THE REDUCED TAX AND THE COMMISSIONER OF PUBLIC SAFETY SHALL, AFTER CONSIDERATION OF THE ESTABLISHED FACTS, DETERMINE WHETHER SUCH OWNER IS ENTITLED TO HAVE SUCH REGISTRATION APPROVED.)

(IF AN OWNER FAILS TO OPERATE UNDER THE CONDITIONS AND LIMITATIONS HEREIN SET FORTH, HE SHALL IMMEDIATELY NOTIFY THE COMMISSIONER OF PUBLIC SAFETY OF SUCH FACT AND PAY THE DIFFERENCE BETWEEN THE SCHEDULED GROSS WEIGHT TAX AND THE REDUCED TAX PROPORTIONATE TO THE NUMBER OF MONTHS REMAINING IN THE YEAR, 1/12 OF THE DIFFERENCE FOR EACH MONTH OR FRACTION THEREOF, BEGINNING WITH THE MONTH IN WHICH SUCH OPERATIONS WERE DISCONTINUED OR CHANGED.)

(IF AN OWNER FIRST USES SUCH VEHICLE FOR THE TRANSPORTATION OF LIVESTOCK AND UNPROCESSED AND RAW FARM PRODUCTS AFTER THE TAX BECOMES DUE WITHOUT REDUCTION, NO ADJUSTMENT OF REFUND OF TAX SHALL BE MADE DURING THAT CALENDAR YEAR FOR REASONS OF TRANSPORTING LIVESTOCK AND UNPROCESSED AND RAW FARM PRODUCTS.)

All truck-tractors except those herein defined as farm and urban truck-tractors and *commercial zone vehicles* shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of such truck-tractor and any semi-trailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to (SUCH) *the* gross weight tax imposed on the truck-tractor, each semi-trailer shall be taxed a fee of (\$10) \$30 for a one year period or (\$50) \$150 for a five year period whichever the applicant elects.

(URBAN) *Commercial zone* trucks include only all trucks and all truck-tractors (AND SEMI-TRAILERS USED EXCLUSIVELY IN TRANSPORTING PROPERTY WITHIN THE METROPOLITAN AREA CONSISTING OF HENNEPIN, RAMSEY, SCOTT, DAKOTA, ANOKA, WASHINGTON AND CARVER COUNTIES, OR WITHIN THE CORPORATE LIMITS OF ANY CITY OR CONTIGUOUS CITIES OR WITHIN ONE MILE OF CITIES OF THE FIRST AND SECOND CLASS. FOR THE PURPOSES OF THIS CLAUSE A LAND AREA CEDED TO THE UNITED STATES OF AMERICA UNDER GENERAL LAWS 1889, CHAPTER 57, IS A STATUTORY CITY. THE VEHICLE SHALL NOT BE OPERATED OUTSIDE THE METROPOLITAN AREA OR CORPORATE LIMITS OF SUCH CITY OR CONTIGUOUS CITIES, OR BEYOND ONE MILE OF CITIES OF THE FIRST AND SECOND CLASS; EXCEPT THAT THE COMMISSIONER OF PUBLIC SAFETY MAY, BY SPECIAL PERMIT, AUTHORIZE THE PERMANENT REMOVAL OF SUCH VEHICLE FROM ANY REGISTRATION AREA TO ANOTHER. THE LICENSE PLATES ISSUED THEREFOR SHALL BE PLAINLY MARKED. ON URBAN TRUCKS AND COMBINATIONS THE TAX SHALL BE BASED ON TOTAL GROSS WEIGHT AND SHALL BE 30 PERCENT OF THE MINNESOTA BASE RATE

PRESCRIBED IN THIS SUBDIVISION UNDER SCHEDULE I DURING EACH OF THE FIRST SIX YEARS OF VEHICLE LIFE, BUT IN NO EVENT LESS THAN \$19, AND DURING THE SEVENTH AND SUCCEEDING YEARS OF VEHICLE LIFE AS TAKEN FROM SCHEDULE II, BUT IN NO EVENT LESS THAN \$11. IN ADDITION TO SUCH GROSS WEIGHT TAX IMPOSED ON THE TRUCK-TRACTOR, EACH SEMI-TRAILER SHALL BE TAXED A FEE OF \$10 FOR A ONE YEAR PERIOD OR \$50 FOR A FIVE YEAR PERIOD WHICHEVER THE APPLICANT ELECTS. PROVIDED THAT ON VEHICLES USED BY AN AUTHORIZED LOCAL CARTAGE CARRIER OPERATING UNDER A PERMIT ISSUED PURSUANT TO SECTION 221.296 AND WHOSE GROSS TRANSPORTATION REVENUE CONSIST OF AT LEAST 60 PERCENT OBTAINED SOLELY FROM LOCAL CARTAGE CARRIAGE, SHALL BE TAXED AT 90 PERCENT OF THE PRESCRIBED URBAN TRUCK AND COMBINATION RATES FOR THE LIFE OF THE VEHICLE DURING EACH YEAR SUCH VEHICLE IS USED, PROVIDED THAT THE GROSS REVENUES OBTAINED FROM TRANSPORTATION SERVICES IS OBTAINED FROM LOCAL CARTAGE CARRIAGE IS AT LEAST 60 PERCENT OF ALL REVENUE OBTAINED FROM TRANSPORTATION SERVICES BY SAID PERSON; AND PROVIDED FURTHER, THAT SAID TAX SHALL IN NO EVENT BE LESS THAN \$10.) *and semi-trailers which are:*

(1) *used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within the area defined in section 221.296, subdivision 1; or,*

(2) *operated by an interstate carrier registered pursuant to section 221.61 or 221.62, or by an authorized local cartage carrier or other carrier receiving operating authority pursuant to chapter 221, and operated solely within a zone exempt from regulation by the Interstate Commerce Commission pursuant to 49 U.S.C. 10526(b).*

The license plates issued for commercial zone vehicles shall be plainly marked. Any person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to re-register the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first nine years of

vehicle life shall be 75 percent of the Minnesota base rate schedule. During the tenth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule.

On all trucks, truck-tractors and semi-trailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first six years of vehicle life shall be:

(a) for the 1982 registration year, 83 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 89 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 95 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

For all such vehicles, the tax for the seventh and succeeding years of vehicle life shall be:

(a) for the 1982 registration year, 70 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 80 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 90 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 8. Minnesota Statutes 1980, Section 168.013, Subdivision 1f, is amended to read:

Subd. 1f. [(INTERCITY) BUSES.] On all intercity buses, the tax during each of the first two years of vehicle life shall be based on the gross weight of the vehicle and graduated according to the following schedule:

| Gross Weight of Vehicle | Tax |
|---------------------------------|-------|
| Under 6,000 lbs. | \$125 |
| 6,000 to 8,000 lbs., incl. | 125 |

| Gross Weight of Vehicle | Tax |
|-----------------------------------|-----|
| 8,001 to 10,000 lbs., incl. | 125 |
| 10,001 to 12,000 lbs., incl. | 150 |
| 12,001 to 14,000 lbs., incl. | 190 |
| 14,001 to 16,000 lbs., incl. | 210 |
| 16,001 to 18,000 lbs., incl. | 225 |
| 18,001 to 20,000 lbs., incl. | 260 |
| 20,001 to 22,000 lbs., incl. | 300 |
| 22,001 to 24,000 lbs., incl. | 350 |
| 24,001 to 26,000 lbs., incl. | 400 |
| 26,001 to 28,000 lbs., incl. | 450 |
| 28,001 to 30,000 lbs., incl. | 500 |
| 30,001 and over | 550 |

During each of the third and fourth years of vehicle life, the tax shall be 75 percent of the foregoing scheduled tax; during the fifth year of vehicle life, the tax shall be 50 percent of the foregoing scheduled tax; during the sixth year of vehicle life, the tax shall be 37 1/2 percent of the foregoing scheduled tax; and during the seventh and each succeeding year of vehicle life, the tax shall be 25 percent of the foregoing scheduled tax; provided that the annual tax paid in any year of its life for an inter-city bus shall be not less than \$175 for a vehicle of over 25 passenger seating capacity and not less than \$125 for a vehicle of 25 passenger and less seating capacity.

On all intracity buses operated by an auto transportation company in the business of transporting persons for compensation as a common carrier and operating within the limits of cities having populations in excess of 200,000 inhabitants, the tax during each year of the vehicle life of each such bus shall be \$40; on all of such intracity buses operated in cities having a population of less than 200,000 and more than 70,000 inhabitants, the tax during each year of vehicle life of each bus shall be \$10; and on all of such intracity buses operating in cities having a population of less than 70,000 inhabitants, the tax during each year of vehicle life of each bus shall be \$2.

On all other buses the tax during each of the first three years of the vehicle life shall be based on the gross weight of the vehicle

and graduated according to the following schedule: Where the gross weight of the vehicle is 6,000 pounds or less, \$25. Where the gross weight of the vehicle is more than 6,000 pounds, and not more than 8,000 pounds, the tax shall be \$25 plus an additional tax of \$5 per ton for the ton or major portion in excess of 6,000 pounds. Where the gross weight of the vehicle is more than 8,000 pounds, and not more than 20,000 pounds, the tax shall be \$30 plus an additional tax of \$10 per ton for each ton or major portion in excess of 8,000 pounds. Where the gross weight of the vehicle is more than 20,000 pounds and not more than 24,000 pounds, the tax shall be \$90 plus an additional tax of \$15 per ton for each ton or major portion in excess of 20,000 pounds. Where the gross weight of the vehicle is more than 24,000 pounds and not more than 28,000 pounds, the tax shall be \$120 plus an additional tax of \$25 per ton for each ton or major portion in excess of 24,000 pounds. Where the gross weight of the vehicle is more than 28,000 pounds, the tax shall be \$170 plus an additional tax of \$30 per ton for each ton or major portion in excess of 28,000 pounds.

During (EACH OF) the fourth (, FIFTH AND SIXTH) *and succeeding* years of vehicle life, the tax shall be 80 percent of the foregoing scheduled tax but in no event less than \$20 per vehicle.

(DURING EACH OF THE SEVENTH, EIGHTH AND NINTH YEARS OF VEHICLE LIFE, THE TAX SHALL BE 60 PERCENT OF THE FOREGOING SCHEDULED TAX BUT IN NO EVENT LESS THAN \$16 PER VEHICLE.)

(DURING THE TENTH AND SUCCEEDING YEARS OF VEHICLE LIFE. THE TAX SHALL BE 40 PERCENT OF THE FOREGOING SCHEDULED TAX BUT IN NO EVENT LESS THAN \$12 PER VEHICLE.)

Sec. 9. Minnesota Statutes 1980, Section 168.013, Subdivision 1g, is amended to read:

Subd. 1g. [RECREATIONAL VEHICLES.] Selfpropelled recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight (AT 100 PERCENT OF) *and the tax shall be graduated according to* the Minnesota base rate *schedule* prescribed in subdivision 1e (UNDER SCHEDULE I DURING EACH OF THE FIRST SIX YEARS OF VEHICLE LIFE), but in no event less than (\$14, AND DURING THE SEVENTH AND SUCCEEDING YEARS OF VEHICLE LIFE AS TAKEN FROM SCHEDULE II, BUT IN NO EVENT LESS THAN \$8) \$20.

For all selfpropelled recreational vehicles, the tax for the seventh and succeeding years of vehicle life shall be:

(a) *for the 1982 registration year, 68 percent of the tax imposed in the Minnesota base rate schedule;*

(b) for the 1983 registration year, 76 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 84 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, 92 percent of the tax imposed in the Minnesota base rate schedule;

(e) for the 1986 registration year and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Towed recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight at 30 percent of the Minnesota base rate prescribed in subdivision 1e (UNDER SCHEDULE I) but in no event less than \$5.

The annual tax on a slip-in camper as defined in section 168.011, subdivision 25, shall be as provided for selfpropelled recreational vehicles unless (SUCH) *the* owner elects to register (SUCH) *the* slip-in camper as a truck. If the owner elects to register (SUCH) *the* slip-in camper as a truck, the annual tax shall be either the tax imposed for selfpropelled recreational vehicles or the tax imposed for trucks on the basis of gross weight in subdivision 1e, whichever is higher. Notwithstanding any law to the contrary, all trailers and semitrailers taxed pursuant to this section shall be exempt from any wheelage tax now or hereafter imposed by any political subdivision or political subdivisions.

Sec. 10. Minnesota Statutes 1980, Section 168.013, Subdivision 1h, is amended to read:

Subd. 1h. [MOTORIZED BICYCLES.] On motorized bicycles the tax is (\$3) \$6, which includes the surtax provided for in subdivision 14.

Sec. 11. Minnesota Statutes 1980, Section 168.013, is amended by adding a subdivision to read:

Subd. 1i. [URBAN TRUCKS.] On all vehicles registered as urban trucks for the registration year 1981, or any part thereof, and which are not registered as commercial zone trucks for the registration year 1982 and succeeding years, the tax shall be:

(a) for the registration year 1982, 50 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 67 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 84 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Beginning with the registration year 1985, the registrar shall not issue urban license plates.

Sec. 12. [168.018] [QUARTERLY REGISTRATION OF FARM TRUCKS.]

The owner of any farm truck as defined in section 168.011, subdivision 17, may elect to register and license the farm truck only for one or more quarters of a registration year, at a tax of one-fourth of the annual tax on the vehicle plus \$5 for each quarterly registration. The expiration date of a quarterly registration shall be displayed on the license plate in such a manner as the registrar shall direct. No farm truck registered on a quarterly basis shall be operated on the public streets and highways more than ten days beyond the end of the quarter for which it is registered unless the registration has been renewed for another quarter or for the remainder of the registration year.

For purposes of this section registration quarters shall begin on March 1, June 1, September 1, and December 1.

Sec. 13. Minnesota Statutes 1980, Section 168.12, Subdivision 2, is amended to read:

Subd. 2. [AMATEUR RADIO STATION LICENSEE; SPECIAL LICENSE PLATES.] Any applicant who is an owner or joint owner of a motor vehicle and a resident of this state, and who holds an official amateur radio station license, or a citizens radio service class D license, in good standing, issued by the Federal Communications Commission shall upon compliance with all laws of this state relating to registration and the licensing of motor vehicles and drivers, be furnished with license plates for (SUCH) *the* motor vehicle, as prescribed by law for passenger cars, upon which, in lieu of the numbers required for identification under subdivision 1, shall be inscribed the official amateur call letters of (SUCH) *the* applicant, as assigned by the Federal Communications Commission. The applicant shall pay in addition to the registration tax required by law, the sum of (\$2.50) \$25 for (SUCH) *the* special license plates, and at the time of delivery of (SUCH) *the* special license plates the applicant shall surrender to the registrar the current license plates issued for (SUCH) *the* motor vehicle. This provision for the issue of special license plates shall apply only if the applicant's passenger automobile is already registered in Minnesota so that the

applicant has valid regular Minnesota plates issued for that passenger automobile under which to operate it during the time that it will take to have the necessary special license plates made. If the applicant owns or jointly owns more than one motor vehicle he may apply for special plates for each of not more than two vehicles, and, if each application complies with this subdivision, the registrar shall furnish the applicant with (SUCH) *the* special plates, inscribed with the official amateur call letters and (SUCH) other distinguishing information as the registrar considers necessary, for each of the two vehicles. And the registrar may make (SUCH) reasonable regulations governing the use of (SUCH) *the* special license plates as will assure the full compliance by the owner and holder of (SUCH) *the* special plates, with all existing laws governing the registration of motor vehicles, the transfer and the use thereof. When the ownership of a motor vehicle for which (SUCH) special license plates have been furnished by the registrar, changes from one person to another, the special license plates herein authorized shall be promptly removed from the motor vehicle by the seller and returned to the registrar, at which time the seller or the buyer of (SUCH) *the* motor vehicle shall be entitled to receive license plates for (SUCH) *the* motor vehicle as provided in section 168.15.

Sec. 14. Minnesota Statutes 1980, Section 168.12, Subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates shall be issued to any applicant for registration of a passenger automobile, station wagon, van or pickup truck with a gross weight of 9,000 pounds or less, or self-propelled recreational vehicle, upon compliance with all laws of this state relating to registration of the vehicle, and upon payment of a fee of (\$50) \$100 in addition to the registration tax required by law for the vehicle. In lieu of the numbers assigned as provided in subdivision 1, such personalized license plates shall have imprinted thereon a series of not to exceed any combination of six numbers and letters. When an applicant has once obtained personalized plates, he shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if he makes application for them at least 30 days prior to the first date on which his registration can be renewed. The commissioner of public safety shall adopt rules and regulations in the manner provided by chapter 15, regulating the issuance and transfer of such personalized license plates. No words or combination of letters placed on such personalized license plates may be used for commercial advertising or be of an obscene, indecent or immoral nature, or such as would offend public morals or decency. The call signals or letters of a radio or television station shall not be construed as commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5,

which fee shall be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by regulation provide a form for such notification.

The fee prescribed for personalized license plates shall be paid only in those years in which the number plate itself is issued, and shall not be payable in any year in which a year plate, tab or sticker is issued in lieu of a number plate.

All fees from the sale of personalized license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 15. Minnesota Statutes 1980, Section 168.16, is amended to read:

168.16 [REFUNDS; APPROPRIATION.]

After the tax upon any motor vehicle shall have been paid for any year, refund shall be made for errors made in computing the tax or fees and for the error on the part of an owner who may in error have registered a motor that was not before, nor at the time of (SUCH) registration, nor at any time thereafter during the current past year, subject to (SUCH) tax in this state, provided that after more than two years after (SUCH) the tax was paid no refund shall be made for any tax paid on any vehicle exempted from taxation by reasons of nonuse as provided by section 168.012. (SUCH) The refundment shall be made from any fund in possession of the registrar and shall be deducted from his monthly report to the commissioner of finance. A detailed report of (SUCH) the refundment shall accompany the report. The former owner of a transferred vehicle by an assignment in writing endorsed upon his registration certificate and delivered to the registrar within the time provided herein may sell and assign to the new owner thereof the right to have the tax paid by him accredited to (SUCH) the owner who duly registers (SUCH) the vehicle. Any owner at the time of such occurrence, whose vehicle shall be permanently destroyed, (PERMANENTLY REMOVED FROM THE STATE,) or sold to the federal government, the state, or political subdivision thereof, shall upon filing a verified claim be entitled to a refund of the unused portion of the tax paid upon the vehicle, computed as follows:

(1) If the vehicle is registered under the calendar year system of registration, the refund is computed pro rata by the month, one-twelfth of the annual tax paid for each month of the year remaining after the month in which the plates and certificate were returned to the registrar;

(2) In the case of a vehicle registered under the monthly series system of registration, the amount of the refund is equal to the sum of the amounts of the license fee attributable to

those months remaining in the licensing period after the month in which the plates and certificate were returned to the registrar.

(PROVIDED, HOWEVER, THAT IN THE CASE OF A VEHICLE PERMANENTLY REMOVED FROM THE STATE AND THE REGISTRAR IS SATISFIED THAT THE REGISTRATION PLATES AND CERTIFICATE HAVE BEEN SURRENDERED TO AND CANCELED BY THE MOTOR VEHICLE DEPARTMENT OF ANOTHER STATE OR COUNTRY, HE MAY COMPUTE THE REFUND IN THE SAME MANNER AS IF SUCH PLATES AND CERTIFICATE WERE RETURNED TO HIM AS OF THE DATE OF SUCH SURRENDER AND CANCELLATION.)

There is hereby appropriated to the persons entitled to (SUCH) a refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 16. Minnesota Statutes 1980, Section 168.27, Subdivision 16, is amended to read:

Subd. 16. [PLATES, DISTINGUISHING NUMBERS.] (a) The registrar shall issue to every motor vehicle dealer, upon a request from such motor vehicle dealer licensed as provided in subdivisions 2 or 3, one or more pair of number plates displaying a general distinguishing number upon the payment of \$10 to the registrar. In addition the dealer shall pay a motor vehicle excise tax of \$15 annually for each pair of dealer plates purchased as required by section 297B.035. The registrar shall deposit the tax in the state treasury and it shall be credited (TO THE GENERAL FUND) *as provided in section 297B.09.* Motor vehicles, new or used, owned by such motor vehicle dealer and bearing such number plates, except vehicles leased to the user who is not an employee of the dealer during the term of the lease, held for hire, or customarily used by the dealer as a tow truck, service truck, or parts pickup truck, may be driven upon the streets and highways of this state by such motor vehicle dealer, or any employee of such motor vehicle dealer or by any member of the immediate family of such dealer or employee for either private or business purposes; or may be driven upon the streets and highways for demonstration purposes by any prospective buyer thereof for a period of 48 hours or in the case of a truck, truck-tractor, or semi-trailer, for a period of seven days.

(b) A new or used motor vehicle sold by such motor vehicle dealer and bearing the motor vehicle dealer's number plates may be driven upon the public streets and highways for a period of 72 hours by the buyer for either of the following purposes: (1) Removing the vehicle from this state for registration in another state, or (2) permitting the buyer to use the motor vehicle before he receives number plates pursuant to his own

registration. Use of a motor vehicle by the buyer under the provisions of clause (2) of the preceding sentence before he receives number plates pursuant to his own registration constitutes a use of the public streets or highways for the purpose of the time requirements for registration of motor vehicles.

Sec. 17. Minnesota Statutes 1980, Section 168C.11, Subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT.] Subject to the provisions of subdivision 2, the commissioner shall appoint as deputy registrars of bicycles any bicycle dealer, or agent or employee thereof, or any agent or employee designated by a municipality that sells bicycles at public auction who applies for appointment in a manner prescribed by the commissioner; provided that concurrently there may be no more than one such deputy for each separate place of business of a bicycle dealer. Deputy registrars of bicycles shall act as agents of the commissioner and may accept registrations as provided in Laws 1976, Chapter 199, except that no deputy registrar of bicycles shall be required to register bicycles sold by other bicycle dealers. The commissioner, deputy registrars of motor vehicles, and deputy registrars of bicycles may charge and retain an additional (50 CENTS) \$1 per registration granted for their services. In the case of a deputy registrar of motor vehicles, the (50 CENTS) \$1 shall be deposited in the treasury of the place for which he is appointed, or if the deputy is not a public official he shall retain the filing fee. All other registration fees collected by the commissioner, deputy registrars of motor vehicles and deputy registrars of bicycles shall be processed, accounted for and transmitted to the state treasurer as required by the commissioner.

Sec. 18. Minnesota Statutes 1980, Section 169.79, is amended to read:

169.79 [VEHICLE REGISTRATION.]

No person shall operate, drive or park a motor vehicle on any highway unless the vehicle is registered in accordance with the laws of this state and has the number plates for the current year only, as assigned to it by the commissioner of public safety, conspicuously displayed thereon in a manner that the view of any plate is not obstructed. If the vehicle is a motorcycle, motor scooter, motorized bicycle, motorcycle sidecar, trailer, or semitrailer, one (SUCH) plate shall be displayed on the rear thereof; if the vehicle is a truck-tractor (OR), road-tractor or farm truck, as defined in section 168.011, subdivision 17, but excluding from that definition semitrailers and trailers, one (SUCH) plate shall be displayed on the front thereof; if it is any other kind of motor vehicle, one (SUCH) plate shall be displayed on the front and one on the rear thereof. All plates shall be securely fastened so as to prevent them from swinging. The person driving the motor

vehicle shall keep the plate legible and unobstructed and free from grease, dust, or other blurring material so that the lettering shall be plainly visible at all times.

Sec. 19. Minnesota Statutes 1980, Section 171.02, Subdivision 3, is amended to read:

Subd. 3. [MOTORIZED BICYCLES.] No motorized bicycle shall be operated on any public roadway by any person who does not possess a valid drivers license, unless the person has obtained a motorized bicycle operator's permit from the commissioner of public safety. The permit may be issued to any person who has attained the age of 15 years and who has passed the examination prescribed by the commissioner. The commissioner may promulgate rules and regulations prescribing the content of the examination and the information to be contained on the permit.

The fees for motorized bicycle operator's permit are as follows:

| | |
|--|--------------|
| (a) Examination and operator's permit, valid for one year | (\$2.50) \$4 |
| (b) Duplicate | (\$1.50) \$2 |
| (c) Renewal permit before age 18 and valid until age 18 | (\$3) \$6 |
| (d) Renewal permit after age 18 and valid for four years | (\$5) \$10 |
| (e) Duplicate of any renewal permit | (\$2) \$3 |

Sec. 20. Minnesota Statutes 1980, Section 171.06, Subdivision 1, is amended to read:

Subdivision 1. [FORMS OF APPLICATION.] Every application for an instruction permit or for a driver's license shall be made upon a form furnished by the department, and every application shall be accompanied by the proper fee. All (SUCH) applications (EXCEPT APPLICATIONS FOR RENEWAL) shall be signed in the presence of the person authorized to accept (SUCH) the applications, or the signature on the application (SHALL) may be verified by a notary public. (PAYMENT OF THE FEE FOR THE CLASS B LICENSE AND CLASS A LICENSE UPON INITIAL APPLICATION WILL BE AT THE PLACE OF APPLICATION.)

Sec. 21. Minnesota Statutes 1980, Section 171.06, Subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) The fees for a license (SHALL BE) and *Minnesota identification card* are as follows:

Classified Driver License C-(\$5) \$10 B-(\$10) \$15 A-(\$15) \$20

Classified Provisional D.L. C-(3) \$6 B-(5) \$10

Instruction Permit (2.00) \$2

Duplicate Driver or Provisional License (1.50) \$3

Minnesota identification card, except

as otherwise provided in section 171.07,

subdivisions 3 and 3a

\$6

Sec. 22. Minnesota Statutes 1980, Section 171.06, is amended by adding a subdivision to read:

Subd. 3a. [MIDDLE NAME MAY BE MAIDEN NAME.] For the purposes of subdivision 3, and section 171.07, subdivision 1, the full name of a married applicant may include, at the option of the applicant, the applicant's family name prior to marriage instead of the applicant's given middle name, notwithstanding the middle name specified on the applicant's marriage certificate.

Sec. 23. Minnesota Statutes 1980, Section 171.06, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION, FILING.] Any applicant for an instruction permit, a driver's license, restricted license, or duplicate license may file (HIS) an application with a clerk of the district court or at a state office. (SUCH) The clerk or state office shall (AND IS HEREBY AUTHORIZED TO) receive and accept (SUCH) the application. (TO COVER ALL EXPENSES INVOLVED IN RECEIVING, ACCEPTING OR FORWARDING TO THE DEPARTMENT APPLICATIONS AND FEES, THE STATE OFFICE MAY CHARGE 50 CENTS FOR EACH APPLICATION FOR AN INSTRUCTION PERMIT, DUPLICATE LICENSE; DRIVER LICENSE OR RESTRICTED LICENSE, SUCH ADDITIONAL FEE SHALL ALSO BE FORWARDED TO THE DEPARTMENT.) To cover all expenses involved in receiving, accepting, or forwarding to the department applications and fees, the clerk of the district court may (CHARGE AND) retain a county fee of \$1 for each application for (AN) a *Minnesota identification card*, instruction permit, duplicate license, driver license, or restricted license (, THE COUNTY FEE OF \$1 SHALL BE IN ADDITION TO THE FEES OTHERWISE PROVIDED BY LAW). The amount allowed to be retained by the clerk of the district court shall be paid

into the county treasury and credited to the general revenue fund of the county. The clerk of court shall forward all applications and fees, less the amount herein allowed to be retained for expense, to the department within (15) *ten* days of the receipt by him. The clerks of the district courts may appoint agents to assist in accepting applications, but the clerks shall require every (SUCH) agent to forward to the clerk by whom he is appointed all applications accepted and fees collected by him, except that an agent may retain one-half of the \$1 county fee to cover his expenses involved in receiving, accepting or forwarding the applications and fees. The clerks of court shall be responsible for the acts of agents appointed by them and for the forwarding to the department of all applications accepted and those fees collected by (SUCH) agents and by themselves as are required to be forwarded to the department.

Sec. 24. Minnesota Statutes 1980, Section 171.07, Subdivision 1, is amended to read:

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.

Sec. 25. Minnesota Statutes 1980, Section 171.07, Subdivision 3, is amended to read:

Subd. 3. Upon payment of the required fee (FOR A DRIVER'S LICENSE BEARING A COLORED PHOTOGRAPH,) the department may issue to every applicant who does not physically qualify for a driver's license, or any person not currently licensed to drive, who does not intend to apply for a driver's license under this section or who wishes to discontinue

driving and surrenders his current driver's license, a Minnesota identification card. The card shall bear (THEREON) a distinguishing number assigned to the applicant, a *colored photograph*, the full name, date of birth, residence address, a description of the applicant in (SUCH) *the* manner as the commissioner deems necessary, and a space upon which the applicant shall write his usual signature with pen and ink.

Each Minnesota identification card shall be (ON AN ALL PLASTIC OR LAMINATED PLASTIC CARD OF A DISTINGUISHING COLOR AND) plainly marked "non-driver". The fee for a Minnesota identification card issued to any person who is mentally retarded, as defined in section 252A.02, subdivision 2, shall be 50 cents.

Sec. 26. Minnesota Statutes 1980, Section 171.29, is amended to read:

171.29 [REVOKED LICENSES; EXAMINATION FOR NEW LICENSES.]

Subdivision 1. No person whose drivers license has been revoked by reason of conviction, plea of guilty, or forfeiture of bail not vacated, (UPON THREE CHARGES OF CARELESS OR RECKLESS DRIVING, COMMITTED WITHIN A PERIOD OF 12 MONTHS, OR A PERSON WHO IS CONVICTED OF A CHARGE OF DRIVING UNDER THE INFLUENCE OF ALCOHOLIC BEVERAGE OR NARCOTIC DRUG,) *under section 171.17 or 65B.67, or revoked under section 169.123* shall be issued another license unless and until he shall have successfully passed an examination as required for an initial license.

Subd. 2. Any person (WHO IS REQUIRED TO TAKE AN EXAMINATION AS PROVIDED IN SUBDIVISION 1 SHALL PAY A FEE OF \$2.50 FOR EACH EXAMINATION) *whose drivers license has been revoked as provided in subdivision 1 shall pay a \$30 fee before his drivers license is reinstated.*

Sec. 27. Minnesota Statutes 1980, Section 174.24, Subdivision 3, is amended to read:

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the operating deficit of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles, provided that any financial assistance received from any agency of the federal government for the operation of a public transit system shall be treated as revenue for the purposes of determining the operating deficit. To be eligible for financial assistance an applicant or recipient shall provide to the commissioner all financial records and other

information and shall permit any inspection reasonably necessary to determine the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section. The commissioner may adopt rules establishing performance standards for public transit systems for use in determining the amount of assistance which may be paid to an eligible recipient. Except as otherwise provided in this subdivision, payments shall not exceed two-thirds of the operating deficit of a public transit system. The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district as defined in section 473.446, subdivision 2. Payments to those private operators shall be based on the uniform performance standards and shall not exceed 100 percent of the operating deficit. (PAYMENTS TO THE METROPOLITAN TRANSIT COMMISSION SHALL BE BASED UPON A PERFORMANCE FUNDING SYSTEM AS PROVIDED IN SECTION 174.28.)

Sec. 28. Minnesota Statutes 1980, Section 174.24, is amended by adding a subdivision to read:

Subd. 3a. [TRANSIT COMMISSION.] The commissioner shall provide financial assistance by contract to the metropolitan transit commission from appropriations provided for that purpose.

Sec. 29. [174.265] [METROPOLITAN TRANSIT SERVICE DEMONSTRATION PROGRAM.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them, unless the context requires otherwise.

(a) "Available local transit funds" means an amount equal to 90 percent of the tax proceeds which would accrue to the metropolitan transit commission from a tax levied in the applicant community or communities in accordance with section 473.446, subdivision 1, clauses (a) to (c).

(b) "Off-peak hours" has the meaning given it in section 473.408, subdivision 1.

Subd. 2. [ESTABLISHMENT OF PROGRAM.] A metropolitan transit service demonstration program is established to provide financial assistance for projects designed to test the efficiency and effectiveness of alternative methods of providing public transit service for communities that are within the metropolitan transit taxing district but are not adequately served by the existing regular route transit.

Subd. 3. [ELIGIBILITY.] The commissioner may provide assistance under the program to any statutory or home rule charter city or town, or group of such cities or towns, which: (a) is located within the metropolitan transit taxing district, as defined in section 473.446, subdivision 2; (b) is not served by the metropolitan transit commission or is served only with bus routes which end or begin within the city or town, or group of cities or towns; and (c) has fewer than four scheduled runs of bus service provided by the commission during off-peak hours. Eligible cities or towns may apply on behalf of any operator of public transit with whom they propose to contract for service.

Subd. 4. [ASSISTANCE FOR REPLACEMENT SERVICE.] An application for financial assistance for replacement services shall: describe the existing service provided to the applicant by the metropolitan transit commission, including the estimated number of passengers carried and the routes, schedules, and fares; describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of state assistance requested for the replacement services. Financial assistance shall not be granted under this subdivision unless the commissioner determines that the service proposed for funding is intended and designed to replace and substitute for that provided by the metropolitan transit commission at the time of application and that the average subsidy per passenger for the replacement service will not exceed the average subsidy per passenger during the six months preceding the application on the commission's routes which serve the applicant communities. If the applicant communities are not served by the commission at the time of the application, the average subsidy per passenger for the replacement service shall not exceed the average subsidy per passenger during the six months preceding the application on all routes of the commission extending into zone four. After the first year of replacement service, the maximum subsidy shall be escalated at a rate equal to the rate of inflation in the revised consumer price index for all urban consumers in the Minneapolis-St. Paul metropolitan area. The amount of financial assistance provided for replacement service under this subdivision shall not exceed the sum of: (a) the portion of the available local transit funds which the applicant proposes to use to subsidize the service, and (b) an amount of state assistance bearing an identical proportional relationship to the amount under (a) as the total amount of state assistance available to the metropolitan transit commission under section 2 bears to the total amount of taxes collected by the commission under section 473.446, subdivision 1, clauses (a) to (c). The commissioner shall transfer the amounts provided to the recipient from the assistance available to the metropolitan transit commission pursuant to section 174.24, subdivision 3.

Subd. 5. [ASSISTANCE FOR ADDITIONAL SERVICE.] Any city or town or group of cities or towns receiving financial assistance under subdivision 4 may also receive assistance pursuant to section 174.24, subdivision 3, or section 174.25. In addition to the information required of applicants for assistance under those sections, an application shall describe the portion of the available local transit funds which are not obligated to subsidize replacement service, under the assistance contract entered into pursuant to subdivision 4, and which the applicant proposes to use to subsidize additional services. An applicant which has exhausted its available local transit funds may use any other local subsidy funds to complete the required local share. If the commissioner grants financial assistance pursuant to this subdivision, the commissioner shall transfer the portion of the available local transit funds which the applicant proposes to use to subsidize the additional service from the assistance available to the metropolitan transit commission pursuant to section 174.24, subdivision 3.

Sec. 30. Minnesota Statutes 1980, Section 174.31, is amended to read:

174.31 [(SPECIAL DEMONSTRATION PROJECT;) COORDINATION OF SPECIAL TRANSPORTATION SERVICE IN THE METROPOLITAN AREA.]

Subdivision 1. [ESTABLISHMENT; OBJECTIVES.] A (SPECIAL DEMONSTRATION) project for coordination of special transportation service in the metropolitan area as defined in section 473.121, subdivision 2, shall be established and implemented by the commissioner with the following objectives:

(a) To provide greater access to transportation for the elderly, handicapped and others with special transportation needs in the metropolitan area and particularly to fill all unmet needs for that transportation in the transit taxing district as defined in section 473.446, subdivision 2; (AND)

(b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner (USING EXISTING PUBLIC AND PRIVATE PROVIDERS OF SERVICE); and

(c) *To use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.*

For the purpose of this section "project" means the (DEMONSTRATION) project established under this subdivision.

Subd. 2. [FINANCING; IMPLEMENTATION; MANAGEMENT AND ADVISORY GROUPS.] The project shall be operated pursuant to the rules governing and funded with money available under the paratransit grant program. The commissioner shall not operate the project but shall contract for services necessary for its operation. All transportation service provided through the project shall be provided under a contract between the commissioner and the provider which specifies the service to be provided and the rates for providing it. The commissioner shall establish a committee to set management policies for the project. The management policy committee shall include the commissioner or his designee, representatives of persons contracting to provide services for the project, a representative of the metropolitan council, a representative of the metropolitan transit commission and at least two representatives of the task force established to advise the committee. The meetings of the management policy committee shall be public and minutes of all meetings shall be taken, preserved and made available for public inspection. The commissioner shall establish an advisory task force of individuals representing the elderly, handicapped and other users of service provided by the project to advise the management policy committee.

Subd. 3. [DUTIES OF COMMISSIONER.] In implementing the project the commissioner shall:

(a) Encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;

(b) Contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;

(c) Encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;

(d) Insure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;

(e) Encourage shared rides to the greatest extent practicable;

(f) Insure that a full range of service is made available through the project to all parts of the metropolitan transit taxing district;

(g) Encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow

reimbursement for services provided through the project at rates that reflect the public cost of providing those services.

Subd. 4. [COORDINATION REQUIRED.] The commissioner shall not grant any financial assistance under section 174.24 or 174.25 to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the commissioner. (A RECIPIENT OF A GRANT MADE BEFORE JUNE 8, 1979 SHALL COORDINATE ITS PROGRAM WITH THE PROJECT AS FAR AS PRACTICABLE BUT SHALL NOT BE DENIED ANY ADDITIONAL GRANT FOR WHICH IT IS OTHERWISE QUALIFIED SOLELY BECAUSE IT IS NOT COORDINATED WITH THE PROJECT.)

Subd. 5. [(COMPLIANCE WITH) OPERATING AND SERVICE STANDARDS.] A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.30 shall not be allowed to provide service through the project after January 1, 1981, unless a current certificate of compliance has been issued to the vehicle. *A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the commissioner of transportation and the person denied service describing the corrective measures necessary to qualify for service.*

Subd. 6. [EVALUATION AND REPORTS.] The commissioner shall evaluate the project and submit a report to the legislature in January, 1981, including the following information:

(a) All amounts of money spent or obligated for the project by the commissioner and the persons receiving those amounts;

(b) The types of service provided, number of individuals served and areas covered;

(c) A comparison of the cost of providing different types of service;

(d) A review of the achievements or failures of the project, problems encountered in implementation and conclusions and recommendations concerning future action.

The commissioner shall submit a preliminary report to the legislature in January, 1980, covering the above information to the extent it is available at that time.

Subd. 7. [EXPIRATION OF PROJECT.] The project shall expire June 30, 1981, and the commissioner shall not enter a contract or make any grant the proceeds of which may be expended for the purpose of implementing or continuing the project beyond June 30, 1981.

Sec. 31. Minnesota Statutes 1980, Section 174.50, Subdivision 1, is amended to read:

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, and alternate to highways and are a proper object for contracting public debt and engaging in works of internal improvement under article XI, section 5, clause (a) of the constitution. These expenditures are needed to harmonize state and local highway systems with the requirements of the federal interstate highway system, to avoid harmful environmental impact of arterial highways on urban, scenic, and recreational areas, to provide auxiliary facilities for the convenience and safety of persons crossing highways and persons living and working adjacent to them, and to reduce the number of private motor vehicles on highways by providing alternate modes of transportation. Capital expenditures of this nature exceed requirements for basic highway systems and should be funded from sources other than the taxes and bonds authorized in article XIV of the constitution. However, the improvements tend to reduce the cost of maintenance of highways to the minimum required for accommodation of traffic, and the cost may and shall continue to be paid from 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 expedited completion of the interstate highway system in Minnesota by paying the state and local shares of interstate highway segments, and of interstate highway substitution projects when approved by the United States secretary of transportation, the governor, and the responsible regional councils and local government units.*

Sec. 32. Minnesota Statutes 1980, Section 297B.035, Subdivision 2, is amended to read:

Subd. 2. Motor vehicles which satisfy the definitions of subdivision 1, shall be taxed at a yearly rate of \$15 per set of dealer plates. This tax shall be paid when dealer plates are purchased and shall be deposited in the state treasury and credited (TO THE GENERAL FUND) *as provided in section 297B.09*. This tax shall be in lieu of any other state sales, excise, or use tax.

Sec. 33. Minnesota Statutes 1980, Section 297B.09, is amended to read:

297B.09 [ALLOCATION OF REVENUE.]

Subdivision 1. [GENERAL FUND SHARE.] All moneys collected and received (UNDER LAWS 1971, CHAPTER 853,) under this chapter shall be (ALLOCATED MONTHLY BY THE MOTOR VEHICLE REGISTRAR TO THE STATE COMMISSIONER OF REVENUE AND BY HIM SHALL BE PAID TO THE STATE TREASURER AND SHALL BE) deposited (AS PROVIDED IN SECTION 297A.44.) in the state treasury and credited as follows:

(a) All of the proceeds collected until June 30, 1983 shall be credited to the general fund;

(b) Three-fourths of the proceeds collected after June 30, 1983 and before July 1, 1984 shall be credited to the general fund;

(c) One-half of the proceeds collected after June 30, 1984 and before July 1, 1985 shall be credited to the general fund;

(d) One-fourth of the proceeds collected after June 30, 1985 and before July 1, 1986 shall be credited to the general fund;

(e) After June 30, 1986, none of the proceeds collected shall be credited to the general fund.

Subd. 2. [HIGHWAY USER TAX DISTRIBUTION FUND SHARE.] The proceeds collected under this chapter and not credited to the general fund shall be deposited in the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund.

Sec. 34. Minnesota Statutes 1980, Section 299D.03, Subdivision 5, is amended to read:

Subd. 5. [FINES AND FORFEITED BAIL MONEY.] (a) All fines and forfeited bail money, from traffic and motor vehicle law violations, collected from persons apprehended or arrested by such employees, shall be paid by the justice of the peace, or such other person or officer collecting such fines,

forfeited bail money or installments thereof, on or before the tenth day after the last day of the month in which such moneys were collected, to the county treasurer of the county where the violation occurred. Three-eighths of such receipts shall be credited to the general revenue fund of the county. The other five-eighths of such receipts shall be transmitted by that officer to the state treasurer and shall be credited to the trunk highway fund. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts shall be credited to the general revenue fund of the county, one-third of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be transmitted to the state treasurer as provided in this subdivision. All costs of participation in a nation-wide police communication system chargeable to the state of Minnesota shall be paid from appropriations for that purpose.

(b) Notwithstanding any other provisions of law, all fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by such employees, shall be paid by the person or officer collecting the fines or forfeited bail money, on or before the tenth day after the last day of the month in which the collections were made, to the county treasurer of the county where the violation occurred. All such receipts shall be transmitted by that officer to the state treasurer and shall be credited to the trunk highway fund.

Sec. 35. Minnesota Statutes 1980, Section 473.408, Subdivision 6, is amended to read:

Subd. 6. [MONTHLY PASSES.] The commission (SHALL) *may* offer monthly passes for regular route bus service for sale to the general public. (THE PASSES SHALL BE OFFERED AT A DISCOUNT AT LEAST AS GREAT AS THE DISCOUNT PROVIDED ON PASSES SOLD BY THE COMMISSION IN JANUARY, 1979.)

Sec. 36. Minnesota Statutes 1980, Section 473.408, Subdivision 7, is amended to read:

Subd. 7. [EMPLOYEE PLAN.] The commission (SHALL) *may* offer monthly passes for regular route bus service for sale to employers at a special discount subject to the provisions of this subdivision. An employer (IS) *may* be eligible to purchase passes at a special discount if the employer agrees to establish a payroll deduction plan as a means for its employees to purchase the passes at a price at or below the amount charged by the commission. The special discount on passes sold pursuant to this subdivision shall be (TWO DOLLARS ON A SINGLE ZONE PASS AND A PROPORTIONATE AMOUNT ON

OTHER PASSES. THE SPECIAL DISCOUNT IS IN ADDITION TO THE DISCOUNT PROVIDED ON PASSES SOLD TO THE GENERAL PUBLIC) *determined by the commission.*

Sec. 37. Minnesota Statutes 1980, Section 473.411, Subdivision 1, is amended to read:

Subdivision 1. [DEVELOPMENT PROGRAM.] The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a (TRANSPORTATION) development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area, the state transportation department and the state planning agency, and for that purpose may create such advisory committees as may be necessary.

(SUCH) *The* program shall provide for coordination of routes and operations of all publicly and privately owned (TRANSPORTATION) *transit and paratransit* facilities within the transit area to the end that combined efficient and rapid (TRANSPORTATION) *transit and paratransit* may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration (TRANSPORTATION) *transit or paratransit* project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form. The (TRANSPORTATION) development program shall include the general alignment and profile, approximate points of access, facility classification, approximate cost, relation to other existing and planned (TRANSPORTATION) *transit and paratransit* routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The (TRANSPORTATION) *transit and paratransit* development program shall also contain a description of the type of right-of-way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Sec. 38. Minnesota Statutes 1980, Section 473.446, is amended to read:

473.446 [TRANSIT TAX LEVIES.]

Subdivision 1. [(AMOUNT) TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, *except as otherwise provided in this subdivision* the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined (HEREIN) *in subdivision 2*, a transit tax consisting of:

(a) An amount equal to 1.72 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) *transit and paratransit* 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.

In any statutory or home rule charter city or town in the metropolitan transit taxing district which is receiving financial assistance under section 28, the commission shall levy a tax equal to ten percent of the sum of levies provided for in clauses (a) to (c), plus a levy sufficient to yield the amounts of available local transit funds transferred pursuant to section 28 from the state assistance available to the commission, less any amount paid to the commission by the city or town under a contract for service entered into pursuant to subdivision 2 of this section.

Subd. 1a. [TAXATION WITHIN TRANSIT AREA.] For the purposes of sections 473.401 to 473.451, and the metropolitan transit system, the metropolitan transit commission shall levy upon all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district, defined (HEREIN) *in subdivision 2*, a transit tax, which shall be equal to ten percent of the sum of the levies provided in subdivision 1, *clauses (a) to (c)*. *The proceeds of this tax shall be used only for paratransit services or ride sharing programs designed to serve persons located within the transit area but outside of the transit taxing district.*

Subd. 2. [TRANSIT TAXING DISTRICT.] The metropolitan transit taxing district is hereby designated as that portion of the metropolitan transit area lying within the following named

cities, towns, or unorganized territory within the counties indicated:

(a) Anoka county. Anoka, Blaine, Centerville, Columbia Heights, Coon Rapids, Fridley, Circle Pines, Hilltop, Lexington, Lino Lakes, Spring Lake Park;

(b) Carver county. Chanhassen, the city of Chaska, Victoria;

(c) Dakota county. Apple Valley, Burnsville, Eagan, Inver Grove Heights, Lillydale, Mendota, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake, West St. Paul;

(d) Ramsey county. All of the territory within Ramsey county;

(e) Hennepin county. Bloomington, Brooklyn Center, Brooklyn Park, Chaplin, Chanhassen, Crystal, Deephaven, Eden Prairie, Edina, Excelsior, Golden Valley, Greenwood, Hopkins, Long Lake, Maple Grove, Medicine Lake, Minneapolis, Minnetonka, Minnetonka Beach, Mound, New Hope, Orono, Osseo, Plymouth, Richfield, Robbinsdale, St. Anthony, St. Louis Park, Shorewood, Spring Park, Tonka Bay, Wayzata, Woodland, the unorganized territory of Hennepin county;

(f) Scott county. Prior Lake, Savage, Shakopee;

(g) Washington county. Baytown, the city of Stillwater, White Bear Lake, Bayport, Birchwood, Cottage Grove, Dellwood, Lake Elmo, Landfall, Mahtomedi, Newport, Oakdale, Oak Park Heights, Pine Springs, St. Paul Park, Willernie, Woodbury.

The commission in its sole discretion may provide transit service by contract beyond the boundaries of the metropolitan transit taxing district *or to cities and towns within the taxing district which are receiving financial assistance under section 28*, upon petition therefor by an interested city, township or political subdivision within the metropolitan transit area. The commission may establish such terms and conditions as it deems necessary and advisable for providing the transit service, including such combination of fares and direct payments by the petitioner as will compensate the commission for the full capital and operating cost of the service and the related administrative activities of the commission. The amount of the levy made by any municipality to pay for the service shall be disregarded when calculation of levies subject to limitations is made, *provided that cities and towns receiving financial assistance under section 28 shall not make a special levy under this subdivision without having first exhausted the available local transit funds as defined in section 28*. The commission shall not be obligated to extend service beyond the boundaries of the taxing district, *or to cities and towns within the taxing district which are receiving*

financial assistance under section 28, under any law or contract unless or until payment therefor is received.

Subd. 2a. [PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.] The provisions of (SUBDIVISION) *subdivisions 1 and 2* or any other law changing the boundaries of the metropolitan transit taxing district or *reducing the levy otherwise required to be levied within the district* shall not be deemed to impair the rights of holders of outstanding indebtedness of the commission to require the levy of property taxes, if necessary to provide for any deficiency in accordance with the conditions of such indebtedness, on all property within the limits of the metropolitan transit taxing district as such limits were in effect at the date of issuance of such indebtedness.

Subd. 3. [CERTIFICATION AND COLLECTION.] On or before October 10 in each year the commission shall certify the total amount of the tax levied pursuant to subdivision 1 to the auditor of each metropolitan county. Each county auditor shall then assess and extend upon the tax rolls in his county that proportion of the tax which the assessed value of taxable property in his county bears to the assessed value of all taxable property in the metropolitan area. Each county treasurer shall collect and make settlement of such taxes with the treasurer of the commission. The levy of transit taxes pursuant to this section shall not affect the amount or rate of taxes which may be levied by any county or municipality or by the commission for other purposes authorized by law and shall be in addition to any other property tax authorized by law.

Sec. 39. [APPLICATION.]

Sections 35 to 38 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

Sec. 40. [TRANSPORTATION FUND APPROPRIATIONS.]

\$98,000,000 is appropriated from the state transportation fund to the commissioner of transportation to acquire and better public land, buildings, and capital improvements in accordance with Minnesota Statutes, Section 174.50 and rules promulgated thereunder, to be expended in the following amounts for the following purposes, respectively:

(a) *Design, construction, and reconstruction of key bridges and bridge approaches on routes of trunk and interstate highways—\$56,200,000;*

(b) *Payment of the state's share of the cost of completion of segments of the interstate highway system in cooperation*

with the United States secretary of transportation, and; payment of state and local shares of transit and highway projects for service of urbanized areas and connecting corridors in un-urbanized areas, approved by the United States secretary of transportation, the governor, and responsible regional councils and local government units, in substitution for interstate routes withdrawn from the areas—\$41,800,000.

Sec. 41. [AUTHORIZATION OF BONDS.]

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 \$98,000,000 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 for the acquisition and betterment of public land, buildings, and capital improvements in accordance with section 31 and Minnesota Statutes, Section 174.50.

Sec. 42. [APPROPRIATION.]

Subdivision 1. [PUBLIC TRANSIT.] The sum of \$53,986,000 is appropriated from the general fund to the commissioner of transportation. Of this appropriation, \$23,170,600 shall be available for expenditure the first year and \$30,815,400 for expenditure the second year of the biennium. The appropriation shall be available for the purpose of providing the following:

- (a) metropolitan transit commission operating grants;*
- (b) metropolitan transit commission social fares;*
- (c) metropolitan transit commission project mobility;*
- (d) metro mobility projects;*
- (e) metro mobility control center;*
- (f) private operators—metropolitan area;*
- (g) non-metropolitan transit commission operating assistance statewide;*
- (h) public transit capital grants.*

The metropolitan transit commission shall not raise its base fare more than ten cents over the level existing on January 1,

1981. Effective July 1, 1981, the commission shall eliminate zone charges.

The commission may request additional funding from the fuel and utilities contingent account in order to offset unanticipated fuel cost increases.

Up to \$10,000 each year is for an evaluation of transit systems receiving financial and technical assistance under sections 174.24 and 174.25, and for assistance to the legislature in evaluating alternative methods of allocating state subsidy funds. The evaluation studies shall be designed and carried out in consultation with the members and staff of the local and urban affairs committee of the house of representatives and the transportation committee of the senate. The study shall be completed by December 1, 1982.

Subd. 2. [RIDE SHARING.] The sum of \$75,000 for the first year and \$50,000 for the second year of the biennium are appropriated from the trunk highway fund to the commissioner of transportation to continue operation of the rideshare program implemented pursuant to section 174.257. The commissioner shall complete programs development and transfer responsibility for local program planning and operation activity to private operators or local authorities, or any combination of them, by June 30, 1983, when the state participation in the program shall cease. A status report shall be presented to the legislature by January 15, 1982. The rideshare program shall be administered so as to ensure maximum use of available federal aid.

Subd. 3. [BALANCES.] Any encumbered balance remaining in the first year shall not cancel but be available for the second year of the biennium.

Sec. 43. Laws 1969, Chapter 192, Section 1, is amended to read:

Section. 1. [MOORHEAD, CITY OF; BUS SERVICE.] The governing body of the city of Moorhead (MAY CONTRACT WITH THE OWNERS OR OPERATORS OF A BUS TRANSPORTATION SERVICE UPON SUCH TERMS AND CONDITIONS AS MAY BE AGREED UPON BETWEEN THEM FOR PUBLIC TRANSPORTATION SERVICE) is authorized to provide and assist public transportation services through acquisition, construction or operation, directly or by lease or contract, within the (CITY) Moorhead-Fargo urbanized area. The city's annual obligation, if any, under such contract shall not exceed the amount produced by applying (ONE MILL) two mills to the dollar value of all taxable property within the city. The limitation imposed under this section is expressed as an amount determined after the enactment of Minnesota Statutes, Sections 273.1101 to 273.1103. The levy permitted by this section shall be disregarded

in the calculation of any other levies or limitations on levies permitted or provided by other law or charter.

Sec. 44. [REPEALER.]

Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7, are repealed.

Sec. 45. [EFFECTIVE DATE.]

Sections 1 to 13 and 18, and the repeal of Minnesota Statutes 1980, Section 168.013, Subdivision 17, are effective November 15, 1981, for the year 1982 and subsequent years, provided that for vehicles registered under the monthly system on November 15, 1981, the increases provided in section 3 are effective on the date of the first renewal application. Sections 15, 17, 19, 20, 21, 23, 24, 25 to 26, 27, 28, 29, 30, 31, 34, 35, 36, 37, 38, 39, 42 and 44 are effective July 1, 1981. Sections 14, 31, 40 and 41 are effective the day following final enactment. Section 22 is effective January 1, 1983. Section 43 is effective the day after the filing of a certificate of local approval by the governing body of the city of Moorhead in compliance with Minnesota Statutes, Section 645.021, Subdivision 3."

Delete the title and insert

"A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle excise tax be allocated between the general fund and the highway user tax distribution fund for a period of four years, and thereafter all the proceeds to be deposited in the highway user tax distribution fund; authorizing the issuance of state bonds and appropriating the proceeds for the purpose of providing money to acquire and better public land, buildings, and capital improvements comprising key bridges, segments of interstate highway, and interstate highway substitution projects needs for an integrated state transportation system; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the city of Moorhead to increase its mill rate for public transportation services; appropriating money;

amending Minnesota Statutes 1980, Sections 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h and by adding a subdivision; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.79; 171.02, Subdivision 3; 171.06, Subdivisions 1, 2, 4 and by adding a subdivision; 171.07, Subdivisions 1 and 3; 171.29; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 174.50, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.03, Subdivision 5; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapter 192, Section 1; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 766, A bill for an act relating to the University of Minnesota hospitals; authorizing the sale of state bonds and loan of the proceeds of the sale to the board of regents of the University of Minnesota; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [UNIVERSITY HOSPITALS BONDS.]

Subdivision 1. [PURPOSE AND APPROPRIATION.] The commissioner of finance shall sell and issue bonds of the state of Minnesota in an aggregate principal amount not to exceed \$190,000,000 for the prompt and full payment of which, with interest, the full faith, credit, and taxing powers of the state are irrevocably pledged, for the purpose of providing money to be loaned to the board of regents of the University of Minnesota to acquire and better public land, buildings, and improvements of a capital nature needed to provide facilities, equipment, and services at the University of Minnesota hospitals, including principal and interest during construction. The proceeds of the bonds are appropriated to the commissioner of finance to be loaned to the board of regents except as otherwise provided by subdivisions 3 and 6. This appropriation is not subject to the limitations in Minnesota Statutes, Section 137.025, Subdivision 2. The proceeds of the bonds shall be available until the purposes for which the bonds were authorized have been accomplished or abandoned, and the appropriation of the money shall not cancel. When the board of regents certifies to the commissioner of finance that the purposes of the bonds have been accomplished or abandoned, any unexpended balance of the proceeds shall be transferred and credited to the state bond fund. The bonds shall

not be subject to restrictions or limitations contained in any other law.

Subd. 2. [ISSUANCE OF BONDS.] Upon request by resolution of the board of regents, after execution of a loan agreement as provided by subdivision 4, and after making the determinations as provided in subdivision 8, the commissioner of finance shall sell and issue bonds in the aggregate amount requested. The commissioner shall have the powers and duties and the bonds shall be issued and sold in the manner provided for the issuance and sale of state building bonds by Minnesota Statutes, Section 16A.64, Subdivisions 2 and 3. The provisions of Minnesota Statutes, Section 16A.65, Subdivision 4, shall not apply to the bonds. The commissioner may issue state refunding bonds as provided in Minnesota Statutes, Section 16A.66, without the approval of the executive council, in order to refund any or all of the bonds.

Subd. 3. [EXPENSES.] All costs and expenses, as provided for in Minnesota Statutes, section 16A.64, Subdivision 4, incurred by the commissioner of finance in connection with the sale and issuance of the bonds shall be paid from the proceeds of the bonds and the amounts necessary therefore are appropriated to the commissioner of finance from the University of Minnesota hospitals bond account. Any proceeds expended by the commissioner for costs and expenses are deemed to be loaned to the board of regents to be repaid as provided by subdivision 4 and the loan agreement.

Subd. 4. [LOAN TERMS.] Before issuing any bonds under this section, the commissioner of finance shall obtain the written agreement of the board of regents to use the proceeds of the bonds for the purposes described in subdivision 1 and to repay the loan of the proceeds of the bonds with interest according to the terms of the agreement. This agreement shall also provide that beginning one year after completion of the new facility the operating bed capacity of university hospitals shall be adjusted periodically, at least once each biennium, to comply with appropriate and relevant occupancy guidelines as set by the local health systems agency. The guidelines shall include, at a minimum, occupancy guidelines for general adult medical surgical beds, general pediatric beds, general obstetrical beds, and general psychiatric beds. Before the transfer of the proceeds as a loan to the board of regents, the commissioner shall deduct and withhold from the loan an amount sufficient, when added to the balance on hand in the University of Minnesota hospitals bond account, to pay all principal and interest due and to become due on the bonds through July 1 of the second ensuing year. Payments of principal and interest on the loan shall be made on or before each November 1 in an amount sufficient, when added to the balance on hand in the University of Minnesota hospitals bond account, to pay all principal and interest due and to become due on the bonds through July 1 of the second ensuing year. The board of

regents shall be obligated to repay principal and interest under the loan agreement from the proceeds of the bonds or from the operating and nonoperating revenues of the university, excluding restricted gifts and university debt service obligations existing on the effective date of the loan agreement, but including appropriated funds of the University of Minnesota as provided by the loan agreement. If in any year the installment paid is less than the installment due, the deficiency shall be payable with interest based on the average daily rate of investment return on invested treasurer's cash for the period in question. If in any year there is a deficiency in a payment due, the board of regents shall consult with the commissioner of finance and shall take appropriate executive action to eliminate the deficiency and to assure prompt payment of future installments due. When the total amount paid by the board of regents equals the total amount of the principal of an interest on the bonds, including any refunding bonds and interest on deficiency, the loan shall be satisfied and cancelled.

If in any year university hospitals revenues are insufficient to make the required installment payment the university shall report on the amount and source of non-hospital funds used to make the payment. This report shall be submitted to the commissioner of finance and to the chairman of the house appropriations and senate finance committees.

Subd. 5. [UNIVERSITY OF MINNESOTA HOSPITALS BOND ACCOUNT.] The commissioner of finance shall maintain in the state bond fund a separate bookkeeping account designated as the University of Minnesota hospitals bond account to record receipts and disbursements of money transferred to the fund to pay University of Minnesota hospitals bonds and income from the investment of the money in the account. Investment income shall be accrued and credited to the account on October 31 in each fiscal year.

Subd. 6. [APPROPRIATIONS TO THE UNIVERSITY OF MINNESOTA HOSPITALS BOND ACCOUNT.] The premium and accrued interest received on each issue of University of Minnesota hospital bonds, any amounts deducted and withheld pursuant to the provisions of subdivision 4, all loan payments received from the board of regents, and all income from the investment of the proceeds from the issuance of the bonds before the proceeds are loaned to the university shall be credited to the University of Minnesota hospitals bond account and are appropriated to the commissioner of finance for the payment of principal and interest on the bonds. To reduce the amount of taxes otherwise required to be levied, the commissioner of finance shall transfer funds to the University of Minnesota hospitals bond account sums of money in the manner and amounts provided by Minnesota Statutes, Section 16A.64, Subdivision 5 and 16A.65, Subdivision 1.

Subd. 7. [TAX LEVY.] The state auditor shall levy any necessary property taxes in the manner and amounts provided by Minnesota Statutes, Section 16A.64, Subdivision 6.

Subd. 8. [COMMISSIONER OF FINANCE; DETERMINATIONS.] The commissioner of finance shall also make the following determinations before issuing any bonds:

(1) The proceeds of bonds provided for in this section will be sufficient together with other capital funds that may be available to the university to construct and to furnish the new facilities proposed by the university including appropriate professional fees and charges.

(2) The board of regents has executed agreements with appropriate labor organizations and construction contractors which provide that no labor strike or management lockout will halt, delay or impede construction.

(3) The board of regents has executed agreements which will provide for the construction of the new facilities for a certified construction price and completion dates and which include performance bonds in an amount at least equal to 100 percent of the certified price to cover any costs which may be incurred by the university or loss of revenues resulting from incomplete construction on the completion date.

(4) The anticipated revenue from the operation of the hospital facilities plus any additional available revenue of the university will be an amount sufficient to pay when due all debt service plus all administration, operating and maintenance expense.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1005, A bill for an act relating to housing; authorizing the housing finance agency to use temporary rulemaking to define certain terms; providing for a revolving account; permitting certain loans; limiting the dollar amount of certain

loans; providing for the allocation of mortgage subsidy bonds; appropriating money; amending Minnesota Statutes 1980, Sections 462A.03, Subdivision 10; 462A.04, Subdivision 8; 462A.05, Subdivision 17, and by adding subdivisions; 462A.07, by adding a subdivision; 462A.20, Subdivision 3; 462A.21, Subdivision 8, and by adding a subdivision; 462A.22, Subdivision 9; 462C.03, by adding a subdivision; and proposing new law coded in Minnesota Statutes, Chapter 462C; repealing Minnesota Statutes 1980, Section 462A.21, Subdivision 11.

Reported the same back with the following amendments:

Page 1, after line 18, insert:

“Section 1. Minnesota Statutes 1980, Section 422A.05, is amended by adding a subdivision to read:

Subd. 7. The board may invest funds with the Minneapolis-St. Paul family housing fund or any successor to its functions for the purpose of allowing the Minneapolis-St. Paul family housing fund or any successor to its functions to make loans to purchasers of dwelling units which the purchaser intends to occupy as the purchaser's place of residence. The investment shall be evidenced by a loan agreement which shall provide the terms and conditions for repayment of the investment.”

Page 4, after line 5, insert:

“Sec. 6. Minnesota Statutes 1980, Section 462A.05, Subdivision 19, is amended to read:

Subd. 19. It may make no interest loans of up to \$4,000 to persons and families of low and moderate income who are veterans or veterans' dependents to assist in making down payments to enable them to purchase new or existing housing to be used as their principal place of residence. To be eligible, the veterans or veteran's dependent must be a first time home owner, and must enter into an agreement with the agency, with appropriate security as determined by the agency, to repay the loan amount in full when the property is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence. For the purpose of this subdivision, “veteran” means a person residing in Minnesota who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, (AND WHO IS A CITIZEN OF THE UNITED STATES,) and who served at any time during the period from August 5, 1964 to May 7, 1975; and “veteran's dependent” means

a person residing in Minnesota who is the unmarried surviving spouse of a veteran.”

Page 5, line 3, after “that” insert “(1)”

Page 5, line 5, after “grants” insert “and (2) moneys appropriated for the purpose of section 462A.21, subdivisions 4a, 4f and 4g may only be transferred for the purpose of section 11.”

Page 5, line 27, delete “3” and insert “4”

Page 6, line 12, delete “two” and insert “20”

Page 6, line 17, delete “subdivisions 2 and 4” and insert “subdivision 2”

Page 6, after line 17, insert:

“Sec. 14. Minnesota Statutes 1980, Section 462C.05, Subdivision 3, is amended to read:

Subd. 3. A development may be located within a redevelopment project area established pursuant to chapter 462 or within a development district established pursuant to chapter 472A or within an industrial development district established pursuant to section 458.191 without regard to the limitations and conditions set forth in section 462C.03, subdivisions 1 to 9, and in section 462C.05, subdivision 2, except that in no case shall the maximum purchase price or appraised value for a dwelling unit in the multi-family housing development exceed four times the income limit established by section 462C.03, subdivision 2 unless the development is in a building officially built before 1900, designated as an historical structure under state, local or national procedures.

Sec. 15. Minnesota Statutes 1980, Section 462C.08, is amended to read:

462C.08 [OTHER HOUSING LEGISLATION.]

Sections 462C.01 to 462C.07 do not impair or otherwise affect the validity or provisions for the security of any obligations issued or agreements made pursuant to law before June 2, 1979. Sections 462C.01 to 462C.07 do not preclude or affect or limit the institution or financing or character of a housing program, project or development permitted for any city by any special law in effect on June 2, 1979, except that: (a) section 462C.03 is applicable to any program undertaken pursuant to a special law adopted after January 1, 1979, (b) no such city or agency thereof may issue obligations after January 1, 1980, for the purpose of financing a housing program or development of any kind re-

ferred to in sections 462C.01 to 462C.05, unless its plan therefor has previously been reviewed by the appropriate reviewing body and its program has been reviewed and approved by the agency; and all such obligations issued by such cities after January 1, 1980, shall be subject to the limitations set forth in sections 462C.01 to 462C.07. *The limitation of section 462C.07, subdivision 2, shall not apply, however, to any facilities or obligations therefor that qualify for the exceptions granted by section 1104 (b) of the Mortgage Subsidy Bond Tax Act of 1980 (P. L. 96-499) and to any facilities or obligations therefor that qualify for exemption pursuant to section 1103 thereof.*"

Page 6, line 36, delete "section 11" and insert "sections 13 and 14"

Page 7, line 8, delete "\$22,255,000" and insert "\$21,587,300"

Page 7, line 13, delete "8" and insert "10"

Page 7, after line 14, insert:

"The authority granted to the agency by section 9 to transfer moneys among appropriated accounts shall not apply to the appropriation in this paragraph (a)."

Page 7, line 19, delete "\$15,075,000" and insert "\$14,511,700"

Page 7, line 25, delete "\$3,480,000" and insert "\$3,375,600"

Page 7, line 27, delete "14" and insert "18"

Re-number the sections accordingly

Amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing the board of the Minneapolis municipal employees retirement fund to invest funds with the Minneapolis-St. Paul family housing fund;"

Page 1, line 6, after the semicolon, insert "limiting the maximum purchase price or appraised value of certain dwelling units financed with local bond proceeds;"

Page 1, line 8, after "Sections" insert "422A.05, by adding a subdivision;"

Page 1, line 9, delete "Subdivision 17" and insert "Subdivisions 17 and 19"

Page 1, line 13, after the second semicolon, insert "462C.05, Subdivision 3; 462C.08;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1086, A bill for an act relating to the environment; clarifying terms, procedures, powers, and duties in the waste management act and for counties and metropolitan waste management; extending time limits for site selections and reports; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivision 4, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c, 2e, and by adding a subdivision; 473.153, Subdivisions 1, 2 and 6; 473.516, Subdivision 4; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, 8, and by adding subdivisions; 473.831, Subdivision 1; 473.833, Subdivision 2, and by adding a subdivision; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 4 and 5.

Reported the same back with the following amendments:

Page 4, after line 15, insert:

“Sec. 5. Minnesota Statutes 1980, Section 115A.06, Subdivision 5, is amended to read:

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. *The board may pay a reasonable estimate of the damages it believes will be caused by the entrance and activity before entering any property.*”

Page 15, line 4, before “By” insert:

“Subdivision 1. [CERTIFICATE.] *Except as provided in subdivision 2,*”

Page 16, after line 1, insert:

"Subd. 2. [CONDITION.] No certificate or certificates of need for disposal facilities for hazardous waste shall be issued by the board pursuant to subdivision 1 unless legislation is enacted to:

(a) Define the liability of owners and operators of disposal facilities and generators and other persons responsible for the disposal of hazardous waste;

(b) Provide the appropriate units of state or local government with the capability to clean up disposal sites or take other action to mitigate an imminent or substantial danger to public health or welfare or the environment from the disposal of hazardous waste; and

(c) Provide for the payment of the state's share of costs incurred pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Public Law 96-510, as amended, as required by that act as a match to federal moneys."

Page 39, delete Section 47

Page 41, line 2, delete "29" and insert "30"

Page 41, line 2, delete "50" and insert "49"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete "Subdivision 4," and insert "Subdivisions 4 and 5,"

Page 1, line 23, delete "Subdivision 2, and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1098, A bill for an act relating to the state auditor; providing funding to be used to prepare the report to the legislature on the general financial condition of the various volunteer firefighters' relief associations; appropriating money.

Reported the same back with the following amendments:

Page 1, line 9, delete "\$20,000" and insert "\$7,000"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1139, A bill for an act relating to courts; providing for certain reorganization in the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; abolishing certain county court judgeships; creating certain judicial positions; raising the jurisdictional limit in county and county municipal court; providing the county and county municipal court with gross misdemeanor jurisdiction; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.03, by adding a subdivision; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 488A.01, Subdivisions 4, 6 and 8; 488A.18, Subdivisions 4, 7, 9 and 13; 488A.27, Subdivision 11; 525.10; repealing Minnesota Statutes 1980, Sections 487.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; 525.04; and Laws 1978, Chapter 750, Section 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 2.722, Subdivision 1, is amended to read:

Subdivision 1. [DESCRIPTION.] Effective July 1, 1959, the state is divided into ten judicial districts composed of the following named counties, respectively, in each of which districts two or more judges shall be chosen as hereinafter specified

(1) Goodhue, Dakota, Carver, LeSueur, McLeod, Scott, and Sibley; (FIVE) seven judges; and four permanent chambers shall be maintained in Red Wing, Hastings, Shakopee, and Glencoe and one other shall be maintained at the place designated by the chief judge of the district;

(2) Ramsey; (12) 13 judges;

(3) Wabasha, Winona, Houston, Rice, Olmsted, Dodge, Steele, Waseca, Freeborn, Mower, and Fillmore; six judges; and permanent chambers shall be maintained in Faribault, Albert Lea, Austin, Rochester, and Winona;

(4) Hennepin; (19) *24* judges;

(5) Blue Earth, Watonwan, Lyon, Redwood, Brown, Nicollet, Lincoln, Cottonwood, Murray, Nobles, Pipestone, Rock, Faribault, Martin, and Jackson; five judges; and permanent chambers shall be maintained in Marshall, Windom, Fairmont, New Ulm, and Mankato;

(6) Carlton, St. Louis, Lake, and Cook; six judges;

(7) Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay, Becker, and Wadena; four judges; and permanent chambers shall be maintained in Moorhead, Fergus Falls, Little Falls, and St. Cloud;

(8) Chippewa, Kandiyohi, Lac qui Parle, Meeker, Renville, Swift, Yellow Medicine, Big Stone, Grant, Pope, Stevens, Traverse, and Wilkin; three judges; and permanent chambers shall be maintained in Morris, Montevideo, and Willmar;

(9) Norman, Polk, Marshall, Kittson, Red Lake, Roseau, Mahnomen, Pennington, Aitkin, Itasca, Crow Wing, Hubbard, Beltrami, Lake of the Woods, Clearwater, Cass and Koochiching; six judges; and permanent chambers shall be maintained in Crookston, Thief River Falls, Bemidji, Brainerd, Grand Rapids, and International Falls;

(10) Anoka, Isanti, Wright, Sherburne, Kanabec, Pine, Chiago, and Washington; (SIX) *ten* judges; and permanent chambers shall be maintained in Anoka, Stillwater, and (SUCH) other places (AS MAY BE) designated by the chief judge of the district.

Sec. 2. Minnesota Statutes 1980, Section 2.722, is amended by adding a subdivision to read:

Subd. 3. [HENNEPIN AND RAMSEY PROBATE JUDGES; COURTS.] The probate judges of Ramsey and Hennepin probate courts in office on August 1, 1981 shall be district court judges of the second and fourth judicial districts, respectively, and shall continue in office for the balance of the term for which they were elected and shall be eligible for reelection. The offices of probate court of Hennepin and Ramsey counties, and all of their jurisdiction, records, powers, duties, functions, and personnel, are hereby transferred to the district courts of the second and fourth judicial districts respectively and made divisions

of them. The chief judge of the fourth judicial district shall at all times assign at least two judges to the probate court duties.

Sec. 3. Minnesota Statutes 1980, Section 260.031, Subdivision 1, is amended to read:

Subdivision 1. **THE (JUDGE OF THE JUVENILE COURT MAY APPOINT ONE OR MORE SUITABLE PERSONS TO ACT AS REFEREES) office of referee is abolished. No vacancy in the office of referee shall be filled, nor new office created. Persons holding the office of referee on January 1, 1981, in the second and in the fourth judicial districts may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to juvenile court. (THESE) Referees shall be qualified for their duties by their previous training and experience and (SHALL) hold office at the pleasure of the judge. The compensation of a referee shall be fixed by the judge (AND), approved by the county board and (SHALL BE) payable from the general revenue funds of the county not otherwise appropriated.**

Sec. 4. [484.011] [JURISDICTION IN SECOND AND FOURTH JUDICIAL DISTRICTS.]

In the second and fourth judicial districts the district court shall also be a probate court.

Sec. 5. Minnesota Statutes 1980, Section 484.66, Subdivision 1, is amended to read:

Subdivision 1. **In the county of Hennepin, the district administrator shall assume the statutory duties of the clerk of district court and probate court.**

Sec. 6. Minnesota Statutes 1980, Section 484.70, Subdivision 1, is amended to read:

Subdivision 1. ***The office of referee is abolished. No vacancy in the office of referee, including family, juvenile, probate, and special term referees, shall be filled, nor new office created. Persons holding the office of referee (FULL TIME) on (JUNE 30, 1977) January 1, 1981, in the second (,) and fourth (AND SIXTH) judicial districts may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to family (OR), probate, juvenile or special term court.***

Sec. 7. Minnesota Statutes 1980, Section 484.70, is amended by adding a subdivision to read:

Subd. 6. No referee may hear a contested trial, hearing, motion or petition if a party or attorney for a party objects in writing to the assignment of a referee to hear the matter. The court shall by rule, specify the time within which an objection must be filed.

Sec. 8. Minnesota Statutes 1980, Section 484.70, is amended by adding a subdivision to read:

Subd. 7. (a) Referees shall:

(1) Hear and report all matters assigned by the chief judge; and

(2) Recommend findings of fact, conclusions of law, temporary and interim orders, and final orders for judgment.

(b) All recommended orders and findings of a referee shall be subject to confirmation by a judge. Review of any recommended order or finding of a referee by a judge may be by notice served and filed within ten days of effective notice of the recommended order or finding. The notice of review shall specify the grounds for review and the specific provisions of the recommended findings or orders disputed, and the court, upon receipt of a notice of review, shall set a time and place for a review hearing.

(c) Upon the conclusion of the hearing in each case, the referee shall transmit to a judge the court file together with recommended findings and orders in writing. The recommended findings and orders of a referee become the findings and orders of the court when confirmed by a judge. The order of the court shall be proof of such confirmation, and also of the fact that the matter was duly referred to the referees.

Sec. 9. Minnesota Statutes 1980, Section 487.08, Subdivision 2, is amended to read:

Subd. 2. Persons holding the office of judicial officer full time or part time on January 1, (1978) 1981, in St. Louis county (AND FULL TIME ON JANUARY 1, 1978), (IN) Steele county and Carlton county may continue to serve at the pleasure of the chief Judge of the district under the terms and conditions of their appointment. (ONE FULL TIME JUDICIAL OFFICER MAY BE APPOINTED IN CARLTON COUNTY.)

Sec. 10. Minnesota Statutes 1980, Section 487.08, Subdivision 3, is amended to read:

Subd. 3. The persons holding the office of judicial officer in Nobles and Rock, Brown, Nicollet, Morrison, Goodhue (,) and Wabasha, Scott, and Polk counties on January 1, 1978, may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointments.

Sec. 11. Minnesota Statutes 1980, Section 487.15, is amended to read:

487.15 [CIVIL JURISDICTION.]

The county court may hear, try, and determine actions at law in which the amount in controversy does not exceed (THE SUM OF \$5,000) \$15,000, exclusive of interest and costs, except for causes involving title to real estate.

Sec. 12. Minnesota Statutes 1980, Section 487.16, is amended to read:

487.16 [MINOR CIVIL AND CRIMINAL JURISDICTION.]

The county court shall also have jurisdiction in all civil and criminal cases residing, on the effective date of Laws 1971, Chapter 951 and Laws 1973, Chapter 679, in municipal courts other than municipal courts in Hennepin and Ramsey Counties (, EXCEPT THAT NOTWITHSTANDING ANY LAW TO THE CONTRARY, NO COUNTY COURT SHALL HAVE GROSS MISDEMEANOR JURISDICTION). *The county court shall have gross misdemeanor jurisdiction.*

Sec. 13. Minnesota Statutes 1980, Section 487.18, is amended to read:

487.18 [CRIMINAL JURISDICTION.]

(a) The county court has jurisdiction to hear, try and determine any charge of violation of

((1)) a criminal law of this state constituting a misdemeanor or gross misdemeanor committed within the county court district (;) and of

((2)) any ordinance, charter provision, rule or regulation of any subdivision of government in the county court district.

(b) The county court has jurisdiction to conduct preliminary hearings and to exercise all judicial powers incident to preliminary hearing proceedings on the charge of violation of any criminal law committed within the county court district.

(c) The county court has jurisdiction to hear, try and determine any matter constituting a petty misdemeanor.

Sec. 14. Minnesota Statutes 1980, Section 488A.01, Subdivision 4, is amended to read:

Subd. 4. [CIVIL JURISDICTION.] Excepting causes involving title to real estate, the court has jurisdiction to hear, try and determine civil actions at law in which the amount in controversy does not exceed (THE SUM OF \$6,000) \$15,000, exclusive of interest and costs.

Sec. 15. Minnesota Statutes 1980, Section 488A.01, Subdivision 6, is amended to read:

Subd. 6. [CRIMINAL JURISDICTION.] ((A)) The court has jurisdiction to hear, try and determine any charge of violation of:

(1) A criminal law of this state constituting a misdemeanor or gross misdemeanor committed within the county of Hennepin including all of the city of St. Anthony.

(2) Any ordinance, charter provision, rule or regulation of any subdivision of government in the county of Hennepin, including all of the city of St. Anthony or

(3) Any ordinance, charter provision, rule or regulation of the Minneapolis-St. Paul Metropolitan Airports Commission.

((B) THE COURT HAS JURISDICTION TO CONDUCT PRELIMINARY HEARINGS AND TO EXERCISE ALL JUDICIAL POWERS INCIDENT TO PRELIMINARY HEARING PROCEEDINGS, ON ANY CHARGE OF VIOLATION OF ANY CRIMINAL LAW OF THIS STATE COMMITTED WITHIN THE COUNTY OF HENNEPIN.)

Sec. 16. Minnesota Statutes 1980, Section 488A.01, Subdivision 8, is amended to read:

Subd. 8. [TERRITORIAL JURISDICTION.] (THE SUMMONS IN CIVIL AND FORCIBLE ENTRY AND UNLAWFUL DETAINER ACTIONS MAY BE SERVED ONLY WITHIN THE COUNTY OF HENNEPIN EXCEPT THAT SUCH SUMMONS MAY BE SERVED IN RAMSEY COUNTY ON STATE OFFICIALS FOR NON-RESIDENT INDIVIDUALS AND CORPORATIONS UNDER STATUTES PROVIDING FOR SUCH SERVICE. GARNISHMENT SUMMONS, SUBPOENAS AND) All (OTHER) civil and criminal process and orders may be served and enforced anywhere within the state of Minnesota.

Sec. 17. Minnesota Statutes 1980, Section 488A.18, Subdivision 4, is amended to read:

Subd. 4. [CIVIL JURISDICTION.] (a) Excepting cases involving title to real estate, the court has jurisdiction to hear, try and determine civil actions at law in which the amount in controversy does not exceed (THE SUM OF \$6,000) \$15,000, exclusive of interest and costs. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Ramsey.

(b) The court also has jurisdiction, within the limitations provided in this subdivision, to hear, try and determine civil actions commenced by a plaintiff, resident of Ramsey county, where the action arose out of alleged negligent operations of a motor vehicle in Ramsey county, notwithstanding that the defendant or defendants are not residents of the county. Notwithstanding any law or rule of civil procedure to the contrary, the summons in (ANY SUCH) *the* action may be served anywhere within the state of Minnesota.

(c) Notwithstanding the provisions of clause (a) or any rule of court to the contrary, the municipal court of Ramsey county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Ramsey county, and the summons in the action may be served anywhere within the state of Minnesota.

Sec. 18. Minnesota Statutes 1980, Section 488A.18, Subdivision 7, is amended to read:

Subd. 7. [CRIMINAL JURISDICTION.] ((A)) The court has jurisdiction to hear, try and determine any charge of violation within Ramsey county of:

(1) A criminal law of this state constituting a misdemeanor or *gross misdemeanor* and any offense of this state which constitutes a petty misdemeanor,

(2) Any ordinance, charter provision, rule or regulation of any subdivision of government in the county of Ramsey, or

(3) Any ordinance, charter provision, rule or regulation of the Minneapolis-Saint Paul Metropolitan Airports Commission,

(4) Any ordinance, rule or regulation of the regents of the University of Minnesota.

((B) THE COURT HAS JURISDICTION TO CONDUCT PRELIMINARY HEARINGS AND TO EXERCISE ALL JUDICIAL POWERS INCIDENT TO PRELIMINARY HEARING PROCEEDINGS, ON ANY CHARGE OF VIOLATION OF ANY CRIMINAL LAW OF THIS STATE COMMITTED WITHIN RAMSEY COUNTY.)

((C) JURISDICTION UNDER CLAUSES (1) AND (2) OF PARAGRAPH (A) OF THIS SUBDIVISION IS EXCLUSIVE FOR ANY VIOLATION COMMITTED WITHIN THE COUNTY OF RAMSEY; JURISDICTION UNDER PARAGRAPH (B) OF THIS SUBDIVISION IS EXCLUSIVE FOR ANY VIOLATION COMMITTED INSIDE THE CITY OF SAINT PAUL OR INSIDE THAT PART OF THE VILLAGE OF SAINT ANTHONY LYING INSIDE RAMSEY COUNTY.)

Sec. 19. Minnesota Statutes 1980, Section 488A.18, Subdivision 9, is amended to read:

Subd. 9. [TERRITORIAL JURISDICTION.] (THE SUMMONS IN CIVIL AND FORCIBLE ENTRY AND UNLAWFUL DETAINER ACTIONS MAY BE SERVED ONLY WITHIN THE COUNTY OF RAMSEY. GARNISHMENT SUMMONS, SUBPOENAS AND) All (OTHER) civil and criminal process and orders may be served and enforced anywhere within the state of Minnesota.

Sec. 20. Minnesota Statutes 1980, Section 488A.18, Subdivision 13, is amended to read:

Subd. 13. [TRIAL OF CRIMINAL ACTIONS.] All charges of misdemeanors, *gross misdemeanors*, petty misdemeanors and ordinance violations shall be tried in the municipality where the alleged violation occurred (; HOWEVER,). If there is no court located in (SUCH) *the* municipality, then the trial of (SUCH) *the* charges shall take place at the nearest place of holding court. In addition to (SUCH) *any* daytime arraignments as the court may establish, traffic and criminal arraignments shall be held at least once each week in the evening after 7:00 p.m. if so requested by the governing body of a city in which a court is situated as provided by Laws 1973, Chapter 708 by a resolution filed with the administrator of court.

Sec. 21. Minnesota Statutes 1980, Section 488A.27, Subdivision 11, is amended to read:

Subd. 11. [PROSECUTING ATTORNEYS.] Except where the county attorney is specifically designated by law as the prosecutor for the particular violation charged, the attorney of the municipality in which the violation is alleged to have occurred shall have charge of the prosecution of all violations of statutes, *including gross misdemeanor violations*, ordinances, charter provisions, rules or regulations triable in this court and shall prepare complaints for (SAID) *the* violations.

Sec. 22. Minnesota Statutes 1980, Section 525.09, is amended to read:

525.09 [CLERKS; APPOINTMENT; POWERS.]

(THE JUDGE MAY APPOINT A CLERK, DEPUTY CLERKS, AND EMPLOYEES AS PROVIDED BY LAW, TO HOLD OFFICE DURING HIS PLEASURE, WHO SHALL PERFORM THE DUTIES IMPOSED BY LAW AND SUCH JUDGE. SUCH APPOINTMENTS SHALL BE IN WRITING AND FILED IN SUCH COURT. BEFORE ENTERING UPON THE DUTIES OF HIS OFFICE, EACH CLERK AND SUCH DEPUTY CLERKS AND EMPLOYEES DESIGNATED BY THE COURT SHALL EXECUTE A BOND TO THE STATE IN THE AMOUNT OF \$1,000 APPROVED BY THE COUNTY BOARD AND CONDITIONED UPON THE FAITHFUL DISCHARGE OF HIS DUTIES. SUCH BOND WITH THE OATH OF THE APPOINTEE SHALL BE RECORDED IN THE OFFICE OF THE COUNTY RECORDER. THE PREMIUMS ON SUCH BONDS AND THE EXPENSES OF SUCH RECORDING AND FILING SHALL BE PAID BY THE COUNTY. AN ACTION MAY BE MAINTAINED ON SUCH BOND BY ANY PERSON AGGRIEVED BY THE VIOLATION OF THE CONDITIONS THEREOF.) A clerk or deputy clerk may take acknowledgements, administer oaths, authenticate, exemplify, or certify copies of instruments, documents, or records of the court, and when so ordered may hear and report to the court the testimony of any witnesses and the interrogatories and objections of counsel.

Sec. 23. Minnesota Statutes 1980, Section 525.10, is amended to read:

525.10 [REFEREE; APPOINTMENT; BOND; OFFICE ABOLISHED.]

Subdivision 1. [OFFICE ABOLISHED.] The office of referee is abolished. No vacancy in the office of referee shall be filled, nor new office created.

Subd. 2. [INCUMBENTS.] Persons holding the office of referee on January 1, 1981, in the second and in the fourth judicial districts may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to probate court. All referees are subject to the provisions of section 484.70.

Subd. 3. [REFEREES.] (THE JUDGES OF THE PROBATE COURT IN HENNEPIN AND RAMSEY COUNTIES MAY APPOINT ONE OR MORE REFEREES) Each referee in probate (WHO) court shall be (A RESIDENT OF SUCH COUNTY AND) an attorney at law duly admitted in this state. (HE SHALL HOLD OFFICE DURING THE PLEASURE OF THE JUDGE APPOINTING HIM. SUCH) The appointment shall be in writing and filed in (SUCH) the court. (BEFORE

ENTERING UPON THE DUTIES OF HIS OFFICE, HE SHALL EXECUTE A BOND TO THE STATE IN THE AMOUNT OF \$1,000 APPROVED BY THE COUNTY BOARD AND CONDITIONED UPON THE FAITHFUL DISCHARGE OF HIS DUTIES. SUCH BOND WITH THE OATH OF THE APPOINTEE SHALL BE RECORDED IN THE OFFICE OF THE COUNTY RECORDER. THE PREMIUMS ON SUCH BOND AND THE EXPENSES OF SUCH RECORDING AND FILING SHALL BE PAID BY THE COUNTY. AN ACTION MAY BE MAINTAINED ON SUCH BOND BY ANY PERSON AGGRIEVED BY THE VIOLATION OF THE CONDITIONS THEREOF.) The referee has the power to take acknowledgements and administer oaths.

Sec. 24. [ELECTION OF JUDGES.]

The additional offices of district judge created pursuant to section 1 shall be filled by election for a six year term at the general election in 1982.

Sec. 25. [484A.01] [TRIAL COURT ORGANIZATION OPTION.]

Subdivision 1. [INTENT TO REORGANIZE.] One year following certification to the secretary of state of intention to reorganize pursuant to this section by a majority of the district judges and a majority of the county or county municipal and probate judges within a district court judicial district the court organization provisions specified in this section shall apply to that district.

Subd. 2. [ONE TRIAL COURT.] There shall be one general trial court to be known as the district court. The district court may hold sessions anywhere in its geographical area where adequate facilities exist for the disposition of court business.

Subd. 3. [JURISDICTION.] The district courts shall have original jurisdiction in all civil actions within their respective districts, in all cases of crime committed or triable therein, in all special proceedings not exclusively cognizable by some other court or tribunal, and in all other cases wherein jurisdiction is conferred upon them by law. They shall also have appellate jurisdiction in every case in which an appeal thereto is allowed by law from any other court, officer, or body.

Subd. 4. [TRIAL COURT DIVISIONS.] Subject to rules of the supreme court, a district court shall establish a probate division, a family court division, a civil division and a criminal division, and shall establish within the civil division a conciliation court and may establish within the criminal division traffic and ordinance violation bureaus at whatever locations it determines. The territorial jurisdiction of a conciliation court shall be coextensive with the county in which the court is established.

The conciliation court shall hear and determine civil claims by a simple and informal procedure without jury trial. The jurisdiction of the conciliation court shall extend to the claims provided in section 487.30. The rules of the supreme court shall govern practice and procedure in conciliation court and shall provide for a right of appeal from the decision of the conciliation court to the district court for a trial de novo on the merits.

Subd. 5. [PROBATE DIVISION.] *The probate division shall include all cases and proceedings relating to the administration of estates of deceased persons, of persons under guardianship, and proceedings for the administration of trust estates or actions relating thereto. It shall also include all cases and proceedings relating to the management of the property of persons who have disappeared.*

Subd. 6. [FAMILY COURT DIVISION.] *The family court division shall include all cases and proceedings arising out of the juvenile court act of this state and all cases arising out of or affecting the family relationship including the civil commitment of persons pursuant to Minnesota Statutes, Chapter 253A, and all cases and proceedings arising under Minnesota Statutes, Chapter 518.*

Subd. 7. [CIVIL DIVISION.] *The civil division shall consist of all cases and proceedings within the jurisdiction of the court not included in another division, including jurisdiction in actions of forcible entry and unlawful detainer involving land located wholly or partly within the court district.*

Subd. 8. [CRIMINAL DIVISION.] *The criminal division shall consist of all criminal proceedings residing in county or county municipal and district court prior to adoption of this act, any petty misdemeanor and any charge of violation of any ordinance, charter provision, or rule of any subdivision of government in the district.*

Subd. 9. [DISTRICT COURT JUDGES.] *All district court judges in office on the date the organization option provisions become effective shall be designated as judges of the district court established herein and shall continue in office for the balance of the terms for which they were last elected and shall be eligible for reelection to office.*

Subd. 10. [COURTS ABOLISHED.] *All district, probate, county or county municipal courts existing in the district are abolished as of the date the organization option provisions establishing the district court become effective.*

Subd. 11. [JUDGES OF INFERIOR COURTS.] *All persons who are licensed to practice law in the district and who are*

judges of a probate, county or county municipal court existing in the district as of the date the organization option provisions become effective shall thereafter be designated as judges of the district court herein established. The judges shall serve as so designated for the balance of the term for which they were elected. All judges of the courts upon completion of their term of office shall be entitled to run for reelection as incumbent judges of the district court established herein.

Subd. 12. [PLEADING, PRACTICE, PROCEDURE AND FORMS IN CIVIL ACTIONS.] *Pleading, practice, procedure and forms in civil actions shall be governed by rules of civil procedure for the district court established herein which shall be adopted by the supreme court. Until the rules become effective, such matters are governed by the rules for the district court, established under Minnesota Statutes, Chapter 484, and rules promulgated from time to time by the supreme court or by the statutes governing the district court insofar as the rules promulgated by the supreme court do not contain any applicable provision. The district court established herein may adopt rules governing pleading, practice, procedure and forms for civil actions. The rules shall be consistent with the provisions of this section and the rules for district court promulgated by the supreme court.*

Subd. 13. [PLEADING, PRACTICE, PROCEDURE AND FORMS IN CRIMINAL PROCEEDINGS.] *Subject to the provisions of Minnesota Statutes, Section 480.059, pleading, practice, procedure, and forms in actions or proceedings charging violation of a criminal law or a municipal ordinance, charter provision, or rule are governed by rules of criminal procedure.*

Subd. 14. [APPELLATE DIVISION.] *An appellate division shall be established within the district court and may hear any appeal from the district court. The supreme court shall promulgate rules governing procedure in the appeals. Appeal from the decision of the district court shall be to the supreme court at its discretion.*

Subd. 15. [RETIREMENT.] *All judges of the county, municipal, and probate court who became district court judges through the exercise of this court reorganization option shall have their retirement governed by section 487.06 or chapter 490 until changed by law.*

Sec. 26. Minnesota Statutes 1980, Section 484.01, is amended to read:

484.01 [JURISDICTION.]

Subdivision 1. The district courts shall have original jurisdiction in all civil actions within their respective districts, in

all cases of crime committed or triable therein, in all special proceedings not exclusively cognizable by some other court or tribunal, and in all other cases wherein such jurisdiction is especially conferred upon them by law. (THEY SHALL ALSO HAVE APPELLATE JURISDICTION IN EVERY CASE IN WHICH AN APPEAL THERETO IS ALLOWED BY LAW FROM ANY OTHER COURT, OFFICER, OR BODY.)

Subd. 2. An appellate division is established within the district court and may hear any appeal from the district court and from any other court, officer, or body allowed by law. The supreme court shall promulgate rules governing procedure in the appeals. Appeal from the decision of the district court shall be to the supreme court at its discretion.

Sec. 27. [CLERK OF PROBATE COURT, SECOND JUDICIAL DISTRICT.]

The judicial district administrator in the second judicial district may appoint a clerk of the probate court for the district subject to the approval of the chief judge and assistant chief judge who shall serve at the pleasure of the judges of the district, who shall be supervised by the judicial district administrator, and whose salary shall be fixed by the Ramsey county board of commissioners.

Sec. 28. [REPEALER.]

Subdivision 1. Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; and 525.04, are repealed.

Subd. 2. Laws 1978, Chapter 750, Section 6, is repealed.

Sec. 29. [APPROPRIATION.]

There is appropriated from the general fund to the state courts for the fiscal year indicated for the salaries and fringe benefits of the additional judges elected pursuant to section 1.

FY 1982 FY 1983

..... \$264,500

Sec. 30. [EFFECTIVE DATE.]

Sections 8 and 28, subdivision 2, of this act are effective the day following final enactment. Sections 12, 13, 15, 18, 20, and 21 are effective January 1, 1982. Section 28, subdivision 1, and the remaining sections are effective August 1, 1981."

Delete the title and insert:

"A bill for an act relating to courts; providing for certain reorganization in the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; creating certain judicial positions to be filled by election; raising the jurisdictional limit in county and county municipal court; providing the county and county municipal court with gross misdemeanor jurisdiction; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; authorizing the judges of the courts within each judicial district to elect to form one unified court; creating an appellate division of the district court; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.01; 484.66, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 488A.01, Subdivisions 4, 6 and 8; 488A.18, Subdivisions 4, 7, 9 and 13; 488A.27, Subdivision 11; 525.09; 525.10; proposing new law coded in Minnesota Statutes, Chapter 484; proposing new law coded as Minnesota Statutes, Chapter 484A; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 6."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1253, A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

Reported the same back with the following amendments:

Page 1, line 24, after "4" insert "*in accordance with state and federal law and regulation*"

Page 2, line 4, delete everything after "*state.*"

Page 2, delete lines 5 and 6

Page 2, after line 9, insert:

"Subd. 4. [DEFINITION.] *For the purposes of this act, "poverty level population" shall be defined as the number of people whose household income is below the poverty line estab-*

lished by the United States Department of Commerce, Bureau of the Census."

Page 2, line 21, delete "18" and insert "15"

Page 2, line 24, insert a period after "representatives" and delete the rest of the line

Page 2, delete lines 25 to 28

Page 6, after line 1, insert:

"Sec. 5. [SUNSET PROVISION.]

Sections 1 to 4 are repealed June 30, 1983."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 980, A bill for an act relating to state lands; providing for the lease of certain lands to the city of Hastings.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [HASTINGS; STATE LAND TRANSFER.]

The commissioner of administration shall, for a nominal consideration, lease for a term not to exceed 50 years, to the city of Hastings, the part of the S 1/2 of the NE 1/4 and N 1/2 of the SE 1/4 of Section 34, Township 115, Range 17 that is required by the city and owned by the state of Minnesota. The area transferred may not exceed 48 acres and shall be leased in the discretion of the city. The city may, in its discretion, pay consideration for the transfer in addition to nominal consideration and shall promise to improve and maintain the property in a manner that accommodates the needs of the adjoining or nearby state property. The lease documents shall provide that the lease shall terminate immediately if the city uses the property for other than recreational purposes. The attorney general shall provide appropriate documents of lease with an accurate legal description of the subject property.

Sec. 2. [EFFECTIVE DATE.]

Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), this act is effective the day after final enactment and without local approval."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 20, 165, 295, 553, 766, 1005, 1086, 1098, 1139 and 1253 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 980 was read for the second time.

SPECIAL ORDERS

S. F. No. 1212 was reported to the House.

The Speaker called Wynia to the Chair.

Schreiber moved to amend S. F. No. 1212, as follows:

Page 2, delete lines 5 to 11

ReNUMBER the remaining section

Amend the title as follows:

Page 1, line 3, after "stores;" delete "restricting"

Page 1, delete line 4

Page 1, line 5, delete "operation;"

The motion prevailed and the amendment was adopted.

Dean moved to amend S. F. No. 1212, as amended, as follows:

Page 2, line 14, after "*publish*" insert "*a balance sheet using generally accepted accounting principles and*"

The motion prevailed and the amendment was adopted.

S. F. No. 1212, A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publica-

tion of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Esau | Kelly | Ogren | Sieben, M. |
| Anderson, B. | Evans | Knickerbocker | Olsen | Simoneau |
| Anderson, G. | Fjoslien | Kostohryz | Onnen | Skoglund |
| Anderson, I. | Forsythe | Kvam | Osthoff | Stadum |
| Anderson, R. | Greenfield | Laidig | Otis | Staten |
| Battaglia | Gruenes | Lemen | Peterson, D. | Stowell |
| Begich | Gustafson | Levi | Piepho | Stumpf |
| Berkelman | Halberg | Long | Pogemiller | Sviggum |
| Blatz | Hanson | Ludeman | Redalen | Swanson |
| Brandl | Harens | Luknic | Reding | Tomlinson |
| Brinkman | Hauge | Mann | Rees | Valan |
| Byrne | Haukoos | Marsh | Reif | Valento |
| Carlson, D. | Heap | McCarron | Rice | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rodriguez, C. | Vellenga |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Voss |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Hokr | Munger | Samuelson | Wenzel |
| Dean | Jacobs | Murphy | Sarna | Wieser |
| Dempsey | Jennings | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Johnson, D. | Niehaus | Schreiber | Zubay |
| Eken | Jude | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kahn | Novak | Shea | |
| Ellingson | Kaley | Nysether | Sherman | |
| Erickson | Kalis | O'Connor | Sherwood | |

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

MOTION FOR RECONSIDERATION

Vanasek moved that the vote on the Rothenberg motion whereby the House refused to concur in the Senate amendments to H. F. No. 2, and that the Speaker appoint a conference committee of 3 members of the House be now reconsidered. The motion prevailed.

The Rothenberg motion was withdrawn.

Vanasek moved that the House refuse to concur in the Senate amendments to H. F. No. 2, 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.

SPECIAL ORDERS, Continued

S. F. No. 1323, A bill for an act relating to local government; Lake County, Independent School District No. 381, and the town of Beaver Bay; providing for the valuation and assessment for property taxes of certain unique mining property.

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 | Erickson | Kalis | Nysether | Shea |
| Ainley | Esau | Kelly | O'Connor | Sherman |
| Anderson, B. | Evans | Knickerbocker | Ogren | Sherwood |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, I. | Forsythe | Kvam | Onnen | Simoneau |
| Anderson, R. | Greenfield | Laidig | Osthoff | Skoglund |
| Battaglia | Gruenes | Lehto | Otis | Stadum |
| Begich | Gustafson | Lemen | Peterson, B. | Staten |
| Berkelman | Halberg | Levi | Peterson, D. | Stowell |
| Blatz | Hanson | Long | Piepho | Stumpf |
| Brandl | Harens | Ludeman | Pogemiller | Sviggum |
| Briinkman | Hauge | Luknic | Redalen | Swanson |
| Byrne | Haukoos | Mann | Reding | Tomlinson |
| Carlson, D. | Heap | Marsh | Rees | Valan |
| Carlson, L. | Heinitz | McCarron | Reif | Valento |
| Clark, J. | Himle | McEachern | Rice | Vanasek |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, C. | Vellenga |
| Clawson | Hokanson | Metzen | Rodriguez, F. | Voss |
| Dahlvang | Hokr | Minne | Rose | Welch |
| Dean | Jacobs | Munger | Rothenberg | Welker |
| Dempsey | Jennings | Murphy | Samuelson | Wenzel |
| Den Ouden | Johnson, C. | Nelsen, B. | Sarna | Wieser |
| Drew | Johnson, D. | Nelson, K. | Schafer | Wigley |
| Eken | Jude | Niehaus | Schoenfeld | Wynia |
| Elioff | Kahn | Norton | Schreiber | Zubay |
| Ellingson | Kaley | Novak | Searles | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

S. F. No. 1106 was reported to the House.

Stadum and Haukoos moved to amend S. F. No. 1106, the second engrossment, as follows:

Page 4, after line 8, insert:

“Sec. 3. Minnesota Statutes 1980, Section 3A.01, Subdivision 3, is amended to read:

Subd. 3. [MEMBER OF THE LEGISLATURE.] “Member of the legislature” means a member of the house of representatives or the senate of the state of Minnesota who has subscribed

to the oath of office, unless the member of the house of representatives or the senate elects to be excluded from coverage by the legislators retirement plan pursuant to section 10, elects to discontinue membership in and retirement coverage by the legislators retirement plan pursuant to section 277, or elects to retain membership in the public employees retirement association pursuant to section 3A.09."

Page 9, after line 25, insert:

"Sec. 10. [3A.061] [EXCLUSION FROM PLAN COVERAGE.]

Any member of the house of representatives or the senate may elect to be excluded from retirement coverage by the legislators retirement plan. The election to be excluded shall be made within 30 days of the commencement of the initial regular session of the legislature in which the member serves. Upon electing to be excluded from retirement coverage, the member shall not be required to make the employee contribution pursuant to section 3A.03, Subdivision 1. The election to be excluded from retirement coverage shall be made in writing on a form prescribed by the director and shall be irrevocable for any subsequent service as a member of the house of representatives or the senate. A member who elects to be excluded from coverage shall not have any service in the legislature counted as service credit for the purpose of any public pension plan in this state.

Page 221, after line 16, insert:

"Sec. 277. [DISCONTINUATION OF PLAN MEMBERSHIP.]

Any member of the legislature who serves during the 1981 legislative session may elect to discontinue membership in and retirement coverage by the legislators retirement plan. The election to discontinue membership and retirement coverage shall be made within 60 days after the effective date of this act. Upon electing to discontinue membership and retirement coverage, the member shall not be required to make any further employee contributions pursuant to section 3A.03, subdivision 1, and shall be entitled to a refund of an amount equal to the member's accumulated employee contribution within 30 days of making the election to discontinue membership and retirement coverage without interest. The election to discontinue membership and retirement coverage shall be made in writing on a form prescribed by the director and shall be irrevocable for any subsequent service as a member of the legislature."

Renumber the sections accordingly and correct internal cross references

Further, amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing an election for legislators to be excluded from the legislators retirement plan;"

Page 1, line 8, after "Subdivisions 2" insert ", 3"

Page 2, line 58, after "Chapters" insert "3A,"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 58 yeas and 70 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|--------------|----------|
| Ainley | Friedrich | Kalis | Nysether | Searles |
| Anderson, B. | Gruenes | Kvam | Ogren | Sherwood |
| Anderson, I. | Harens | Laidig | Osthoff | Stadum |
| Begich | Haukoos | Levi | Peterson, B. | Stowell |
| Blatz | Heap | Ludeman | Piepho | Sviggum |
| Dean | Heinitz | Marsh | Redalen | Valan |
| Dempsey | Himle | McCarron | Reif | Valento |
| Den Ouden | Hoberg | McDonald | Rice | Weaver |
| Brew | Hokr | McEachern | Rose | Welker |
| Esau | Jennings | Mehrkens | Sarna | Wieser |
| Fjoslien | Johnson, D. | Metzen | Schafer | |
| Forsythe | Jude | Nelsen, B. | Schreiber | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Ellingson | Lehto | Onnen | Skoglund |
| Anderson, R. | Erickson | Lemen | Otis | Staten |
| Battaglia | Evans | Long | Peterson, D. | Stumpf |
| Berkelman | Greenfield | Luknic | Pogemiller | Swanson |
| Brandl | Gustafson | Mann | Reding | Tomlinson |
| Byrne | Hanson | Minne | Rees | Vanasek |
| Carlson, D. | Hauge | Munger | Rodriguez, C. | Vellenga |
| Carlson, L. | Hokanson | Murphy | Rodriguez, F. | Voss |
| Clark, J. | Jacobs | Nelson, K. | Samuelson | Welch |
| Clark, K. | Johnson, C. | Niehaus | Schoenfeld | Wenzel |
| Clawson | Kahn | Norton | Shea | Wigley |
| Dahlvang | Kaley | Novak | Sherman | Wynia |
| Eken | Kelly | O'Connor | Sieben, M. | Zubay |
| Elioff | Kostohryz | Olsen | Simoneau | Spkr. Sieben, H. |

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

Wieser moved to amend S. F. No. 1106, the second engrossment, as follows:

Page 220, after line 7, insert:

"Sec. 274. Minnesota Statutes 1980, Section 3A.03, is amended by adding a subdivision to read:

Subd. 3. [REFUNDS: EFFECT AND REPAYMENT.] Eligibility to receive a refund and the effect of receiving a re-

fund shall be governed by the applicable provisions of sections 352.22, Subdivisions 1, 2, 5 and 8, and 352.23, except that a member or former member accepting a refund shall not thereafter be eligible pursuant to any law, including section 356.30, subdivision 2, to repay the amount refunded. A member or former member who takes a refund after January 1, 1981, shall not be entitled to have any service as a member of the legislature covered by that refund counted as service credit for the purpose of any public pension plan in this state."

Renumber the remaining sections.

Page 221, line 5, after "Sections" insert "3A.03, Subdivision 2; 3A.12, Subdivision 2;"

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "clarifying the law governing refunds from the legislator's retirement plan;"

Page 1, line 8, after "subdivision 1;" insert "3A.03, by adding a subdivision;"

Page 2, line 59, after "Sections" insert "3A.03, Subdivision 2; 3A.12, Subdivision 2;"

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

S. F. No. 1106, A bill for an act relating to retirement; clarifying certain ambiguous provisions; correcting certain oversights, inconsistencies, unintended results and erroneous provisions; eliminating certain redundant, obsolete or conflicting provisions; amending Minnesota Statutes 1980, Sections 3.85, Subdivision 3; 3A.01, Subdivisions 2 and 7; 3A.02, Subdivision 1; 3A.04, Subdivisions 1, 1a, 2 and 4; 3A.05; 3A.09; 3A.11, Subdivisions 1 and 2; 3A.12, Subdivision 1; 11A.17, Subdivision 11; 11A.23, Subdivision 2; 15A.083, Subdivision 3; 16A.19; 43.051, Subdivision 4; 69.011, Subdivision 1; 69.031, Subdivisions 5 and 6; 69.051, Subdivision 1; 69.77, Subdivisions 1, 1a, 2 and 2a; 69.772, Subdivisions 2 and 2a; 69.773, Subdivision 2; 118.01, Subdivision 11; 136.80, Subdivision 1; 136.81; 136.82; 136.83; 136.85; 136.87, Subdivisions 1 and 2; 275.125, Subdivision 6a; 275.50, Subdivision 5; 352.01, Subdivisions 2A, 11, 19 and 23; 352.029, Subdivision 1; 352.03, Subdivision 6; 352.113, Subdivision 4; 352.115, Subdivision 10; 352.116, Subdivision 3; 352.12, Subdivision 11; 352.22, Subdivisions 2a, 3 and 10; 352.72, Subdivisions 2 and 4; 352.75; 352.85, by adding a subdivision; 352.90; 352.91, Subdivision 2; 352B.02, Subdivision 1; 352B.08, Subdivision 2; 352B.11, Subdivision 2; 352B.26, Subdivisions 1 and 3; 352C.031, by adding a subdivision; 352C.04, Subdivision 1; 352D.02, Subdivisions 1 and 2; 352D.04, Subdivision 2; 352D.09, Subdivision 1; 352E.01, Subdivision 1; 353.01, Sub-

divisions 6, 7 and 10; 353.023; 353.03, Subdivision 1; 353.16; 353.28, Subdivisions 6 and 8; 353.29, Subdivision 4; 353.30, Subdivision 1c; 353.31, Subdivisions 1 and 9; 353.32, Subdivision 1a; 353.33, Subdivision 2; 353.34, Subdivision 3; 353.36, Subdivision 2; 353.37, Subdivisions 1 and 1a; 353.46, Subdivision 1a, and by adding a subdivision; 353.64, by adding a subdivision; 353.656, Subdivision 6; 353.71, Subdivision 1; 354.05, Subdivisions 2, 13, 24, 25 and 26; 354.06, Subdivision 1; 354.07, Subdivision 1; 354.43, Subdivision 4; 354.44, Subdivisions 1a, 4, 5, 6, 7 and 8; 354.47, Subdivision 1; 354.48, Subdivision 10, and by adding a subdivision; 354.50, Subdivision 2; 354.51, Subdivisions 1, 4 and 5; 354.52, Subdivisions 2, 3 and 4; 354.53, Subdivisions 1 and 3; 354.55, Subdivision 11; 354.56; 354.57; 354.60; 354.62, Subdivision 5; 354.66; 354.69; 354A.011, Subdivision 27; 354A.091, Subdivisions 1 and 6; 354A.092; 354A.094, Subdivisions 3, 8, 11, and by adding a subdivision; 354A.31, Subdivision 3; 354A.35, Subdivisions 2 and 3; 355.07; 355.11, Subdivisions 2, 4 and 5; 355.13, Subdivision 2; 355.21, Subdivisions 2 and 4; 355.22; 355.23, Subdivision 1; 355.29, Subdivisions 1, 3 and 4; 355.311, Subdivisions 1, 2 and 4; 355.41, Subdivisions 2, 3, 4 and 7; 355.46, Subdivision 3; 355.71, Subdivision 6; 355.72; 355.73, by adding a subdivision; 356.18, Subdivision 1; 356.20; 356.215; 356.216; 356.22, Subdivision 1; 356.24; 356.25; 356.32, Subdivision 1; 356.39; 356.45, Subdivision 2; 356.60, Subdivision 1; 422A.01, Subdivision 11; 422A.06, Subdivisions 2, 3 and 5; 422A.08, Subdivisions 1 and 5; 422A.09, Subdivision 3; 422A.101; 422A.11, Subdivision 1; 422A.15, Subdivision 1; 422A.16, Subdivision 8; 422A.22, Subdivision 2; 422A.23, Subdivision 5; 422A.24; 422A.26; 423.075, Subdivision 1; 423.38; 423.801, Subdivision 2; 423.802; 423.805; 423.806, Subdivision 1; 423.807, Subdivisions 1 and 2; 423.808; 423.809, Subdivisions 1 and 2; 423.810, Subdivision 1; 423.815, Subdivision 1; 423A.04; 424A.02, Subdivisions 1 and 8; 424A.04; 424A.05, Subdivision 1; 458.18, Subdivision 1; 484.61; 484.68, Subdivision 8; 487.01, Subdivisions 7 and 9; 488A.115; 488A.285; 490.101, Subdivision 2; 490.106; 490.107; 490.12, by adding a subdivision; 490.121, Subdivisions 1, 4, 6 and 7; 490.122; 490.123, Subdivision 1; 490.124, Subdivisions 1, 2, 6 and 10; 490.126, Subdivision 1; 490.129; and 490.132; Laws 1955, Chapter 75, Section 12, Subdivision 2, as amended; Laws 1959, Chapter 131, Section 10, Subdivision 1, as amended; Laws 1965, Chapters 446, Section 7, Subdivision 1, as amended; 458, Section 3, Subdivision 2, as amended; and 498, Section 1, Subdivision 1, as amended; Laws 1967, Chapters 575, Section 9, Subdivision 2; 742, Section 2; 775, Section 8, as amended; 798, Section 1, Subdivision 1, as amended; and 815, Section 8, Subdivision 1; Laws 1969, Chapters 526, Section 11, Subdivision 1; 576, Section 1, Subdivision 1, as amended; 641, Section 2, Subdivision 1, as amended; 719, Section 2; 1088, Section 8, Subdivision 1, as amended; and 1105, Section 4; Laws 1971, Chapters 51, Sections 9, as amended, and 10, Subdivision 2, as amended; 114, Section 8, Subdivision 1; 184, Sections 4 and 5; 214, Section 10; 407, Section 1, Subdivisions 2 and 3; 614, Section 2; and 810, Section 7, as amended; Laws 1973, Chapters 304, Section 3, Subdivision

1; and 587, Section 1, Subdivisions 3, as amended, and 5, as amended; Laws 1974, Chapter 251, Section 1, Subdivisions 2 and 3; Laws 1975, Chapter 424, Section 11, as amended; Laws 1976, Chapter 36, Sections 2, 3 and 4; Laws 1977, Chapter 61, Section 5, Subdivision 2, as amended; and Laws 1978, Chapter 689, Sections 4, Subdivision 2, and 8; proposing new law coded in Minnesota Statutes, Chapters 345, 352, 353, 355 and 356; repealing Minnesota Statutes 1980, Sections 136.86; 352.115, Subdivision 13; 352.1181; 352B.075; 352D.10; 354.09, Subdivisions 1 and 4; 354.41, Subdivisions 6 and 8; 355.302; 355.303; 355.304; 355.305; 355.306; 355.307; 355.308; 355.309; 355.53; 355.73, Subdivisions 5, 6 and 7; 356.18, Subdivision 2; 422A.01, Subdivisions 14, 15 and 16; 422A.08, Subdivisions 2, 3, 4 and 6; 422A.081; 422A.091; 422A.30; 422A.31; 422A.32; 422A.33; 422A.34; 422A.35; 422A.39; 423.075, Subdivision 2; 423.815, Subdivision 3; 487.06; 490.104; 490.127; 490.128; and 490.13; Laws 1969, Chapter 252; Laws 1973, Chapter 481; Laws 1975, Chapter 429; Laws 1978, Chapter 538, Section 6; and Laws 1980, Chapters 342, Section 20; and 509, Section 135.

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 | Esau | Knickerbocker | Ogren | Simoneau |
| Ainley | Evans | Kostohryz | Onnen | Skoglund |
| Anderson, B. | Fjoslien | Kvam | Osthoff | Stadum |
| Anderson, G. | Forsythe | Laidig | Otis | Staten |
| Anderson, I. | Friedrich | Lehto | Peterson, B. | Stowell |
| Anderson, R. | Greenfield | Lemen | Peterson, D. | Stumpf |
| Battaglia | Gruenes | Levi | Piepho | Sviggum |
| Begich | Gustafson | Long | Pogemiller | Swanson |
| Berkelman | Halberg | Ludeman | Redalen | Tomlinson |
| Blatz | Hanson | Luknic | Reding | Valan |
| Brandl | Hauge | Mann | Rees | Valento |
| Brinkman | Haukoos | Marsh | Reif | Vanasek |
| Byrne | Heap | McCarron | Rice | Vellenga |
| Carlson, D. | Heinitz | McDonald | Rodriguez, C. | Voss |
| Carlson, L. | Himle | McEachern | Rodriguez, F. | Weaver |
| Clark, J. | Hoberg | Mehrkens | Rose | Welch |
| Clark, K. | Hokanson | Metzen | Rothenberg | Welker |
| Clawson | Hokr | Minne | Samuelson | Wenzel |
| Dahlvang | Jacobs | Munger | Sarna | Wieser |
| Dean | Jennings | Murphy | Schafer | Wigley |
| Dempsey | Johnson, C. | Nelsen, B. | Schoenfeld | Wynia |
| Den Ouden | Johnson, D. | Nelson, K. | Schreiber | Zubay |
| Drew | Jude | Niehaus | Searles | Spkr. Sieben, H. |
| Eken | Kahn | Norton | Shea | |
| Elioff | Kaley | Novak | Sherman | |
| Ellingson | Kalis | Nysether | Sherwood | |
| Erickson | Kery | O'Connor | Sieben, M. | |

The bill was passed and its title agreed to.

S. F. No. 732, A bill for an act relating to insurance; revising the statutory provisions relating to surplus lines insurance; clarifying its operation and coverage; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 60A; repealing Minnesota Statutes 1980, Section 60A.20.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Evans | Kostohryz | Olsen | Skoglund |
| Ainley | Fjoslien | Kvam | Onnen | Staten |
| Anderson, B. | Forsythe | Laidig | Osthoff | Stowell |
| Anderson, G. | Friedrich | Lehto | Otis | Stumpf |
| Anderson, I. | Greenfield | Lemen | Peterson, B. | Sviggum |
| Battaglia | Gruenes | Levi | Peterson, D. | Swanson |
| Begich | Gustafson | Long | Piepho | Tomlinson |
| Blatz | Halberg | Ludeman | Pogemiller | Valan |
| Brandl | Hanson | Luknic | Redalen | Valento |
| Brinkman | Hauge | Mann | Reding | Vanasek |
| Carlson, L. | Haukoos | Marsh | Rees | Vellenga |
| Clark, J. | Heinitz | McEachern | Rice | Voss |
| Clark, K. | Himle | Mehrkens | Rodriguez, C. | Weaver |
| Clawson | Hoberg | Metzen | Rodriguez, F. | Welch |
| Dahlvang | Hokanson | Minne | Rose | Welker |
| Dean | Hokr | Munger | Rothenberg | Wenzel |
| Dempsey | Jacobs | Murphy | Sarna | Wigley |
| Den Ouden | Johnson, D. | Nelsen, B. | Schafer | Wynia |
| Drew | Jude | Nelson, K. | Schoenfeld | Zubay |
| Eken | Kahn | Niehaus | Searles | Spkr. Sieben, H. |
| Elioff | Kaley | Novak | Shea | |
| Ellingson | Kalis | Nysether | Sherman | |
| Erickson | Kelly | O'Connor | Sieben, M. | |
| Esau | Knickerbocker | Ogren | Simoneau | |

Those who voted in the negative were:

McDonald

The bill was passed and its title agreed to.

H. F. No. 769, A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 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 | Erickson | Knickerbocker | O'Connor | Sherman |
| Ainley | Esau | Kostohryz | Ogren | Sherwood |
| Anderson, B. | Evans | Kvam | Olsen | Sieben, M. |
| Anderson, G. | Fjoslien | Laidig | Onnen | Simoneau |
| Anderson, I. | Forsythe | Lehto | Osthoff | Skoglund |
| Anderson, R. | Friedrich | Lemen | Otis | Stadum |
| Battaglia | Greenfield | Levi | Peterson, B. | Staten |
| Begich | Gruenes | Long | Peterson, D. | Stowell |
| Berkelman | Gustafson | Ludeman | Piepho | Stumpf |
| Blatz | Halberg | Luknic | Pogemiller | Sviggum |
| Brandl | Hanson | Mann | Redalen | Swanson |
| Brinkman | Hauge | Marsh | Reding | Tomlinson |
| Byrne | Haukoos | McCarron | Rees | Valan |
| Carlson, D. | Heap | McDonald | Reif | Valento |
| Carlson, L. | Heinitz | McEachern | Rice | Vanasek |
| Clark, J. | Himle | Mehrkens | Rodriguez, C. | Vellenga |
| Clark, K. | Hoberg | Metzen | Rodriguez, F. | Voss |
| Clawson | Hokanson | Minne | Rose | Weaver |
| Dahlvang | Hokr | Munger | Rothenberg | Welch |
| Dean | Jennings | Murphy | Samuelson | Welker |
| Dempsey | Johnson, C. | Nelsen, B. | Sarna | Wenzel |
| Den Ouden | Johnson, D. | Nelson, K. | Schafer | Wigley |
| Drew | Jude | Niehaus | Schoenfeld | Wynia |
| Eken | Kahn | Norton | Schreiber | Spkr. Sieben, H. |
| Elioff | Kalis | Novak | Searles | |
| Ellingson | Kelly | Nysether | Shea | |

The bill was passed and its title agreed to.

S. F. No. 452 was reported to the House.

Clark, K., moved to amend S. F. No. 452, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 11A.09, is amended to read:

11A.09 [(STANDARD OF CARE) INVESTMENT STANDARDS.]

Subdivision 1. [POLICY.] The legislature finds that moneys under the jurisdiction of the state board must be invested so that the total portfolio is designed to earn the highest possible return consistent with the need to preserve the security of the moneys. Further, the legislature finds that the moneys under the board's jurisdiction offer the potential for helping to improve Minnesota's economic condition and thereby directly benefitting the beneficiaries of the moneys and other citizens of the state. Further, the legislature finds that the investment of money solely to benefit the interests of retirement plan participants and beneficiaries represents a highly desirable goal. In recognition of

these findings, the legislature adopts the following standards of care to govern the investment of moneys under the jurisdiction of the board.

Subd. 2. [PRUDENT PERSON.] 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 11A.01 to 11A.25 shall act solely in the interest of the beneficiaries of the money and for the exclusive purpose of providing benefits to the beneficiaries, 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) an enterprise of like character, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom.

Subd. 3. [ADDITIONAL STANDARDS.] In selecting among those investment opportunities which meet the prudent person standard defined in subdivision 2 and any other applicable statutory limitations, the board and its staff shall to the extent possible select those investments which have one or more of the following characteristics:

(a) the investment is in a business concern that does business in the state, which employs Minnesota residents, which has the potential for job expansion in the state, and which will contribute to the state's economic well-being;

(b) the investment will tend to improve the economic viability of a small city or urban neighborhood in the state;

(c) the investment will increase the supply of housing in the state, especially housing intended for low and moderate income persons;

(d) the investment will result in the development of alternative energy systems in Minnesota, will encourage energy conservation in the state or will reduce the state's dependence on outside energy sources;

(e) the investment will assist in the preservation and promotion of family farming or small business in the state; and

(f) the investment will serve other goals as identified by the board as being in the economic interests of beneficiaries of moneys invested by the board and the citizens of the state.

In applying the standards contained in this subdivision, the state board and its staff shall take no actions which they con-

strue to be not in the best interests of retirement plan participants and beneficiaries.

Subd. 4. [EXEMPTION.] The standards and prohibitions contained in subdivision 3 shall not apply in respect to the investments of the post-retirement investment fund established in section 11A.18."

The motion prevailed and the amendment was adopted.

Clark, K., moved to amend S. F. No. 452, as amended, as follows:

Page 2, line 20, delete everything after "*investment*" and insert "*will contribute to job expansion in Minnesota for*".

Page 2, line 21, delete "*business in the state, which employs*" delete the second "*which*"

Page 2, line 22, delete "*has the potential for job expansion in the state,*" delete "*which*"

Page 3, line 6, delete "*and prohibitions*"

The motion prevailed and the amendment was adopted.

Peterson, B., moved to amend S. F. No. 452, as amended, as follows:

Page 2, delete lines 14 to 36

Page 3, delete lines 1 to 9

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 71 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|--------------|----------|
| Aasness | Fjoslien | Johnson, D. | Nysether | Searles |
| Ainley | Forsythe | Kaley | Olsen | Sherman |
| Anderson, R. | Friedrich | Knickerbocker | Onnen | Sherwood |
| Blatz | Gruenes | Lemen | Peterson, B. | Stadum |
| Carlson, D. | Halberg | Ludeman | Piepho | Stowell |
| Dean | Haukoos | Luknic | Redalen | Sviggum |
| Dempsey | Heap | Marsh | Rees | Valan |
| Den Ouden | Heinitz | McDonald | Reif | Valento |
| Erickson | Himle | McEachern | Rose | Weaver |
| Esau | Hoberg | Mehrkens | Rothenberg | Welker |
| Evans | Hokr | Nelsen, B. | Schafer | Wigley |
| Ewald | Jennings | Niehaus | Schreiber | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Elioff | Laidig | Otis | Stumpf |
| Anderson, I. | Ellingson | Lehto | Peterson, D. | Swanson |
| Battaglia | Greenfield | Long | Pogemiller | Tomlinson |
| Begich | Gustafson | Mann | Reding | Vanasek |
| Berkelman | Hanson | McCarron | Rice | Vellenga |
| Brandl | Harens | Metzen | Rodriguez, C. | Voss |
| Brinkman | Hauge | Minne | Rodriguez, F. | Welch |
| Byrne | Hokanson | Munger | Samuelson | Wenzel |
| Carlson, L. | Jacobs | Murphy | Sarna | Wieser |
| Clark, J. | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Clark, K. | Jude | Norton | Shea | Spkr. Sieben, H. |
| Clawson | Kahn | Novak | Sieben, M. | |
| Dahlvang | Kalis | O'Connor | Simoneau | |
| Drew | Kelly | Ogren | Skoglund | |
| Eken | Kostohryz | Osthoff | Staten | |

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

McDonald moved to amend S. F. No. 452, as amended, as follows:

Page 3, after line 9, insert a new subdivision to read:

"Subd. 5. [APPROVAL] This section 11A.09 shall be effective upon the approval of the majority of the trustees of the retirement funds affected."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 44 yeas and 76 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-----------|---------------|------------|--------------|---------|
| Ainley | Halberg | Levi | Peterson, B. | Sviggum |
| Battaglia | Haukoos | Ludeman | Redalen | Valan |
| Blatz | Heinitz | Marsh | Rees | Valento |
| Den Ouden | Hoberg | McDonald | Rothenberg | Weaver |
| Erickson | Johnson, D. | Nelsen, B. | Schafer | Welker |
| Esau | Kaley | Niehaus | Searles | Wieser |
| Fjoslien | Knickerbocker | Nysether | Sherwood | Wigley |
| Friedrich | Kvam | Olsen | Stadum | Zubay |
| Gruenes | Laidig | Onnen | Stowell | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-------------|-----------|------------|
| Anderson, G. | Clark, K. | Greenfield | Jude | McCarron |
| Anderson, I. | Clawson | Gustafson | Kahn | McEachern |
| Begich | Dahlvang | Hanson | Kelly | Metzen |
| Berkelman | Dempsey | Harens | Kostohryz | Minne |
| Brandl | Drew | Hauge | Lehto | Munger |
| Brinkman | Eken | Himle | Lemen | Murphy |
| Byrne | Elioff | Hokanson | Long | Nelson, K. |
| Carlson, L. | Ellingson | Jacobs | Luknic | Norton |
| Clark, J. | Forsythe | Johnson, C. | Mann | Novak |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| O'Connor | Reding | Sarna | Stumpf | Wenzel |
| Ogren | Reif | Shea | Swanson | Wynia |
| Osthoff | Rice | Sherman | Tomlinson | Spkr. Sieben, H. |
| Otis | Rodriguez, C. | Sieben, M. | Vanasek | |
| Peterson, D. | Rodriguez, F. | Simoneau | Vellenga | |
| Piepho | Rose | Skoglund | Voss | |
| Pogemiller | Samuelson | Staten | Welch | |

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

Sviggum moved to amend S. F. No. 452, as amended, as follows:

Page 2, line 15, after "*which*" insert "*have substantially similar risk and return and which*"

Page 2, line 18, delete everything after "*which*" and insert "*will contribute to the economic well-being of the state of Minnesota.*"

Page 2, delete lines 19 to 36

Page 3, delete lines 1 to 5

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 64 yeas and 67 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Fjoslien | Kaley | Nysether | Sherman |
| Ainley | Forsythe | Knickerbocker | Olsen | Sherwood |
| Anderson, R. | Friedrich | Kvam | Onnen | Stadum |
| Blatz | Gruenes | Laidig | Peterson, B. | Stowell |
| Carlson, D. | Halberg | Lemen | Piepho | Sviggum |
| Dean | Haukoos | Levi | Redalen | Valan |
| Dempsey | Heap | Ludeman | Rees | Valento |
| Den Ouden | Heinitz | Luknic | Reif | Weaver |
| Drew | Himle | Marsh | Rose | Welker |
| Erickson | Hoberg | McDonald | Rothenberg | Wieser |
| Esau | Hokr | Mehrkens | Schafer | Wigley |
| Evans | Jennings | Nelsen, B. | Schreiber | Zubay |
| Ewald | Johnson, D. | Niehaus | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|-------------|-----------|--------------|
| Anderson, G. | Clark, J. | Hanson | Kostohryz | Nelson, K. |
| Anderson, I. | Clark, K. | Hauge | Lehto | Norton |
| Battaglia | Clawson | Hokanson | Long | Novak |
| Begich | Dahlvang | Jacobs | Mann | O'Connor |
| Berkelman | Eken | Johnson, C. | McCarron | Ogren |
| Brandl | Elioff | Jude | Metzen | Osthoff |
| Brinkman | Ellingson | Kahn | Minne | Otis |
| Byrne | Greenfield | Kalis | Munger | Peterson, D. |
| Carlson, L. | Gustafson | Kelly | Murphy | Pogemiller |

| | | | | |
|---------------|------------|-----------|----------|------------------|
| Reding | Sarna | Skoglund | Vanasek | Wynia |
| Rice | Schoenfeld | Staten | Vellenga | Spkr. Sieben, H. |
| Rodriguez, C. | Shea | Stumpf | Voss | |
| Rodriguez, F. | Sieben, M. | Swanson | Welch | |
| Samuelson | Simoneau | Tomlinson | Wenzel | |

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

S. F. No. 452, A bill for an act relating to the state board of investment; establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

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 76 yeas and 55 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Dean | Kalis | O'Connor | Skoglund |
| Anderson, G. | Drew | Kelly | Ogren | Staten |
| Anderson, I. | Eken | Knickerbocker | Osthoff | Stumpf |
| Anderson, R. | Elioff | Kostohryz | Otis | Swanson |
| Battaglia | Ellingson | Laidig | Peterson, D. | Tomlinson |
| Begich | Evans | Lehto | Pogemiller | Vanasek |
| Berkelman | Greenfield | Long | Reding | Vellenga |
| Brandl | Gustafson | Luknic | Rice | Voss |
| Brinkman | Hanson | Mann | Rodriguez, C. | Welch |
| Byrne | Harens | McCarron | Rodriguez, F. | Wenzel |
| Carlson, D. | Hauge | Minne | Samuelson | Wynia |
| Carlson, L. | Hokanson | Munger | Sarna | Spkr. Sieben, H. |
| Clark, J. | Jacobs | Murphy | Schoenfeld | |
| Clark, K. | Johnson, C. | Nelson, K. | Shea | |
| Clawson | Jude | Norton | Sieben, M. | |
| Dahlvang | Kahn | Novak | Simoneau | |

Those who voted in the negative were:

| | | | | |
|-----------|-------------|-------------|--------------|----------|
| Aasness | Haukoos | Levi | Onnen | Sherman |
| Blatz | Heap | Ludeman | Peterson, B. | Sherwood |
| Dempsey | Heinitz | Marsh | Piepho | Stadum |
| Den Ouden | Himle | McDonald | Redalen | Stowell |
| Eriksson | Hoberg | McEachern | Rees | Svigum |
| Esau | Hokr | Mehrkens | Reif | Valan |
| Ewald | Jennings | Metzen | Rose | Valento |
| Fjoslien | Johnson, D. | Neilsen, B. | Rothenberg | Weaver |
| Forgythe | Kaley | Niehaus | Schafer | Welker |
| Friedrich | Kvam | Nysether | Schreiber | Wigley |
| Gruenes | Lemen | Olsen | Searles | Zubay |

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

S. F. No. 1132 was reported to the House.

Heap moved to amend S. F. No. 1132, as follows:

Page 1, line 11, after "awarding" insert "associate"

Page 1, line 13, after "if" delete "a" and insert "an associate"

Page 1, line 16, delete "because of geographic isolation"

Page 1, line 17, after "offer", delete "a" and insert "an associate"

Page 1, line 23, delete "be phased out by" and insert "not be subject to the provisions of this section."

Page 1, delete lines 24 and 25

Amend the title as follows:

Page 1, line 3, after "grant" insert "associate"

The motion prevailed and the amendment was adopted.

S. F. No. 1132, A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

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 95 yeas and 20 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Elioff | Jude | Norton | Searles |
| Anderson, G. | Esau | Kahn | Novak | Shea |
| Anderson, I. | Evans | Kalis | Ogren | Sherwood |
| Anderson, R. | Ewald | Kelly | Olsen | Sieben, M. |
| Begich | Fjoslien | Kostohryz | Osthoff | Simoneau |
| Berkelman | Forsythe | Laidig | Peterson, B. | Skoglund |
| Blatz | Greenfield | Lehto | Peterson, D. | Staten |
| Brinkman | Hanson | Levi | Piepho | Swanson |
| Byrne | Hauge | Long | Pogemiller | Tomlinson |
| Carlson, D. | Haukoos | Luknic | Redalen | Valento |
| Carlson, L. | Heap | Mann | Reding | Vanasek |
| Clark, J. | Heinitz | Marsh | Rees | Vellenga |
| Clark, K. | Himle | McCarron | Reif | Voss |
| Clawson | Hokanson | McDonald | Rice | Weaver |
| Dahlvang | Hokr | Mehrkens | Rodriguez, C. | Welch |
| Dean | Jacobs | Minne | Rose | Welker |
| Dempsey | Jennings | Munger | Rothenberg | Wenzel |
| Den Ouden | Johnson, C. | Nelson, K. | Samuelson | Wigley |
| Eken | Johnson, D. | Niehaus | Sarna | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------|--------------|-----------|--------|----------|
| Ainley | Anderson, B. | Battaglia | Brandl | Erickson |
|--------|--------------|-----------|--------|----------|

Friedrich
Gruenes
Hoberg

Kaley
Lemen
Murphy

Nelsen, B.
Onnen
Otis

Sherman
Stadum
Stowell

Valan
Wynia
Zubay

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

S. F. No. 662, A bill for an act relating to commerce; providing for examinations of financial institutions; providing for the proportioning of annual assessments; providing a penalty for failure to pay certain fees and assessments; providing uniform retention periods for records; clarifying the definition of financial institutions; expanding the definition of municipality to include townships with a bank; clarifying the distance drive-in or walk-up facilities may be located from a detached facility under certain circumstances; clarifying the notice and approval procedures and judicial review procedures for detached facilities; providing that voting equity in a bank's holding company satisfies the stock requirement of a director; providing additional time for submitting certain bank reports and authorizes acceptance of certain substitute reports; modifying the definition of "demand deposits"; clarifying certain withdrawal provisions applicable to savings associations; requiring credit unions to obtain a commitment for insurance of accounts prior to approval of its application for organization; expanding the exemption from the licensing requirement for sales finance companies to include certain other financial institutions; providing for a compliance exam of sales finance companies once every two years instead of annually; removing the requirement that a state bank's name contain the words "state bank"; removing an obsolete provision; amending Minnesota Statutes 1980, Sections 46.04, Subdivision 1; 46.131, Subdivisions 4 and 9; 46.21; 47.015, Subdivision 1; 47.51; 47.52; 47.54; 48.06; 48.34; 48.48; 48.51; 51A.33; 52.01; 168.67; 168.705; and 300.025; repealing Minnesota Statutes 1980, Sections 46.131, Subdivision 6; and 47.17.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness
Ainley
Anderson, B.
Anderson, G.
Anderson, I.
Anderson, R.
Battaglia
Berkelman
Blatz
Brandl
Prinkman
Byrne

Carlson, D.
Carlson, L.
Clark, J.
Clark, K.
Clawson
Dahlvang
Dean
Dempsey
Den Ouden
Drew
Eken
Elioff

Ellingson
Erickson
Esau
Evans
Ewald
Fjoslien
Forsythe
Friedrich
Greenfield
Gruenes
Halberg
Hanson

Harens
Hauge
Haukoos
Heap
Heinitz
Himle
Hoberg
Hokanson
Hokr
Jacobs
Jennings
Johnson, C.

Johnson, D.
Jude
Kahn
Kaley
Kalis
Kelly
Knickerbocker
Kostohryz
Kvam
Laidig
Lehto
Lemen

| | | | | |
|-----------|--------------|---------------|------------|------------------|
| Levi | Nelsen, B. | Redalen | Searles | Vanasek |
| Long | Nelson, K. | Reding | Shea | Vellenga |
| Ludemann | Niehaus | Rees | Sherman | Voss |
| Luknic | Norton | Reif | Sherwood | Weaver |
| Mann | Novak | Rice | Sieben, M. | Welch |
| Marsh | Nysether | Rodriguez, C. | Simoneau | Welker |
| McCarron | O'Connor | Rodriguez, F. | Skoglund | Wenzel |
| McDonald | Ogren | Rose | Stadum | Wigley |
| McEachern | Olsen | Rothenberg | Staten | Wynia |
| Mehrkens | Onnen | Samuelson | Stowell | Zubay |
| Metzen | Osthoff | Sarna | Swiggum | Spkr. Sieben, H. |
| Minne | Otis | Schafer | Swanson | |
| Munger | Peterson, D. | Schoenfeld | Valan | |
| Murphy | Piepho | Schreiber | Valento | |

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 403 was reported to the House.

Jacobs moved to amend H. F. No. 403, the first engrossment, as follows:

Page 2, line 10, after "*inspect*" insert "*pursuant to section 301.34*"

The motion prevailed and the amendment was adopted.

H. F. No. 403, A bill for an act relating to public utilities; providing for rights of shareholders of cooperative electric associations; proposing new law coded in Minnesota Statutes, Chapter 216B.

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 61 yeas and 72 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, R. | Greenfield | Lehto | Osthoff | Skoglund |
| Battaglia | Gustafson | Long | Otis | Staten |
| Begich | Hanson | Luknic | Peterson, D. | Swanson |
| Berkelman | Harens | McCarron | Pogemiller | Tomlinson |
| Brandl | Hauge | Metzen | Reding | Vanasek |
| Byrne | Hokanson | Minne | Reif | Vellenga |
| Carlson, L. | Hokr | Munger | Rice | Voss |
| Clark, J. | Jacobs | Murphy | Rodriguez, C. | Wynia |
| Clark, K. | Johnson, C. | Nelson, K. | Rodriguez, F. | Spkr. Sieben, H. |
| Clawson | Jude | Norton | Samuelson | |
| Elioff | Kahn | Novak | Sarna | |
| Ellingson | Kelly | O'Connor | Sieben, M. | |
| Fjoslien | Kostohryz | Ogren | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|--------------|---------------|--------------|---------|
| Aasness | Evans | Knickerbocker | Onnen | Stowell |
| Ainley | Ewald | Kvam | Peterson, B. | Stumpf |
| Anderson, B. | Forsythe | Laidig | Piepho | Sviggum |
| Anderson, G. | Friedrich | Lemen | Redalen | Valan |
| Blatz | Gruenes | Levi | Rees | Valento |
| Brinkman | Halberg | Ludeman | Rose | Weaver |
| Carlson, D. | Haukoos | Mann | Rothenberg | Welch |
| Dahlvang | Heap | Marsh | Schafer | Welker |
| Dean | Heinitz | McDonald | Schoenfeld | Wenzel |
| Dempsey | Himle | McEachern | Schreiber | Wieser |
| Den Ouden | Hoberg | Mehrkens | Searles | Wigley |
| Drew | Jennings | Nelsen, B. | Shea | Zubay |
| Eken | Johnings, D. | Niehaus | Sherman | |
| Erickson | Kaley | Nysether | Sherwood | |
| Esau | Kalis | Olsen | Stadum | |

The bill was not passed, as amended.

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

MOTION FOR RECONSIDERATION

Simoneau moved that the vote on the Simoneau motion whereby the House acceded to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 359, be now reconsidered. The motion prevailed.

The original Simoneau motion was withdrawn.

Simoneau moved that the House accede to the request of the Senate for the appointment of a Conference Committee, that the Speaker appoint a Conference Committee of 3 members of the House and that the House requests that the Senate change the membership of the Senate Committee from 5 members to 3 members to confer on the disagreeing votes of the two Houses on S. F. No. 359. The motion prevailed.

There being no objection the order of business reverted to Reports of Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1079 and H. F. No. 1223, 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. 1079 be substituted for H. F. No. 1223 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1305 and H. F. No. 1346, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Lehto moved that the rules be so far suspended that S. F. No. 1305 be substituted for H. F. No. 1346 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 1079 and 1305 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, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 817, A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, Subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Schoenfeld moved that the House refuse to concur in the Senate amendments to H. F. No. 817, 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. 691, A bill for an act relating to court reporting; permitting the use of electronic recording equipment in certain district court proceedings; amending Minnesota Statutes 1980, Sec-

tions 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484.

PATRICK E. FLAHAVEN, Secretary of the Senate

Zubay moved that the House refuse to concur in the Senate amendments to H. F. No. 691, 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.

GENERAL ORDERS

There being no objection the bills on General Orders for today were continued one day. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 817:

Schoenfeld, Reding and Weaver.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2:

Wenzel, McCarron, Levi, Vanasek and Rothenberg.

MOTIONS AND RESOLUTIONS

Reding moved that the names of Marsh and Laidig be added as authors on H. F. No. 1483. The motion prevailed

Niehaus moved that H. F. No. 108, now on General Orders, be re-referred to the Committee on Criminal Justice. The motion prevailed.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Tuesday, May 12, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Tuesday, May 12, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTY-SECOND DAY

SAINT PAUL, MINNESOTA, TUESDAY, MAY 12, 1981

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

Prayer was offered by Reverend Manuel Johnson, Our Father's Lutheran Church, Rockford, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kalis | Nysether | Sherman |
| Ainley | Ewald | Kelly | O'Connor | Sherwood |
| Anderson, B. | Fjoslien | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Forsythe | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Friedrich | Kvam | Onnen | Skoglund |
| Battaglia | Greenfield | Laidig | Osthoff | Stadum |
| Begich | Gruenes | Lehto | Otis | Staten |
| Berkelman | Gustafson | Lemen | Peterson, B. | Stowell |
| Blatz | Halberg | Long | Peterson, D. | Stumpf |
| Brandl | Hanson | Ludeman | Piepho | Sviggum |
| Brinkman | Harens | Luknic | Pogemiller | Swanson |
| Carlson, D. | Hauge | Mann | Reding | Tomlinson |
| Carlson, L. | Haukoos | Marsh | Rees | Valan |
| Clark, J. | Heap | McCarron | Reif | Valento |
| Clark, K. | Heinitz | McDonald | Rice | Vanasek |
| Clawson | Himle | McEachern | Rodriguez, C. | Vellenga |
| Dahlvang | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Dean | Hokanson | Metzen | Rose | Weaver |
| Dempsey | Hokr | Minne | Rothenberg | Welch |
| Den Ouden | Jacobs | Munger | Samuelson | Welker |
| Drew | Jennings | Murphy | Sarna | Wenzel |
| Eken | Johnson, C. | Nelsen, B. | Schafer | Wieser |
| Elioff | Johnson, D. | Nelson, K. | Schoenfeld | Wigley |
| Ellingson | Jude | Niehaus | Schreiber | Wynia |
| Erickson | Kahn | Norton | Searles | Zubay |
| Esau | Kaley | Novak | Shea | Spkr. Sieben, H. |

A quorum was present.

Anderson, R., and Levi were excused until 12:05 p.m. Byrne was excused until 1:00 p.m. Redalen was excused until 1:20 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kvam moved that further reading of the Journal be dis-

pensed 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. 942, 20, 295, 766, 1086, 1098, 1139, 1253, 1005, 165 and 553 and S. F. Nos. 177, 440, 446, 568, 636, 728, 960, 1187 and 1040 have been placed in the members' files.

S. F. No. 568 and H. F. No. 658, 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. 568 be substituted for H. F. No. 658 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 177 and H. F. No. 756, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Clark, J., moved that the rules be so far suspended that S. F. No. 177 be substituted for H. F. No. 756 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 440 and H. F. No. 491, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Anderson, I., moved that the rules be so far suspended that S. F. No. 440 be substituted for H. F. No. 491 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 728 and H. F. No. 705, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Anderson, I., moved that the rules be so far suspended that S. F. No. 728 be substituted for H. F. No. 705 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1040 and H. F. No. 1086, 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. 1040 be substituted for H. F. No. 1086 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
SAINT PAUL 55155

May 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 486, memorializing the Congress and the President of the United States to avoid direct military involvement in El Salvador.

H. F. No. 536, relating to retirement; city of St. Paul public housing agency; transferring retirement coverage for certain public employees;

H. F. No. 567, relating to retirement; teachers retirement association and teacher retirement fund associations in cities of the first class; allowing certain types of survivor coverage be provided to a designated beneficiary instead of a surviving spouse; requiring public pension funds to provide information concerning optional annuity forms with retirement application form; requiring notice to the spouse of a member in certain instances;

H. F. No. 659, relating to retirement; St. Paul teachers retirement fund association; removing an expiration date on authority to provide post retirement increases in certain instances; authorizing reduced early retirement in certain instances;

H. F. No. 681, relating to retirement; reducing a certain deduction from amounts available to pay post-retirement adjustments; appropriating funds;

H. F. No. 976, relating to retirement; Minneapolis teachers retirement fund association; authorizing the establishment of a lump sum post retirement adjustment program; authorizing service credit for parental leaves.

H. F. No. 996, relating to retirement; making various administrative changes in the teachers retirement law; authorizing a medical advisor; payment of shortages in member deductions;

H. F. No. 57, relating to real estate; directing a conveyance of the states right, title and interest in certain lands to Independent School District No. 417 of Tracy, Minnesota.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 312, relating to agriculture; requiring the commissioner of agriculture to examine fluid milk and milk product marketing and packaging; repealing the prohibition on the sale of milk in non-returnable plastic containers; proposing new law coded in Minnesota Statutes, Chapter 32; repealing Minnesota Statutes 1980, Sections 116F.21 and 116F.22.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear. Speaker Sieben:

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. 443, relating to education; specifying the authority of a school board for selection and employment of a superintendent;

H. F. No. 886, relating to mobile homes; regulating lot rentals; specifying conditions on which a lessor may recover possession of land upon which a mobile home is located.

H. F. No. 509, relating to commerce; requiring disclosure in motor vehicle transactions; proposing new law coded in Minnesota Statutes, Chapter 168.

H. F. No. 54, relating to meetings of public bodies; allowing public employers to determine negotiation strategy at a non-public meeting;

H. F. No. 28, relating to agriculture; prohibiting pension or investment funds from farming or acquiring certain farm land;

H. F. No. 932, relating to taxation; income; property tax refund; making technical corrections; deleting obsolete provisions;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 312 | 151 | May 8 | May 8 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 1259 | | 152 | May 8 | May 11 |
| | 57 | 153 | May 8 | May 11 |
| | 486 | 154 | May 8 | May 11 |
| | 536 | 155 | May 8 | May 11 |
| | 567 | 156 | May 8 | May 11 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 659 | 157 | May 8 | May 11 |
| | 681 | 158 | May 8 | May 11 |
| | 976 | 159 | May 8 | May 11 |
| | 996 | 160 | May 8 | May 11 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

SECOND READING OF SENATE BILLS

S. F. Nos. 568, 177, 440, 728 and 1040 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Anderson, B., introduced:

H. F. No. 1492, A bill for an act relating to natural resources; authorizing an addition to Split Rock Creek Recreation Area and authorizing land acquisition in relation thereto.

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

Rees, Munger, Battaglia, Hanson and McDonald introduced:

H. F. No. 1493, A bill for an act relating to game and fish; authorizing a separate selection for deer permits for persons 65 years of age or older; amending Minnesota Statutes 1980, Section 97.48, Subdivision 24.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Stumpf; Tomlinson; Wenzel; Anderson, B., and Shea introduced:

H. A. No. 30, A proposal to study agricultural woodlands tax relief.

The advisory was referred to the Committee on Agriculture.

Hanson, Kahn, Munger and Lehto introduced:

H. A. No. 31, A proposal to authorize the pollution control agency to charge fees for permits.

The advisory was referred to the Committee on Environment and Natural Resources.

Sarna, Dahlvang, Rice, Otis and Brandl introduced:

H. A. No. 32, A proposal for a study concerning disability benefits for Minneapolis police officers and firefighters.

The advisory was referred to the Committee on Governmental Operations.

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. 1088, A bill for an act relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for preserving certain documents; amending Minnesota Statutes 1980, Section 5.03.

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. FLAHAVER, 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. 969, A bill for an act relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating to the amendment of comprehensive plans; amending Minnesota Statutes 1980, Section 473.864, 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. 473, A bill for an act relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

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. 774, A bill for an act relating to children; providing for confidentiality of records of reports of neglect, and abuse of children; allowing for sharing of records under certain circumstances; amending Minnesota Statutes 1980, Sections 254A.09; and 626.556, Subdivision 11.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clawson moved that the House concur in the Senate amendments to H. F. No. 774 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 774, A bill for an act relating to children; providing for reports of neglect and abuse of children; allowing courts to compel testimony under certain circumstances; amending Minnesota Statutes 1980, Sections 254A.09; and 626.556, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Evans | Kelly | O'Connor | Sieben, M. |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Simoneau |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Skoglund |
| Anderson, I. | Forsythe | Kvam | Onnen | Stadum |
| Battaglia | Friedrich | Lehto | Osthoff | Staten |
| Begich | Greenfield | Lemen | Otis | Stowell |
| Berkelman | Gruenes | Long | Peterson, B. | Stumpf |
| Blatz | Halberg | Ludeman | Peterson, D. | Sviggum |
| Brandl | Hanson | Luknic | Piepho | Swanson |
| Brinkman | Harens | Mann | Pogemiller | Tomlinson |
| Carlson, D. | Hauge | Marsh | Reding | Valan |
| Carlson, L. | Haukoos | McCarron | Rees | Valento |
| Clark, J. | Heap | McDonald | Reif | Vanasek |
| Clark, K. | Heinitz | McEachern | Rodriguez, C. | Vellenga |
| Clawson | Himle | Mehrkens | Rodriguez, F. | Voss |
| Dahlvang | Hoberg | Metzen | Rose | Weaver |
| Dean | Hokanson | Minne | Rothenberg | Welch |
| Dempsey | Hokr | Munger | Samuelson | Welker |
| Den Ouden | Jacobs | Murphy | Sarna | Wenzel |
| Drew | Jennings | Nelsen, B. | Schafer | Wieser |
| Eken | Johnson, C. | Nelson, K. | Schoenfeld | Wigley |
| Elioff | Jude | Niehaus | Schreiber | Wynia |
| Ellingson | Kahn | Norton | Searles | Zubay |
| Erickson | Kaley | Novak | Shea | Spkr. Sieben, H. |
| Esau | Kalis | Nysether | 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. 131, A bill for an act relating to crimes; authorizing the release of account information to law enforcement authorities investigating the issuance of worthless checks; authorizing the issuance of account information to payee or holders when a check has been dishonored; amending Minnesota Statutes 1980, Section 609.535, by adding subdivisions.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 131 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 131, A bill for an act relating to crimes; authorizing the release of account information to law enforcement authori-

ties investigating the issuance of worthless checks; authorizing the issuance of account information to payee or holders when a check has been dishonored; providing notification of the release of information; amending Minnesota Statutes 1980, Section 609.535, by adding subdivisions.

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 | Ewald | Kostohryz | Onnen | Skoglund |
| Ainley | Fjoslien | Kvam | Osthoff | Stadum |
| Anderson, B. | Forsythe | Lehto | Otis | Staten |
| Anderson, G. | Friedrich | Lemen | Peterson, B. | Stowell |
| Anderson, I. | Greenfield | Long | Peterson, D. | Stumpf |
| Battaglia | Gruenes | Ludeman | Piepho | Sviggum |
| Begich | Gustafson | Luknic | Pogemiller | Swanson |
| Berkelman | Hanson | Mann | Reding | Tomlinson |
| Blatz | Harens | Marsh | Rees | Valan |
| Brandl | Hauge | McCarron | Reif | Valento |
| Brinkman | Haukoos | McDonald | Rice | Vanasek |
| Carlson, D. | Heap | McEachern | Rodriguez, C. | Vellenga |
| Carlson, L. | Heinitz | Mehrkens | Rodriguez, F. | Voss |
| Clark, J. | Himle | Metzen | Rose | Weaver |
| Clark, K. | Hoberg | Minne | Rothenberg | Welch |
| Dahlvang | Hokanson | Munger | Samuelson | Welker |
| Dean | Hokr | Murphy | Sarna | Wenzel |
| Dempsey | Jacobs | Nelsen, B. | Schafer | Wieser |
| Den Ouden | Jennings | Nelson, K. | Schoenfeld | Wigley |
| Drew | Johnson, C. | Niehaus | Schreiber | Wynia |
| Eken | Johnson, D. | Norton | Searles | Zubay |
| Elioff | Jude | Novak | Shea | Spkr. Sieben, H. |
| Ellingson | Kahn | Nysether | Sherman | |
| Erickson | Kaley | O'Connor | Sherwood | |
| Esau | Kalis | Ogren | Sieben, M. | |
| Evans | Kelly | Olsen | Simoneau | |

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. 1190, A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

PATRICK E. FLAHAVEN, Secretary of the Senate

Begich 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.

Hanson moved that the House refuse to concur in the Senate amendments to H. F. No. 1190, 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 Hanson motion and the roll was called. There were 72 yeas and 54 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|--------------|---------------|------------------|
| Anderson, G. | Gustafson | Long | Reif | Swanson |
| Berkelman | Halberg | Luknic | Rice | Tomlinson |
| Blatz | Hanson | Mann | Rodriguez, C. | Vanasek |
| Brandl | Hauge | McCarron | Rodriguez, F. | Vellenga |
| Carlson, L. | Haukoos | Murphy | Rose | Voss |
| Clark, J. | Himle | Nelson, K. | Rothenberg | Weaver |
| Clark, K. | Hoberg | Norton | Samuelson | Welch |
| Clawson | Hokr | Novak | Schafer | Wenzel |
| Eken | Jude | Ogren | Schreiber | Wigley |
| Ellingson | Kahn | Olsen | Shea | Wynia |
| Ewald | Kelly | Otis | Sherman | Zubay |
| Fjoslien | Knickerbocker | Peterson, B. | Sieben, M. | Spkr. Sieben, H. |
| Forsythe | Kostohryz | Peterson, D. | Simoneau | |
| Greenfield | Laidig | Pogemiller | Skoglund | |
| Gruenes | Lemen | Reding | Staten | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-----------|------------|----------|
| Aasness | Den Ouden | Jennings | Minne | Searles |
| Ainley | Drew | Kaley | Munger | Sherwood |
| Anderson, B. | Elioff | Kalis | Nelsen, B. | Stadum |
| Anderson, I. | Erickson | Kvam | Niehaus | Stowell |
| Battaglia | Esau | Lehto | Nysether | Stumpf |
| Begich | Evans | Ludeman | Onnen | Sviggum |
| Brinkman | Friedrich | Marsh | Osthoff | Valan |
| Carlson, D. | Harens | McDonald | Piepho | Valento |
| Dahlvang | Heap | McEachern | Rees | Welker |
| Dean | Heinitz | Mehrkens | Sarna | Wieser |
| Dempsey | Jacobs | Metzen | Schoenfeld | |

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. 615, A bill for an act relating to corrections; providing for the transfer of convicted offenders under certain circum-

stances; proposing new law coded in Minnesota Statutes, Chapter 243.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Laidig moved that the House concur in the Senate amendments to H. F. No. 615 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 615, A bill for an act relating to corrections; providing for the transfer of convicted offenders under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 243.

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 | Ewald | Kelly | O'Connor | Sieben, M. |
| Ainley | Fjoslien | Knickerbocker | Ogren | Simoneau |
| Anderson, B. | Forsythe | Kostohryz | Olsen | Skoglund |
| Anderson, G. | Friedrich | Kvam | Onnen | Stadum |
| Anderson, I. | Greenfield | Laidig | Osthoff | Staten |
| Battaglia | Gruenes | Lehto | Otis | Stowell |
| Begich | Gustafson | Lemen | Peterson, B. | Stumpf |
| Berkelman | Halberg | Long | Peterson, D. | Sviggum |
| Blatz | Hanson | Ludeman | Piepho | Swanson |
| Brandl | Harens | Luknic | Pogemiller | Tomlinson |
| Brinkman | Hauge | Mann | Reding | Valan |
| Carlson, D. | Haukoos | Marsh | Rees | Valento |
| Carlson, L. | Heap | McCarron | Reif | Vanasek |
| Clark, J. | Heinitz | McDonald | Rodriguez, C. | Vellenga |
| Clawson | Himle | McEachern | Rodriguez, F. | Voss |
| Dahlvang | Hoberg | Mehrkens | Rose | Weaver |
| Dean | Hokanson | Metzen | Rothenberg | Welch |
| Dempsey | Hokr | Minne | Samuelson | Welker |
| Den Ouden | Jacobs | Munger | Sarna | Wenzel |
| Drew | Jennings | Murphy | Schafer | Wieser |
| Eken | Johnson, C. | Nelsen, B. | Schoenfeld | Wigley |
| Elioff | Johnson, D. | Nelson, K. | Schreiber | Wynia |
| Ellingson | Jude | Niehaus | Searles | Zubay |
| Erickson | Kahn | Norton | Shea | Spkr. Sieben, H. |
| Esau | Kaley | Novak | Sherman | |
| Evans | Kalis | Nysether | 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. 25, A bill for an act relating to courts; changing the compensation of Hennepin County conciliation court referees; providing for the establishment of misdemeanor violation bureaus for Hennepin County; amending Minnesota Statutes 1980, Sections 488A.08, Subdivision 1; and 488A.13, Subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Ellingson moved that the House concur in the Senate amendments to H. F. No. 25 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 25, A bill for an act relating to courts; providing for the establishment of misdemeanor violation bureaus for Hennepin County; changing the compensation of Hennepin County conciliation court referees; amending Minnesota Statutes 1980, Sections 488A.08, Subdivision 1; and 488A.13, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kalis | Nysether | Sherman |
| Ainley | Ewald | Kelly | O'Connor | Sherwood |
| Anderson, B. | Fjoslien | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Forsythe | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Friedrich | Kvam | Onnen | Skoglund |
| Battaglia | Greenfield | Laidig | Osthoff | Stadum |
| Begich | Gruenes | Lehto | Otis | Staten |
| Berkelman | Gustafson | Lemen | Peterson, B. | Stowell |
| Blatz | Halberg | Long | Peterson, D. | Stumpf |
| Brandl | Hanson | Ludeman | Piepho | Sviggum |
| Brinkman | Harens | Luknic | Pogemiller | Swanson |
| Carlson, D. | Hauge | Mann | Reding | Tomlinson |
| Carlson, L. | Haukoos | Marsh | Rees | Valan |
| Clark, J. | Heap | McCarron | Reif | Valento |
| Clark, K. | Heinitz | McDonald | Rice | Vanasek |
| Clawson | Himle | McEachern | Rodriguez, C. | Vellenga |
| Dahlvang | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Dean | Hokanson | Metzen | Rose | Weaver |
| Dempsey | Hokr | Minne | Rothenberg | Welch |
| Den Ouden | Jacobs | Munger | Samuelson | Welker |
| Drew | Jennings | Murphy | Sarna | Wenzel |
| Eken | Johnson, C. | Nelsen, B. | Schafer | Wieser |
| Elioff | Johnson, D. | Neison, K. | Schoenfeld | Wigley |
| Ellingson | Jude | Niehaus | Schreiber | Wynia |
| Erickson | Kahn | Norton | Searles | Zubay |
| Esau | Kaley | Novak | Shea | Sprk. 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. 487, A bill for an act relating to the capitol area architectural and planning board; providing for disposition of tax-forfeited property within the capitol area; amending Minnesota Statutes 1980, Section 15.50, Subdivision 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

Harens moved that the House refuse to concur in the Senate amendments to H. F. No. 487, 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. 28 and 395.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 28, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

The bill was read for the first time.

Metzen moved that S. F. No. 28 and H. F. No. 750, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 395, A bill for an act relating to taxation; extending the period for filing gravel tax reports and sending notice of overdue returns; amending Minnesota Statutes 1980, Section 298.75, Subdivisions 2 and 3.

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

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. No. 553.

H. F. No. 553 was reported to the House.

The Speaker called Wynia to the Chair.

Rothenberg moved to amend H. F. No. 553, as follows:

Page 32, line 30, delete "*of the interstate*"

Page 32, delete line 31

Page 32, line 32, delete "*of interstate highway segments, and*"

Page 40, line 18, delete "*and interstate*"

Page 40, line 20, delete all of the language after "*(b)*"

Page 40, delete line 21

Page 40, line 22, delete all of the language before "*payment*"

Further, amend the title as follows:

Page 1, lines 22 and 23, delete "segments of interstate highway,"

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-----------|------------|---------------|------------|
| Aasness | Clawson | Greenfield | Johnson, C. | Luknic |
| Ainley | Dahlvang | Gruenes | Johnson, D. | Mann |
| Anderson, B. | Dean | Gustafson | Jude | Marsh |
| Anderson, G. | Dempsey | Halberg | Kahn | McCarron |
| Anderson, I. | Den Ouden | Hanson | Kaley | McDonald |
| Anderson, R. | Drew | Harens | Kalis | McEachern |
| Battaglia | Eken | Hauge | Kelly | Mehrkens |
| Begich | Elioff | Haukoos | Knickerbocker | Metzen |
| Berkelman | Ellingson | Heap | Kostohryz | Minne |
| Blatz | Erickson | Heinitz | Kvam | Murphy |
| Brandl | Esau | Himle | Laidig | Nelson, B. |
| Brinkman | Evans | Hoberg | Lehto | Nelson, K. |
| Carlson, D. | Ewald | Hokanson | Lemen | Niehaus |
| Carlson, L. | Fjoslien | Hokr | Levi | Norton |
| Clark, J. | Forsythe | Jacobs | Long | Novak |
| Clark, K. | Friedrich | Jennings | Ludeman | Nysether |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Ogren | Reding | Schafer | Stowell | Welker |
| Olsen | Rees | Schoenfeld | Stumpf | Wenzel |
| Onnen | Reif | Searles | Sviggum | Wieser |
| Osthoff | Rice | Shea | Tomlinson | Wigley |
| Otis | Rodriguez, C. | Sherman | Valan | Wynia |
| Peterson, B. | Rodriguez, F. | Sieben, M. | Valento | Zubay |
| Peterson, D. | Rothenberg | Simoneau | Vanasek | Spkr. Sieben, H. |
| Piepho | Samuelson | Skoglund | Vellenga | |
| Pogemiller | Sarna | Staten | Welch | |

Simoneau 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 amendment and the roll was called.

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

There were 19 yeas and 108 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|----------|---------|----------|------------|
| Ainley | Heap | Lemen | McDonald | Rothenberg |
| Anderson, I. | Heinitz | Long | Ogren | Schafer |
| Dean | Jennings | Ludeman | Olsen | Welker |
| Forsythe | Kahn | Luknic | Rose | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Onnen | Skoglund |
| Anderson, B. | Evans | Kelly | Osthoff | Stadum |
| Anderson, G. | Ewald | Knickerbocker | Otis | Staten |
| Anderson, R. | Fjoslien | Kostohryz | Peterson, B. | Stowell |
| Battaglia | Friedrich | Kvam | Peterson, D. | Stumpf |
| Begich | Greenfield | Laidig | Piepho | Swanson |
| Berkelman | Gruenes | Lehto | Pogemiller | Tomlinson |
| Blatz | Gustafson | Levi | Reding | Valan |
| Brandl | Halberg | Mann | Rees | Valento |
| Brinkman | Hanson | Marsh | Reif | Vanasek |
| Carlson, D. | Harens | McCarron | Rice | Vellenga |
| Carlson, L. | Hauge | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Haukoos | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Himle | Metzen | Samuelson | Welch |
| Clawson | Hoberg | Minne | Sarna | Wenzel |
| Dahlvang | Hokanson | Munger | Schoenfeld | Wieser |
| Dempsey | Hokr | Murphy | Schreiber | Wigley |
| Den Ouden | Jacobs | Nelsen, B. | Searles | Wynia |
| Drew | Johnson, C. | Nelson, K. | Shea | Zubay |
| Eken | Johnson, D. | Niehaus | Sherman | Spkr. Sieben, H. |
| Elioff | Jude | Novak | Sieben, M. | |
| Erickson | Kaley | O'Connor | Simoneau | |

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

Anderson, G., moved to amend H. F. No. 553, as follows:

Page 27, line 35, delete "2" and insert "28"

Page 43, line 10, delete "31,"

The motion prevailed and the amendment was adopted.

Den Ouden moved to amend H. F. No. 553, as amended, as follows:

Page 2, after line 4, insert:

"Section 1. Minnesota Statutes 1980, Section 84.87, Subdivision 2, is amended to read:

Subd. 2. [OPERATION GENERALLY.] It shall be unlawful for any person to drive or operate any snowmobile in the following unsafe or harassing ways:

(a) At a rate of speed greater than reasonable or proper under all the surrounding circumstances;

(b) In a careless, reckless or negligent manner so as to endanger the person or property of another or to cause injury or damage thereto;

(c) While under the influence of (INTOXICATING LIQUOR) *an alcoholic beverage* or (NARCOTICS OR HABIT FORMING DRUGS) *a controlled substance*;

(d) Without a lighted head and tail light when required for safety;

(e) In any tree nursery or planting in a manner which damages or destroys growing stock."

Page 20, after line 9, insert:

"Sec. 17. Minnesota Statutes 1980, Section 169.11, is amended to read:

169.11 [CRIMINAL NEGLIGENCE.]

The commissioner of public safety shall revoke the driver's license (, AND SHALL REVOKE THE CHAUFFEUR'S LICENSE,) of any person convicted of the crime of criminal negligence in the operation of a vehicle resulting in the death of a human being."

Page 20, after line 31, insert:

"Sec. 19. Minnesota Statutes 1980, Section 169.95, is amended to read:

169.95 [COURTS TO KEEP SEPARATE RECORDS OF VIOLATIONS.]

Every magistrate or judge of a court not of record, and every clerk of a court of record, shall keep a full record of every case in which a person is charged with any violation of this chapter or of any other law, or city ordinance, regulating the operation of vehicles on highways.

Within ten days after the conviction or forfeiture of bail of a person upon a charge of violating any provisions of this chapter or other law, or city ordinance, regulating the operation of vehicles on highways, every magistrate of the court, or clerk of the court of record in which such conviction was had or bail was forfeited, shall prepare and immediately forward to the department of public safety an abstract of the record of the court covering the case in which the person was so convicted or forfeited bail, which abstract must be certified by the person so required to prepare the same to be true and correct.

The abstract must be made upon a form furnished by the department of public safety, and shall include the name and address of the party charged, the driver's license number (OR CHAUFFEUR'S LICENSE NUMBER) of the person involved, the nature of the offense, the date of hearing, the plea, the judgment, or whether bail forfeited, and the amount of the fine or forfeiture, as the case may be.

Every court of record shall also forward a like report to the department of public safety upon the conviction of any person of manslaughter or other felony in the commission of which a vehicle was used.

The failure, refusal, or neglect of any such judicial officer to comply with any of the requirements of this section shall constitute misconduct in the office and shall be grounds for removal therefrom."

Page 21, after line 16, insert:

"Sec. 20. Minnesota Statutes 1980, 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) *a drug-dependent person as defined in section 254A.02, subdivision 5;*

(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."

Page 24, after line 21, insert :

"Sec. 26. Minnesota Statutes 1980, Section 171.17, is amended to read:

171.17 [REVOCATION.]

The department shall forthwith revoke the license of any driver upon receiving a record of such driver's conviction of any of the following offenses :

(1) Manslaughter or criminal negligence resulting from the operating of a motor vehicle ;

(2) (OPERATING A MOTOR VEHICLE WHILE UNDER THE INFLUENCE OF INTOXICATING LIQUOR OR NARCOTIC DRUG) *Violating section 169.121 ;*

(3) Any felony in the commission of which a motor vehicle was used ;

(4) Failure to stop and disclose identity and render aid, as required under the laws of this state, in the event of a motor vehicle accident resulting in the death or personal injury of another ;

(5) Perjury or the making of a false affidavit or statement to the department under any law relating to the ownership or operation of a motor vehicle ;

(6) Except as this section otherwise provides, conviction, plea of guilty, or forfeiture of bail not vacated, upon three charges of violating, within a period of 12 months any of the provisions of chapter 169, or of the rules, regulations, or municipal ordinances enacted in conformance therewith for which the accused may be punished upon conviction by imprisonment ;

(7) Conviction of an offense in another state which, if committed in this state, would be grounds for the revocation of the driver's license.

When any judge of a juvenile court, or any of its duly authorized agents, shall determine, formally or informally, that any person under the age of 18 years has committed any offense defined in this section, such judge, or duly authorized agent, shall immediately report such determination to the depart-

ment, and the commissioner shall immediately revoke the license of that person.

Upon revoking the license of any person, as hereinbefore in this chapter authorized, the department shall immediately notify the licensee, in writing, by depositing in the United States post-office a notice addressed to the licensee at his last known address, with postage prepaid thereon."

Renumber sections accordingly and correct internal references

Page 43, line 9, delete "to"

Amend the title as follows:

Page 1, line 34, after "Sections" insert "84.87, Subdivision 2;"

Page 1, line 38, after "1;" insert "169.11;" and after "169.79;" insert "169.95;" and after "3;" insert "171.04;"

Page 1, line 40, after "3;" insert "171.17;"

The motion prevailed and the amendment was adopted.

Dean and Osthoff moved to amend H. F. No. 553, as amended, as follows:

Page 15, line 8, delete "\$25" and insert "\$10"

The motion prevailed and the amendment was adopted.

Reding moved to amend H. F. No. 553, as amended, as follows:

Page 20, line 18, strike "a" and insert "*not otherwise provided for in this section*"

Page 20, strike line 19

Page 20, line 20, strike "sidecar, trailer, or semi-trailer"

Page 20, line 25, strike everything after "thereof"

Page 20, strike line 26

Page 20, line 27, strike "thereof"

The motion prevailed and the amendment was adopted.

Knickerbocker moved to amend H. F. No. 553, as amended, as follows:

Page 41, line 7, delete "\$53,986,000" and insert "\$47,786,000"

Page 41, line 9, delete "\$23,170,600" and insert "\$21,170,600"

Page 41, line 10, delete "\$30,815,400" and insert "\$26,615,400"

Page 41, delete lines 22 to 25

A roll call was requested and properly seconded.

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

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

There were 63 yeas and 70 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Forsythe | Knickerbocker | Onnen | Sherman |
| Ainley | Friedrich | Kvam | Peterson, B. | Sherwood |
| Anderson, R. | Gruenes | Laidig | Piepho | Stadum |
| Blatz | Halberg | Lemen | Redalen | Stowell |
| Carlson, D. | Haukoos | Levi | Rees | Swiggum |
| Dempsey | Heap | Ludeman | Reif | Valento |
| Den Ouden | Heinitz | Luknic | Rose | Weaver |
| Drew | Himle | Marsh | Rothenberg | Welker |
| Erickson | Hoberg | McDonald | Samuelson | Wieser |
| Esau | Hokr | Nelsen, B. | Schafer | Wigley |
| Evans | Jennings | Niehaus | Schreiber | Zubay |
| Ewald | Johnson, D. | Nysether | Searles | |
| Fjoslien | Kaley | Olsen | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kelly | Novak | Simoneau |
| Anderson, G. | Elioff | Kostohryz | O'Connor | Skoglund |
| Battaglia | Ellingson | Lehto | Ogren | Staten |
| Begich | Greenfield | Long | Osthoff | Stumpf |
| Berkelman | Gustafson | Mann | Otis | Swanson |
| Brandl | Hanson | McCarron | Peterson, D. | Tomlinson |
| Brinkman | Harens | McEachern | Pogemiller | Valan |
| Byrne | Hauge | Mehrkens | Reding | Vanasek |
| Carlson, L. | Hokanson | Metzen | Rice | Vellenga |
| Clark, J. | Jacobs | Minne | Rodriguez, C. | Voss |
| Clark, K. | Johnson, C. | Munger | Rodriguez, F. | Welch |
| Clawson | Jude | Murphy | Sarna | Wenzel |
| Dahlvang | Kahn | Nelson, K. | Schoenfeld | Wynia |
| Dean | Kalis | Norton | Sieben, M. | Spkr. Sieben, H. |

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

Lehto moved to amend H. F. No. 553, as amended, as follows:

Page 23, line 20, after "address" insert "*and permanent mailing address if different*"

The motion prevailed and the amendment was adopted.

Dahlvang, Wynia, Hanson, Novak, Fjoslien, Piepho, Halberg and Jacobs moved to amend H. F. No. 553, as amended, as follows:

Page 9, delete lines 24 to 36, and insert:

"On commercial zone trucks the tax for the first six years of vehicle life shall be based on the total gross weight of the vehicle and shall be 50 percent of the Minnesota base rate schedule and for the seventh year and succeeding years of vehicle life the tax shall be 38 percent of the Minnesota base rate schedule.

On all trucks, truck tractors and semi-trailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first six years of vehicle life shall be:

(a) for the 1982 registration year, 38 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 39 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 95 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Provided that for the 1982 registration year, and each succeeding year, the tax for the seventh and succeeding years of life for all such vehicles shall be 75 percent of the tax imposed in the Minnesota base rate schedule."

Page 10, delete lines 1 to 19.

A roll call was requested and properly seconded.

Anderson, G., moved to amend the Dahlyang, et al, amendment to H. F. No. 553, as follows:

In the amendment, Page 1, delete lines 3 to 8

Page 1, line 13, delete "six" insert "nine"

Page 2, line 1, delete "seventh" insert "tenth"

A roll call was requested and properly seconded.

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

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

There were 62 yeas and 69 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Halberg | Lemen | Reif | Stowell |
| Ainley | Hauge | Levi | Rodriguez, C. | Stumpf |
| Anderson, B. | Haukoos | Ludeman | Rodriguez, F. | Sviggum |
| Anderson, G. | Heinitz | Mann | Schafer | Valan |
| Anderson, R. | Hoberg | Marsh | Schoenfeld | Valento |
| Carlson, D. | Jennings | Mehrkens | Schreiber | Vanasek |
| Dempsey | Johnson, C. | Munger | Searles | Welker |
| Den Ouden | Kahn | Nelsen, B. | Shea | Wenzel |
| Eken | Kaley | Nysether | Sherman | Zubay |
| Erickson | Kalis | Olsen | Sherwood | Spkr. Sieben, H. |
| Esau | Knickerbocker | Onnen | Sieben, M. | |
| Evans | Kvam | Pogemiller | Simoneau | |
| Friedrich | Lehto | Redalen | Stadum | |

Those who voted in the negative were:

| | | | | |
|-------------|------------|-------------|--------------|-----------|
| Battaglia | Elioff | Jacobs | Niehaus | Samuelson |
| Begich | Ellingson | Johnson, D. | Norton | Sarna |
| Berkelman | Ewald | Jude | Novak | Skoglund |
| Blatz | Fjoslien | Kelly | O'Connor | Staten |
| Brandl | Forsythe | Kostohryz | Ogren | Swanson |
| Brinkman | Greenfield | Laidig | Otis | Tomlinson |
| Byrne | Gruenes | Long | Peterson, B. | Vellenga |
| Carlson, L. | Gustafson | Luknic | Peterson, D. | Voss |
| Clark, J. | Hanson | McCarron | Piepho | Weaver |
| Clark, K. | Harens | McDonald | Reding | Welch |
| Clawson | Heap | McEachern | Rees | Wieser |
| Dahlvang | Himle | Minne | Rice | Wigley |
| Dean | Hokanson | Murphy | Rose | Wynia |
| Drew | Hokr | Nelson, K. | Rothenberg | |

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

The question recurred on the Dahlvang amendment and the roll was called.

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

There were 50 yeas and 79 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|--------------|---------------|
| Anderson, I. | Ellingson | Hokr | McEachern | Rees |
| Battaglia | Ewald | Jacobs | Minne | Rice |
| Begich | Fjoslien | Jude | Murphy | Rodriguez, C. |
| Berkelman | Forsythe | Kelly | Novak | Rose |
| Blatz | Gustafson | Knickerbocker | O'Connor | Rothenberg |
| Brandl | Halberg | Kostohryz | Olsen | Samuelson |
| Dahlvang | Hanson | Laidig | Otis | Sarna |
| Dean | Harens | Luknic | Peterson, B. | Tomlinson |
| Drew | Heap | McCarron | Piepho | Voss |
| Elioff | Hokanson | McDonald | Pogemiller | Wynia |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|--------------|------------------|
| Aasness | Friedrich | Lemen | Peterson, D. | Stowell |
| Ainley | Greenfield | Levi | Redalen | Stumpf |
| Anderson, B. | Gruenes | Long | Reding | Svigum |
| Anderson, G. | Hauge | Ludeman | Reif | Swanson |
| Anderson, R. | Haukoos | Mann | Schafer | Valan |
| Brinkman | Heinitz | Marsh | Schoenfeld | Valento |
| Byrne | Himle | Mehrkens | Schreiber | Vanasek |
| Carlson, D. | Hoberg | Metzen | Searles | Weaver |
| Carlson, L. | Jennings | Munger | Shea | Welch |
| Clawson | Johnson, C. | Nelsen, B. | Sherman | Welker |
| Dempsey | Johnson, D. | Niehaus | Sherwood | Wenzel |
| Den Ouden | Kahn | Norton | Sieben, M. | Wieser |
| Eken | Kaley | Nysether | Simoneau | Wigley |
| Erickson | Kalis | Ogren | Skoglund | Zubay |
| Esau | Kvam | Onnen | Stadum | Spkr. Sieben, H. |
| Evans | Lehto | Osthoff | Staten | |

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

Long and Olsen moved to amend H. F. No. 553, as amended, as follows:

Page 32, line 32, after the comma insert "except that no section of trunk highway 12 (proposed I-394) may be upgraded to interstate standards without legislative approval."

A roll call was requested and properly seconded.

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

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

There were 36 yeas and 92 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-----------|----------|------------|--------------|--------|
| Ainley | Forsythe | Ludeman | Ogren | Stadum |
| Berkelman | Gruenes | Luknic | Olsen | Staten |
| Brandl | Heap | McCarron | Otis | Welker |
| Byrne | Hokanson | McDonald | Peterson, D. | Wynia |
| Clark, J. | Jennings | Munger | Rees | |
| Clark, K. | Kahn | Nelson, K. | Rice | |
| Drew | Lemen | Novak | Rothenberg | |
| Ellingson | Long | Nysether | Skoglund | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|-----------|-------------|
| Aasness | Brinkman | Elioff | Gustafson | Hoberg |
| Anderson, B. | Carlson, D. | Erickson | Halberg | Hokr |
| Anderson, G. | Carlson, L. | Esau | Hanson | Jacobs |
| Anderson, I. | Clawson | Evans | Harens | Johnson, C. |
| Anderson, R. | Dean | Ewald | Hauge | Johnson, D. |
| Battaglia | Dempsey | Fjoslien | Haukoos | Jude |
| Begich | Den Ouden | Friedrich | Heinitz | Kaley |
| Blatz | Eken | Greenfield | Himle | Kalis |

| | | | | |
|---------------|--------------|---------------|------------|------------------|
| Kelly | Metzen | Reding | Sherman | Voss |
| Knickerbocker | Minne | Reif | Sieben, M. | Weaver |
| Kostohryz | Murphy | Rodriguez, C. | Simoneau | Welch |
| Kvam | Nelsen, B. | Rodriguez, F. | Stowell | Wenzel |
| Laidig | Niehaus | Samuelson | Stumpf | Wieser |
| Lehto | Onnen | Sarna | Sviggum | Wigley |
| Levi | Osthoff | Schafer | Swanson | Zubay |
| Mann | Peterson, B. | Schoenfeld | Tomlinson | Spkr. Sieben, H. |
| Marsh | Piepho | Schreiber | Valento | |
| McEachern | Pogemiller | Searles | Vanasek | |
| Mehrkens | Redalen | Shea | Vellenga | |

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

Ludeman offered an amendment to H. F. No. 553.

POINT OF ORDER

Rice raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker pro tempore ruled the point of order well taken and the amendment out of order.

McDonald and Rees offered an amendment to H. F. No. 553.

POINT OF ORDER

Rice raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker pro tempore ruled the point of order well taken and the amendment out of order.

Welker moved to amend H. F. No. 553, as amended, as follows:

Page 41, delete lines 22 to 25 and insert:

"The metropolitan transit commission shall set the base fare and zone charges so that the farebox recovery rate is 50 percent of operating expenses."

A roll call was requested and properly seconded.

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

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

There were 62 yeas and 70 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|----------|-----------|-------------|
| Aasness | Carlson, D. | Erickson | Friedrich | Heinitz |
| Ainley | Dean | Esau | Gruenes | Hokr |
| Anderson, R. | Dempsey | Evans | Halberg | Jennings |
| Battaglia | Den Ouden | Ewald | Haukoos | Johnson, D. |
| Begich | Elioff | Fjoslien | Heap | Kaley |

| | | | | |
|---------------|--------------|-----------|----------|--------|
| Knickerbocker | McEachern | Piepho | Sherman | Welch |
| Kvam | Mehrkens | Redalen | Sherwood | Welker |
| Lemen | Minne | Rees | Stadum | Wieser |
| Levi | Nelsen, B. | Reif | Stowell | Wigley |
| Ludeman | Niehaus | Rose | Swiggum | Zubay |
| Luknic | Nysether | Schafer | Valan | |
| Marsh | Onnen | Schreiber | Valento | |
| McDonald | Peterson, B. | Searles | Weaver | |

Those who voted in the negative were :

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kalis | Ogren | Shea |
| Anderson, G. | Ellingson | Kelly | Olsen | Sieben, M. |
| Anderson, I. | Forsythe | Kostohryz | Osthoff | Simoneau |
| Berkelman | Greenfield | Laidig | Otis | Skoglund |
| Blatz | Gustafson | Lehto | Peterson, D. | Staten |
| Brandl | Hanson | Long | Pogemiller | Stumpf |
| Brinkman | Harens | Mann | Reding | Swanson |
| Byrne | Hauge | McCarron | Rice | Tomlinson |
| Carlson, L. | Hoberg | Metzen | Rodriguez, C. | Vanasek |
| Clark, J. | Hokanson | Munger | Rodriguez, F. | Vellenga |
| Clark, K. | Jacobs | Murphy | Rothenberg | Voss |
| Clawson | Johnson, C. | Nelson, K. | Samuelson | Wenzel |
| Dahlvang | Jude | Novak | Sarna | Wynia |
| Drew | Kahn | O'Connor | Schoenfeld | Sprk. Sieben, H. |

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

McDonald moved to amend H. F. No. 553, as amended, as follows:

Page 38, line 11, after "Chaska", delete the comma and insert a semicolon

Page 38, delete line 12

A roll call was requested and properly seconded.

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

McDonald moved that those not voting be excused from voting. The motion did not prevail.

There were 70 yeas and 64 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-----------|---------|---------------|------------|
| Aasness | Drew | Gruenes | Jennings | Luknic |
| Ainley | Elioff | Halberg | Johnson, D. | Marsh |
| Anderson, R. | Erickson | Harens | Kaley | McDonald |
| Battaglia | Esau | Haukoos | Knickerbocker | Mehrkens |
| Begich | Evans | Heap | Kvam | Murphy |
| Blatz | Ewald | Heinitz | Laidig | Nelsen, B. |
| Carlson, D. | Fjoslien | Himle | Lemen | Niehaus |
| Dempsey | Forsythe | Hoberg | Levi | Nysether |
| Den Ouden | Friedrich | Hokr | Ludeman | Olsen |

| | | | | |
|--------------|------------|----------|-----------|--------|
| Onnen | Reif | Searles | Stowell | Weaver |
| Peterson, B. | Rose | Shea | Sviggum | Welker |
| Piepho | Rothenberg | Sherman | Tomlinson | Wieser |
| Redalen | Schafer | Sherwood | Valan | Wigley |
| Rees | Schreiber | Stadum | Valento | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Ellingson | Lehto | Osthoff | Skoglund |
| Anderson, I. | Greenfield | Long | Otis | Staten |
| Berkelman | Gustafson | Mann | Peterson, D. | Stumpf |
| Brandl | Hanson | McCarron | Pogemiller | Swanson |
| Brinkman | Hauge | McEachern | Reding | Vanasek |
| Byrne | Hokanson | Metzen | Rice | Vellenga |
| Carlson, L. | Jacobs | Minne | Rodriguez, C. | Voss |
| Clark, J. | Johnson, C. | Munger | Rodriguez, F. | Welch |
| Clark, K. | Jude | Nelson, K. | Samuelson | Wenzel |
| Clawson | Kahn | Norton | Sarna | Wynia |
| Dahlvang | Kalis | Novak | Schoenfeld | Spkr. Sieben, H. |
| Dean | Kelly | O'Connor | Sieben, M. | |

The motion prevailed and the amendment was adopted.

Hanson moved to amend H. F. No. 553, as amended, as follows:

Page 14, lines 13 and 14, delete "FARM TRUCKS" and insert "VEHICLES"

Page 14, line 15, after "farm truck" insert ", truck, tractor and truck-tractor"

Page 14, line 16, delete "Subdivision 17,"

Page 14, line 16, delete "farm truck" and insert "vehicle"

Page 14, line 21, delete "farm truck" and insert "vehicle"

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

The Speaker resumed the Chair.

H. F. No. 553, A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle excise tax be allocated between the general fund and the highway user

tax distribution fund for a period of four years, and thereafter all the proceeds to be deposited in the highway user tax distribution fund; authorizing the issuance of state bonds and appropriating the proceeds for the purpose of providing money to acquire and better public land, buildings, and capital improvements comprising key bridges, segments of interstate highway, and interstate highway substitution projects needs for an integrated state transportation system; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the city of Moorhead to increase its mill rate for public transportation services; appropriating money; amending Minnesota Statutes 1980, Sections 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h and by adding a subdivision; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.79; 171.02, Subdivision 3; 171.06, Subdivisions 1, 2, 4 and by adding a subdivision; 171.07, Subdivisions 1 and 3; 171.29; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 174.50, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.03, Subdivision 5; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapter 192, Section 1; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 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.

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

There were 103 yeas and 26 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Dahlvang | Gustafson | Kaley | McEachern |
| Ainley | Dean | Halberg | Kalis | Mehrkens |
| Anderson, B. | Dempsey | Harens | Kelly | Metzen |
| Anderson, G. | Den Ouden | Hauge | Knickerbocker | Minnie |
| Anderson, R. | Drew | Haukoos | Kostohryz | Munger |
| Battaglia | Eken | Heap | Laidig | Murphy |
| Berkelman | Elioff | Heinitz | Lehto | Nelsen, B. |
| Brinkman | Erickson | Himle | Lemen | Nelson, K. |
| Byrne | Esau | Hoberg | Long | Niehaus |
| Carlson, D. | Evans | Jacobs | Ludeman | Norton |
| Carlson, L. | Forsythe | Jennings | Luknic | Nysether |
| Clark, J. | Friedrich | Johnson, C. | Mann | O'Connor |
| Clark, K. | Greenfield | Johnson, D. | Marsh | Ogren |
| Clawson | Gruenes | Jude | McDonald | Otis |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Peterson, D. | Rice | Searles | Stumpf | Wenzel |
| Piepho | Rodriguez, C. | Shea | Sviggum | Wigley |
| Pogemiller | Rodriguez, F. | Sieben, M. | Tomlinson | Wynia |
| Redalen | Sarna | Simoneau | Valan | Zubay |
| Reding | Schafer | Stadum | Vellenga | Spkr. Sieben, H. |
| Rees | Schoenfeld | Staten | Voss | |
| Reif | Schreiber | Stowell | Weaver | |

Those who voted in the negative were:

| | | | | |
|--------------|----------|--------------|----------|--------|
| Anderson, I. | Hokanson | Onnen | Sherwood | Welker |
| Begich | Hokr | Osthoff | Skoglund | Wieser |
| Blatz | Kvam | Peterson, B. | Swanson | |
| Brandl | McCarron | Rose | Valento | |
| Ewald | Novak | Rothenberg | Vanasek | |
| Fjoslien | Olsen | Sherman | Welch | |

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

MOTION FOR RECONSIDERATION

Simoneau moved that the vote whereby the House acceded to the request of the Senate for the appointment of a Conference Committee on S. F. No. 359, whereby the House requested the Speaker to appoint a Conference Committee of 3 members, and whereby the House requested the Senate to appoint 3 members rather than 5 members to the Senate Conference Committee, be now reconsidered. The motion prevailed.

The original Simoneau motion was withdrawn.

Simoneau moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 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. 359. The motion prevailed.

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

REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 968, A bill for an act relating to penalties for crimes; creating the Minnesota law enforcement training account and the crime victim assistance account; appropriating money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 299B.06; 588.01, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 626.

Reported the same back with the following amendments:

Page 1, line 19, delete "state treasurer" and insert "department of public safety"

Page 2, line 27, delete "state treasurer" and insert "department of public safety"

Page 4, line 13, delete "state treasurer" and insert "department of public safety"

Page 7, line 25, delete the first sentence and insert "Sections 1 and 2 are effective July 1, 1981 and shall expire July 1, 1983. After July 1, 1983 all state government moneys collected pursuant to this act, including any unencumbered funds in the law enforcement training account and the crime victims assistance account, shall be deposited in the general fund and appropriated as provided in biennial appropriations. Sections 3 to 6 are effective on July 1, 1981."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 400, A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Section 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, 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 *peace officer*" means an individual licensed by the board whose services are utilized by law enforcement agencies no more than an average of 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. *The limitation on the average number of hours in which the services of a part-time peace officer may be utilized shall not apply to a part-time peace officer who has formally notified the board pursuant to rules adopted by the board of his intention to pursue the specialized training for part-time peace officers who desire to become peace officers pursuant to sections 626.843, subdivision 1, clause (g) and 626.845, subdivision 1, clause (g).*

(g) "Reserve *peace 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. 2. Minnesota Statutes 1980, Section 626.841, is amended to read:

626.841 [BOARD; MEMBERS.]

The board of peace officer standards and training shall be composed of the following (11) *13* members:

(a) Two members to be appointed by the governor from among the county sheriffs in Minnesota;

(b) Four members to be appointed by the governor from among peace officers in Minnesota municipalities, at least two of whom shall be chiefs of police;

(c) The superintendent of the Minnesota bureau of criminal apprehension or his designee;

(d) Two members appointed by the governor experienced in law enforcement at a local, state or federal level who are not currently employed as peace officers;

(e) Two members to be appointed by the governor from among the (GENERAL PUBLIC) *elected city officials in statutory or home rule charter cities of under 5,000 population outside the metropolitan area, as defined in section 473.121, subdivision 2;*

(f) *Two members appointed by the governor from among the general public.*

A chairman shall be appointed by the governor from among the members. In making appointments the governor shall strive to achieve representation from among the geographic areas of the state.

Sec. 3. Minnesota Statutes 1980, Section 626.843, Subdivision 1, is amended to read:

Subdivision 1. The board shall adopt rules with respect to:

(a) The certification of peace officer training schools, programs, or courses including training schools for the Minnesota highway patrol. Such schools, programs and courses shall include those administered by the state, county, school district,

municipality, or joint or contractual combinations thereof, and shall include preparatory instruction in law enforcement and minimum basic training courses;

(b) Minimum courses of study, attendance requirements, and equipment and facilities to be required at each certified peace officers training school located within the state;

(c) Minimum qualifications for instructors at certified peace officer training schools located within this state;

(d) Minimum standards of physical, mental and educational fitness which shall govern the recruitment and licensing of peace officers within the state, by any state, county, municipality, or joint or contractual combination thereof, including members of the Minnesota highway patrol;

(e) Minimum standards of conduct which would affect the performance of the individual in his duties as a peace officer;

These standards shall be established and published on or before July 1, 1979.

(f) Minimum basic training which peace officers appointed to temporary or probationary terms shall complete before being eligible for permanent appointment, and the time within which such basic training must be completed following any such appointment to a temporary or probationary term;

(g) Minimum (BASIC) *specialized* training which *part-time* peace officers (NOT APPOINTED FOR TEMPORARY OR PROBATIONARY TERMS BUT APPOINTED ON OTHER THAN A PERMANENT BASIS) shall complete in order to be eligible for continued employment as a *part-time peace officer* or permanent employment as a *peace officer*, and the time within which (SUCH) *the* (BASIC) *specialized* training must be completed (FOLLOWING SUCH APPOINTMENT ON A NON-PERMANENT BASIS);

(h) Content of minimum basic training courses required of graduates of certified law enforcement training schools or programs. Such courses shall not duplicate the content of certified academic or general background courses completed by a student but shall concentrate on practical skills deemed essential for a peace officer. Successful completion of such a course shall be deemed satisfaction of the minimum basic training requirement (PROVIDED THE STUDENT OBTAINS EMPLOYMENT AS A PEACE OFFICER WITHIN ONE YEAR OF COMPLETION);

(i) Grading, reporting, attendance and other records, and certificates of attendance or accomplishment; (AND)

(j) *The procedures to be followed by a part-time peace officer for notifying the board of his intention to pursue the specialized training for part-time peace officers who desire to become peace officers pursuant to sections 626.843, subdivision 1, clause (g) and 626.845, subdivision 1, clause (g); and*

((J)) (k) Such other matters as may be necessary consistent with sections 626.84 to 626.855. Rules promulgated by the attorney general with respect to these matters may be continued in force by resolution of the board if the board finds the rules to be consistent with sections 626.84 to 626.855.

Sec. 4. Minnesota Statutes 1980, Section 626.845, Subdivision 1, is amended to read:

Subdivision 1. The board shall have the following powers and duties:

(a) To certify peace officers' training schools or programs administered by state, county and municipalities located within this state in whole or in part no later than 90 days after receipt of an application for certification. The reasons for noncertification of any school or program or part thereof shall be transmitted to the school within 90 days and shall contain a detailed explanation of the reasons for which the school or program was disapproved and an explanation of what supporting material or other requirements are necessary for the board to reconsider. Disapproval of a school or program shall not preclude the reapplication for certification of the school or program;

(b) To issue certificates to schools, and to revoke such certification when necessary to maintain the objectives and purposes of sections 626.841 to 626.855;

(c) To certify, as qualified, instructors at peace officer training schools, and to issue appropriate certificates to such instructors;

(d) To license peace officers who have satisfactorily completed certified basic training programs, and passed examinations as required by the board;

(e) To cause studies and surveys to be made relating to the establishment, operation, and approval of state, county, and municipal peace officer training schools;

(f) To consult and cooperate with state, county, and municipal peace officer training schools for the development of in-service training programs for peace officers;

(g) To consult and cooperate with universities (AND), colleges, and area vocational technical institutes for the develop-

ment of specialized courses of instruction and study in the state for peace officers *and part-time peace officers* in police science and police administration;

(h) To consult and cooperate with other departments and agencies of the state and federal government concerned with peace officer standards and training;

(i) To perform such other acts as may be necessary and appropriate to carry out the powers and duties as set forth in the provisions of sections 626.841 to 626.855;

(j) To coordinate the provision, on a regional basis, of skills oriented basic training courses to graduates of certified law enforcement training schools or programs;

(k) To obtain criminal conviction data for persons seeking a license to be issued or possessing a license issued by the board. The board shall have authority to obtain criminal conviction data to the full extent that any other law enforcement agency, as that term is defined by state or federal law, has to obtain the data.

Sec. 5. Minnesota Statutes 1980, Section 626.846, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any general or local law or charter to the contrary, any peace officer or part-time *peace* officer employed or elected on or after July 1, 1979, by any state, county, municipality or joint or contractual combination thereof of the state of Minnesota shall not be eligible for permanent appointment without being licensed by the board pursuant to sections 626.84 to 626.855.

Sec. 6. Minnesota Statutes 1980, Section 626.846, Subdivision 2, is amended to read:

Subd. 2. Every peace officer or part-time *peace* 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 *peace* 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 pursuant to sections 626.84 to 626.855.

Sec. 7. Minnesota Statutes 1980, Section 626.8461, is amended to read:

626.8461 [PART-TIME PEACE OFFICERS; POLICY.]

The legislature finds and declares that it is necessary to establish minimum training requirements for part-time *peace* officers in certain specified areas to maximize protection of the rights and safety of the public and to minimize liability on the part of Minnesota counties and municipalities. The legislature further finds that part-time *peace* officers are most effectively utilized as a supplement to regular, fully trained and licensed, peace officers and does not encourage the use of part-time *peace* officers when needs for service would otherwise justify the use of (FULL-TIME) *peace* officers.

Sec. 8. Minnesota Statutes 1980, Section 626.8462, is amended to read:

626.8462 [COMPETENCY REQUIREMENTS.]

Part-time *peace* officer licensing examinations shall be designed to insure competency in the following areas reasonably achievable in courses within a total hourly maximum of 54 hours:

- (a) Law of arrest, including probable cause;
- (b) Law of search and seizure;
- (c) Confessions and interrogations, oral and written;
- (d) Law and rules of evidence;
- (e) Minnesota criminal code;
- (f) Juvenile law;
- (g) General principles of criminal investigations;
- (h) Crime scene search and investigation;
- (i) Preservation and collection of crime scene evidence;
- (j) Traffic enforcement, including accident investigation.

Upon request, the board shall provide to any sheriff or chief of police lesson plans and instructional materials reasonably necessary to conduct classes in the required areas of study. Nothing herein shall be construed to prohibit a requirement for more comprehensive training imposed by a local law enforcement agency.

Sec. 9. Minnesota Statutes 1980, Section 626.8463, is amended to read:

626.8463 [PART-TIME PEACE OFFICERS.]

Any individual appointed or employed as a part-time *peace* officer to a position which was filled by a part-time officer 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 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 *peace* officer licensing examination.

A law enforcement agency may designate personnel as part-time *peace* 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 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 between January 1, 1978 and May 31, 1979, rounded to the next highest whole number, whichever is greater.

Sec. 10. Minnesota Statutes 1980, Section 626.8464, is amended to read:

626.8464 [NEW PART-TIME PEACE OFFICER POSITIONS.]

Except as otherwise provided in section 626.8463, any individual appointed or employed as a part-time *peace* officer to a position which was not filled by a part-time officer 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. 11. Minnesota Statutes 1980, Section 626.8465, Subdivision 1, is amended to read:

Subdivision 1. [SUPERVISION OF POWERS AND DUTIES.] No law enforcement agency shall utilize the services

of a part-time *peace* officer unless the part-time *peace* officer exercises his powers and duties under the supervision, directly or indirectly of a licensed peace officer designated by the chief law enforcement officer. Supervision also may be via radio communications. With the consent of the county sheriff, the designated supervising officer may be a member of the county sheriff's department.

Sec. 12. Minnesota Statutes 1980, Section 626.8465, Subdivision 2, is amended to read:

Subd. 2. [PART-TIME PEACE OFFICER LICENSE, RESTRICTION.] Any individual licensed by the board as a part-time *peace* officer shall be eligible for appointment or employment anywhere in the state as a part-time *peace* officer but not as a peace officer unless he meets board training and licensing requirements then in effect for peace officers.

Sec. 13. Minnesota Statutes 1980, Section 626.851, Subdivision 1, is amended to read:

Subdivision 1. Any peace officer or part-time *peace* officer employed or elected by any county or municipality of the state of Minnesota shall be eligible to attend training courses as here-in provided in accordance with the rules of the board.

Sec. 14. Minnesota Statutes 1980, Section 626.852, is amended to read:

626.852 [TUITION; SALARY AND EXPENSES.]

No tuition shall be charged any peace officer or part-time *peace* officer for attending any training school herein provided for, and each officer when assigned to (ATTEND THE POLICE SCHOOL) *the bureau of criminal apprehension continuing education courses pursuant to rules of the board* 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) *bureau of criminal apprehension courses*, not to exceed similar allowance for state employees.

Sec. 15. Minnesota Statutes 1980, Section 214.10, Subdivision 7, is amended to read:

Subd. 7. [PEACE OFFICERS STANDARDS AND TRAINING BOARD; DEFINITIONS.] For purposes of subdivisions 4 to 6 the term "appropriate law enforcement agency" means the agency (EMPLOYING THE PEACE OFFICER WHO IS A PARTY TO THE COMPLAINT. IN THE EVENT ALL

OF THE PEACE OFFICERS EMPLOYED BY THE AGENCY ARE PARTIES TO THE COMPLAINT, THE BOARD SHALL DESIGNATE THE APPROPRIATE LAW ENFORCEMENT AGENCY) *designated by the subcommittee of the board.*

Sec. 16. Minnesota Statutes 1980, Section 626.88, is amended by adding a subdivision to read:

Subd. 3. [EXCEPTION.] Security guards employed by the capitol complex security division of the department of public safety are not required to comply with subdivision 2 until April 1, 1983, at which time they shall be subject to the same uniform color restrictions as other security guards."

Amend the title as follows:

Page 1, line 16, after "1;" delete "and"

Page 1, line 16, before the period insert "; and 626.88, by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 968 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 400 was read for the second time.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 829

A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

May 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 829, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendment.

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

House Conferees: JOHN J. SARNA, PAUL MCCARRON and BOB ANDERSON.

Senate Conferees: DON FRANK, GENE MERRIAM and ANNE K. STOKOWSKI.

Sarna moved that the report of the Conference Committee on H. F. No. 829 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

Rothenberg, Olsen and Blatz were excused at 3:30 p.m. to 4:50 p.m.

H. F. No. 829, A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

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.

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

There were 69 yeas and 52 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|---------------|------------------|
| Anderson, G. | Eken | Kalis | Nelson, K. | Schoenfeld |
| Anderson, I. | Elioff | Kelly | Norton | Shea |
| Anderson, R. | Ellingson | Kostohryz | Novak | Sieben, M. |
| Battaglia | Evans | Lehto | Ogren | Simoneau |
| Begich | Greenfield | Long | Osthoff | Skoglund |
| Berkelman | Gustafson | Luknic | Otis | Staten |
| Brandl | Hanson | Mann | Peterson, D. | Swanson |
| Brinkman | Harens | McCarron | Pogemiller | Vanasek |
| Byrne | Hauge | McEachern | Reding | Vellenga |
| Carlson, L. | Hokanson | Mehrkens | Rees | Voss |
| Clark, J. | Jacobs | Metzen | Rice | Wenzel |
| Clark, K. | Johnson, C. | Minne | Rodriguez, F. | Wynia |
| Clawson | Jude | Munger | Samuelson | Spkr. Sieben, H. |
| Dahlvang | Kahn | Murphy | Sarna | |

Those who voted in the negative were:

| | | | | |
|-------------|-----------|----------|-----------|---------|
| Aasness | Dean | Esau | Friedrich | Heap |
| Ainley | Dempsey | Ewald | Gruenes | Heinitz |
| Blatz | Den Ouden | Fjoslien | Halberg | Himle |
| Carlson, D. | Erickson | Forsythe | Haukoos | Hokr |

| | | | | |
|---------------|------------|--------------|----------|--------|
| Jennings | Ludeman | Peterson, B. | Sherman | Welker |
| Johnson, D. | Marsh | Piepho | Sherwood | Wieser |
| Kaley | Nelsen, B. | Redalen | Stadum | Wigley |
| Knickerbocker | Niehaus | Rose | Stowell | Zubay |
| Kvam | Nysether | Rothenberg | Sviggum | |
| Laidig | Olsen | Schafer | Valento | |
| Lemen | Onnen | Schreiber | Weaver | |

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

CALL OF THE HOUSE LIFTED

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

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 487:

Harens, Kostohryz and Drew.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1190:

Begich, Hanson and Wieser.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 691:

Zubay, Jude and O'Connor.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 359:

Simoneau, Rice, Begich, Reif and Norton.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1445:

Anderson, I.; Tomlinson; Eken; Novak and Sieben, H.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. Nos. 1005, 295, 1139 and 942; S. F. Nos. 980, 1154, 227, 502; and H. F. No. 1098.

H. F. No. 1005, A bill for an act relating to housing; authorizing the board of the Minneapolis municipal employees retirement fund to invest funds with the Minneapolis-St. Paul family housing fund; authorizing the housing finance agency to use temporary rulemaking to define certain terms; providing for a revolving account; permitting certain loans; limiting the dollar amount of certain loans; limiting the maximum purchase price or appraised value of certain dwelling units financed with local bond proceeds; providing for the allocation of mortgage subsidy bonds; appropriating money; amending Minnesota Statutes 1980, Sections 422A.05, by adding a subdivision; 462A.03, Subdivision 10; 462A.04, Subdivision 8; 462A.05, Subdivisions 17 and 19, and by adding subdivisions; 462A.07, by adding a subdivision; 462A.-20, Subdivision 3; 462A.21, Subdivision 8, and by adding a subdivision; 462A.22, Subdivision 9; 462C.03, by adding a subdivision; 462C.05, Subdivision 3; 462C.08; and proposing new law coded in Minnesota Statutes, Chapter 462C; repealing Minnesota Statutes 1980, Section 462A.21, Subdivision 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 92 yeas and 19 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Eken | Jude | Murphy | Sherman |
| Ainley | Eloff | Kahn | Nelson, K. | Sieben, M. |
| Anderson, B. | Ellingson | Kaley | Norton | Simoneau |
| Anderson, G. | Evans | Kalis | Novak | Skoglund |
| Anderson, I. | Ewald | Kelly | Ogren | Staten |
| Anderson, R. | Friedrich | Knickerbocker | Osthoff | Swanson |
| Battaglia | Greenfield | Kostohryz | Otis | Vanasek |
| Begich | Gruenes | Laidig | Peterson, D. | Vellenga |
| Berkelman | Gustafson | Lehto | Piepho | Voss |
| Brandl | Halberg | Levi | Pogemiller | Weaver |
| Brinkman | Hanson | Long | Redalen | Welch |
| Byrne | Hauge | Luknic | Reding | Wenzel |
| Carlson, D. | Haukoos | Mann | Rice | Wigley |
| Carlson, L. | Heinitz | McCarron | Rodriguez, C. | Wynia |
| Clark, J. | Hoberg | McEachern | Rodriguez, F. | Zubay |
| Clark, K. | Hokanson | Mehrkens | Sarna | Spkr. Sieben, H. |
| Clawson | Jacobs | Metzen | Schoenfeld | |
| Dahlvang | Johnson, C. | Minne | Searles | |
| Dempsey | Johnson, D. | Munger | Shea | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|----------|----------|---------|
| Den Ouden | Hokr | Marsh | Rees | Sviggum |
| Erickson | Jennings | McDonald | Schafer | Welker |
| Esau | Lemen | Niehaus | Sherwood | Wieser |
| Fjoslien | Ludeman | Nysether | Stowell | |

The bill was passed and its title agreed to.

H. F. No. 295, A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kahn | Niehaus | Sherwood |
| Ainley | Evans | Kaley | Norton | Sieben, M. |
| Anderson, G. | Ewald | Kalis | Novak | Simoneau |
| Anderson, I. | Fjoslien | Kelly | Nysether | Skoglund |
| Anderson, R. | Forsythe | Knickerbocker | Ogren | Stadum |
| Battaglia | Friedrich | Kostohryz | Osthoff | Staten |
| Begich | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, D. | Sviggum |
| Brandl | Gustafson | Levi | Piepho | Swanson |
| Brinkman | Halberg | Long | Pogemiller | Vanasek |
| Byrne | Hanson | Ludeman | Redalen | Vellenga |
| Carlson, D. | Hauge | Luknic | Reding | Voss |
| Carlson, L. | Haukoos | Mann | Rees | Weaver |
| Clark, J. | Heap | Marsh | Reif | Welker |
| Clark, K. | Heinitz | McCarron | Rice | Wenzel |
| Clawson | Himle | McDonald | Rodriguez, C. | Wieser |
| Dahlvang | Hoberg | McEachern | Rodriguez, F. | Wigley |
| Dean | Hokanson | Mehrkens | Samuelson | Wynia |
| Dempsey | Hokr | Metzen | Sarna | Zubay |
| Den Ouden | Jacobs | Minne | Schafer | Spkr. Sieben, H. |
| Eken | Jennings | Munger | Schoenfeld | |
| Elioff | Johnson, C. | Murphy | Searles | |
| Ellingson | Johnson, D. | Nelsen, B. | Shea | |
| Erickson | Jude | Nelson, K. | Sherman | |

The bill was passed and its title agreed to.

H. F. No. 1139 was reported to the House.

Jude moved to amend H. F. No. 1139, the second engrossment, as follows:

Page 15, delete line 30 before "effective" and insert "Section 28, subdivision 2 of this act is"

The motion prevailed and the amendment was adopted.

Long moved to amend H. F. No. 1139, the second engrossment, as amended, as follows:

Page 4, delete lines 2-6

Page 10, delete lines 1-21

Page 15, line 11, before "The" insert "Notwithstanding section 525.09"

Renumber the sections in sequence.

Page 15, lines 30 and 32, delete "28" and insert "26"

Page 15, lines 31 and 32, delete "12, 13, 15, 18, 20, and 21" and insert "11, 12, 14, 17, 19, and 20"

Amend the title as follows:

Page 1, line 19, delete "484.66, Subdivision 1;"

Page 1, line 23, delete "525.09;"

The motion prevailed and the amendment was adopted.

Dempsey moved to amend H. F. No. 1139, as amended, as follows:

Page 3, after line 33, insert:

"Sec. 4. Minnesota Statutes 1980, Section 484.69, Subdivision 3, is amended to read:

Subd. 3. [ADMINISTRATIVE AUTHORITY.] In each judicial district, the chief judge, subject to the authority of the chief justice, shall exercise general administrative authority over the courts within the judicial district. The chief judge shall make assignments of judges to serve on the courts within the judicial district, and assignments may be made without the consent of the judges affected, *except consent of the affected judge shall be required when assignment of a judge is from county or county municipal court to district court or from district court to county or county municipal court.* The chief judge may assign any judge of any court within the judicial district to hear any matter in any court of the judicial district. When a judge of a court is assigned to another court he is vested with the powers of a judge of the court to which he is assigned. A judge may not be assigned to hear matters outside his judicial district pursuant to this subdivision."

Renumber the sections

Amend the title as follows:

Page 1, line 5, after "courts;" insert "requiring consent of the affected judge before assignment to a court other than the one the judge serves;"

Page 1, line 19, before "484.70" insert "484.69, Subdivision 3;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 8 yeas and 91 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|---------|----------|----------|--------|--------|
| Ainley | Jennings | Ludeman | Piepho | Wieser |
| Dempsey | Lemen | McDonald | | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Elioff | Johnson, D. | Niehaus | Simoneau |
| Anderson, B. | Ellingson | Jude | Norton | Skoglund |
| Anderson, G. | Erickson | Kahn | Novak | Stadum |
| Anderson, I. | Esau | Kaley | Ogren | Staten |
| Anderson, R. | Evans | Kalis | Onnen | Sviggum |
| Battaglia | Fjoslien | Kelly | Osthoff | Swanson |
| Begich | Forsythe | Knickerbocker | Otis | Vanasek |
| Berkelman | Greenfield | Kostohryz | Peterson, D. | Voss |
| Brandl | Gruenes | Laidig | Pogemiller | Weaver |
| Brinkman | Gustafson | Lehto | Reding | Welch |
| Byrne | Hanson | Long | Rees | Wenzel |
| Carlson, D. | Hauge | Luknic | Rice | Wigley |
| Carlson, L. | Haukoos | Mann | Rodriguez, C. | Wynia |
| Clark, J. | Heap | Marsh | Rodriguez, F. | Zubay |
| Clawson | Himle | Minne | Sarna | Spkr. Sieben, H. |
| Dahlvang | Hoberg | Munger | Schafer | |
| Dean | Hokanson | Murphy | Shea | |
| Den Ouden | Jacobs | Nelsen, B. | Sherman | |
| Eken | Johnson, C. | Nelson, K. | Sieben, M. | |

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

H. F. No. 1139 was given its third reading, as amended.

MOTION FOR RECONSIDERATION

Clawson moved that the action whereby H. F. No. 1139, as amended, was given its third reading be now reconsidered. The motion prevailed.

Clawson moved to amend H. F. No. 1139, as amended, as follows:

Page 2, line 35, after "Stillwater," insert "*Cambridge, Buffalo,*"

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

Wieser moved that H. F. No. 1139 be re-referred to the Committee on Judiciary. The motion did not prevail.

H. F. No. 1139, A bill for an act relating to courts; providing for certain reorganization in the court system in the state; providing that the second and fourth judicial district courts shall

also be probate courts; creating certain judicial positions to be filled by election; raising the jurisdictional limit in county and county municipal court; providing the county and county municipal court with gross misdemeanor jurisdiction; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; authorizing the judges of the courts within each judicial district to elect to form one unified court; creating an appellate division of the district court; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.01; 484.66, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 488A.01, Subdivisions 4, 6 and 8; 488A.18, Subdivisions 4, 7, 9 and 13; 488A.27, Subdivision 11; 525.09; 525.10; proposing new law coded in Minnesota Statutes, Chapter 484; proposing new law coded as Minnesota Statutes, Chapter 484A; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 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 107 yeas and 15 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Erickson | Kaley | Novak | Sherman |
| Anderson, B. | Evans | Kalis | Nysether | Sieben, M. |
| Anderson, I. | Fjoslien | Kostohryz | Ogren | Simoneau |
| Anderson, R. | Forsythe | Laidig | Olsen | Skoglund |
| Battaglia | Friedrich | Lehto | Osthoff | Stadum |
| Begich | Greenfield | Lemen | Otis | Staten |
| Berkelman | Gruenes | Levi | Peterson, B. | Sviggum |
| Blatz | Gustafson | Long | Peterson, D. | Swanson |
| Brandl | Hanson | Ludeman | Piepho | Tomlinson |
| Brinkman | Harens | Luknic | Pogemiller | Valan |
| Byrne | Hauge | Mann | Reding | Vellenga |
| Carlson, D. | Haukoos | McCarron | Reif | Voss |
| Carlson, L. | Heap | McEachern | Rodriguez, C. | Weaver |
| Clark, J. | Heinitz | Mehrkens | Rodriguez, F. | Welch |
| Clawson | Himle | Metzen | Rose | Welker |
| Dahlvang | Hokanson | Minne | Samuelson | Wenzel |
| Dean | Hokr | Munger | Sarna | Wynia |
| Dempsey | Jacobs | Murphy | Schafer | Zubay |
| Den Ouden | Jennings | Nelsen, B. | Schoenfeld | Spkr. Sieben, H. |
| Eken | Johnson, C. | Nelson, K. | Schreiber | |
| Elioff | Jude | Niehaus | Searles | |
| Ellingson | Kahn | Norton | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|----------|------------|---------|
| Ainley | Johnson, D. | Marsh | Rees | Vanasek |
| Anderson, G. | Kelly | McDonald | Rothenberg | Wieser |
| Drew | Kvam | Onnen | Stowell | Wigley |

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

H. F. No. 942 was reported to the House.

Sviggum moved to amend H. F. No. 942, the first engrossment, as follows:

Page 4, lines 10 to 15, reinstate the stricken language

The motion prevailed and the amendment was adopted.

H. F. No. 942, A bill for an act relating to welfare; clarifying certain provisions for determination of cost of care at state hospitals; directing the commissioner of public welfare to promulgate rules; changing the responsibility of relatives under certain circumstances; altering the method of charging for outpatient care; giving claims against estates of deceased patients or responsible relatives preferred status; amending Minnesota Statutes 1980, Sections 246.50, Subdivision 5; 246.51; 246.53; and 487.39, 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Ewald | Kelly | Nysether | Sherman |
| Anderson, B. | Fjoslien | Knickerbocker | O'Connor | Sieben, M. |
| Anderson, G. | Forsythe | Kostohryz | Ogren | Simoneau |
| Anderson, I. | Friedrich | Kvam | Olsen | Skoglund |
| Anderson, R. | Greenfield | Laidig | Onnen | Stadum |
| Battaglia | Gruenes | Lehto | Osthoff | Staten |
| Begich | Gustafson | Lemen | Otis | Stowell |
| Berkelman | Halberg | Levi | Peterson, B. | Stumpf |
| Blatz | Hanson | Long | Peterson, D. | Sviggum |
| Brandl | Harens | Ludeman | Piepho | Swanson |
| Brinkman | Hauge | Luknic | Pogemiller | Tomlinson |
| Carlson, D. | Haukoos | Mann | Redalen | Valan |
| Carlson, L. | Heap | Marsh | Reding | Valento |
| Clark, J. | Heinitz | McCarron | Rees | Vanasek |
| Clark, K. | Himle | McDonald | Reif | Vellenga |
| Clawson | Hoberg | McEachern | Rice | Voss |
| Dahlvang | Hokanson | Mehrkens | Rodriguez, C. | Weaver |
| Dean | Hokr | Metzen | Rodriguez, F. | Welch |
| Dempsey | Jacobs | Minne | Rose | Welker |
| Den Ouden | Jennings | Munger | Rothenberg | Wenzel |
| Drew | Johnson, C. | Murphy | Samuelson | Wieser |
| Eken | Johnson, D. | Nelsen, B. | Sarna | Wigley |
| Elioff | Jude | Nelson, K. | Schafer | Wynia |
| Ellingson | Kahn | Niehaus | Schoenfeld | Zubay |
| Erickson | Kaley | Norton | Searles | Spkr. Sieben, H. |
| Esau | Kalis | Novak | Shea | |

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

S. F. No. 980, A bill for an act relating to state lands; providing for the lease of certain lands to the city of Hastings.

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 | Evans | Knickerbocker | O'Connor | Simoneau |
| Ainley | Ewald | Kostohryz | Ogren | Skoglund |
| Anderson, B. | Fjoslien | Kvam | Olsen | Stadum |
| Anderson, G. | Forsythe | Laidig | Onnen | Staten |
| Anderson, I. | Friedrich | Lehto | Osthoff | Stowell |
| Anderson, R. | Greenfield | Lemen | Otis | Stumpf |
| Battaglia | Gruenes | Levi | Peterson, B. | Sviggum |
| Begich | Halberg | Long | Peterson, D. | Swanson |
| Blatz | Hanson | Ludeman | Piepho | Tomlinson |
| Brandl | Harens | Luknic | Pogemiller | Valan |
| Brinkman | Hauge | Mann | Redalen | Valento |
| Carlson, D. | Haukoos | Marsh | Reding | Vanasek |
| Carlson, L. | Heap | McCarron | Rees | Vellenga |
| Clark, J. | Heinitz | McDonald | Reif | Voss |
| Clark, K. | Himle | McEachern | Rice | Weaver |
| Clawson | Hoberg | Mehrrens | Rodriguez, C. | Welch |
| Dahlvang | Hokanson | Metzen | Rodriguez, F. | Welker |
| Dean | Hokr | Minne | Rose | Wenzel |
| Dempsey | Jacobs | Munger | Rothenberg | Wieser |
| Den Ouden | Jennings | Murphy | Samuelson | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Eken | Johnson, D. | Nelson, K. | Schoenfeld | Zubay |
| Elioff | Kahn | Niehaus | Searles | Spkr. Sieben, H. |
| Ellingson | Kaley | Norton | Shea | |
| Erickson | Kalis | Novak | Sherman | |
| Esau | Kelly | Nysether | Sieben, M. | |

The bill was passed and its title agreed to.

Staten was excused at 5:00 p.m.

S. F. No. 1154 was reported to the House.

Carlson, D., moved to amend S. F. No. 1154, as follows:

Page 3, after line 33, insert:

"Sec. 2. [EDUCATIONAL PROGRAM.]

Notwithstanding Minnesota Statutes, Section 120.17, Subdivision 6, the commissioner of education may assign the entire responsibility for the educational program of all handicapped children who are placed at the Amherst H. Wilder Foundation youth conservation camp to Independent School District No. 573, Hinckley, to Independent School District No. 576, Sandstone, or to a joint board established by these districts pursuant to Min-

nesota Statutes, Section 471.59, if that district or joint board requests the commissioner to assign it this responsibility and if the commissioner determines that this assignment is necessary to ensure the efficiency of the educational program."

Page 3, line 34, renumber section 2 as section 3

Page 3, line 35, before "Section" insert "Subdivision 1."

Page 3, after line 36, insert:

"Subd. 2. Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), section 2 is effective without local approval on the day following its final enactment."

Further, amend the title as follows:

Page 1, line 4, before the period, insert:

"; permitting Independent School District No. 573, Independent School District No. 576, or a joint powers board to request and assume responsibility for educating children at an Amherst H. Wilder Foundation camp"

The motion prevailed and the amendment was adopted.

S. F. No. 1154, A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Clawson | Gruenes | Kahn | McEachern |
| Ainley | Dahlvang | Gustafson | Kaley | Mehrkens |
| Anderson, B. | Dean | Halberg | Kalis | Metzen |
| Anderson, G. | Dempsey | Hanson | Kelly | Minne |
| Anderson, I. | Den Ouden | Harens | Knickerbocker | Munger |
| Anderson, R. | Drew | Hauge | Kostohryz | Murphy |
| Battaglia | Eken | Haukoos | Kvam | Nelsen, B. |
| Begich | Elioff | Heap | Laidig | Nelson, K. |
| Berkelman | Ellingson | Heinitz | Lehto | Niehaus |
| Blatz | Erickson | Himle | Lemen | Novak |
| Brandl | Esau | Hoberg | Levi | Nysether |
| Brinkman | Evans | Hokanson | Long | O'Connor |
| Byrne | Ewald | Hokr | Ludeman | Ogren |
| Carlson, D. | Fjoslien | Jacobs | Luknic | Olsen |
| Carlson, L. | Forsythe | Jennings | Mann | Onnen |
| Clark, J. | Friedrich | Johnson, D. | Marsh | Osthoff |
| Clark, K. | Greenfield | Jude | McDonald | Otis |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Peterson, B. | Rodriguez, C. | Sherman | Tomlinson | Wenzel |
| Peterson, D. | Rodriguez, F. | Sieben, M. | Valan | Wieser |
| Piepho | Rose | Simoneau | Valento | Wigley |
| Pogemiller | Rothenberg | Skoglund | Vanasek | Wynia |
| Redalen | Sarna | Stadum | Vellenga | Zubay |
| Reding | Schafer | Stowell | Voss | Spkr. Sieben, H. |
| Rees | Schoenfeld | Stumpf | Weaver | |
| Reif | Searles | Sviggum | Welch | |
| Rice | Shea | Swanson | Welker | |

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

S. F. No. 227 was reported to the House.

Rodriguez, C., moved to amend S. F. No. 227, as follows:

Page 2, line 6, delete "*The*"

Page 2, delete line 7

Page 2, line 8, delete "*and records.*"

The motion prevailed and the amendment was adopted.

S. F. No. 227, A bill for an act relating to the organization and operation of government; creating a legislative commission on metropolitan governance; requiring a study of relationships among metropolitan institutions and agencies of government; specifying other duties; mandating a report to the legislature.

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:

| | | | | |
|--------------|------------|---------------|---------------|---------------|
| Anderson, B. | Elioff | Johnson, C. | Minne | Rodriguez, F. |
| Anderson, G. | Ellingson | Johnson, D. | Munger | Rose |
| Anderson, I. | Erickson | Jude | Murphy | Rothenberg |
| Anderson, R. | Evans | Kahn | Norton | Samuelson |
| Battaglia | Ewald | Kaley | Novak | Sarna |
| Begich | Forsythe | Kelly | O'Connor | Schoenfeld |
| Berkelman | Greenfield | Knickerbocker | Ogren | Searles |
| Blatz | Grüenes | Kostohryz | Olsen | Shea |
| Brandl | Halberg | Laidig | Onnen | Sherman |
| Brinkman | Hanson | Lehto | Osthoff | Sieben, M. |
| Byrne | Harens | Levi | Otis | Simoneau |
| Carlson, D. | Hauge | Long | Peterson, B. | Skoglund |
| Carlson, L. | Haukoos | Luknic | Peterson, D. | Stowell |
| Clark, J. | Heap | Mann | Piepho | Stumpf |
| Clark, K. | Heinitz | Marsh | Pogemiller | Sviggum |
| Clawson | Himle | McCarron | Reding | Swanson |
| Dahlvang | Hoberg | McDonald | Rees | Tomlinson |
| Dean | Hokanson | McEachern | Reif | Valan |
| Dempsey | Hokr | Mehrkens | Rice | Valento |
| Eken | Jacobs | Metzen | Rodriguez, C. | Vanasek |

| | | | | |
|------------------|-----------------|------------------|-----------------|---------------------------|
| Vellenga Voss | Weaver Welch | Wenzel Wieser | Wigley Wynia | Zubay Spkr. Sieben, H. |
|------------------|-----------------|------------------|-----------------|---------------------------|

Those who voted in the negative were:

| | | | | |
|-----------|----------|------------|----------|--------|
| Aasness | Esau | Ludeman | Redalen | Welker |
| Ainley | Fjoslien | Nelsen, B. | Schafer | |
| Den Ouden | Kalis | Niehaus | Sherwood | |
| Drew | Kvam | Nysether | Stadum | |

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

S. F. No. 502, A bill for an act relating to public welfare; modifying certain provisions regarding continued eligibility for medical assistance; amending Minnesota Statutes 1980, Section 256B.062.

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 | Erickson | Kaley | Norton | Searles |
| Ainley | Esau | Kalis | Novak | Shea |
| Anderson, B. | Evans | Kelly | Nysether | Sherman |
| Anderson, G. | Ewald | Knickerbocker | Ogren | Sherwood |
| Anderson, I. | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, R. | Forsythe | Kvam | Onnen | Simoneau |
| Battaglia | Friedrich | Laidig | Osthoff | Skoglund |
| Begich | Greenfield | Lehto | Otis | Stadum |
| Berkelman | Gruenes | Lemen | Peterson, B. | Stowell |
| Blatz | Halberg | Levi | Peterson, D. | Stumpf |
| Brandl | Hanson | Long | Piepho | Sviggum |
| Brinkman | Harens | Ludeman | Pogemiller | Swanson |
| Byrne | Hauge | Luknic | Redalen | Tomlinson |
| Carlson, D. | Haukoos | Mann | Reding | Valan |
| Carlson, L. | Heap | Marsh | Rees | Valento |
| Clark, J. | Heinitz | McCarron | Reif | Vanasek |
| Clark, K. | Himle | McDonald | Rice | Voss |
| Clawson | Hoberg | McEachern | Rodriguez, C. | Weaver |
| Dahlvang | Hokanson | Mehrkens | Rodriguez, F. | Welch |
| Dean | Hokr | Metzen | Rose | Welker |
| Dempsey | Jacobs | Minne | Rothenberg | Wenzel |
| Den Ouden | Jennings | Munger | Samuelson | Wieser |
| Drew | Johnson, C. | Murphy | Sarna | Wigley |
| Eken | Johnson, D. | Nelsen, B. | Schafer | Wynia |
| Elioff | Jude | Nelson, K. | Schoenfeld | Zubay |
| Ellingson | Kahn | Niehaus | Schreiber | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

H. F. No. 1098, A bill for an act relating to the state auditor; providing funding to be used to prepare the report to the legislature on the general financial condition of the various volunteer firefighters' relief associations; 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 | Erickson | Kaley | Norton | Sherman |
| Ainley | Esau | Kalis | Novak | Sherwood |
| Anderson, B. | Evans | Kelly | Nysether | Sieben, M. |
| Anderson, G. | Ewald | Knickerbocker | Ogren | Simoneau |
| Anderson, I. | Fjoslien | Kostohryz | Olsen | Skoglund |
| Anderson, R. | Forsythe | Kvam | Onnen | Stadum |
| Battaglia | Friedrich | Laidig | Osthoff | Stowell |
| Begich | Greenfield | Lehto | Otis | Stumpf |
| Berkelman | Gruenes | Lemen | Peterson, B. | Sviggum |
| Blatz | Halberg | Levi | Peterson, D. | Swanson |
| Brandl | Hanson | Long | Piepho | Tomlinson |
| Brinkman | Harens | Ludeman | Pogemiller | Valan |
| Byrne | Hauge | Luknic | Redalen | Valento |
| Carlson, D. | Haukoos | Mann | Rees | Vanasek |
| Carlson, L. | Heap | Marsh | Reif | Vellenga |
| Clark, J. | Heinitz | McCarron | Rice | Voss |
| Clark, K. | Himle | McDonald | Rodriguez, C. | Weaver |
| Clawson | Hoberg | McEachern | Rodriguez, F. | Welch |
| Dahlvang | Hokanson | Mehrkens | Rose | Welker |
| Dean | Hokr | Metzen | Rothenberg | Wenzel |
| Dempsey | Jacobs | Minne | Samuelson | Wieser |
| Den Ouden | Jennings | Munger | Sarna | Wigley |
| Drew | Johnson, C. | Murphy | Schafer | Wynia |
| Eken | Johnson, D. | Nelsen, B. | Schreiber | Zubay |
| Elioff | Jude | Nelson, K. | Searies | Spkr. Sieben, H. |
| Ellingson | Kahn | Niehaus | Shea | |

Those who voted in the negative were:

Reding Schoenfeld

The bill was passed and its title agreed to.

SPECIAL ORDERS

S. F. No. 804 was reported to the House.

There being no objection, S. F. No. 804 was continued on Special Orders for one day.

S. F. No. 886 was reported to the House.

There being no objection, S. F. No. 886 was continued on Special Orders for one day.

S. F. No. 1174, A bill for an act relating to retirement; local police relief associations; authorizing the payment of benefits outside the United States in certain instances; proposing new law

coded in Minnesota Statutes, Chapter 423; repealing Minnesota Statutes 1980, Section 423.811.

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 | Evans | Knickerbocker | Onnen | Simoneau |
| Anderson, B. | Ewald | Kostohryz | Osthoff | Skoglund |
| Anderson, G. | Fjoslien | Kvam | Otis | Stadum |
| Anderson, I. | Forsythe | Laidig | Peterson, B. | Stowell |
| Anderson, R. | Friedrich | Lehto | Peterson, D. | Stumpf |
| Battaglia | Greenfield | Lemen | Piepho | Sviggum |
| Begich | Gruenes | Long | Pogemiller | Swanson |
| Berkelman | Halberg | Ludeman | Redalen | Tomlinson |
| Brandl | Hanson | Mann | Reding | Valan |
| Brinkman | Harens | Marsh | Rees | Valento |
| Byrne | Hauge | McCarron | Reif | Vanasek |
| Carlson, D. | Haukoos | McDonald | Rice | Vellenga |
| Carlson, L. | Heap | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Heinitz | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Himle | Metzen | Rose | Welch |
| Clawson | Hoberg | Minne | Rothenberg | Welker |
| Dahlvang | Hokanson | Munger | Samuelson | Wenzel |
| Dean | Jacobs | Murphy | Sarna | Wieser |
| Dempsey | Jennings | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Johnson, D. | Niehaus | Schreiber | Zubay |
| Eken | Jude | Norton | Searles | Spkr. Sieben, H. |
| Elihoff | Kahn | Novak | Shea | |
| Ellingson | Kaley | Nysether | Sherman | |
| Erickson | Kalis | O'Connor | Sherwood | |
| Esau | Kelly | Olsen | Sieben, M. | |

The bill was passed and its title agreed to.

S. F. No. 338 was reported to the House.

Stadum, Nysether, Eken, Valan and Stumpf offered an amendment to S. F. No. 338.

POINT OF ORDER

Anderson, I., 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. 338, A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

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 | Erickson | Kaley | Novak | Searles |
| Ainley | Esau | Kalis | Nysether | Shea |
| Anderson, B. | Evans | Kelly | O'Connor | Sherman |
| Anderson, G. | Ewald | Knickerbocker | Ogren | Sherwood |
| Anderson, I. | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, R. | Forsythe | Kvam | Onnen | Simoneau |
| Battaglia | Friedrich | Laidig | Osthoff | Skoglund |
| Begich | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, B. | Stumpf |
| Blatz | Gustafson | Levi | Peterson, D. | Sviggum |
| Brandl | Halberg | Long | Piepho | Swanson |
| Brinkman | Hanson | Ludeman | Pogemiller | Tomlinson |
| Byrne | Harens | Luknic | Redalen | Valan |
| Carlson, D. | Hauge | Mann | Reding | Valento |
| Carlson, L. | Haukoos | Marsh | Rees | Vanasek |
| Clark, J. | Heap | McCarron | Reif | Vellenga |
| Clark, K. | Heinitz | McDonald | Rice | Voss |
| Clawson | Himle | McEachern | Rodriguez, C. | Weaver |
| Dahlvang | Hoberg | Mehrkens | Rodriguez, F. | Welch |
| Dean | Hokanson | Metzen | Rose | Welker |
| Dempsey | Jacobs | Minne | Rothenberg | Wenzel |
| Den Ouden | Jennings | Murphy | Samuelson | Wieser |
| Drew | Johnson, C. | Nelsen, B. | Sarna | Wigley |
| Eken | Johnson, D. | Nelson, K. | Schafer | Wynia |
| Elioff | Jude | Niehaus | Schoenfeld | Zubay |
| Ellingson | Kahn | Norton | Schreiber | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

S. F. No. 903, A bill for an act relating to the city of Minneapolis; providing for amendment of certain special revenue obligations; amending Laws 1975, Chapter 188, Section 3, 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 101 yeas and 24 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-------------|---------------|------------|
| Aasness | Carlson, L. | Halberg | Jude | McEachern |
| Anderson, B. | Clark, J. | Hanson | Kaley | Mehrkens |
| Anderson, G. | Clawson | Harens | Kalis | Metzen |
| Anderson, I. | Dahlvang | Hauge | Kelly | Minne |
| Anderson, R. | Dean | Haukoos | Knickerbocker | Murphy |
| Battaglia | Dempsey | Heap | Kostohryz | Nelsen, B. |
| Begich | Eken | Heinitz | Laidig | Nelson, K. |
| Berkelman | Elioff | Himle | Lehto | Norton |
| Blatz | Ellingson | Hoberg | Levi | Novak |
| Brandl | Evans | Hokanson | Long | O'Connor |
| Brinkman | Ewald | Jacobs | Luknic | Ogren |
| Byrne | Gruenes | Johnson, C. | Mann | Olsen |
| Carlson, D. | Gustafson | Johnson, D. | McCarron | Osthoff |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Otis | Rodriguez, C. | Searles | Swanson | Welch |
| Peterson, B. | Rodriguez, F. | Shea | Tomlinson | Wenzel |
| Peterson, D. | Rose | Sieben, M. | Valan | Zubay |
| Piepho | Rothenberg | Simoneau | Valento | Spkr. Sieben, H. |
| Pogemiller | Samuelson | Skoglund | Vanasek | |
| Reding | Sarna | Stadum | Vellenga | |
| Reif | Schoenfeld | Stumpf | Voss | |
| Rice | Schreiber | Sviggum | Weaver | |

Those who voted in the negative were:

| | | | | |
|-----------|------------|----------|----------|--------|
| Ainley | Fjoslien | Ludeman | Rees | Welker |
| Den Ouden | Greenfield | Marsh | Schafer | Wieser |
| Drew | Hokr | McDonald | Sherman | Wigley |
| Erickson | Kvam | Nysether | Sherwood | Wynia |
| Esau | Lemen | Redalen | Stowell | |

The bill was passed and its title agreed to.

S. F. No. 964 was reported to the House.

There being no objection, S. F. No. 964 was continued on Special Orders for one day.

S. F. No. 1043, A bill for an act relating to administrative procedures; providing for changes in the recompilation, publication, and drafting of administrative rules; modifying the powers of the revisor of statutes with respect to compiling, publishing, and drafting of administrative rules; clarifying which rules are to be published; fixing a common nomenclature for certain steps in the administrative process; extending statutory standard definitions of terms and principles of construction to administrative rules; providing for the effect of transferring responsibilities between agencies; extending the jurisdiction of the LCRAR; clarifying when a rule suspended by the LCRAR becomes effective; modifying certain provisions of the administrative procedure act; removing certain obsolete terms and clarifying certain language; amending Minnesota Statutes 1980, Sections 3.965, Subdivision 2; 15.0411, Subdivisions 2 and 3; 15.0412, Subdivisions 1, 1a, 2a, 4, 4c, 4d, 4e, 4f, 4g, 4h, 5, 7, 8, 9 and 10; 15.0413; 15.0415; 16.86, Subdivision 2; 62E.10, Subdivision 8; 121.931, Subdivision 8; 121.932, Subdivision 3; 169.128; 182.655, Subdivision 1; 238.09, Subdivision 9; 271.06, Subdivision 7; 299A.03, Subdivision 6; 299F.19, Subdivision 6; 360.015, Subdivisions 4, 5 and 16; 645.071, Subdivision 1; 645.08; 645.11; 645.12, Subdivision 1; 645.13; 645.14; 645.15; 645.18; 645.19; 645.20; 645.21; 645.23; 645.24; 645.26, Subdivisions 1 and 2; 645.31, Subdivision 1; 645.34; 645.35; 645.36; 645.37; 645.39; 645.40; 645.41; 645.44, Subdivision 1; 645.45; 645.451, Subdivision 1; 645.46; 645.48; 648.31, Subdivision 6; 648.50, Subdivisions 1, 2, 3, 4 and 6, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 15 and 645; repealing Minnesota Statutes 1980, Sections 15.015 to 15.04; 174.06, Subdivision 6; and 245.04 to 245.07.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Ogren | Sieben, M. |
| Ainley | Evans | Kelly | Olsen | Simoneau |
| Anderson, B. | Ewald | Knickerbocker | Onnen | Skoglund |
| Anderson, G. | Fjoslien | Kostohryz | Osthoff | Stadum |
| Anderson, I. | Forsythe | Kvam | Otis | Stowell |
| Anderson, R. | Friedrich | Laidig | Peterson, B. | Stumpf |
| Battaglia | Greenfield | Lehto | Peterson, D. | Sviggum |
| Begich | Gruenes | Lemen | Piepho | Swanson |
| Berkelman | Gustafson | Long | Pogemiller | Tomlinson |
| Blatz | Halberg | Ludeman | Redalen | Valan |
| Brandl | Hanson | Luknic | Reding | Valento |
| Brinkman | Harens | Mann | Rees | Vanasek |
| Byrne | Hauge | Marsh | Reif | Vellenga |
| Carlson, D. | Haukoos | McCarron | Rice | Voss |
| Carlson, L. | Heap | McDonald | Rodriguez, C. | Weaver |
| Clark, J. | Heinitz | McEachern | Rodriguez, F. | Welch |
| Clark, K. | Himle | Mehrkens | Rose | Welker |
| Clawson | Hoberg | Metzen | Rothenberg | Wenzel |
| Dahlvang | Hokanson | Munger | Samuelson | Wieser |
| Dean | Hokr | Murphy | Sarna | Wigley |
| Dempsey | Jacobs | Nelsen, B. | Schafer | Wynia |
| Den Ouden | Jennings | Nelson, K. | Schoenfeld | Zubay |
| Drew | Johnson, C. | Niehaus | Schreiber | Spkr. Sieben, H. |
| Eken | Johnson, D. | Norton | Searles | |
| Elioff | Jude | Novak | Shea | |
| Ellingson | Kahn | Nysether | Sherman | |
| Erickson | Kaley | O'Connor | Sherwood | |

The bill was passed and its title agreed to.

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

GENERAL ORDERS

There being no objection the bills on General Orders for today were continued one day.

MOTIONS AND RESOLUTIONS

Kalis moved that the name of Sviggum be added as an author on H. F. No. 1482. The motion prevailed.

Johnson, D., moved that his name be stricken as an author on H. F. No. 1427. The motion prevailed.

Harens and Shea introduced:

House Resolution No. 18, a house resolution urging the Minnesota North Stars to "Go for the Stanley Cup".

SUSPENSION OF RULES

Harens and Shea moved that the Rules be so far suspended that House Resolution No. 18 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE RESOLUTION NO. 18

A house resolution urging the Minnesota North Stars to "Go for the Stanley Cup".

Whereas, our only professional hockey team, the Minnesota North Stars, have achieved through perseverance, dedication and athletic prowess, the prestigious Stanley Cup hockey finals; and,

Whereas, many players of the current North Stars team, including Tom Younghans, Steve Christoff, Mike Polich, Jack Carlson, Neal Broten, and Gary Sargent, are home grown Minnesota hockey players, whose hockey skills were developed in part because of our high quality educational system; and,

Whereas, the sport of hockey is of particular interest and devotion to the state of Minnesota as a frozen tundra state of the north; and,

Whereas, the current success of the Minnesota North Stars has captured the zeal and hearts of the sporting citizens of Minnesota; *Now, Therefore*,

Be It Resolved by the Minnesota House of Representatives, on behalf of the sporting fans of Minnesota, that it extends its best wishes for good luck to the Minnesota North Stars professional hockey team and urges them to "Go for the Cup".

Be It Further Resolved that the Chief Clerk is directed to enroll this resolution, to be authenticated by his signature and that of the Speaker, and present copies to the North Stars' management, coaches, and players.

Harens and Shea moved that House Resolution No. 18 be now adopted.

O'Connor moved to amend House Resolution No. 18, as follows:

Page 1, line 6, delete "have" insert "has"

The motion prevailed and the amendment was adopted.

Stowell moved to amend House Resolution No. 18, as amended, as follows:

Page 1, line 15, delete "a frozen tundra state" insert "the winter paradise"

The motion prevailed and the amendment was adopted.

Harens and Shea moved that House Resolution No. 18, as amended, be now adopted. The motion prevailed and the resolution, as amended, was adopted.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Wednesday, May 13, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Wednesday, May 13, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTY-THIRD DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MAY 13, 1981

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

Prayer was offered by Pastor Blair K. Anderson, Redeemer Lutheran Church, White Bear Lake, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherman |
| Ainley | Evans | Kelly | O'Connor | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, R. | Friedrich | Laidig | Osthoff | Stadum |
| Battaglia | Greenfield | Lehto | Otis | Staten |
| Begich | Gruenes | Lemen | Peterson, B. | Stowell |
| Berkelman | Gustafson | Levi | Peterson, D. | Stumpf |
| Blatz | Halberg | Long | Piepho | Sviggum |
| Brandl | Hanson | Ludeman | Pogemiller | Swanson |
| Brinkman | Harens | Luknic | Redalen | Tomlinson |
| Byrne | Hauge | Mann | Reding | Valan |
| Carlson, D. | Haukoos | Marsh | Rees | Valento |
| Carlson, L. | Heap | McCarron | Reif | Vanasek |
| Clark, J. | Heinitz | McDonald | Rice | Vellenga |
| Clark, K. | Himle | McEachern | Rodriguez, C. | Voss |
| Clawson | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Dahlvang | Hokanson | Metzen | Rose | Welch |
| Dean | Hokr | Minne | Rothenberg | Welker |
| Dempsey | Jacobs | Munger | Samuelson | Wenzel |
| Den Ouden | Jennings | Murphy | Sarna | Wieser |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Eken | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Elioff | Jude | Niehaus | Schreiber | Zubay |
| Ellingson | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |

A quorum was present.

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. 942, 968, 1139 and 553 and S. F. Nos. 980, 28, 395 and 400 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 889, relating to water well contractors; altering the exemption from license requirements for certain registered professional engineers; providing for licensing of thermal exchange devices;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 18 | | 161 | May 11 | May 11 |
| 77 | | 162 | May 11 | May 11 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 291 | | 163 | May 11 | May 11 |
| 432 | | 164 | May 11 | May 11 |
| 443 | | 165 | May 11 | May 11 |
| 550 | | 166 | May 11 | May 11 |
| 556 | | 167 | May 11 | May 11 |
| 625 | | 168 | May 11 | May 11 |
| 823 | | 169 | May 11 | May 11 |
| 1193 | | 170 | May 11 | May 11 |
| 1248 | | 171 | May 11 | May 11 |
| 1278 | | 172 | May 11 | May 11 |
| | 28 | 173 | May 11 | May 11 |
| | 54 | 174 | May 11 | May 11 |
| | 443 | 175 | May 11 | May 11 |
| | 509 | 176 | May 11 | May 11 |
| | 886 | 177 | May 11 | May 11 |
| | 932 | 178 | May 11 | May 11 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 12, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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> No. | <i>H.F.</i> No. | <i>Session Laws</i> <i>Chapter No.</i> | <i>Date Approved</i> 1981 | <i>Date Filed</i> 1981 |
|--------------------|--------------------|---|------------------------------|---------------------------|
| | 889 | 179 | May 11 | May 11 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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. 161, A bill for an act relating to the city of Cloquet; permitting the city to contract, pay, and tax for certain public transportation services.

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. 696, A bill for an act relating to the city of East Grand Forks; permitting the city to acquire and develop certain land for industrial purposes.

H. F. No. 1022, A bill for an act relating to claims against the state; appropriating money for the payment thereof.

H. F. No. 1301, A bill for an act relating to consumer protection; providing for a definition of building materials which may contain urea formaldehyde; providing for exceptions; amending Minnesota Statutes 1980, Section 325F.18, by adding a subdivision.

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. 829, A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1980, Section 375.01.

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. 604, A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

PATRICK E. FLAHAVEN, Secretary of the Senate

Peterson, D., moved that the House refuse to concur in the Senate amendments to H. F. No. 604, 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 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. 2, A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, Subdivision 3.

The Senate has appointed as such committee Messrs. Waldorf, Hanson, Keefe, Dahl and Lindgren.

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. 586, A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in

domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

The Senate has appointed as such committee Ms. Berglin, Messrs. Frederickson and Frank.

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. 817, A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, Subdivision 3.

The Senate has appointed as such committee Messrs. Purfeerst, Spear 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. 936, A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

The Senate has appointed as such committee Messrs. Hanson, Lessard and Willet.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVERN, 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. 1445, A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending

Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivisions 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.

The Senate has appointed as such committee Messrs. Johnson, Hanson, Peterson, C. C., Ms. Berglin and Mr. Pehler.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 452, A bill for an act relating to the state board of investment; establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Spear; Moe, D. M. and Dahl 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark, K., 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 ap-

pointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 452. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1132, A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Hughes, Merriam and Lindgren 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Heap 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. 1132. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1212, A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Davis; Pehler and Peterson, R. W. 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 like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clawson 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. 1212. The motion prevailed.

Mr. Speaker:

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

S. F. Nos. 120, 132, 315 and 1205.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 120, A bill for an act relating to corporations; modernizing and improving provisions governing business corporations; appropriating money; amending Minnesota Statutes 1980, Sections 53.01; 290.61; 303.05, Subdivision 1; 308.341; 319A.03; 319A.05; 319A.12, Subdivisions 1a and 2; 319A.20; 333.055, Subdivision 4; 333.19, Subdivision 1; 367.42, Subdivision 1; 462.601; and 462.605; proposing new law coded in Minnesota Statutes, Chapters 300, 302A, and 316; repealing Minnesota Statutes 1980, Sections 300.082 and 301.01 to 301.67.

The bill was read for the first time.

Ellingson moved that S. F. No. 120 and H. F. No. 165, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 132, A bill for an act relating to retirement; Duluth teachers retirement fund association; authorizing an increase in retirement allowances and benefits for certain teachers; establishing a new coordinated retirement program within the retirement fund association; amending Minnesota Statutes 1980, Sections 354A.011, Subdivision 11; 354A.092; 354A.093; 354A.12, Subdivision 1; 354A.24; 354A.32; 354A.39; and 354A.41.

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

S. F. No. 315, A bill for an act relating to health; establishing a state advisory task force on epilepsy; appropriating money.

The bill was read for the first time.

Osthoff moved that S. F. No. 315 and H. F. No. 20, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1205, A bill for an act relating to taxation; real property; allowing property used by certain disabled persons to qualify for 3cc classification; amending Minnesota Statutes 1980, Section 273.13, Subdivision 7.

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

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 98

A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 7.

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 98, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendment, and that H. F. No. 98 be further amended as follows:

Delete the amendment to page 4, line 19

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

House Conferees: LEE GREENFIELD, KEN G. NELSON and O. J. HEINITZ.

Senate Conferees: HUBERT H. HUMPHREY III, GENE WALDORF and JOHN BERNHAGEN.

Greenfield moved that the report of the Conference Committee on H. F. No. 98 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 98, A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 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 83 yeas and 39 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Sherman |
| Anderson, I. | Greenfield | Lehto | Osthoff | Sieben, M. |
| Berkelman | Gustafson | Lemen | Otis | Simoneau |
| Blatz | Halberg | Levi | Peterson, D. | Skoglund |
| Brandl | Hanson | Long | Pogemiller | Stumpf |
| Brinkman | Hauge | Luknic | Redalen | Swanson |
| Byrne | Heap | Mann | Reding | Tomlinson |
| Carlson, L. | Heinitz | McCarron | Reif | Vanasek |
| Clark, J. | Hoberg | McEachern | Rice | Vellenga |
| Clark, K. | Hokanson | Metzen | Rodriguez, C. | Voss |
| Clawson | Hokr | Minne | Rodriguez, F. | Weaver |
| Dahivang | Jacobs | Munger | Rose | Welch |
| Drew | Johnson, C. | Murphy | Rothenberg | Wenzel |
| Eken | Jude | Nelson, K. | Samuelson | Wynia |
| Ellingson | Kahn | Norton | Sarna | Spkr. Sieben, H. |
| Evans | Kelly | Novak | Schreiber | |
| Ewald | Knickerbocker | Ogren | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|------------|------------|---------|
| Aasness | Erickson | Kaley | Nysether | Stowell |
| Ainley | Esau | Kalis | Onnen | Sviggum |
| Anderson, G. | Forsythe | Kvam | Piepho | Valento |
| Anderson, R. | Friedrich | Ludeman | Rees | Welker |
| Battaglia | Gruenes | McDonald | Schafer | Wieser |
| Begich | Haukoos | Mehrkens | Schoenfeld | Wigley |
| Dempsey | Himle | Nelsen, B. | Shea | Zubay |
| Den Ouden | Jennings | Niehaus | Sherwood | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 126

A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map to show notification of an assessment area; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 378.

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 126, 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. 126 be further amended as follows:

Page 1, line 26, delete "*Subd. 3. [ACCESS POINTS.]*"

Page 1, line 27, after "*of*" insert "*the*"

Page 1, line 27, delete "*containing an*"

Page 1, line 28, delete "*aeration system*"

Page 2, line 4, delete "*4*" and insert "*3*"

Page 2, line 12, delete "*5*" and insert "*4*"

Page 3, delete lines 22 and 23

Page 3, line 24, delete "*(13)*" and insert "*(12)*"

Page 3, line 26, delete "*(14)*" and insert "*(13)*"

Page 3, line 35, reinstate the old language and delete the new language

Page 4, line 3, delete "*or a map of the area affected*" and strike "*; and*" and insert "*. A map of the affected area may be included in the notice in lieu of the names of the owners or of the descriptions of the properties affected by the project or both. The notice shall*"

Page 4, after line 10, insert:

"Sec. 4. Minnesota Statutes 1980, Section 112.53, Subdivision 2, is amended to read:

Subd. 2. [MAILING.] The managers shall give notice by mail, within one week after the beginning of publication, to the director and to each person, corporation, and public body (AFFECTED) *that owns property benefited or damaged* by the proposed improvement as shown by the engineers and appraisers report. The notice shall contain a brief description of the proposed improvement and state: that the engineer's and appraisers' report are on file with the managers and available for public in-

spection; the time and place of hearing; and that the addressee's name appears as an affected party.

Sec. 5. Minnesota Statutes 1980, Section 112.53, Subdivision 4, is amended to read:

Subd. 4. Where the improvement affects the lands and properties in more than one county, separate notices shall be prepared and published in each county affected showing only the general description of the proposed improvement and the names and descriptions of the properties affected in the county *or, in lieu of the names or descriptions or both, a map of the area affected in the county.* Notice by mail as provided in subdivision 2 shall be given.

Sec. 6. [MURRAY COUNTY DITCHES.]

Pursuant to agreement under Minnesota Statutes, Section 471.59, Murray County may delegate to the city of Slayton all or part of its powers and duties relating to all or part of any county ditch. The city may exercise any of the delegated powers within or outside the city in the same manner as the county.

Sec. 7. [EFFECTIVE DATE.]

Section 6 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing bodies of Murray County and the city of Slayton."

Amend the title as follows:

Page 1, line 7, delete "to show" and insert "in lieu of the names of owners or descriptions of affected properties in a"

Page 1, line 8, delete "an assessment area" and insert "a proposed watershed improvement in a watershed benefit"

Page 1, line 8, after the semicolon insert "permitting Murray County and the city of Slayton to enter an agreement for the administration of county ditches;"

Page 1, line 9, delete "Subdivision 1" and insert "Subdivisions 1, 2 and 4"

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

House Conferees: BRUCE ANDERSON, LEROY STUMPF and TOM REES.

Senate Conferees: MARION MENNING, A. O. H. SETZEPFANDT and CHARLES A. BERG.

Anderson, B., moved that the report of the Conference Committee on H. F. No. 126 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 126, A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map to show notification of an assessment area; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 378.

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 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Knickerbocker | Olsen | Sieben, M. |
| Ainley | Evans | Kostohryz | Onnen | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Osthoff | Skoglund |
| Anderson, G. | Forsythe | Lehto | Otis | Stadum |
| Anderson, I. | Friedrich | Lemen | Peterson, B. | Staten |
| Anderson, R. | Greenfield | Levi | Peterson, D. | Stowell |
| Battaglia | Gruenes | Long | Piepho | Stumpf |
| Begich | Gustafson | Ludeman | Pogemiller | Sviggum |
| Berkelman | Hanson | Luknic | Redalen | Swanson |
| Blatz | Hauge | Mann | Reding | Tomlinson |
| Brandl | Haukoos | Marsh | Rees | Valan |
| Brinkman | Heap | McCarron | Reif | Valento |
| Byrne | Heinitz | McDonald | Rice | Vanasek |
| Carlson, L. | Himle | McEachern | Rodriguez, C. | Vellenga |
| Clark, J. | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Clark, K. | Hokanson | Metzen | Rose | Weaver |
| Clawson | Hokr | Minne | Rothenberg | Welch |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dean | Jennings | Murphy | Sarna | Wieser |
| Dempsey | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Jude | Niehaus | Schreiber | Zubay |
| Eken | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kaley | Novak | Shea | |
| Ellingson | Kalis | Nysether | Sherman | |
| Erickson | Kelly | Ogren | Sherwood | |

Those who voted in the negative were:

Welker

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1052

A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1052, 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. 1052 be further amended as follows:

Page 1, line 14, after "acres" insert "*and shall be located adjacent to the peripheral boundary of the land under the custodial control of the community college board*"

Page 1, line 15, before the period insert "*; provided, that prior to reversion the tract shall be offered for sale for a period of 120 days to the current owner of the housing units thereon for a consideration equal to the unimproved value of the tract. For the purpose of this sale, the commissioner shall designate therefor two or more of the regularly appointed and qualified state appraisers to determine the value of the tract*"

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

House Conferees: PAUL D. AASNESS, ARLENE I. LEHTO and FRED C. NORTON.

Senate Conferees: WAYNE OLHOFT, A. O. H. SETZEPFANDT and DAVID RUED.

Aasness moved that the report of the Conference Committee on H. F. No. 1052 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1052, A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

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 | Evans | Kelly | Olsen | Simoneau |
| Ainley | Ewald | Knickerbocker | Onnen | Stadum |
| Anderson, B. | Fjoslien | Kostohryz | Osthoff | Staten |
| Anderson, G. | Forsythe | Kvam | Otis | Stowell |
| Anderson, I. | Friedrich | Lehto | Peterson, B. | Stumpf |
| Anderson, R. | Greenfield | Lemen | Peterson, D. | Sviggum |
| Battaglia | Gruenes | Levi | Piepho | Swanson |
| Begich | Gustafson | Ludeman | Pogemiller | Tomlinson |
| Berkelman | Halberg | Luknic | Redalen | Valan |
| Blatz | Hauge | Mann | Reding | Valento |
| Brandl | Haukoos | Marsh | Rees | Vanasek |
| Brinkman | Heap | McCarron | Reif | Vellenga |
| Byrne | Heinitz | McDonald | Rice | Weaver |
| Carlson, L. | Himle | McEachern | Rose | Welch |
| Clark, J. | Hoberg | Mehrkens | Rothenberg | Welker |
| Clark, K. | Hokanson | Metzen | Samuelson | Wenzel |
| Dahlvang | Hokr | Minne | Sarna | Wieser |
| Dean | Jacobs | Murphy | Schafer | Wigley |
| Dempsey | Jennings | Nelsen, B. | Schoenfeld | Wynia |
| Den Ouden | Johnson, C. | Nelson, K. | Schreiber | Zubay |
| Drew | Johnson, D. | Niehaus | Searles | Spkr. Sieben, H. |
| Eken | Jude | Norton | Shea | |
| Elioff | Kahn | Novak | Sherman | |
| Erickson | Kaley | Nysether | Sherwood | |
| Esau | Kalis | Ogren | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|-----------|--------|---------------|----------|------|
| Ellingson | Long | Rodriguez, C. | Skoglund | Voss |
| Hanson | Munger | | | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 182

A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding

a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes 1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

May 11, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 182, 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. 182 be further amended as follows:

Page 10, line 16, delete "\$2,000" and insert "\$2,700"

Page 10, line 18, after "loan" insert "secured by a first lien on a borrower's primary residence"

Page 10, line 20, delete the first "a" and insert "the"

Page 10, line 21, delete everything after "home"

Page 10, line 22, delete "primary residence"

Page 10, line 22, after the period, insert "*If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the*

entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150."

Page 14, line 5, delete ", computing"

Page 14, delete line 6

Page 14, line 7, delete everything before the period

Page 14, line 21, delete "reasonable"

Page 14, delete line 22

Page 14, line 23, delete everything before "actual"

Page 14, line 32, before the colon, insert "; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater"

Page 15, line 11, delete "and" and insert a comma

Page 15, line 11, after "56.01" insert "and section 56.12"

Page 15, line 13, delete "consumer price index for urban wage" and insert "implicit price deflator for the gross national product, 1972 = 100, compiled by the United States department of commerce"

Page 15, delete lines 14 and 15

Page 15, line 16, delete everything before the comma

Page 15, line 36, delete "Bureau of Labor Statistics" and insert "department of commerce"

Page 16, line 2, delete "Bureau of Labor Statistics" and insert "department of commerce"

Page 16, after line 18, insert:

"Subd. 5. [ATTORNEY'S FEES.] No term of writing may provide for the payment by the debtor of attorney's fees."

Page 18, line 23, after the period insert "The sale of credit life and credit accident and health insurance shall be subject to the provisions of chapter 62B, except that the term of the insurance may exceed 60 months if the term of the loan exceeds 60 months."

Page 19, line 4, delete "LAST" and after "YEAR" insert "LAST REPORTED TO THE DEPARTMENT OF COMMERCE"

Page 19, after line 7, insert:

"The licensee shall have 30 days after the insurance company submits its report of losses to the department of commerce for the previous calendar year to change its disclosure to reflect the current loss ratio."

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

House Conferees: THOMAS R. BERKELMAN, JAMES P. METZEN and DOUGLAS R. EWALD.

Senate Conferees: COLLIN C. PETERSON, OTTO T. BANG, JR. and ROBERT J. TENNESSEN.

Berkelman moved that the report of the Conference Committee on H. F. No. 182 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 182, A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes 1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

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 76 yeas and 40 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|-----------|
| Aasness | Evans | Johnson, D. | Nelsen, B. | Sherman |
| Ainley | Ewald | Kaley | Niehaus | Sherwood |
| Anderson, B. | Fjoslien | Knickerbocker | Norton | Stadum |
| Anderson, R. | Forsythe | Kvam | Nysether | Stowell |
| Berkelman | Gruenes | Laidig | Olsen | Swiggum |
| Blatz | Gustafson | Lehto | Onnen | Swanson |
| Brandl | Hanson | Lemen | Peterson, B. | Tomlinson |
| Brinkman | Hauge | Levi | Piepho | Valento |
| Carlson, L. | Heap | Ludeman | Redalen | Voss |
| Dahlvang | Heinitz | Luknic | Rees | Welker |
| Dean | Himle | Mann | Reif | Wigley |
| Dempsey | Hoberg | Marsh | Rose | Zubay |
| Den Ouden | Hokanson | McDonald | Rothenberg | |
| Drew | Hokr | Mehrkens | Schafer | |
| Erickson | Jennings | Metzen | Schreiber | |
| Esau | Johnson, C. | Murphy | Searles | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|----------|
| Anderson, I. | Greenfield | McCarron | Peterson, D. | Staten |
| Battaglia | Halberg | Minne | Reding | Vanasek |
| Begich | Haukoos | Nelson, K. | Rice | Vellenga |
| Byrne | Jude | Novak | Rodriguez, C. | Weaver |
| Clark, J. | Kalis | O'Connor | Samuelson | Welch |
| Clark, K. | Kelly | Ogren | Schoenfeld | Wenzel |
| Clawson | Kostohryz | Osthoff | Shea | Wieser |
| Ellingson | Long | Otis | Skoglund | Wynia |

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 Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 28 and H. F. No. 750, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Metzen moved that the rules be so far suspended that S. F. No. 28 be substituted for H. F. No. 750 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. No. 28 was read for the second time.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of S. F. No. 1040.

S. F. No. 1040 was reported to the House.

Long moved to amend S. F. No. 1040, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 115A.03, Subdivision 15, is amended to read:

Subd. 15. “Intrinsic suitability” of a land area or site means that, (BECAUSE OF) *based on existing data on the inherent and natural attributes, physical features, and location of the land area or site, there is no known reason why 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)* cannot reasonably be expected to qualify for permits in accordance with agency rules. *Agency certification of intrinsic suitability shall be based on data submitted to the agency by the proposing entity and data included by the hearing examiner in the record of any public hearing on recommended certification, and applied against criteria in agency rules and any additional criteria developed by the agency in effect at the time the proposing entity submits the site for certification.*

Sec. 2. Minnesota Statutes 1980, Section 115A.03, Subdivision 29, is amended to read:

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.

Sec. 3. Minnesota Statutes 1980, Section 115A.05, Subdivision 3, is amended to read:

Subd. 3. [TEMPORARY MEMBERS.] For the purposes of each project review conducted by the board under sections 115A.18 to 115A.30 and 115A.32 to 115A.39 and for the purpose of preparing and adopting the hazardous waste management plan under section 115A.11 and making decisions on the elements of the certification of need for disposal required under sections 115A.18 to 115A.30, six local representatives shall be added to the board as temporary voting members, as provided in sections 115A.22, subdivision 4, and 115A.34. The provisions of section (15.075) 15.0575, subdivisions 3 and 4 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 and that appointments by the governor to fill vacancies shall take effect in the same manner as the original appointment.

Sec. 4. Minnesota Statutes 1980, Section 115A.06, Subdivision 4, is amended to read:

Subd. 4. [ACQUISITION OF SITES FOR HAZARDOUS WASTE FACILITIES.] The board may direct the commissioner 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 sections 115A.18 to 115A.30 and 115A.32 to 115A.39, and any temporary interest in any land subject to the development moratorium established by section 115A.21, subdivision 3. 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 sections 115A.57 to 115A.59. 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 115A.09 or candidacy under sections 115A.18 to 115A.30. 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) *preferred* areas under section 115A.09 or as a candidate site under sections 115A.18 to 115A.30 or its selection as a site or buffer area.

Sec. 5. Minnesota Statutes 1980, Section 115A.06, Subdivision 5, is amended to read:

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. *The board may pay a reasonable estimate of the damages it believes will be caused by the entrance and activity before entering any property.*

Sec. 6. Minnesota Statutes 1980, Section 115A.06, is amended by adding a subdivision to read:

Subd. 13. [PRIVATE AND NON-PUBLIC DATA.] *Any data held by the board which consists of trade secret information as defined by section 15.1673, subdivision 1, clause (b), sales information, or any other information which, if public, would tend to adversely affect the competitive position of the subject of the data, shall be classified as private or non-public data as defined in section 15.162, subdivisions 5a and 5c if the subject of the data has certified that the data qualifies as non-public or private data under this subdivision and the chairman of the waste management board approves the classification in writing. When data is classified private or non-public pursuant to this subdivision the board may:*

(a) *Use the data to compile and publish analyses or summaries and to carry out its statutory responsibilities in a manner which does not identify the subject of the data; or*

(b) *Disclose the data when it is obligated to disclose it to comply with federal law or regulation but only to the extent required by the federal law or regulation. The subject of data classified as private or non-public pursuant to this subdivision may authorize the disclosure of some or all of that data by the board.*

Sec. 7. Minnesota Statutes 1980, Section 115A.08, Subdivision 4, is amended to read:

Subd. 4. [REPORT ON HAZARDOUS WASTE MANAGEMENT; DRAFT MANAGEMENT PLAN AND CERTIFICATION OF NEED.] By (JANUARY 1) *August 15*, 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 section 115A.23;

(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 115A.11, and a draft certificate or certificates of need proposed for issuance under section 115A.24.

Sec. 8. Minnesota Statutes 1980, Section 115A.08, Subdivision 5, is amended to read:

Subd. 5. [REPORT ON MITIGATION OF LOCAL EFFECTS OF HAZARDOUS WASTE FACILITIES.] By (JANUARY 1) *August 15*, 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.

Sec. 9. Minnesota Statutes 1980, Section 115A.08, Subdivision 6, is amended to read:

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) *areas* prepared pursuant to Section 115A.09. The board and the chairperson on behalf of the board shall follow the procedures set out in section 115A.22, 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 sections 115A.18 to 115A.30. 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. 10. Minnesota Statutes 1980, Section 115A.09, is amended to read:

115A.09 [DUTIES OF THE BOARD; INVENTORY OF PREFERRED (SITES) *AREAS* FOR HAZARDOUS WASTE PROCESSING FACILITIES.]

Subdivision 1. [BOARD RESPONSIBILITY.] By (NOVEMBER) *January* 1, (1981) *1982*, the board shall prepare an inventory of preferred (SITES) *areas of up to ten square miles*

in size for commercial hazardous waste processing facilities. No preferred area may extend into more than one statutory or home rule charter city or town, but the board may propose adjoining preferred areas in adjacent cities and towns. The inventory shall include at least three (SITES) areas 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) AREAS.] The board shall not be required to promulgate rules pursuant to chapter 15 to govern its evaluation and selection of (SITES) areas under this section. The board and the chairperson on behalf of the board shall evaluate the (SITES) areas 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) areas 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) areas, 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) *The agency shall prepare a report on the suitability of each proposed area for the use intended.*

Subd. 3. [PROCEDURES.] The board shall propose the inventory of (SITES) areas by (JUNE) August 1, 1981 by publication in the state register and newspapers of general circulation in the state and by mail to each regional development commission, *metropolitan council*, and local government unit containing a proposed (SITE) area. (ANY) *The publications and mailing shall include notice of (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) hearings on the board's proposal. The hearings shall be conducted by the state office of administrative hearings 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) local government unit in which (A SITE) an area is proposed for inclusion in the inventory may propose an alternative (SITE) area or (SITES) areas within (THE COUNTY) its*

jurisdiction. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the board and additional information on the proposed area or alternative areas which is relevant to the board's decision on the areas to be included in the inventory. The contested case procedures of chapter 15 shall not apply to this hearing. The hearing examiner may consolidate hearings. The report of the hearing examiner shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. When any (SITE) area 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) area in the inventory may be reviewed and approved under sections 115A.32 to 115A.39. 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. 11. Minnesota Statutes 1980, Section 115A.11, Subdivision 1, is amended to read:

Subdivision 1. [CONTENTS.] By (MAY 1) *December 15, 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.

Sec. 12. Minnesota Statutes 1980, Section 115A.19, is amended to read:

115A.19 [PROCEDURE NOT EXCLUSIVE.]

Except as provided in Minnesota Statutes 1980, Section 115A.21, Subdivision 1, the procedure established by sections 115A.18 to 115A.30 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 sections 115A.18 to 115A.30.

Sec. 13. Minnesota Statutes 1980, Section 115A.20, is amended to read:

115A.20 [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 sections 115A.18 to 115A.30, *nor shall the agency be required to promulgate rules pursuant to chapter 15 on criteria and standards to govern its certification of intrinsic suitability of sites for commercial disposal facilities under sections 115A.18 to 115A.30.* 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. 14. Minnesota Statutes 1980, Section 115A.21, Subdivision 1, is amended to read:

Subdivision 1. [SELECTION.] By (AUGUST 1, 1981) *March 15, 1982*, 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. *The agency shall suspend its review of any permit application being reviewed by the board for inclusion as a candidate site until the site is eliminated from consideration as a candidate site.*

Sec. 15. Minnesota Statutes 1980, Section 115A.21, Subdivision 2, is amended to read:

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 sections 115A.18 to 115A.30 and the hazardous waste reports and plans required under sections 115A.04 to 115A.15. 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. *The board shall provide to the agency data relating to the intrinsic*

suitability of the sites to be proposed as candidate sites as soon as available but no later than November 1, 1981. By (MAY 1) November 15, 1981, the board shall propose at least six locations as candidate sites, the director of the agency shall issue a notice indicating which of those sites the director recommends be certified as intrinsically suitable, and the board through its chairperson and the director shall publish notice of hearings on the board's proposal and the director's recommendations. Notice shall be published in the state register and newspapers of general circulation in the state and shall (NOTIFY) be sent by mail to all regional development commissions, or the metropolitan council, and to 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) The hearings shall be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings and the hearing examiner's report to the agency and board in the time allowed by this section. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the board and additional information on the proposed sites which is relevant to the board's decision on candidate sites and the agency's decision on intrinsic suitability. The contested case procedures of chapter 15 shall not apply to this hearing. The hearing examiner may consolidate hearings. The report of the hearing examiner shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. The agency shall make a final determination as to the intrinsic suitability of each proposed site and shall certify sites accordingly by March 1, 1982. No action of the board or agency shall be held invalid by reason of the board's or agency's failure to notify any of the entities listed in this subdivision.

Sec. 16. Minnesota Statutes 1980, Section 115A.22, Subdivision 3, is amended to read:

Subd. 3. [MEMBERSHIP ON LOCAL COMMITTEES.] By (SEPTEMBER 1, 1981) April 15, 1982, 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.

Sec. 17. Minnesota Statutes 1980, Section 115A.22, Subdivision 4, is amended to read:

Subd. 4. [APPOINTMENT OF TEMPORARY BOARD MEMBERS.] By (OCTOBER 1, 1981) *May 15, 1982*, 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 sections 115A.18 to 115A.30. *If a local committee fails to appoint a temporary board member within 45 days after the appointment of the committee the governor shall appoint a temporary board member to represent the committee on the board.* 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. *Temporary board members shall serve for terms lasting until the board has taken final action pursuant to section 115A.28 and, in the case of members representing the site or sites finally chosen for the facility, until the commencement of the operation of the facility at that site.*

Sec. 18. Minnesota Statutes 1980, Section 115A.23, is amended to read:

115A.23 [DISPOSAL FACILITIES; PRELIMINARY DESIGN AND OPERATING SPECIFICATIONS.]

By (JANUARY 1) *August 15, 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 115A.25. 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. 19. Minnesota Statutes 1980, Section 115A.24, is amended to read:

115A.24 [CERTIFICATION OF NEED.]

Subdivision 1. [CERTIFICATE.] Except as provided in subdivision 2, by (MAY 1) December 15, 1982, on the basis of and consistent with its hazardous waste management plan adopted under section 115A.11, 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.

Subd. 2. [CONDITION.] No certificate or certificates of need for disposal facilities for hazardous waste shall be issued by the board pursuant to subdivision 1 unless legislation is enacted to:

(a) Define the liability of owners and operators of disposal facilities and generators and other persons responsible for the disposal of hazardous waste;

(b) Provide the appropriate units of state or local government with the capability to clean up disposal sites or take other action to mitigate an imminent or substantial danger to public health or welfare or the environment from the disposal of hazardous waste; and

(c) Provide for the payment of the state's share of costs incurred pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Public Law 96-510, as amended, as required by that act as a match to federal moneys.

Sec. 20. Minnesota Statutes 1980, Section 115A.26, is amended to read:

115A.26 [AGENCIES; PERMIT CONDITIONS.]

Within 60 days following (THE ACCEPTANCE) *determination of adequacy* 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. 21. Minnesota Statutes 1980, Section 115A.28, Subdivision 2, is amended to read:

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) *and the requirements of sections 473H.02 to 473H.17; except that a facility established pursuant to the decision shall be subject to those terms, conditions, and requirements of permitting agencies embodied in the board's decision and (EXCEPT AS PROVIDED IN) any requirements imposed pursuant to 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.

Sec. 22. Minnesota Statutes 1980, Section 115A.33, is amended to read:

115A.33 [ELIGIBILITY; REQUEST FOR REVIEW.]

The following persons shall be eligible to request supplementary review by the board pursuant to sections 115A.32 to 115A.-39: (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 section 115A.09; *(e) a person who has been issued permits by the agency for a disposal facility for the nonhazardous sludge, ash, or other solid waste generated by a permitted hazardous waste processing facility operated by the person.* 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 section 115A.46, 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. 23. Minnesota Statutes 1980, Section 115A.34, is amended to read:

115A.34 [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 sections 115A.32 to 115A.39, 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. *If the appointing authority fails to appoint temporary board members in the period allowed, the governor shall appoint the temporary members to represent the local interests in accordance with this section.* Temporary board members shall serve for terms lasting until the board has taken final action on the facility.

Sec. 24. Minnesota Statutes 1980, Section 115A.37, Subdivision 2, is amended to read:

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) and the requirements of sections 473H.02 to 473H.17; except that the facility shall be subject to those terms, conditions, and requirements of permitting agencies embodied in the board's approval and (EXCEPT AS PROVIDED IN) any requirements imposed pursuant to 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.

Sec. 25. Minnesota Statutes 1980, Section 115A.54, Subdivision 3, is amended to read:

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) board. 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.

Sec. 26. Minnesota Statutes 1980, 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 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 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, a single standard of hazardous waste control 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 unreasonable 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 governing unit shall set standards of hazardous waste control which are in conflict or inconsistent with those set by the pollution control agency.

Sec. 27. Minnesota Statutes 1980, 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 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 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, 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 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 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, 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 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 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, 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 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 facilities. A rule or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. The public utilities 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. 28. Minnesota Statutes 1980, Section 116.41, Subdivision 2, is amended to read:

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 shall conduct training programs for persons operating facilities for the disposal of waste and for inspectors of such facilities, and may charge such fees as are necessary to cover the actual costs of the training programs.

The agency shall require operators and inspectors of such facilities to obtain from the agency a certificate of competence. The agency shall conduct examinations to test the competence of applicants for certification, and 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. *Certificates shall not be required for a private individual for landspreading and associated interim and temporary storage of sewage sludge on property owned or farmed by that individual.*

Sec. 29. Minnesota Statutes 1980, Section 400.161, is amended to read:

400.161 [HAZARDOUS WASTE REGULATIONS.]

The county may by ordinance establish and revise rules, regulations, and standards relating to (a) identification of hazardous waste, (b) the labeling and classification of hazardous waste, (c) the collection, transportation, processing, disposal, and storage of hazardous waste, (d) 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.) *County hazardous waste ordinances shall embody and be consistent with agency hazardous waste rules. Counties shall submit adopted ordinances to the agency for review. In the event that agency rules are modified, each county shall modify its ordinances accordingly and shall submit the modification to the agency for review within 120 days. Issuing, denying, modifying, imposing conditions upon, or revoking permits (PURSUANT TO THE PROVISIONS OF THIS SECTION) or licenses and county hazardous waste regulations (PROMULGATED HEREUNDER) and ordinances 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 in the case of hazardous waste permits and licenses and 30 days in the case of hazardous waste ordinances to review, deny, suspend, modify, or reverse the action of the county. After (15 DAYS) this period, the action of the county board shall be final subject to appeal to the district court as provided in section 115.05.*

Sec. 30. Minnesota Statutes 1980, Section 473.149, Subdivision 2b, is amended to read:

Subd. 2b. [INVENTORY OF SOLID WASTE DISPOSAL SITES.] By (OCTOBER 1, 1981) *February 1, 1982*, 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.

Sec. 31. Minnesota Statutes 1980, Section 473.149, Subdivision 2c, is amended to read:

Subd. 2c. [REPORT ON LOCAL EFFECTS OF SOLID WASTE DISPOSAL FACILITIES; REPORT TO LEGISLATURE.] By (JANUARY 1) *August 15, 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.

Sec. 32. Minnesota Statutes 1980, Section 473.149, Subdivision 2e, is amended to read:

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 473.833. 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 473.833. 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 473.833, no longer needed for disposal facilities. *The schedule shall also include a closure schedule and plans for post-closure management for facilities in existence prior to January 1, 1983.*

Sec. 33. Minnesota Statutes 1980, Section 473.149, is amended by adding a subdivision to read:

Subd. 4a. [RIGHT OF ACCESS.] Whenever the council deems it necessary to the evaluation of a disposal site or buffer area under chapter 473, the council or any member, employee, or agent thereof, when authorized by it, may enter upon any public or private property for the purpose of obtaining information or conducting surveys or investigations if the entrance and activity are undertaken after reasonable notice and during normal business hours. The council shall compensate for any damage to the property caused by the entrance and activity.

Sec. 34. Minnesota Statutes 1980, Section 473.153, Subdivision 1, is amended to read:

Subdivision 1. [FACILITIES REQUIRED.] Except as provided in subdivision 7 and section 115A.33, 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)** *the facilities needed for the disposal of sewage sludge and solid waste generated by the commission. The council and the commission shall establish at least one facility.*

Sec. 35. Minnesota Statutes 1980, Section 473.153, Subdivision 2, is amended to read:

Subd. 2. [CANDIDATE SITE SELECTION.] By (JULY) November (1) 15, 1981, the council shall select **(THREE)** *six* 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)** *council. The council shall provide to the agency data relating to the intrinsic suit-*

ability of the sites to be proposed as candidate sites as soon as available but no later than August 15, 1981. By September 1, 1981, the council shall propose at least six locations as candidate sites and the director of the agency shall issue a notice indicating which of those sites the director recommends be certified as intrinsically suitable. The director shall publish notice of a consolidated hearing on the recommendation. Notice shall be published in the state register and newspapers of general circulation in the metropolitan area and shall be sent by mail to local government units containing a proposed candidate site. The hearing shall be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings and the hearing examiner's report to the agency in the time allowed by this section. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the council and additional information on the proposed sites which is relevant to the agency's decision on intrinsic suitability. The contested case procedures of chapter 15 shall not apply to this hearing. The report of the hearing examiner shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. The agency shall make a final determination as to the intrinsic suitability of each proposed site and shall certify them accordingly by November 1, 1981. The agency shall not be required to promulgate rules pursuant to chapter 15 on criteria and standards to govern its certification of intrinsic suitability under this section. No action of the agency shall be held invalid by reason of the agency's failure to notify any of the entities listed in this subdivision. 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.

Sec. 36. Minnesota Statutes 1980, Section 473.153, Subdivision 6, is amended to read:

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. *The requirements of sections 473H.02 to 473H.17 shall not apply to the selection and acquisition of the sites.*

Sec. 37. Minnesota Statutes 1980, Section 473.516, Subdivision 4, is amended to read:

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. *The commission shall attempt to the greatest practical extent to provide a sludge quality that permits desired nutrient loadings and minimizes elements not essential for plant growth when sludge is disposed of on private property as a soil conditioner or amendment. The commission shall provide recipients with information on the facility generating the sludge and the content of the sludge taken from its various treatment facilities.*

Sec. 38. Minnesota Statutes 1980, Section 473.801, is amended by adding a subdivision to read:

Subd. 4. Unless otherwise provided the definitions of terms defined in section 115A.03 shall apply to sections 473.801 to 473.823.

Sec. 39. Minnesota Statutes 1980, Section 473.803, Subdivision 1a, is amended to read:

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] By (JUNE) October (1) 15, 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 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) *adopted by a county or the council as part of an inventory 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. *Each county shall provide to the agency data relating to the intrinsic suitability of the sites to be proposed for the inventory as soon as available but no later than June 15, 1981. By July 1, 1981 each county shall propose at least the number of sites required for the inventory, and the director of the agency shall issue a notice indicating which of those sites the director recommends be certified as intrinsically suitable. Notice of hearings on the director's recommendation shall be published in the state register and newspapers of general circulation in the metropolitan area and shall be sent by mail to the metropolitan council and local government units containing a proposed inventory site. A hearing shall be held in each metropolitan county and shall be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings and the hearing examiner's report to the agency in the time allowed by this section. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the county and additional information on the proposed sites which is relevant to the agency's decision on intrinsic suitability. The contested case procedures of chapter 15 shall not apply to this hearing. The report of the hearing examiner shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. The agency shall make a final determination as to the intrinsic suitability of each proposed site and shall certify them accordingly by October 1, 1981. The agency shall not be required to promulgate rules pursuant to chapter 15 on criteria and standards to govern its certification of intrinsic suitability under this section. No action of the agency shall be held invalid by reason of the agency's failure to notify any of the entities listed in this subdivision. 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.

Sec. 40. Minnesota Statutes 1980, Section 473.811, Subdivision 2, is amended to read:

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. *The proceeds of the bonds may be used in part to establish a reserve as further security for the payment of the principal and interest of the bonds when due. Revenue bonds issued pursuant to this section may be sold at public or private sale upon such conditions as the county board shall determine, but any bonds to which the full faith and credit and taxing powers of the county are pledged shall be sold in accordance with the provisions of chapter 475.* 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.

Sec. 41. Minnesota Statutes 1980, Section 473.811, is amended by adding a subdivision to read:

Subd. 2a. [COUNTY SOLID WASTE INDUSTRIAL DEVELOPMENT REVENUE BONDS.] *A metropolitan county may issue revenue bonds to finance solid waste and related facilities projects located inside or outside the boundaries of cities or towns described in section 368.01 under and pursuant to the provisions of chapter 474.*

Sec. 42. Minnesota Statutes 1980, Section 473.811, Subdivision 3, is amended to read:

Subd. 3. [COUNTY OPERATION OF FACILITIES.] Each metropolitan county may operate and maintain solid waste facili-

ties, 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).

Sec. 43. Minnesota Statutes 1980, Section 473.811, Subdivision 4, is amended to read:

Subd. 4. [COUNTY CONTRACTS.] Each metropolitan county may contract for the *acquisition* or use of existing public or private solid waste facilities or *any facilities deemed necessary or useful for resource recovery from solid waste* and may contract with any person for the operation (AND) or maintenance, or both, of any solid waste facility owned by the county. The contract shall provide for the operation (AND) or maintenance, or both, of the facility in accordance with any regulations, criteria, and standards of the agency, the metropolitan council and the county relating thereto. *Any contract for the operation or maintenance of a solid waste facility may provide for the sale of solid waste, materials, electric energy, steam or other product to the operator or for a fee payable to the operator, which may be a fixed fee, or a fee based on tonnage or a percentage of income or other measure, or any combination thereof. A metropolitan county may warrant to the operator of a solid waste facility or contract purchaser of any solid waste, materials, electric energy, steam or other product the quality, composition and available quantity of the solid waste, materials, electric energy, steam or other product to be sold or delivered.*

Sec. 44. Minnesota Statutes 1980, Section 473.811, is amended by adding a subdivision to read:

Subd. 4b. [CONTRACTS; NEGOTIATION.] *Notwithstanding any other law, a metropolitan county may contract for the acquisition, construction, improvement, maintenance or operation of solid waste facilities or property or property rights for solid waste facilities by any means available and in the manner determined by the county board, with or without advertisement for bids. A metropolitan county may select and employ a construction manager for construction and acquisition of solid waste facilities or property or property rights for solid waste facilities and negotiate and enter into a construction manage-*

ment agreement, which may but need not include a guaranteed maximum price. A construction manager shall give a bond to the county in accordance with section 574.26 if a construction management agreement provides for a guaranteed maximum price, provided that the amount of any bond furnished by any contractor or subcontractor for performance of and payment of labor and materials under a contract or subcontract for solid waste facilities or property or property rights for solid waste facilities included in the guaranteed maximum price may be substituted to the extent of the bond amount for the bond of the construction manager. A construction management agreement for acquisition and construction of solid waste facilities or property or property rights for solid waste facilities may be combined with a contract for maintenance or operation, or both, of the facilities and negotiated with the same person.

Sec. 45. Minnesota Statutes 1980, Section 473.811, Subdivision 5b, is amended to read:

Subd. 5b. [ORDINANCES; HAZARDOUS WASTE MANAGEMENT.] Each metropolitan county shall by ordinance establish and revise rules, regulations, and standards relating to (a) the identification of hazardous waste, (b) the labeling and classification of hazardous waste, (c) the collection, storage, transportation, processing, and disposal of hazardous waste, and (d) other matters necessary for the public health, welfare and safety. The county shall require permits or licenses for the generation, collection, processing, and disposal of hazardous waste and shall require registration with a county office. *County hazardous waste ordinances shall embody and be consistent with agency hazardous waste rules. Counties shall submit adopted ordinances to the agency for review. In the event that agency rules are modified, each county shall modify its ordinances accordingly and shall submit the modification to the agency for review within 120 days.* 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 *in the case of hazardous waste permits and licenses and 30 days in the case of hazardous waste ordinances* 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 chapter 15.

Sec. 46. Minnesota Statutes 1980, Section 473.811, Subdivision 8, is amended to read:

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 473.827, 473.831, 473.833, and 473.834. Such property may be sold in the manner provided by section 458.196, or may be sold in such other manner and on such terms and conditions as the county board shall determine. 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.

Sec. 47. Minnesota Statutes 1980, Section 473.831, Subdivision 1, is amended to read:

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 473.833 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 council shall have the power to levy ad valorem taxes for debt service of the council's solid waste bonds 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. Each of the county auditors shall annually assess and extend upon the tax rolls in his county the portion of the taxes levied by the council in each year which is certified to him by the council.* The principal amount of bonds issued pursuant to this section shall not exceed \$15,000,000.

Sec. 48. Minnesota Statutes 1980, Section 473.833, is amended by adding a subdivision to read:

Subd. 2a. [ENVIRONMENTAL ANALYSIS.] *By January 1, 1983, each metropolitan county shall complete an analysis comparing the environmental effects of solid waste disposal facilities at the sites in the county which are included in the metropolitan inventory of solid waste disposal sites adopted*

by the metropolitan council pursuant to section 473.149, subdivision 2b. The analysis shall be in detail sufficient, in the judgment of the county board, to inform adequately the county site selection authority established under subdivision 3 of the environmental effects of facilities at sites within the county and to assure that facilities at the sites can reasonably be expected to qualify for permits in accordance with the rules of the agency.

Sec. 49. Minnesota Statutes 1980, Section 473.834, Subdivision 2, is amended to read:

Subd. 2. [ALLOCATION OF DEBT SERVICE.] The annual debt service on the council's solid waste bonds, issued under section 473.831, shall be annually apportioned *and certified* by the council to each (CITY AND TOWN) *county* in the metropolitan area, in the proportion that the assessed value of all taxable property within (SUCH CITY OR TOWN) *each county* 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) *the counties, except that the apportionment to each county shall first be adjusted to reflect exemptions from payment required by subdivision 1 and reductions in payment required by subdivision 3.*

Sec. 50. [APPROPRIATIONS.]

Subdivision 1. The appropriation of \$1,200,000 made available for certain purposes before June 30, 1981, by Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 3, Clause (b), is available for expenditure for those purposes until expended.

Subd. 2. The appropriation made in Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 4, Clause (b), is available until expended.

Subd. 3. The two positions in the unclassified service created in Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6, shall not cancel when the appropriation is expended. The continuation of the positions is dependent upon the availability of money in the general services revolving fund, resource recovery account established in section 115A.15, subdivision 6.

Sec. 51. [REPEALER.]

Minnesota Statutes 1980, Section 473.834, Subdivisions 4 and 5, are repealed.

Sec. 52. [EFFECTIVE DATE; APPLICATION.]

This act is effective the day following final enactment. Sections 30 to 49 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

“A bill for an act relating to the environment; clarifying terms, procedures, powers, and duties in the waste management act and for counties and metropolitan waste management; extending time limits for site selections and reports; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivisions 4 and 5, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c, 2e, and by adding a subdivision; 473.153, Subdivisions 1, 2 and 6; 473.516, Subdivision 4; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, 8, and by adding subdivisions; 473.831, Subdivision 1; 473.833, by adding a subdivision; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 4 and 5.”

The motion prevailed and the amendment was adopted.

Long moved to amend S. F. No. 1040, as amended, as follows:

Page 3, line 4, after “any” insert “*permanent or temporary*”

Page 3, lines 9 to 11, delete the new language

Page 8, line 34, delete the comma and insert “or”

Page 9, line 19, after “*The*” insert “*rulemaking and*”

Page 10, line 20, after the period insert “*The board may make the implementation of elements of the plan contingent on actions of the legislature which have been recommended in the reports submitted pursuant to section 115A.08.*”

Page 13, line 10, after the comma insert “and”

Page 13, line 13, delete the comma and insert a period and strike “and”

Page 13, line 34, after “*The*” insert “*rulemaking and*”

Page 14, after line 7, insert a section to read:

“Sec. 16. Minnesota Statutes 1980, Section 115A.21, Subdivision 3, is amended to read:

Subd. 3. [MORATORIUM.] *In order to permit the comparative evaluation of sites and the participation of affected localities in decisions about the use of sites, a moratorium is hereby imposed as provided in this subdivision 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 sections 115A.18 to 115A.30. No development shall be allowed to occur within a proposed site or buffer area during the period of the moratorium without the approval of the board. No land use control of any political subdivision shall permit development which has not been approved by the board, nor shall any political subdivision sanction or approve any subdivision, permit, license, or other authorization which would allow development to occur which has not been approved by the board. The board shall not approve actions which would jeopardize the availability of a candidate site for use as a hazardous waste facility. The board may establish guidelines for reviewing requests for approval under this subdivision. The guidelines shall not be subject to the rule-making provisions of chapter 15. Requests for approval shall be submitted in writing to the chairperson of the board and shall be deemed to be approved by the board unless the chairperson otherwise notifies the submitter in writing within 15 days."*

Renumber sections accordingly

Page 24, line 22, after the period insert "*Notwithstanding the provisions of section 15.0412, subdivision 5, the temporary rules shall be effective until permanent rules are promulgated or March 1, 1982, whichever is earlier.*"

Page 30, line 9, delete "*November*" and insert "*December*"

Page 31, line 13, after "*The*" insert "*rulemaking and*"

Page 31, line 18, delete "*November*" and insert "*December*"

Page 31, after line 27, insert a section to read:

"Sec. 37. Minnesota Statutes 1980, Section 473.153, Subdivision 3, is amended to read:

Subd. 3. [MORATORIUM.] *In order to permit the comparative evaluation of sites and the participation of affected localities in decisions about the use of sites, a moratorium is hereby imposed as provided in this subdivision on development within the area of each (PROPOSED) candidate 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 *without the approval of the council*. No county, city, or town land use control shall permit (SUCH) development *which has not been approved by the council*, nor shall any county, city, or town sanction or approve any subdivision, permit, license, or other authorization which would allow (SUCH) development to occur *which has not been approved by the council*. The council shall not approve actions which would jeopardize the availability of a candidate site for use as a solid waste facility. The council may establish guidelines for reviewing requests for approval under this subdivision. Requests for approval shall be submitted in writing to the chairman of the council and shall be deemed to be approved by the council unless the chairman otherwise notifies the submitter in writing within 15 days."

Renumber sections accordingly

Page 32, lines 2 to 4, delete the new language

Page 34, line 12, after "The" insert "rulemaking and"

Page 35, line 1, after the period insert "In order to permit the comparative evaluation of sites and the participation of affected localities in decisions about the use of sites,"

Page 35, line 2, after "imposed" insert "as provided in this subdivision"

Page 35, line 8, after "moratorium" insert "without the approval of the council"

Page 35, line 9, strike "such" and after "development" insert "which has not been approved by the council"

Page 35, line 12, strike "such" and after "occur" insert "which has not been approved by the council. The council shall not approve actions which would jeopardize the availability of a site for use as a solid waste facility. The council may establish guidelines for reviewing requests for approval under this subdivision. Requests for approval shall be submitted in writing to the chairman of the council and shall be deemed to be approved by the council unless the chairman otherwise notifies the submitter in writing within 15 days."

Page 35, line 18, after "facilities" insert ", related transmission facilities," and strike "a"

Page 35, line 19, strike "solid waste facility" and insert "the facilities"

Page 39, line 7, after "in" delete "such other" and insert "the" and after "on" delete "such" and insert "the" and delete "as" and insert "determined by"

Page 39, line 8, delete "shall determine"

Page 41, line 3, delete "subdivsion" and insert "subdivision"

Page 41, line 25, delete "30" and insert "31"

Page 41, line 25, delete "49" and insert "51"

Further amend the title as follows:

Page 1, line 13, delete ", Subdivisions 1 and 2"

Page 1, line 19, after "2" insert ", 3"

The motion prevailed and the amendment was adopted.

Jude and Schoenfeld moved to amend S. F. No. 1040, as amended, as follows:

Page 2, line 3, after the period insert "*Land with soils designated class I or II by the United States soil conservation service shall not be deemed intrinsically suitable.*"

Page 26, after line 3, insert a section to read:

"Sec. 28. [116.082] [CERTAIN PERMITS PROHIBITED.]

The agency shall not grant a permit for a new waste disposal facility if the facility is proposed to be located on land with soils designated class I or II by the United States soil conservation service."

Renumber sections accordingly

Further amend the title as follows:

Page 1, line 23, after the semicolon insert "proposing new law coded in Minnesota Statutes, Chapter 116;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 40 yeas and 88 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|------------|---------|
| Aasness | Esau | Jude | Niehaus | Shea |
| Anderson, B. | Fjoslien | Kalis | Nysether | Sherman |
| Anderson, G. | Hauge | Levi | O'Connor | Stadum |
| Brinkman | Heinitz | Ludeman | Ogren | Stungum |
| Dempsey | Himle | Luknic | Onnen | Swiggum |
| Den Ouden | Jennings | Mann | Reding | Welker |
| Eken | Johnson, C. | McEachern | Schafer | Wenzel |
| Erickson | Johnson, D. | Mehrkens | Schoenfeld | Wigley |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Friedrich | Laidig | Peterson, B. | Skoglund |
| Anderson, I. | Greenfield | Lehto | Peterson, D. | Staten |
| Anderson, R. | Gruenes | Lemen | Piepho | Stowell |
| Battaglia | Gustafson | Long | Pogemiller | Swanson |
| Begich | Halberg | Marsh | Redalen | Tomlinson |
| Berkelman | Hanson | McCarron | Rees | Valan |
| Blatz | Harens | McDonald | Reif | Valento |
| Brandl | Haukoos | Metzen | Rice | Vanasek |
| Byrne | Heap | Minne | Rodriguez, C. | Vellenga |
| Carlson, D. | Hoberg | Munger | Rodriguez, F. | Voss |
| Carlson, L. | Hokanson | Murphy | Rose | Weaver |
| Clark, J. | Hokr | Nelsen, B. | Rothenberg | Welch |
| Clawson | Jacobs | Nelson, K. | Samuelson | Wieser |
| Dahlvang | Kahn | Norton | Schreiber | Wynia |
| Drew | Kaley | Novak | Searles | Zubay |
| Elioff | Kelly | Olsen | Sherwood | Spkr. Sieben, H. |
| Ellingson | Knickerbocker | Osthoff | Sieben, M. | |
| Evans | Kostohryz | Otis | Simoneau | |

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

Jude moved to amend S. F. No. 1040, as amended, as follows:

Page 4, line 15, after the period, insert:

"In determining the fair market value of such property there shall be included any appreciation in the value of the property which would have occurred but for the fact that the property was designated in an inventory of sites or buffer areas, designated as a candidate site or buffer area, or selected as a site or buffer area."

Page 17, after line 30, insert a section to read:

"Sec. 22. [115A.302] [COMPENSATION.]

The board shall compensate owners and lessees of land contiguous to a new waste disposal facility sited by or for the board for decreases in the fair market value of their interest in the land and for reductions in the rate of appreciation of that value caused by proximity to the facility. The method for determining the amount of compensation and the procedures for filing

and appeal shall be as provided for eminent domain proceedings in chapter 117.”

Page 21, after line 2, insert a section to read:

“Sec. 26. [115A.692] [COMPENSATION.]

The district shall compensate owners and lessees of land contiguous to a new waste disposal facility sited by or for the district for decreases in the fair market value of their interest in the land and for reductions in the rate of appreciation of that value caused by proximity to the facility. The method for determining the amount of compensation and the procedures for filing and appeal shall be as provided for eminent domain proceedings in chapter 117.”

Page 26, after line 23, insert a section to read:

“Sec. 29. [368.011] [COMPENSATION.]

The town shall compensate owners and lessees of land contiguous to a new waste disposal facility sited by or for the town for decreases in the fair market value of their interest in the land and for reductions in the rate of appreciation of that value caused by proximity to the facility. The method for determining the amount of compensation and the procedures for filing and appeal shall be as provided for eminent domain proceedings in chapter 117.”

Page 27, after line 27, insert sections to read:

“Sec. 30. [400.18] [COMPENSATION.]

The county shall compensate owners and lessees of land contiguous to a new waste disposal facility sited by or for the county for decreases in the fair market value of their interest in the land and for reductions in the rate of appreciation of that value caused by proximity to the facility. The method for determining the amount of compensation and the procedures for filing and appeal shall be as provided for eminent domain proceedings in chapter 117.

Sec. 31. [412.223] [COMPENSATION.]

The city shall compensate owners and lessees of land contiguous to a new waste disposal facility sited by or for the city for decreases in the fair market value of their interest in the land and for reductions in the rate of appreciation of that value caused by proximity to the facility. The method for determining the amount of compensation and the procedures for filing and appeal shall be as provided for eminent domain proceedings in chapter 117.”

Page 32, after line 4, insert a section to read:

"Sec. 37. [473.155] [COMPENSATION.]

The commission shall compensate owners and lessees of land contiguous to a new waste disposal facility sited by or for the commission for decreases in the fair market value of their interest in the land and for reductions in the rate of appreciation of that value caused by proximity to the facility. The method for determining the amount of compensation and the procedures for filing and appeal shall be as provided for eminent domain proceedings in chapter 117."

Page 40, after line 25 insert:

"Sec. 48. Minnesota Statutes 1980, Section 473.833, Subdivision 5, is amended to read:

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. *In determining the fair market value of such property there shall be included any appreciation in the value of the property which would have occurred but for the fact that the property was designated in an inventory of sites or buffer areas, designated as a candidate site or buffer area, or selected 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.

Page 41, after line 3, insert a section to read:

"Sec. 50. [473.836] [COMPENSATION.]

The county shall compensate owners and lessees of land contiguous to a new waste disposal facility sited by or for the county for decreases in the fair market value of their interest in the land and for reductions in the rate of appreciation of that value caused by proximity to the facility. The method for determining the amount of compensation and the procedures for filing

and appeal shall be as provided for eminent domain proceedings in chapter 117."

Renumber the sections

Further amend the title as follows:

Page 1, line 22, before "by" insert "Subdivision 5, and"

Page 1, line 23, after the semicolon insert "proposing new law coded in Minnesota Statutes, Chapters 115A, 368, 400, 412, and 473;"

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

S. F. No. 1040, A bill for an act relating to the environment; clarifying terms and duties in the waste management act; extending time limits for site selections and reports; clarifying and changing waste management powers of metropolitan counties; providing that certain appropriations shall remain available until expended; amending Minnesota Statutes 1980, Sections 115A.03, Subdivisions 15 and 29; 115A.05, Subdivision 3; 115A.06, Subdivisions 4 and 5, and by adding a subdivision; 115A.08, Subdivisions 4, 5 and 6; 115A.09; 115A.11, Subdivision 1; 115A.19; 115A.20; 115A.21, Subdivisions 1 and 2; 115A.22, Subdivisions 3 and 4; 115A.23; 115A.24; 115A.26; 115A.28, Subdivision 2; 115A.33; 115A.34; 115A.37, Subdivision 2; 115A.54, Subdivision 3; 116.07, Subdivisions 2 and 4; 116.41, Subdivision 2; 400.161; 473.149, Subdivisions 2b, 2c and 2e, and by adding a subdivision; 473.153, Subdivisions 1, 2 and 6; 473.801, by adding a subdivision; 473.803, Subdivision 1a; 473.811, Subdivisions 2, 3, 4, 5b, and 8, and by adding subdivisions; 473.831, Subdivision 1; and 473.834, Subdivision 2; repealing Minnesota Statutes 1980, Section 473.834, Subdivisions 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 100 yeas and 26 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|---------------|----------|
| Anderson, I. | Clark, J. | Friedrich | Hoberg | Laidig |
| Anderson, R. | Clawson | Greenfield | Hokanson | Lehto |
| Battaglia | Dahlvang | Gruenes | Hokr | Lemen |
| Begich | Drew | Halberg | Jacobs | Long |
| Berkelman | Elioff | Hanson | Johnson, C. | Luknic |
| Blatz | Ellingson | Harens | Kahn | Marsh |
| Brandl | Evans | Haukoos | Kaley | McCarron |
| Byrne | Ewald | Heap | Kelly | McDonald |
| Carlson, D. | Fjoslien | Heinitz | Knickerbocker | Mehrkens |
| Carlson, L. | Forsythe | Himle | Kostohryz | Metzen |

| | | | | |
|------------|--------------|---------------|------------|------------------|
| Minne | Osthoff | Rice | Sieben, M. | Vanasek |
| Munger | Otis | Rodriguez, C. | Simoneau | Vellenga |
| Murphy | Peterson, B. | Rodriguez, F. | Skoglund | Voss |
| Nelsen, B. | Peterson, D. | Rose | Stadum | Weaver |
| Nelson, K. | Piepho | Rothenberg | Staten | Welch |
| Norton | Pogemiller | Sarna | Stowell | Wieser |
| Novak | Redalen | Schreiber | Swanson | Wigley |
| Nysether | Reding | Searles | Tomlinson | Wynia |
| O'Connor | Rees | Sherman | Valan | Zubay |
| Olsen | Reif | Sherwood | Valento | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|------------|--------|
| Aasness | Erickson | Kalis | Onnen | Welker |
| Ainley | Esau | Ludeman | Samuelson | Wenzel |
| Anderson, B. | Hauge | Mann | Schafer | |
| Anderson, G. | Jennings | McEachern | Schoenfeld | |
| Dempsey | Johnson, D. | Niehaus | Stumpf | |
| Den Ouden | Jude | Ogren | Sviggum | |

The bill was passed, as amended, 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. 604:

Peterson, D.; Osthoff and Laidig.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1212:

Clawson, Ogren and Dean.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 452:

Clark, K.; Sarna and Drew.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1132:

Heap; Johnson, C., and Zubay.

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

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 315, A bill for an act relating to taxation; real property; decreasing the classification ratio on apartments; amending Minnesota Statutes 1980, Section 273.13, Subdivision 19.

Reported the same back with the following amendments:

Page 1, line 12, delete "32" and insert "36"

Page 1, line 13, after "value" insert "*in 1982 and 34 percent of market value in 1983 and thereafter*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1210, A bill for an act relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.974; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 290.971; 290.972; 290.973; and 290.975.

Reported the same back with the following amendments:

Page 9, line 1, after the stricken "Modifications" insert "*A modification*" and reinstate "*affecting shareholders of electing small*"

Page 9, reinstate line 2

Page 9, line 3, reinstate "Code of 1954" and after the stricken comma insert "*shall be made*" and reinstate the stricken period

Page 9, line 23, reinstate "In cases where the election under section 1372 of the"

Page 9, reinstate line 24

Page 9, line 25, reinstate "this chapter and at the close of the taxable"

Page 9, line 26, reinstate "year immediately preceding the effective election under" and insert "*this chapter*"

Page 9, line 27, reinstate "the corporation has a reserve of undistributed taxable"

Page 9, reinstate lines 28 to 36

Page 10, lines 1 to 15, reinstate the stricken language

Page 11, line 23, delete "290.973;"

Amend the title as follows:

Page 1, line 9, delete "290.973;"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 315 and 1210 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Eken, Mann, Stumpf and Valan introduced:

H. F. No. 1494, A bill for an act relating to agriculture; creating a family farm finance agency; authorizing the agency to issue debt obligations and to make loans for the acquisition of farm land; transferring the family farm security program to the agency; appropriating money; amending Minnesota Statutes 1980, Sections 41.51; 41.52, Subdivisions 1, 5, 8, 9 and 10, and by adding subdivisions; 41.54, Subdivision 4; 41.55; 41.56; 41.57; 41.58; 41.59, Subdivisions 1 and 2; and 41.60; proposing new law coded in Minnesota Statutes, Chapter 41; repealing Minnesota Statutes 1980, Section 41.53.

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

Sherwood introduced:

H. F. No. 1495, A bill for an act relating to municipal government; abolishing the Minnesota municipal board; transferring its duties to the commissioner of administration; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 414.

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

McEachern, Begich and Welch introduced :

H. F. No. 1496, A bill for an act relating to congressional districts; reapportioning congressional districts; amending Minnesota Statutes 1980, Sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

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

Anderson, I., introduced :

H. F. No. 1497, A bill for an act relating to game and fish; dates when possession of certain fishing gear restricted; amending Minnesota Statutes 1980, Section 101.42, Subdivision 18.

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

Kaley, Reding and Sarna introduced :

H. F. No. 1498, A bill for an act relating to retirement; including employees at the state ceremonial building in the unclassified employees plan; amending Minnesota Statutes 1980, Section 352D.02, Subdivision 1.

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

HOUSE ADVISORIES

The following House Advisories were introduced :

Minne; Peterson, D., and Kostohryz introduced :

H. A. No. 33, A proposal to study eligibility criteria used in Minnesota housing finance agency programs.

The advisory was referred to the Committee on General Legislation and Veterans Affairs.

Pogemiller; Carlson, D.; Nelsen, B.; Mann and Anderson, G., introduced :

H. A. No. 34, A proposal to study the effects of Minnesota operating railroads forming or joining holding companies.

The advisory was referred to the Committee on Transportation.

Anderson, G., Osthoff and Valan were excused while in conference committee.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. No. 968 and S. F. No. 400.

H. F. No. 968, A bill for an act relating to penalties for crimes; creating the Minnesota law enforcement training account and the crime victim assistance account; appropriating money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 299B.06; 588.01, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 626.

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 | Evans | Kelly | O'Connor | Sherwood |
| Ainley | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Skoglund |
| Anderson, I. | Forsythe | Kvam | Onnen | Stadum |
| Anderson, R. | Friedrich | Laidig | Osthoff | Staten |
| Battaglia | Greenfield | Lehto | Otis | Stowell |
| Begich | Gruenes | Lemen | Peterson, B. | Stumpf |
| Berkelman | Gustafson | Levi | Piepho | Sviggum |
| Blatz | Halberg | Long | Pogemiller | Swanson |
| Brandl | Hanson | Ludeman | Redalen | Tomlinson |
| Brinkman | Hauge | Luknic | Reding | Valan |
| Byrne | Haukoos | Mann | Rees | Valento |
| Carlson, D. | Heap | Marsh | Reif | Vanasek |
| Carlson, L. | Heinitz | McCarron | Rice | Vellenga |
| Clark, J. | Himle | McDonald | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | McEachern | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Mehrkens | Rose | Welch |
| Dahlvang | Hokr | Metzen | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Elioff | Jude | Niehaus | Schreiber | Zubay |
| Ellingson | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |
| Esau | Kalis | Nysether | Sherman | |

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

S. F. No. 400, A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time

peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

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 | Esau | Kelly | Ogren | Sieben, M. |
| Ainley | Evans | Knickerbocker | Olsen | Simoneau |
| Anderson, B. | Ewald | Kostohryz | Onnen | Skoglund |
| Anderson, I. | Fjoslien | Kvam | Osthoff | Stadum |
| Anderson, R. | Forsythe | Laidig | Otis | Staten |
| Battaglia | Friedrich | Lehto | Peterson, D. | Stowell |
| Begich | Greenfield | Lemen | Piepho | Stumpf |
| Berkelman | Gruenes | Long | Pogemiller | Swiggum |
| Blatz | Gustafson | Ludeman | Redalen | Swanson |
| Brandl | Halberg | Luknic | Reding | Tomlinson |
| Brinkman | Hanson | Mann | Rees | Valan |
| Byrne | Hauge | Marsh | Reif | Valento |
| Carlson, D. | Haukoos | McCarron | Rice | Vanasek |
| Carlson, L. | Heap | McDonald | Rodriguez, C. | Vellenga |
| Clark, J. | Heinitz | McEachern | Rodriguez, F. | Voss |
| Clark, K. | Himle | Mehrkens | Rose | Weaver |
| Clawson | Hoberg | Minne | Rothenberg | Welch |
| Dahlvang | Hokanson | Munger | Samuelson | Welker |
| Dean | Jacobs | Murphy | Sarna | Wenzel |
| Dempsey | Jennings | Nelsen, B. | Schafer | Wieser |
| Den Ouden | Johnson, C. | Nelson, K. | Schoenfeld | Wigley |
| Drew | Johnson, D. | Niehaus | Schreiber | Wynia |
| Eken | Jude | Norton | Searles | Zubay |
| Elioff | Kahn | Novak | Shea | Spkr. Sieben, H. |
| Ellingson | Kaley | Nysether | Sherman | |
| Erickson | Kalis | O'Connor | Sherwood | |

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, I., requested immediate consideration of S. F. Nos. 279 and 1079; H. F. Nos. 1448 and 1184 and S. F. No. 1305.

S. F. No. 279 was reported to the House.

Norton moved to amend S. F. No. 279, the unofficial engrossment, as follows:

Page 5, line 11, after "1981" insert "*and subsequent years*"

Page 5, line 12, after "1982" insert "*and subsequent years*"

The motion prevailed and the amendment was adopted.

S. F. No. 279, A bill for an act relating to taxation; providing that certain emergency shelters are exempt from the property tax; amending Minnesota Statutes 1980, Section 272.02, 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 122 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, I. | Forsythe | Laidig | Otis | Stadum |
| Anderson, R. | Friedrich | Lehto | Peterson, B. | Staten |
| Battaglia | Greenfield | Long | Peterson, D. | Stowell |
| Begich | Gruenes | Ludeman | Piepho | Stumpf |
| Berkelman | Halberg | Luknic | Pogemiller | Sviggum |
| Blatz | Hanson | Mann | Redalen | Swanson |
| Brandl | Harens | Marsh | Reding | Tomlinson |
| Brinkman | Hauge | McCarron | Rees | Valan |
| Byrne | Haukoos | McDonald | Reif | Valento |
| Carlson, D. | Heinitz | McEachern | Rice | Vanasek |
| Carlson, L. | Himle | Mehrkens | Rodriguez, C. | Vellenga |
| Clark, J. | Hoberg | Metzen | Rodriguez, F. | Voss |
| Clark, K. | Hokanson | Minne | Rose | Weaver |
| Clawson | Jacobs | Munger | Rothenberg | Welch |
| Dahlvang | Jennings | Murphy | Samuelson | Wenzel |
| Dempsey | Johnson, C. | Nelsen, B. | Sarna | Wieser |
| Drew | Johnson, D. | Nelson, K. | Schafer | Wigley |
| Eken | Jude | Niehaus | Schoenfeld | Wynia |
| Elioff | Kahn | Norton | Schreiber | Zubay |
| Ellingson | Kaley | Novak | Searles | Spkr. Sieben, H. |
| Erickson | Kalis | Nysether | Shea | |
| Esau | Kelly | O'Connor | Sherman | |
| Evans | Knickerbocker | Ogren | Sieben, M. | |

Those who voted in the negative were:

Den Ouden Welker

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

S. F. No. 1079 was reported to the House.

Reding moved to amend S. F. No. 1079, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [353.025] [CITY MANAGERS; ELECTION; DEFERRED COMPENSATION.]

Subdivision 1. [DEFINITIONS.] For purposes of this section "city manager" means (1) a person duly appointed to and holding the position of city manager in a Plan B statutory city or in a home rule city operating under the "council-manager" form of government, or (2) a person appointed to and holding the position of chief administrative officer of a home rule charter city or a statutory city pursuant to a charter provision, ordinance, or resolution establishing such a position and prescribing its duties and responsibilities. "Governing body" means the city council of the city employing the city manager. "Election" means the election described in subdivision 2.

Subd. 2. [ELECTION.] A city manager may elect to be excluded from membership in the association. The election of exclusion shall be made within 30 days following the commencement of employment or within 30 days following the effective date of this act, whichever occurs later, in writing on a form prescribed by the executive director and shall be approved by a resolution of the governing body of the city. The election of exclusion shall not be effective until it is filed with the executive director. Membership of a city manager in the association shall cease on the date the written election is received by the executive director or upon a later date specified. The election to be excluded from membership shall include a provision agreeing that the person will not at any time in the future seek any authorization to purchase service credit for any period of excluded service and shall be irrevocable.

Subd. 3. [DEFERRED COMPENSATION; CITY CONTRIBUTION.] If an election of exclusion is made, and if the city manager and the governing body of the city agree in writing that the additional compensation is to be deferred and shall be contributed on behalf of the city manager to a deferred compensation program which meets the requirements of section 457 of the Internal Revenue Code of 1954, as amended through December 31, 1980, the governing body may compensate the city manager, in addition to the salary allowed under any limitation imposed on salaries by law or charter, in an amount equal to the employer contribution which would be required by section 353.27, subdivision 3, if the city manager were a member of the association.

Subd. 4. [REFUNDS; DEFERRED ANNUITY.] A city manager who makes an election to be excluded from membership is entitled to a refund of accumulated deductions or, if otherwise qualified, a deferred annuity in the manner provided by section 353.34, at the option of the manager.

Subd. 5. [ELECTION; OTHER EMPLOYMENT.] If a city manager who has made an election to be excluded accepts

employment in another governmental subdivision or accepts employment other than as a city manager in the same city, the election shall be deemed to have been rescinded on the effective date of employment.

Sec. 2. Minnesota Statutes 1980, 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 through December 31, 1979.

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, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(ii) 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 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.

(iii) 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 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 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 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, 1978, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 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 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, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852 (b) (5) (A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852 (b) (5) (B) of the Internal Revenue Code of 1954, except for that portion of 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 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);

(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; (AND)

(19) 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 (.) ; and

(20) To the extent excluded from federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 1, the amount of contributions made by the city manager or administrator which is equal to the amount which would have been the city manager's or administrator's employee contribution pursuant to section 353.27, subdivision 2, if he were a member of the public employees retirement association.

(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 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 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 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 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. The maximum amount of this subtraction shall be \$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 \$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 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 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;

(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 before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(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);

(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 subdivision 27; and

(19) To the extent included in federal adjusted gross income, in the case of a city manager or city administrator who elects to be excluded from the public employees retirement association and who makes contributions to a deferred compensation program pursuant to section 1, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a)(20).

(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 the corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of 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 the corporation is liquidated or the individual shareholder disposes of 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, 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 the reserve is distributed to shareholders 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 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 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, clause (2) in computing Minnesota inheritance or estate 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 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. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

The motion prevailed and the amendment was adopted.

S. F. No. 1079, A bill for an act relating to retirement; providing for an exemption from membership therein for city managers; modifying the income taxation of deferred compensation contributions by certain city managers; amending Minne-

sota Statutes 1980, Section 290.01, Subdivision 20; proposing new law coded in Minnesota Statutes, Chapter 353.

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:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Ewald | Kvam | Ogren | Sherwood |
| Anderson, B. | Fjoslien | Laidig | Olsen | Sieben, M. |
| Anderson, I. | Forsythe | Lehto | Onnen | Simoneau |
| Anderson, R. | Friedrich | Lemen | Otis | Skoglund |
| Battaglia | Greenfield | Levi | Peterson, B. | Stadum |
| Begich | Gruenes | Long | Peterson, D. | Staten |
| Berkelman | Halberg | Ludeman | Piepho | Stowell |
| Blatz | Hanson | Luknic | Pogemiller | Stumpf |
| Brandl | Hauge | Mann | Redalen | Sviggum |
| Brinkman | Haukoos | Marsh | Reding | Swanson |
| Byrne | Heap | McCarron | Rees | Tomlinson |
| Carlson, D. | Heinitz | McDonald | Reif | Valan |
| Carlson, L. | Himle | McEachern | Rice | Valento |
| Clark, J. | Hoberg | Mehrkens | Rodriguez, C. | Vanasek |
| Clawson | Hokanson | Metzen | Rodriguez, F. | Vellenga |
| Dahlvang | Jacobs | Minne | Rose | Voss |
| Dempsey | Jennings | Munger | Rothenberg | Weaver |
| Den Ouden | Johnson, D. | Murphy | Samuelson | Welch |
| Drew | Jude | Nelsen, B. | Sarna | Welker |
| Eken | Kahn | Nelson, K. | Schafer | Wenzel |
| Elioff | Kaley | Niehaus | Schoenfeld | Wieser |
| Ellingson | Kalis | Norton | Schreiber | Wigley |
| Erickson | Kelly | Novak | Searles | Wynia |
| Esau | Knickerbocker | Nysether | Shea | Zubay |
| Evans | Kostohryz | O'Connor | Sherman | Spkr. Sieben, H. |

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

CALL OF THE HOUSE

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

| | | | | |
|--------------|------------|-------------|---------------|--------------|
| Aasness | Dean | Hauge | Knickerbocker | Murphy |
| Ainley | Den Ouden | Haukoos | Kostohryz | Nelson, K. |
| Anderson, B. | Eken | Heap | Kvam | Niehaus |
| Battaglia | Elioff | Heinitz | Laidig | Norton |
| Begich | Ellingson | Himle | Lehto | Nysether |
| Berkelman | Erickson | Hoberg | Lemen | O'Connor |
| Blatz | Esau | Hokr | Levi | Ogren |
| Brandl | Ewald | Jacobs | Long | Olsen |
| Brinkman | Fjoslien | Jennings | Ludeman | Onnen |
| Byrne | Friedrich | Johnson, D. | Luknic | Otis |
| Carlson, D. | Greenfield | Jude | Mann | Peterson, B. |
| Carlson, L. | Gustafson | Kahn | Marsh | Peterson, D. |
| Clark, J. | Halberg | Kaley | McCarron | Piepho |
| Clark, K. | Hanson | Kalis | Minne | Pogemiller |
| Clawson | Harens | Kelly | Munger | Redalen |

| | | | | |
|---------------|------------|----------|-----------|------------------|
| Reding | Sarna | Simoneau | Tomlinson | Wenzel |
| Rees | Schafer | Skoglund | Valento | Wieser |
| Rice | Schoenfeld | Staten | Vellenga | Wigley |
| Rodriguez, C. | Schreiber | Stowell | Voss | Wynia |
| Rodriguez, F. | Shea | Stumpf | Weaver | Zubay |
| Rose | Sherman | Svigum | Welch | Spkr. Sieben, H. |
| Rothenberg | Sherwood | Swanson | Welker | |

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.

POINT OF ORDER

Swanson raised a point of order pursuant to rule 4.9. The Speaker pro tempore deferred her decision pursuant to Section 244 of "Mason's Manual of Legislative Procedure."

H. F. No. 1448, A bill for an act relating to counties; excepting a county legal assistance levy from levy limits; amending Minnesota Statutes 1980, Section 375.167, 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.

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

There were 76 yeas and 53 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, B. | Ellingson | Lemen | Olsen | Staten |
| Anderson, I. | Evans | Levi | Osthoff | Stumpf |
| Anderson, R. | Greenfield | Long | Otis | Swanson |
| Battaglia | Gustafson | Luknic | Peterson, D. | Tomlinson |
| Begich | Hanson | Mann | Pogemiller | Vanasek |
| Berkelman | Harens | McCarron | Reding | Vellenga |
| Blatz | Hauge | McEachern | Rice | Voss |
| Brandl | Haukoos | Metzen | Rodriguez, C. | Weaver |
| Byrne | Hokanson | Minne | Rodriguez, F. | Welch |
| Carlson, L. | Jacobs | Munger | Samuelson | Wenzel |
| Clark, J. | Jude | Murphy | Sarna | Wynia |
| Clark, K. | Kahn | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Clawson | Kalis | Norton | Shea | |
| Dahlvang | Kelly | Novak | Sieben, M. | |
| Drew | Kostohryz | O'Connor | Simoneau | |
| Elioff | Lehto | Ogren | Skoglund | |

Those who voted in the negative were:

| | | | | |
|---------|-------------|---------|-----------|-------|
| Aasness | Brinkman | Dean | Den Ouden | Esau |
| Ainley | Carlson, D. | Dempsey | Erickson | Ewald |

| | | | | |
|-----------|---------------|--------------|------------|---------|
| Fjoslien | Hokr | McDonald | Reif | Stowell |
| Forsythe | Jennings | Nelsen, B. | Rose | Sviggum |
| Friedrich | Johnson, D. | Niehaus | Rothenberg | Valento |
| Gruenes | Kaley | Nysether | Schafer | Welker |
| Halberg | Knickerbocker | Onnen | Schreiber | Wieser |
| Heap | Kvam | Peterson, B. | Searles | Wigley |
| Heinitz | Laidig | Piepho | Sherman | Zubay |
| Himle | Ludeman | Redalen | Sherwood | |
| Hoberg | Marsh | Rees | Stadum | |

The bill was passed and its title agreed to.

CALL OF THE HOUSE LIFTED

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

H. F. No. 1184 was reported to the House.

Hanson moved to amend H. F. No. 1184, as follows:

Page 1, delete lines 9 to 26 and insert:

“Section 1. [38.26] [PAYMENTS FOR CITY SERVICES.]

The board of managers of the society shall enter and make payments pursuant to a written agreement with the city council of any city within which the boundaries of the state fairgrounds are located. The agreement shall provide that the society will compensate the city for the cost of providing city services to occupants or users of the fairgrounds and any additional costs incurred by the city as a result of the use of the fairgrounds, including a reasonable amount for wear and tear on and demand for additional capital facilities. The board of managers and the city shall renegotiate the terms of the agreement at least once every two years.”

Page 2, delete lines 1 to 17

Page 3, line 5, before “Section” insert “Section 1 is effective the day following final enactment.”

Further amend the title:

Page 1, line 2, delete “providing for taxation of”

Page 1, line 3, delete “certain leased fairground property” and insert “requiring the state agricultural society to negotiate an agreement to provide compensation for certain city services”

Page 1, line 5, delete “Sections 272.01,” and insert “Section”

Page 1, line 6, delete “Subdivision 2; and”

Page 2, line 6, after "subdivision" insert "; and proposing new law coded in Minnesota Statutes, Chapter 38"

The motion prevailed and the amendment was adopted.

H. F. No. 1184, A bill for an act relating to taxation; providing for taxation of certain leased fairground property; providing for homestead classification of certain leased premises; amending Minnesota Statutes 1980, Sections 272.01, Subdivision 2; and 273.13, 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 80 yeas and 40 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------------|
| Aasness | Eken | Johnson, C. | Norton | Sarna |
| Anderson, I. | Elioff | Jude | Novak | Shea |
| Anderson, R. | Ellingson | Kahn | O'Connor | Sherman |
| Battaglia | Ewald | Kelly | Ogren | Sieben, M. |
| Begich | Forsythe | Laidig | Olsen | Simoneau |
| Blatz | Friedrich | Lehto | Otis | Skoglund |
| Brandl | Greenfield | Lemen | Peterson, D. | Staten |
| Byrne | Gruenes | Long | Piepho | Swanson |
| Carlson, D. | Gustafson | Mann | Pogemiller | Tomlinson |
| Carlson, L. | Hanson | Marsh | Rees | Vanasek |
| Clark, J. | Harens | McCarron | Reif | Vellenga |
| Clark, K. | Hauge | Metzen | Rice | Voss |
| Clawson | Heap | Minne | Rodriguez, C. | Welch |
| Dahlvang | Heinritz | Munger | Rodriguez, F. | Wenzel |
| Dean | Hokanson | Murphy | Rose | Wynia |
| Dempsey | Hokr | Nelson, K. | Rothenberg | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|-------------|------------|--------------|---------|
| Ainley | Haukoos | Levi | Osthoff | Stadum |
| Brinkman | Himle | Ludeman | Peterson, B. | Stowell |
| Den Ouden | Hoberg | Luknic | Redalen | Sviggum |
| Erickson | Jacobs | McDonald | Schafer | Valento |
| Esau | Jennings | Nelsen, B. | Schoenfeld | Weaver |
| Evans | Johnson, D. | Niehaus | Schreiber | Welker |
| Fjoslien | Kalis | Nysether | Searles | Wieser |
| Halberg | Kvam | Onnen | Sherwood | Wigley |

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

S. F. No. 1305 was reported to the House.

Lehto moved to amend S. F. No. 1305, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1969, Chapter 720, Section 11, Subdivision 1, as amended by Laws 1973, Chapter 325, Section 1, is amended to read:

Sec. 11. [DULUTH, CITY OF; TRANSIT AUTHORITY.]

Subdivision 1. Notwithstanding anything to the contrary contained in the charter of the city of Duluth, any ordinance thereof, or any statute applicable thereto, limiting the amount levied in any one year for general or special purposes, the city council of the city of Duluth shall each year, at the time the tax levies for the support of the city are made, levy a tax on all taxable property in an amount not to exceed (1.5) 3 mills in any year, by ordinance (, SUBJECT TO THE REFERENDUM PROVISIONS OF THE HOME RULE CHARTER OF THE CITY OF DULUTH). *An ordinance fixing the levy shall take effect immediately upon its passage and approval.* The proceeds from such levy shall be paid into the city treasury, and shall be deposited in the operating fund provided for under section 4, subdivision 3, of this act.

Sec. 2. [LOCAL APPROVAL; EFFECTIVE DATE.]

This act is effective only with approval of a majority of the voters of the city voting on the question of its approval at a special or regular election. It shall then take effect the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 2."

Delete the title and insert:

"A bill for an act relating to the city of Duluth; providing tax financing for the transit authority; amending Laws 1969, Chapter 720, Section 11, Subdivision 1, as amended."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 41 yeas and 64 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|---------------|--------------|---------------|------------------|
| Berkelman | Hauge | Munger | Rees | Vellenga |
| Clark, K. | Heinitz | Norton | Rodriguez, C. | Wieser |
| Clawson | Jennings | Nysether | Rodriguez, F. | Wigley |
| Dempsey | Kalis | O'Connor | Rothenberg | Zubay |
| Eken | Kelly | Olsen | Sherman | Spkr. Sieben, H. |
| Esau | Knickerbocker | Peterson, B. | Simoneau | |
| Fjoslien | Lehto | Piepho | Skoglund | |
| Greenfield | Long | Pogemiller | Stowell | |
| Gustafson | Mann | Reding | Tomlinson | |

Those who voted in the negative were:

| | | | | |
|--------------|--------|-------------|-----------|-----------|
| Aasness | Begich | Carlson, D. | Dean | Ellingson |
| Ainley | Blatz | Carlson, L. | Den Ouden | Erickson |
| Anderson, I. | Brandl | Clark, J. | Drew | Evans |
| Battaglia | Byrne | Dahlvang | Elioff | Forsythe |

| | | | | |
|-----------|-----------|------------|--------------|---------|
| Friedrich | Jude | Murphy | Peterson, D. | Sviggum |
| Gruenes | Kahn | Nelsen, B. | Redalen | Valento |
| Hanson | Lemen | Nelson, K. | Reif | Voss |
| Haukoos | Ludeman | Niehaus | Rice | Weaver |
| Heap | Marsh | Novak | Rose | Welch |
| Himle | McDonald | Ogren | Sarna | Welker |
| Hoberg | McEachern | Onnen | Schafer | Wenzel |
| Hokanson | Metzen | Osthoff | Schoenfeld | Wynia |
| Jacobs | Minne | Otis | Sieben, M. | |

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

Lehto moved that S. F. No. 1305 be temporarily laid over. The motion prevailed.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. No. 766.

H. F. No. 766 was reported to the House.

Norton moved to amend H. F. No. 766, as follows:

Page 5, line 14, after "price" insert "*which includes construction and construction related costs, construction management fees, architects fees, the cost of fixed equipment and site development costs,*"

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|---------------|
| Aasness | Erickson | Jude | Murphy | Rodriguez, F. |
| Ainley | Esau | Kahn | Nelsen, B. | Rose |
| Anderson, I. | Evans | Kaley | Niehaus | Rothenberg |
| Battaglia | Ewald | Kelly | Norton | Sarna |
| Blatz | Fjoslien | Knickerbocker | Novak | Schafer |
| Brandl | Greenfield | Kostohryz | Nysether | Schoenfeld |
| Brinkman | Gruenes | Kvam | O'Connor | Schreiber |
| Byrne | Gustafson | Laidig | Ogren | Searles |
| Carlson, D. | Halberg | Lehto | Olsen | Sherman |
| Carlson, L. | Hanson | Lemen | Onnen | Sherwood |
| Clark, J. | Harens | Levi | Osthoff | Sieben, M. |
| Clark, K. | Haukoos | Long | Otis | Simoneau |
| Clawson | Heap | Ludeman | Peterson, D. | Skoglund |
| Dahlvang | Himle | Luknic | Piepho | Stadium |
| Dean | Hoberg | Marsh | Pogemiller | Staten |
| Dempsey | Hokanson | McCarron | Redalen | Stowell |
| Den Ouden | Hokr | McDonald | Rees | Stumpf |
| Eken | Jacobs | McEachern | Reif | Sviggum |
| Elioff | Jennings | Minne | Rice | Swanson |
| Ellingson | Johnson, C. | Munger | Rodriguez, C. | Tomlinson |

| | | | | |
|----------|--------|--------|-------|------------------|
| Valento | Weaver | Wenzel | Wynia | Spkr. Sieben, H. |
| Vellenga | Welch | Wieser | Zubay | |
| Voss | Welker | Wigley | | |

Simoneau 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

The pending point of order raised earlier today by Swanson pursuant to rule 4.9 was reported to the House. The Speaker pro tempore ruled the point of order not well taken.

The Speaker resumed the Chair.

Swanson moved to amend H. F. No. 766, the first engrossment, as amended, as follows:

Page 3, line 2, after "that" insert "*during all phases of construction or any remodeling of the existing structures, operating bed capacity shall not exceed 600 beds and that*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 66 yeas and 68 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|---------------|----------|
| Aasness | Forsythe | Kahn | Onnen | Swanson |
| Ainley | Friedrich | Kaley | Osthoff | Valento |
| Anderson, B. | Greenfield | Knickerbocker | Peterson, B. | Vellenga |
| Anderson, I. | Gruenes | Lemen | Piepho | Weaver |
| Anderson, R. | Halberg | Levi | Reif | Welch |
| Blatz | Harens | Ludeman | Rodriguez, C. | Welker |
| Byrne | Haukoos | Luknic | Rose | Wieser |
| Clawson | Heinitz | McDonald | Sarna | Wigley |
| Dahlvang | Himle | McEachern | Schafer | Wynia |
| Dean | Hoberg | Mehrkens | Schreiber | Zubay |
| Dempsey | Hokanson | Metzen | Shea | |
| Den Ouden | Hokr | Niehaus | Sherman | |
| Esau | Jennings | Ogren | Stumpf | |
| Fjoslien | Jude | Olsen | Sviggum | |

Those who voted negative were:

| | | | | |
|--------------|-----------|-------------|-----------|------------|
| Anderson, G. | Clark, J. | Ewald | Kalis | Marsh |
| Battaglia | Clark, K. | Gustafson | Kelly | McCarron |
| Begich | Drew | Hanson | Kostohryz | Minne |
| Berkelman | Eken | Hauge | Kvam | Munger |
| Brandl | Elihoff | Heap | Laidig | Murphy |
| Brinkman | Ellingson | Jacobs | Lehto | Nelsen, B. |
| Carlson, D. | Erickson | Johnson, C. | Long | Nelson, K. |
| Carlson, L. | Evans | Johnson, D. | Mann | Norton |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Novak | Redalen | Samuelson | Skoglund | Vanasek |
| Nysether | Reding | Schoenfeld | Stadum | Voss |
| O'Connor | Rees | Searles | Staten | Wenzel |
| Otis | Rice | Sherwood | Stowell | Spkr. Sieben, H. |
| Peterson, D. | Rodriguez, F. | Sieben, M. | Tomlinson | |
| Pogemiller | Rothenberg | Simoneau | Valan | |

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

Lemen moved to amend H. F. No. 766, the first engrossment, as amended, as follows:

Page 3, line 25, after "including" insert "three percent of all research grants from private or public sources for activities at University Hospitals and two percent of all Medical School tuition revenue, in addition to"

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

Lemen moved to amend H. F. No. 766, the first engrossment, as amended, as follows:

Page 4, line 27, delete "To reduce the amount of taxes otherwise"

Page 4, delete lines 28 to 32

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

Lemen moved to amend H. F. No. 766, the first engrossment, as amended, as follows:

Page 3, line 6, after "agency" insert "provided that the total capacity of University Hospitals shall not exceed 675 beds"

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

Dean moved to amend H. F. No. 766, the first engrossment, as amended, as follows:

Page 5, after line 23, insert:

"Subd. 9. [LIMITATION ON USE OF BOND PROCEEDS.]
The proceeds from the sale of bonds authorized by subdivision 1 may not be loaned to the board of regents if the proceeds will be used to pay for:

(1) the construction of a new hospital building with a capacity in excess of 520 beds; or,

(2) *the remodeling of the existing hospital to result in newly constructed hospital facilities and newly remodeled facilities in excess of 520 beds. Notwithstanding this limitation, the proceeds may be used for the purposes stated in this subdivision if the board of regents requests that the legislature permit the use and describes, in detail, the justification, and the legislature, by concurrent resolution, permits the use.*

Subd. 10. [REPORT TO THE LEGISLATURE.] Not later than February 15th of each year, the board of regents shall report to the legislature on the status of the capital project out-charged by subdivision 1. The report shall include a statement of any proposed changes in the scope or size of the project, costs incurred, contracts let and the amount of each, any unanticipated costs or factors which could result in expenditures in excess of bond proceeds, any other matters which the chairman of the house appropriations committee or senate finance committee requests, and any other matter which the board believes may be of interest to the legislature. The report may be discontinued after a report is filed indicating that all work to construct hospital facilities has been completed."

Amend the title as follows :

Page 1, line 5, after the first semicolon, insert "limiting the use of the proceeds of the bonds; requiring an annual report to the legislature;"

The motion prevailed and the amendment was adopted.

McDonald, Jude, Rees, Wenzel and Harens offered an amendment to H. F. No. 766.

POINT OF ORDER

Dean 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.

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

There were 99 yeas and 26 nays as follows :

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Esau | Kahn | Norton | Sherman |
| Anderson, B. | Evans | Kaley | Novak | Sieben, M. |
| Anderson, I. | Ewald | Kalis | O'Connor | Simoneau |
| Anderson, R. | Forsythe | Kelly | Ogren | Skoglund |
| Battaglia | Friedrich | Knickerbocker | Olsen | Staten |
| Begich | Greenfield | Kostohryz | Osthoff | Stowell |
| Berkelman | Gustafson | Kvam | Otis | Stumpf |
| Brandl | Halberg | Laidig | Peterson, D. | Sviggum |
| Brinkman | Hanson | Lehto | Pogemiller | Swanson |
| Carlson, D. | Hauge | Levi | Reding | Tomlinson |
| Carlson, L. | Haukoos | Long | Rice | Vanasek |
| Clark, J. | Heinitz | Luknic | Rodriguez, C. | Vellenga |
| Clark, K. | Himle | Mann | Rodriguez, F. | Voss |
| Clawson | Hoberg | McCarron | Rose | Welch |
| Dahlvang | Hokanson | McEachern | Samuelson | Wenzel |
| Dean | Jacobs | Metzen | Sarna | Wieser |
| Drew | Jennings | Minne | Schoenfeld | Wynia |
| Eken | Johnson, C. | Munger | Schreiber | Zubay |
| Elioff | Johnson, D. | Murphy | Searles | Spkr. Sieben, H. |
| Ellingson | Jude | Nelson, K. | Shea | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|--------------|---------|--------|
| Aasness | Harens | Niehaus | Rees | Welker |
| Blatz | Heap | Nysether | Reif | Wigley |
| Dempsey | Lemen | Onnen | Schafer | |
| Den Ouden | Ludeman | Peterson, B. | Stadum | |
| Fjoslien | Marsh | Piepho | Valento | |
| Gruenes | McDonald | Redalen | Weaver | |

So it was the judgment of the House that the decision of the Speaker should stand and the amendment was not in order.

H. F. No. 766, as amended, was given its third reading.

Welch moved that H. F. No. 766 be re-referred to the Committee on Appropriations.

A roll call was requested and properly seconded.

The question was taken on the Welch motion and the roll was called.

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

There were 44 yeas and 87 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|----------|----------|--------------|
| Aasness | Den Ouden | Halberg | Kahn | Niehaus |
| Anderson, B. | Drew | Haukoos | Lemen | Olsen |
| Blatz | Esau | Himle | Levi | Onnen |
| Clark, K. | Fjoslien | Hoberg | Ludeman | Peterson, B. |
| Clawson | Forsythe | Jennings | Marsh | Piepho |
| Dempsey | Gruenes | Jude | McDonald | Reif |

| | | | | |
|---------------|---------|----------|--------|--------|
| Rodriguez, C. | Shea | Swanson | Weaver | Wigley |
| Schafer | Stumpf | Valento | Welch | Wynia |
| Schreiber | Sviggum | Vellenga | Welker | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Evans | Knickerbocker | O'Connor | Sherwood |
| Anderson, I. | Ewald | Kostohryz | Ogren | Sieben, M. |
| Anderson, R. | Friedrich | Kvam | Osthoff | Simoneau |
| Battaglia | Greenfield | Laidig | Otis | Skoglund |
| Begich | Gustafson | Lehto | Peterson, D. | Stadum |
| Berkelman | Hanson | Long | Pogemiller | Staten |
| Brandl | Harens | Luknic | Redalen | Stowell |
| Brinkman | Hauge | Mann | Reding | Tomlinson |
| Byrne | Heap | McCarron | Rees | Valan |
| Carlson, D. | Heinritz | Mehrrens | Rice | Vanasek |
| Carlson, L. | Hokanson | Minne | Rodriguez, F. | Voss |
| Clark, J. | Hokr | Munger | Rose | Wenzel |
| Dahlvang | Jacobs | Murphy | Rothenberg | Wieser |
| Dean | Johnson, C. | Nelsen, B. | Samuelson | Zubay |
| Eken | Johnson, D. | Nelson, K. | Sarna | Spkr. Sieben, H. |
| Elioff | Kaley | Norton | Schoenfeld | |
| Ellingson | Kalis | Novak | Searles | |
| Erickson | Kelly | Nysether | Sherman | |

The motion did not prevail.

H. F. No. 766, A bill for an act relating to the University of Minnesota hospitals; authorizing the sale of state bonds and loan of the proceeds of the sale to the board of regents of the University of Minnesota; limiting the use of the proceeds of the bonds; requiring an annual report to the legislature; appropriating money.

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.

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

There were 82 yeas and 49 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Clark, J. | Gustafson | Knickerbocker | Metzen |
| Anderson, G. | Dahlvang | Hanson | Kostohryz | Minne |
| Anderson, I. | Dean | Harens | Kvam | Munger |
| Anderson, R. | Eken | Hauge | Laidig | Murphy |
| Battaglia | Elioff | Heap | Lehto | Nelsen, B. |
| Begich | Ellingson | Heinritz | Levi | Nelson, K. |
| Berkelman | Erickson | Jacobs | Long | Norton |
| Brandl | Evans | Johnson, C. | Luknic | Novak |
| Brinkman | Ewald | Johnson, D. | Mann | O'Connor |
| Carlson, D. | Friedrich | Kalis | McCarron | Ogren |
| Carlson, L. | Greenfield | Kelly | McEachern | Otis |

| | | | | |
|---------------|------------|------------|-----------|------------------|
| Peterson, D. | Rose | Shea | Staten | Voss |
| Pogemiller | Rothenberg | Sherwood | Stowell | Wenzel |
| Reding | Samuelson | Sieben, M. | Tomlinson | Spkr. Sieben, H. |
| Rees | Sarna | Simoneau | Valan | |
| Rice | Schoenfeld | Skoglund | Vanasek | |
| Rodriguez, F. | Searles | Stadum | Vellenga | |

Those who voted in the negative were:

| | | | | |
|--------------|----------|----------|---------------|---------|
| Ainley | Fjoslien | Kahn | Osthoff | Swanson |
| Anderson, B. | Forsythe | Kaley | Peterson, B. | Valento |
| Blatz | Gruenes | Lemen | Piepho | Weaver |
| Byrne | Halberg | Ludeman | Reif | Welch |
| Clark, K. | Haukoos | Marsh | Rodriguez, C. | Welker |
| Clawson | Himle | McDonald | Schafer | Wieser |
| Dempsey | Hoberg | Mehrkens | Schreiber | Wigley |
| Den Ouden | Hokanson | Niehaus | Sherman | Wynia |
| Drew | Jennings | Nysether | Stumpf | Zubay |
| Esau | Jude | Onnen | Sviggum | |

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

MOTION FOR RECONSIDERATION

Wenzel moved that the vote whereby H. F. No. 403, as amended, was not passed on Special Orders on Monday, May 11, 1981, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Wenzel motion to reconsider H. F. No. 403, as amended, and the roll was called.

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

There were 67 yeas and 62 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Drew | Jude | Ogren | Simoneau |
| Anderson, I. | Elioff | Kahn | Osthoff | Skoglund |
| Anderson, R. | Ellingson | Knickerbocker | Otis | Staten |
| Battaglia | Fjoslien | Laidig | Peterson, D. | Tomlinson |
| Begich | Greenfield | Levi | Pogemiller | Vanasek |
| Berkelman | Halberg | Long | Reding | Vellenga |
| Blatz | Hanson | Luknie | Reif | Voss |
| Brandl | Harens | McCarron | Rice | Welch |
| Byrne | Hauge | Minne | Rodriguez, C. | Wenzel |
| Carlson, L. | Heap | Murphy | Rodriguez, F. | Wynia |
| Clark, J. | Hokanson | Nelson, K. | Sarna | Spkr. Sieben, H. |
| Clark, K. | Hokr | Norton | Schreiber | |
| Clawson | Jacobs | Novak | Shea | |
| Dean | Johnson, C. | O'Connor | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|--------------|------------|---------|
| Aasness | Forsythe | Kvam | Piepho | Stumpf |
| Ainley | Friedrich | Ludeman | Redalen | Sviggum |
| Anderson, G. | Gruenes | Mann | Rees | Swanson |
| Brinkman | Gustafson | Marsh | Rose | Valan |
| Carlson, D. | Haukoos | McDonald | Rothenberg | Valento |
| Dahlvang | Heinitz | McEachern | Samuelson | Weaver |
| Dempsey | Himle | Mehrkens | Schafer | Welker |
| Den Ouden | Hoberg | Nelsen, B. | Schoenfeld | Wieser |
| Eken | Jennings | Niehaus | Searles | Wigley |
| Erickson | Johnson, D. | Nysether | Sherman | Zubay |
| Esau | Kaley | Olsen | Sherwood | |
| Evans | Kalis | Onnen | Stadum | |
| Ewald | Kelly | Peterson, B. | Stowell | |

The motion prevailed.

Halberg moved that the action whereby H. F. No. 403, as amended, was given its third reading be now reconsidered. The motion prevailed.

H. F. No. 403 was reported to the House.

Halberg and Schreiber moved to amend H. F. No. 403, as amended, as follows:

Page 3, delete lines 10 and 11 and insert:

"the person or organization presenting the petition the opportunity to include their position on the matter to the shareholders in a substantially similar mode and range of distribution."

A roll call was requested and properly seconded.

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

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

There were 76 yeas and 53 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-----------|------------|---------------|
| Anderson, G. | Dean | Heap | Long | Ogren |
| Anderson, R. | Drew | Hoberg | Luknic | Olsen |
| Battaglia | Eken | Hokanson | Marsh | Osthoff |
| Begich | Elioff | Hokr | McCarron | Otis |
| Berkelman | Ellingson | Jacobs | McEachern | Peterson, D. |
| Blatz | Fjoshien | Jude | Metzen | Pogemiller |
| Brandl | Greenfield | Kahn | Minne | Reif |
| Byrne | Gustafson | Kelly | Murphy | Rice |
| Carlson, L. | Halberg | Kostohryz | Nelson, K. | Rodriguez, C. |
| Clark, J. | Hanson | Laidig | Norton | Rodriguez, F. |
| Clark, K. | Harens | Lemen | Novak | Sarna |
| Clawson | Hauge | Levi | O'Connor | Schreiber |

| | | | | |
|------------|----------|-----------|-------|------------------|
| Searles | Simoneau | Swanson | Voss | Wynia |
| Shea | Skoglund | Tomlinson | Welch | Spkr. Sieben, H. |
| Sherman | Staten | Vanasek | | |
| Sieben, M. | Stumpf | Vellenga | | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|---------|
| Aasness | Ewald | Knickerbocker | Peterson, B. | Stowell |
| Ainley | Forsythe | Kvam | Piepho | Sviggum |
| Anderson, I. | Friedrich | Ludeman | Redalen | Valento |
| Brinkman | Gruenes | Mann | Reding | Weaver |
| Carlson, D. | Haukoos | McDonald | Rees | Welker |
| Dahlvang | Heinitz | Mehrkens | Rose | Wenzel |
| Dempsey | Himle | Munger | Rothenberg | Wieser |
| Den Ouden | Jennings | Nelsen, B. | Schafer | Wigley |
| Erickson | Johnson, D. | Niehaus | Schoenfeld | Zubay |
| Esau | Kaley | Nysether | Sherwood | |
| Evans | Kalis | Onnen | Stadum | |

The motion prevailed and the amendment was adopted.

Heinitz was excused from 6:05 p.m. until 8:30 p.m.

Friedrich and Sviggum moved to amend H. F. No. 403, the first engrossment, as amended, as follows:

Page 3, delete lines 12 to 17

A roll call was requested and properly seconded.

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

Eken moved that those not voting be excused from voting. The motion did not prevail.

Vanasek 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:

| | | | | |
|--------------|---------------|--------------|------------|---------|
| Aasness | Forsythe | Lemen | Reding | Stumpf |
| Ainley | Friedrich | Ludeman | Rees | Sviggum |
| Anderson, B. | Gruenes | Mann | Reif | Valan |
| Blatz | Halberg | Marsh | Rose | Valento |
| Brinkman | Heap | McDonald | Rothenberg | Weaver |
| Carlson, D. | Himle | Mehrkens | Schafer | Welch |
| Dahlvang | Hoberg | Nelsen, B. | Schoenfeld | Welker |
| Dean | Jennings | Niehaus | Schreiber | Wenzel |
| Dempsey | Johnson, D. | Nysether | Searles | Wieser |
| Den Ouden | Kaley | Olsen | Shea | Wigley |
| Erickson | Kalis | Onnen | Sherman | Zubay |
| Esau | Knickerbocker | Peterson, B. | Sherwood | |
| Evans | Kvam | Piepho | Stadum | |
| Ewald | Laidig | Redalen | Stowell | |

Those who voted in the negative were :

| | | | | |
|--------------|------------|-------------|---------------|------------------|
| Anderson, G. | Eken | Johnson, C. | Murphy | Samuelson |
| Anderson, I. | Elioff | Jude | Nelson, K. | Sarna |
| Anderson, R. | Ellingson | Kahn | Norton | Sieben, M. |
| Battaglia | Fjoslien | Kelly | Novak | Simoneau |
| Begich | Greenfield | Kostohryz | O'Connor | Skoglund |
| Berkelman | Gustafson | Lehto | Ogren | Staten |
| Brandl | Hanson | Levi | Osthoff | Swanson |
| Byrne | Harens | Long | Otis | Tomlinson |
| Carlson, L. | Hauge | Luknic | Peterson, D. | Vanasek |
| Clark, J. | Haukoos | McCarron | Pogemiller | Vellenga |
| Clark, K. | Hokanson | Metzen | Rice | Voss |
| Clawson | Hokr | Minne | Rodriguez, C. | Wynia |
| Drew | Jacobs | Munger | Rodriguez, F. | Spkr. Sieben, H. |

The motion prevailed and the amendment was adopted.

Hauge moved to amend H. F. No. 403, as amended, as follows :

Page 2, line 19, after "*meetings*" insert "*except those of an emergency nature*"

Page 2, line 22, after "*association*" insert "*except those of an emergency nature*"

The motion prevailed and the amendment was adopted.

Rees and Halberg moved to amend H. F. No. 403, as amended, as follows :

Page 1 of the Halberg amendment, line 2, delete "*organization*" and insert "*organizers of the petition*"

Page 1, line 5, after "*distribution.*" insert "*The costs of such inclusion shall be paid by the organizers of the petition.*"

A roll call was requested and properly seconded.

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

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

There were 69 yeas and 62 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-------------|-----------|---------|---------------|
| Aasness | Brinkman | Erickson | Gruenes | Jennings |
| Ainley | Carlson, D. | Esau | Halberg | Johnson, C. |
| Anderson, B. | Dahlvang | Evans | Heap | Johnson, D. |
| Anderson, G. | Dean | Ewald | Himle | Kaley |
| Anderson, I. | Dempsey | Forsythe | Hoberg | Kalis |
| Brandl | Den Ouden | Friedrich | Hokr | Knickerbocker |

| | | | | |
|----------|--------------|------------|-----------|---------|
| Kvam | Metzen | Redalen | Shea | Valan |
| Laidig | Nelsen, B. | Rees | Sherman | Valento |
| Lemen | Niehaus | Rose | Sherwood | Weaver |
| Ludeman | Nysether | Rothenberg | Stadum | Welker |
| Mann | Olsen | Schafer | Stowell | Wieser |
| Marsh | Onnen | Schoenfeld | Stumpf | Wigley |
| McDonald | Peterson, B. | Schreiber | Sviggum | Zubay |
| Mehrkens | Piepho | Searles | Tomlinson | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, R. | Ellingson | Kostohryz | Ogren | Skoglund |
| Battaglia | Fjoslien | Lehto | Otis | Staten |
| Begich | Greenfield | Levi | Peterson, D. | Swanson |
| Berkelman | Gustafson | Long | Pogemiller | Vanasek |
| Blatz | Hanson | Luknic | Reding | Vellenga |
| Byrne | Harens | McCarron | Reif | Voss |
| Carlson, L. | Hauge | Minne | Rice | Welch |
| Clark, J. | Haukoos | Munger | Rodriguez, C. | Wenzel |
| Clark, K. | Hokanson | Murphy | Rodriguez, F. | Wynia |
| Clawson | Jacobs | Nelson, K. | Samuelson | Spkr. Sieben, H. |
| Drew | Jude | Norton | Sarna | |
| Eken | Kahn | Novak | Sieben, M. | |
| Elioff | Kelly | O'Connor | Simoneau | |

The motion prevailed and the amendment was adopted.

Anderson, G., moved to amend H. F. No. 403, as amended, as follows:

Page 2, line 8, strike "one" insert "two"

A roll call was requested and properly seconded.

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

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

There were 50 yeas and 76 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|----------|---------|
| Aasness | Forsythe | Kaley | Mehrkens | Stumpf |
| Anderson, B. | Friedrich | Kalis | Niehaus | Sviggum |
| Anderson, G. | Gruenes | Kelly | Piepho | Swanson |
| Anderson, R. | Hauge | Knickerbocker | Redalen | Valan |
| Brinkman | Heap | Kvam | Rees | Valento |
| Carlson, D. | Himle | Laidig | Schafer | Weaver |
| Dempsey | Hoberg | Ludeman | Searles | Welker |
| Den Ouden | Jennings | Mann | Sherman | Wieser |
| Erickson | Johnson, C. | Marsh | Sherwood | Wigley |
| Esau | Johnson, D. | McDonald | Stadum | Zubay |

Those who voted in the negative were:

| | | | | |
|--------|-----------|--------|-------|--------|
| Ainley | Battaglia | Begich | Blatz | Brandl |
|--------|-----------|--------|-------|--------|

| | | | | |
|-------------|-----------|--------------|---------------|------------------|
| Byrne | Halberg | Metzen | Pogemiller | Skoglund |
| Carlson, L. | Hanson | Minne | Reding | Staten |
| Clark, J. | Harens | Murphy | Reif | Stowell |
| Clark, K. | Haukoos | Nelsen, B. | Rice | Tomlinson |
| Clawson | Hokanson | Nelson, K. | Rodriguez, C. | Vanasek |
| Dahlvang | Hokr | Norton | Rodriguez, F. | Vellenga |
| Drew | Jacobs | Novak | Rose | Voss |
| Eken | Jude | Nysether | Rothenberg | Welch |
| Elioff | Kahn | O'Connor | Samuelson | Wenzel |
| Ellingson | Kostohryz | Ogren | Sarna | Wynia |
| Evans | Lemen | Olsen | Schoenfeld | Spkr. Sieben, H. |
| Ewald | Levi | Osthoff | Schreiber | |
| Fjoslien | Long | Otis | Shea | |
| Greenfield | Luknic | Peterson, B. | Sieben, M. | |
| Gustafson | McCarron | Peterson, D. | Simoneau | |

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

H. F. No. 403, A bill for an act relating to public utilities; providing for rights of shareholders of cooperative electric associations; proposing new law coded in Minnesota Statutes, Chapter 216B.

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.

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

There were 69 yeas and 59 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, I. | Elioff | Jude | O'Connor | Shea |
| Anderson, R. | Ellingson | Kahn | Ogren | Sieben, M. |
| Battaglia | Fjoslien | Kelly | Osthoff | Simoneau |
| Begich | Greenfield | Kostohryz | Otis | Skoglund |
| Berkelman | Gustafson | Levi | Peterson, D. | Staten |
| Blatz | Halberg | Long | Pogemiller | Tomlinson |
| Brandl | Hanson | Luknic | Rees | Vanasek |
| Byrne | Harens | McCarron | Reif | Vellenga |
| Carlson, L. | Hauge | Metzen | Rice | Voss |
| Clark, J. | Heap | Minne | Rodriguez, C. | Welch |
| Clark, K. | Hokanson | Murphy | Rodriguez, F. | Wenzel |
| Clawson | Hokr | Nelson, K. | Samuelson | Wynia |
| Drew | Jacobs | Norton | Sarna | Spkr. Sieben, H. |
| Eken | Johnson, C. | Novak | Schreiber | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-----------|---------------|----------|
| Aasness | Dean | Forsythe | Johnson, D. | Mann |
| Ainley | Dempsey | Friedrich | Kaley | Marsh |
| Anderson, B. | Den Ouden | Gruenes | Kalis | McDonald |
| Anderson, G. | Erickson | Haukoos | Knickerbocker | Mehrkens |
| Brinkman | Esau | Himle | Kvam | Niehaus |
| Carlson, D. | Evans | Hoberg | Laidig | Nysether |
| Dahlvang | Ewald | Jennings | Ludeman | Olsen |

| | | | | |
|--------------|------------|----------|---------|--------|
| Onnen | Rose | Sherman | Sviggum | Welker |
| Peterson, B. | Rothenberg | Sherwood | Swanson | Wieser |
| Piepho | Schafer | Stadum | Valan | Wigley |
| Redalen | Schoenfeld | Stowell | Valento | Zubay |
| Reding | Searles | Stumpf | Weaver | |

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 Files, herewith returned:

H. F. No. 284, A bill for an act relating to health; prescribing procedures for notification of parents, guardians, and conservators prior to performing abortions on certain persons; providing a penalty; amending Minnesota Statutes 1980, Section 144.343.

H. F. No. 1065, A bill for an act relating to public utilities; extending an option as to rate regulation by the public utilities commission to certain small telephone companies; amending Minnesota Statutes 1980, Sections 237.01; 237.075, Subdivision 9; and 237.081, Subdivision 1a.

H. F. No. 1163, A bill for an act relating to the Greenway joint recreation board; regulating its tax levies.

H. F. No. 1200, A bill for an act relating to courts; extending application of the provision of law providing for payment of travel expenses for certain district court judges; amending Laws 1980, Chapter 614, Section 162.

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. 98, A bill for an act relating to energy; amending certain provisions for home energy disclosure reports; amend-

ing Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 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 Conference Committee on:

H. F. No. 182, A bill for an act relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions; amending Minnesota Statutes 1980, Sections 53.04, by adding a subdivision; 56.01; 56.02; 56.04; 56.07; 56.09; 56.10; 56.11; 56.12; 56.14; 56.15, Subdivision 1; 56.16; 56.17; 56.18; 56.19; 56.26; 334.02; 334.03; and proposing new law coded in Minnesota Statutes, Chapter 56; repealing Minnesota Statutes 1980, Sections 53.04, Subdivisions 3, 4, 6, and 7; 53.051; 56.06; 56.13; 56.15, Subdivision 2; and 56.20.

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, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 697, A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

PATRICK E. FLAHAVEN, Secretary of the Senate

Stumpf moved that the House refuse to concur in the Senate amendments to H. F. No. 697, 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. 356, A bill for an act relating to crimes; specifying offenses relating to computers; providing penalties; proposing new law coded in Minnesota Statutes 1980, Chapter 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

Hanson moved that the House refuse to concur in the Senate amendments to H. F. No. 356, 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. 678, A bill for an act relating to elections; changing certain election procedures, requirements and time limits; amending Minnesota Statutes 1980, Sections 201.071, Subdivision 1; 202A.26, Subdivision 1; 203A.22, Subdivision 4; 203A.31, Subdivisions 1 and 3; 203A.32; 204A.04, Subdivision 1; 204A.13, Subdivision 1; 204A.17, Subdivision 1; 204A.53, Subdivision 2; 204A.54, Subdivision 1; 205.03, Subdivisions 1 and 3; 207.03, Subdivision 1; 207.04, Subdivision 1; and 207.20, Subdivision 1; repealing Minnesota Statutes 1980, Sections 201.091, Subdivision 5; and 202A.54.

PATRICK E. FLAHAVEN, Secretary of the Senate

Osthoff moved that the House refuse to concur in the Senate amendments to H. F. No. 678, 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. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Sections 116.18, Subdivisions 1 and 4; and 174.50, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Eken moved that the House refuse to concur in the Senate amendments to H.F. No. 1475, 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. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

PATRICK E. FLAHAVEN, Secretary of the Senate

Eken moved that the House refuse to concur in the Senate amendments to H. F. No. 1474, 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 Files, herewith transmitted:

S. F. Nos. 388 and 1084.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 388, A bill for an act relating to public employment labor relations; modifying the definition of non-essential supervisory employees; amending Minnesota Statutes 1980, Sections 179.63, Subdivision 9; and 179.71, Subdivision 3.

The bill was read for the first time.

Murphy moved that S. F. No. 388 and H. F. No. 1242, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1084, A bill for an act relating to intoxicating liquor; hours for Sunday sale; amending Minnesota Statutes 1980, Section 340.14, Subdivision 5.

The bill was read for the first time.

Dahlvang moved that S. F. No. 1084 and H. F. No. 1040, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 697:

Stumpf; Anderson, B., and Redalen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 356:

Kahn, Vanasek and Laidig.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 678:

Osthoff, Minne and Peterson, D.

Eken 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.; McEachern; Nelson, K.; Forsythe; Jennings; Levi; Johnson, D.; Laidig; Anderson, R.; Anderson, G.; Nelsen, B., and Erickson were excused while in conference committee.

CALL OF THE HOUSE LIFTED

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

CONSIDERATION UNDER RULE 1.10

Anderson, I., requested immediate consideration of S. F. No. 1305, temporarily laid over earlier today under Rule 1.10. S. F. No. 1305 was again reported to the House.

Lehto moved to amend S. F. No. 1305, as follows:

Page 2, delete lines 15 to 21

Renumber the section

Amend the title as follows:

Page 1, line 3, delete "and the city of Hermantown"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 28 yeas and 70 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|---------------|-----------|--------------|---------------|
| Berkelman | Gustafson | Kostohryz | Munger | Piepho |
| Clark, K. | Harens | Lehto | Norton | Pogemiller |
| Greenfield | Kelly | Long | O'Connor | Reding |
| Gruenes | Knickerbocker | Luknic | Peterson, B. | Rodriguez, C. |

Schoenfeld Simoneau Staten Vellenga Spkr. Sieben, H.
 Shea Skoglund Vanasek

Those who voted in the negative were:

| | | | | |
|--------------|-----------|----------|---------------|------------|
| Aasness | Den Ouden | Hokanson | Minne | Sherman |
| Ainley | Drew | Hokr | Murphy | Sherwood |
| Anderson, I. | Elioff | Jacobs | Niehaus | Sieben, M. |
| Battaglia | Ellingson | Jennings | Olsen | Stadum |
| Begich | Esau | Jude | Onnen | Stowell |
| Blatz | Evans | Kahn | Osthoff | Svigum |
| Brandl | Friedrich | Kalis | Otis | Valento |
| Brinkman | Halberg | Kvam | Peterson, D. | Voss |
| Byrne | Hanson | Lemen | Redalen | Weaver |
| Carlson, D. | Haukoos | Ludeman | Reif | Welch |
| Carlson, L. | Heap | Mann | Rodriguez, F. | Welker |
| Clark, J. | Heinitz | Marsh | Sarna | Wenzel |
| Dahlvang | Himle | McDonald | Schafer | Wigley |
| Dempsey | Hoberg | Metzen | Schreiber | Wynia |

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

S. F. No. 1305 was continued under rule 1.10.

SPECIAL ORDERS

The Speaker called Wynia to the Chair.

S. F. No. 728 was reported to the House.

Anderson, I., moved to amend S. F. No. 728 as follows:

Page 1, line 9, after "*business*" delete "*within 35 miles of the town of Big Falls in*" and insert "*in the city of Northome*"

Page 1, line 11, delete "*facility*" and insert "*facilities within 35 miles of its principle place of business*"

Page 1, line 14, delete "*in the town of Big Falls*" and insert "*pursuant to this act*"

Page 1, line 18, delete "*town board of*" and insert "*governing body of the city of Northome*"

Page 1, line 19, delete "*the town of Big Falls*"

Page 1, line 20, before the period insert "*, Subdivision 3*"

Amend the title as follows:

Page 1, line 2, delete "*Big Falls*" and insert "*Northome*"

The motion prevailed and the amendment was adopted.

S. F. No. 728, A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

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 118 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kaley | Olsen | Simoneau |
| Ainley | Esau | Kalis | Onnen | Skoglund |
| Anderson, B. | Evans | Kelly | Osthoff | Stadum |
| Anderson, G. | Ewald | Knickerbocker | Otis | Staten |
| Anderson, I. | Fjoslien | Kostohryz | Peterson, D. | Stowell |
| Battaglia | Friedrich | Kvam | Piepho | Stumpf |
| Begich | Greenfield | Lemen | Redalen | Sviggum |
| Berkelman | Gruenes | Long | Reding | Swanson |
| Blatz | Gustafson | Ludeman | Rees | Tomlinson |
| Brandl | Halberg | Luknic | Reif | Valento |
| Brinkman | Hanson | Mann | Rice | Vanasek |
| Byrne | Harens | Marsh | Rodriguez, C. | Vellenga |
| Carlson, D. | Hauge | McDonald | Rodriguez, F. | Voss |
| Carlson, L. | Haukoos | Metzen | Rose | Weaver |
| Clark, J. | Heap | Minne | Rothenberg | Welch |
| Clark, K. | Heinitz | Munger | Samuelson | Welker |
| Clawson | Himle | Murphy | Sarna | Wenzel |
| Dahlvang | Hoberg | Nelsen, B. | Schafer | Wieser |
| Dean | Hokanson | Niehaus | Schoenfeld | Wigley |
| Dempsey | Hokr | Norton | Schreiber | Wynia |
| Den Ouden | Jacobs | Novak | Shea | Zubay |
| Drew | Jennings | Nysether | Sherman | Spkr. Sieben, H. |
| Eken | Jude | O'Connor | Sherwood | |
| Elioff | Kahn | Ogren | Sieben, M. | |

Those who voted in the negative were:

Lehto

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

S. F. No. 440 was reported to the House.

Anderson, I., moved to amend S. F. No. 440, as follows:

Delete everything after the enacting clause and insert page 1, line 8 to page 33, line 6 of H. F. No. 491, the first engrossment, and when amended, the following further amendments:

Pages 1 and 2, delete section 1

Page 7, line 28, delete "18" and insert "17"

Page 12, line 30, delete "13" and insert "12"

Page 13, line 7, delete "13" and insert "12"

Page 15, line 3, delete "9" and insert "8"

Page 16, line 15, delete "9" and insert "8"

Page 16, line 33, delete "5" and insert "4"

Page 20, line 14, delete "9" and insert "8"

Page 21, line 32, delete "10" and insert "9"

Page 23, line 8, delete "section 10" and insert "sections 8 and 9"

Page 23, line 28, delete "13" and insert "12"

Page 23, line 29, delete "10" and insert "9"

Page 31, line 1, delete "9" and insert "8"

Page 32, line 4, delete "10" and insert "9"

Page 32, line 9, delete "9" and insert "8"

Pages 32 and 33, delete sections 24 and 25 and insert

"Sec. 23. [AFFECTED LOCAL GOVERNMENTAL UNITS.]

This act applies to Koochiching county and the cities of International Falls, South International Falls, and Ranier.

Sec. 24. [EFFECTIVE DATE; LOCAL APPROVAL.]

This act is effective in the local government units named in section 23 upon approval by all of the government units named in section 23 and upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3."

Renumber the sections

The motion prevailed and the amendment was adopted.

S. F. 440, A bill for an act establishing the North Koochiching county waste water treatment board; prescribing its duties and powers; providing for the treatment and disposal of waste water in described areas.

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 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|---------------|------------------|
| Aasness | Elioff | Kalis | Olsen | Sherwood |
| Ainley | Ellingson | Kelly | Onnen | Sieben, M. |
| Anderson, B. | Esau | Knickerbocker | Osthoff | Simoneau |
| Anderson, G. | Evans | Kostohryz | Otis | Skoglund |
| Anderson, I. | Ewald | Kvam | Peterson, D. | Stadum |
| Battaglia | Fjoslien | Lehto | Piepho | Staten |
| Begich | Friedrich | Lemen | Pogemiller | Stowell |
| Berkelman | Greenfield | Long | Redalen | Stumpf |
| Blatz | Gruenes | Luknic | Reding | Svigum |
| Brandl | Halberg | Mann | Rees | Swanson |
| Brinkman | Hanson | Marsh | Reif | Tomlinson |
| Byrne | Harens | McDonald | Rice | Valento |
| Carlson, D. | Hauge | Metzen | Rodriguez, C. | Vanasek |
| Carlson, L. | Haukoos | Minne | Rodriguez, F. | Vellenga |
| Clark, J. | Heinitz | Munger | Rose | Voss |
| Clark, K. | Himle | Murphy | Rothenberg | Weaver |
| Clawson | Hoberg | Nelsen, B. | Samuelson | Welch |
| Dahlvang | Hokanson | Niehaus | Sarna | Wenzel |
| Dean | Hokr | Norton | Schafer | Wieser |
| Dempsey | Jacobs | Novak | Schoenfeld | Wigley |
| Den Ouden | Jude | Nysether | Schreiber | Wynia |
| Drew | Kahn | O'Connor | Shea | Zubay |
| Eken | Kaley | Ogren | Sherman | Spkr. Sieben, H. |

Those who voted in the negative were:

Ludeman Welker

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

S. F. No. 177, A bill for an act relating to foods; directing the establishment of labeling requirements for wild rice which is planted or cultivated; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 30.

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 98 yeas and 9 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|----------|---------------|
| Aasness | Carlson, D. | Ellingson | Haukoos | Knickerbocker |
| Ainley | Carlson, L. | Evans | Heap | Kostohryz |
| Anderson, B. | Clark, J. | Ewald | Heinitz | Kvam |
| Anderson, I. | Clark, K. | Fjoslien | Hokanson | Long |
| Battaglia | Clawson | Friedrich | Hokr | Luknic |
| Begich | Dahlvang | Greenfield | Jacobs | Mann |
| Berkelman | Dean | Gruenes | Jude | Marsh |
| Blatz | Dempsey | Halberg | Kahn | Metzen |
| Brandl | Den Ouden | Hanson | Kaley | Minne |
| Brinkman | Drew | Harens | Kalis | Munger |
| Byrne | Elioff | Hauge | Kelly | Murphy |

| | | | | |
|----------|---------------|------------|----------|------------------|
| Niehaus | Peterson, B. | Rose | Skoglund | Welch |
| Norton | Peterson, D. | Rothenberg | Staten | Wenzel |
| Novak | Piepho | Schoenfeld | Stumpf | Wieser |
| O'Connor | Pogemiller | Schreiber | Swanson | Wigley |
| Ogren | Redalen | Searles | Valento | Wynia |
| Olsen | Reding | Shea | Vanasek | Zubay |
| Onnen | Reif | Sherwood | Vellenga | Spkr. Sieben, H. |
| Osthoff | Rodriguez, C. | Sieben, M. | Voss | |
| Otis | Rodriguez, F. | Simoneau | Weaver | |

Those who voted in the negative were:

| | | | | |
|----------|---------|----------|---------|--------|
| Esau | Lemen | Nysether | Stadum | Welker |
| Jennings | Ludeman | Schafer | Sviggum | |

The bill was passed and its title agreed to.

S. F. No. 804 was reported to the House.

Aasness and Fjoslien moved to amend S. F. No. 804, as follows:

Page 20, line 9, after "demand," insert "*For informational purposes only if inspection indicates excess weight of 3,000 pounds or more, the inspecting officer shall notify, within 30 days of inspection of the record, the person who consigned the goods for shipment.*"

The motion prevailed and the amendment was adopted.

S. F. No. 804, A bill for an act relating to motor vehicles; providing for the re-registration of certain motor vehicles and combinations of vehicles; defining gross vehicle weight; exempting certain vehicles from certain weight limitations; establishing gross weight limitations on certain highways for certain motor vehicles and combinations of vehicles; providing exceptions to certain gross weight limitations; providing for the designation and undesignation of certain routes; providing for the weighing of certain vehicles and combinations of vehicles and the enforcement of weight limitations; allowing the use of certain documents as relevant evidence of exceeding vehicle weight limits, and providing exceptions; requiring record keeping for shipments loaded or unloaded, and providing exceptions; imposing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 168.013, Subdivision 3; 169.01, Subdivision 46; 169.03, Subdivision 6; 169.832, Subdivision 11; 169.85; 169.851; 169.86, Subdivision 1a; 169.87, Subdivision 2; 169.871; 169.872; proposing new law coded in Minnesota Statutes, Chapter 169; repealing Minnesota Statutes 1980, Sections 169.83; 169.832, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 12; and 169.834.

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 107 yeas and 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|--------------|------------------|
| Aasness | Elioff | Kaley | Onnen | Stadum |
| Ainley | Ellingson | Kalis | Osthoff | Staten |
| Anderson, B. | Esau | Kelly | Otis | Stowell |
| Anderson, G. | Evans | Knickerbocker | Peterson, B. | Stumpf |
| Anderson, I. | Ewald | Kostohryz | Peterson, D. | Sviggum |
| Battaglia | Fjoslien | Kvam | Piepho | Swanson |
| Begich | Friedrich | Lehto | Redalen | Tomlinson |
| Berkelman | Gruenes | Lemen | Reding | Valento |
| Blatz | Gustafson | Long | Rees | Vanasek |
| Brinkman | Halberg | Ludeman | Rice | Voss |
| Byrne | Hanson | Mann | Rose | Weaver |
| Carlson, D. | Hauge | Marsh | Rothenberg | Welch |
| Carlson, L. | Haukoos | McDonald | Sarna | Welker |
| Clark, J. | Heap | Metzen | Schoenfeld | Wenzel |
| Clark, K. | Heimitz | Minne | Schreiber | Wieser |
| Clawson | Himle | Munger | Searles | Wigley |
| Dahlvang | Hokanson | Murphy | Shea | Wynia |
| Dean | Hokr | Nelsen, B. | Sherman | Zubay |
| Dempsy | Jacobs | Norton | Sherwood | Spkr. Sieben, H. |
| Den Ouden | Jennings | Novak | Sieben, M. | |
| Drew | Jude | Nysether | Simoneau | |
| Eken | Kahn | Olsen | Skoglund | |

Those who voted in the negative were:

| | | | | |
|------------|------------|---------------|---------------|----------|
| Brandl | Pogemiller | Rodriguez, C. | Rodriguez, F. | Vellenga |
| Greenfield | | | | |

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

S. F. No. 886 was reported to the House.

Clark, K., moved to amend S. F. No. 886, as follows:

Page 1, delete lines 14 to 26

Page 2, delete lines 1 and 2

Page 2, line 3, delete "4" and insert "2"

Page 2, line 11, after "pharmacy," insert "or not licensed to practice medicine by the board of medical examiners pursuant to sections 147.01 to 147.33,"

Amend the title as follows:

Page 1, line 2, delete "prohibiting disciplinary action" and insert "requiring a written disclosure and labeling information regarding dimethyl sulfoxide;"

Page 1, delete line 3

Page 1, line 4, delete "under certain conditions;"

The motion prevailed and the amendment was adopted.

S. F. No. 886, A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; regulating the sale of dimethyl sulfoxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|---------------|------------------|
| Aasness | Esau | Knickerbocker | Onnen | Sherwood |
| Ainley | Evans | Kostohryz | Osthoff | Sieben, M. |
| Anderson, B. | Ewald | Kvam | Otis | Simoneau |
| Anderson, G. | Fjoslien | Lehto | Peterson, B. | Skoglund |
| Anderson, I. | Friedrich | Lemen | Peterson, D. | Stadum |
| Battaglia | Gruenes | Long | Piepho | Staten |
| Begich | Gustafson | Ludeman | Pogemiller | Stowell |
| Berkelman | Hanson | Luknic | Redalen | Sviggum |
| Brandl | Harens | Mann | Reding | Swanson |
| Brinkman | Hauge | Marsh | Rees | Tomlinson |
| Byrne | Haukoos | McDonald | Reif | Valento |
| Carlson, D. | Heap | Metzen | Rice | Vanasek |
| Carlson, L. | Heinitz | Minne | Rodriguez, F. | Vellenga |
| Clark, J. | Himle | Munger | Rose | Voss |
| Clark, K. | Hoberg | Murphy | Rothenberg | Weaver |
| Clawson | Hokanson | Nelsen, B. | Samuelson | Welch |
| Dahlvang | Hokr | Niehaus | Sarna | Welker |
| Dean | Jacobs | Norton | Schafer | Wenzel |
| Dempsey | Jennings | Novak | Schoenfeld | Wieser |
| Den Ouden | Jude | Nysether | Schreiber | Wigley |
| Eken | Kahn | O'Connor | Searles | Wynia |
| Elioff | Kaley | Ogren | Shea | Zubay |
| Ellingson | Kalis | Olsen | Sherman | Spkr. Sieben, H. |

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

The Speaker resumed the Chair.

S. F. No. 964 was reported to the House.

Staten moved to amend S. F. No. 964, the unofficial engrossment, as follows:

Page 1, line 20, delete "50 or more" and insert "more than 20"

Page 3, after line 14, insert:

"Sec. 3. [TEMPORARY RULES.]

The commissioner shall have authority to promulgate temporary rules pursuant to chapter 15 to carry out the purposes of Section 1."

Page 3, line 15, delete "3" and insert "4"

Page 3, line 16, delete "Section 2 is" and insert "Sections 2 and 3 are"

Page 3, line 17, after "day" insert "temporary"

Page 3, line 18, delete "2" and insert "3"

The motion prevailed and the amendment was adopted.

S. F. No. 964, A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

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 26 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-----------|---------------|------------------|
| Anderson, B. | Ellingson | Kaley | Olsen | Sieben, M. |
| Anderson, I. | Evans | Kelly | Otis | Simoneau |
| Battaglia | Friedrich | Kostohryz | Peterson, B. | Skoglund |
| Begich | Greenfield | Kvam | Peterson, D. | Staten |
| Berkelman | Gruenes | Lehto | Pogemiller | Stumpf |
| Blatz | Gustafson | Lemen | Reding | Swanson |
| Brandl | Hanson | Long | Rees | Tomlinson |
| Byrne | Harens | Luknic | Reif | Vanasek |
| Carlson, D. | Hauge | Mann | Rice | Vellenga |
| Carlson, L. | Haukoos | Metzen | Rodriguez, C. | Voss |
| Clark, J. | Heap | Minne | Rodriguez, F. | Weaver |
| Clark, K. | Heinitz | Munger | Rose | Welch |
| Clawson | Himle | Murphy | Rothenberg | Wenzel |
| Dahlvang | Hoberg | Niehaus | Sarna | Wynia |
| Dean | Hokanson | Norton | Schoenfeld | Spkr. Sieben, H. |
| Drew | Jacobs | Novak | Searles | |
| Eken | Jude | O'Connor | Shea | |
| Elioff | Kahn | Ogren | Sherman | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|----------|----------|--------|
| Aasness | Ewald | McDonald | Sherwood | Wieser |
| Ainley | Fjoslien | Nysether | Stadum | Wigley |
| Brinkman | Jennings | Onnen | Stowell | |
| Dempsey | Kalis | Piepho | Sviggum | |
| Den Ouden | Ludeman | Redalen | Valento | |
| Esau | Marsh | Schafer | Welker | |

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

S. F. No. 98 was reported to the House.

Carlson, D., and Minne moved to amend S. F. No. 98, as follows:

Page 1, line 1, after "law" insert "*and at least one of whom shall be a resident from outside of the metropolitan area as defined in section 473.02, subdivision 5*"

The motion prevailed and the amendment was adopted.

S. F. No. 98, A bill for an act relating to local government; providing for the membership of the municipal board; amending Minnesota Statutes 1980, Section 414.01, 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 114 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kalis | Olsen | Sherwood |
| Ainley | Esau | Kelly | Onnen | Sieben, M. |
| Anderson, B. | Evans | Knickerbocker | Osthoff | Simoneau |
| Anderson, L. | Ewald | Kostohryz | Otis | Skoglund |
| Battaglia | Fjoslien | Kvam | Peterson, B. | Stadum |
| Begich | Friedrich | Lehto | Peterson, D. | Staten |
| Berkelman | Greenfield | Lemen | Piepho | Stowell |
| Blatz | Gruenes | Long | Pogemiller | Sviggum |
| Brandl | Gustafson | Ludeman | Redalen | Swanson |
| Brinkman | Halberg | Luknic | Reding | Tomlinson |
| Byrne | Hanson | Mann | Rees | Valento |
| Carlson, D. | Hauge | Marsh | Reif | Vanasek |
| Carlson, L. | Haukoos | McDonald | Rice | Vellenga |
| Clark, J. | Heap | Metzen | Rodriguez, C. | Voss |
| Clark, K. | Heinitz | Minne | Rodriguez, F. | Weaver |
| Clawson | Himle | Munger | Rose | Welch |
| Dahlvang | Hoberg | Murphy | Rothenberg | Welker |
| Dean | Hokanson | Nelsen, B. | Sarna | Wenzel |
| Dempsey | Hokr | Niehaus | Schafer | Wieser |
| Den Ouden | Jacobs | Novak | Schoenfeld | Wigley |
| Drew | Jennings | Nysether | Schreiber | Wynia |
| Eken | Jude | O'Connor | Searles | Spkr. Sieben, H. |
| Elioff | Kahn | Ogren | Sherman | |

Those who voted in the negative were:

Shea Stumpf

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

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

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of H. F. No. 1253.

H. F. No. 1253 was reported to the House.

McDonald, Welker, Ludeman and Rees moved to amend H. F. No. 1253, as follows:

Page 1, delete lines 10 to 16 and insert the following:

"It is the policy of this state to grant each of its citizens the right and opportunity to develop their full potential as a free person."

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

H. F. No. 1253, A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

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 72 yeas and 44 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|----------|---------------|------------------|
| Anderson, B. | Ellingson | Lehto | Peterson, D. | Staten |
| Anderson, I. | Evans | Lemen | Pogemiller | Stumpf |
| Anderson, R. | Ewald | Long | Reding | Sviggum |
| Battaglia | Fjoslien | Luknic | Reif | Swanson |
| Begich | Greenfield | Mann | Rice | Tomlinson |
| Berkelman | Gustafson | Metzen | Rodriguez, C. | Vanasek |
| Brandl | Hanson | Minne | Rodriguez, F. | Vellenga |
| Brinkman | Hauge | Munger | Samuelson | Voss |
| Carlson, L. | Hokanson | Murphy | Sarna | Welch |
| Clark, J. | Jacobs | Norton | Schoenfeld | Wenzel |
| Clark, K. | Jude | Novak | Shea | Wynia |
| Clawson | Kahn | O'Connor | Sieben, M. | Spkr. Sieben, H. |
| Dahlvang | Kalis | Ogren | Simoneau | |
| Eken | Kelly | Osthoff | Skoglund | |
| Ehloff | Kostohryz | Otis | Stadum | |

Those who voted in the negative were:

| | | | | |
|---------|-----------|-----------|---------|---------------|
| Aasness | Dean | Esau | Halberg | Jennings |
| Ainley | Dempsey | Forsythe | Heap | Kaley |
| Blatz | Den Ouden | Friedrich | Heinitz | Knickerbocker |
| Byrne | Drew | Gruenes | Himle | Kvam |

| | | | | |
|------------|----------|------------|----------|--------|
| Ludeman | Nysether | Rees | Searles | Welker |
| Marsh | Olsen | Rose | Sherman | Wieser |
| McDonald | Onnen | Rothenberg | Sherwood | Wigley |
| Nelsen, B. | Piepho | Schafer | Valento | Zubay |
| Niehaus | Redalen | Schreiber | Weaver | |

The bill was passed and its title agreed to.

GENERAL ORDERS

There being no objection the bills on General Orders for today were continued one day.

MOTIONS AND RESOLUTIONS

Gustafson moved that his name be stricken as an author on H. F. No. 1346. The motion prevailed.

Eken moved that the name of Ogren be added as an author on H. F. No. 1494. The motion prevailed.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, May 14, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Thursday, May 14, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

The first of these is the fact that the
 Government has not yet decided whether
 it will accept the offer of the
 Government of the United Kingdom
 to purchase the Channel Tunnel.
 The second is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The third is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The fourth is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The fifth is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The sixth is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The seventh is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The eighth is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The ninth is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.
 The tenth is the fact that the
 Government has not yet decided
 whether it will accept the offer of
 the Government of the United Kingdom
 to purchase the Channel Tunnel.

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTY-FOURTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 14, 1981

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

Prayer was offered by Reverend Kenneth A. Johnson, Minneapolis, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Knickerbocker | Olsen | Simoneau |
| Ainley | Fjoslien | Kostohryz | Onnen | Skoglund |
| Anderson, B. | Forsythe | Kvam | Osthoff | Stadum |
| Anderson, G. | Friedrich | Lehto | Otis | Staten |
| Anderson, I. | Greenfield | Lemen | Peterson, B. | Stowell |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Piepho | Sviggum |
| Berkelman | Halberg | Ludeman | Pogemiller | Swanson |
| Blatz | Hanson | Luknic | Redalen | Tomlinson |
| Brandl | Harens | Mann | Reding | Valan |
| Brinkman | Hauge | Marsh | Rees | Valento |
| Byrne | Haukoos | McCarron | Reif | Vanasek |
| Carlson, D. | Heap | McDonald | Rice | Vellenga |
| Carlson, L. | Heinitz | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Hokr | Munger | Samuelson | Wenzel |
| Dean | Jacobs | Murphy | Sarna | Wieser |
| Dempsey | Jennings | Nelson, B. | Schafer | Wigley |
| Den Ouden | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Johnson, D. | Niehaus | Schreiber | Zubay |
| Eken | Jude | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kahn | Novak | Shea | |
| Ellingson | Kaley | Nysether | Sherman | |
| Erickson | Kalis | O'Connor | Sherwood | |
| Esau | Kelly | Ogren | Sieben, M. | |

A quorum was present.

Anderson, R., and Ewald were excused until 1:00 p.m. Laidig was excused until 1:10 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. Nos. 315, 1210, 766 and 1184 and S. F. Nos. 132, 315, 1205, 120, 388 and 1084 have been placed in the members' files.

S. F. No. 315 and H. F. No. 20, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Osthoff moved that the rules be so far suspended that S. F. No. 315 be substituted for H. F. No. 20 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 388 and H. F. No. 1242, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Murphy moved that the rules be so far suspended that S. F. No. 388 be substituted for H. F. No. 1242 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1084 and H. F. No. 1040, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Dahlvang moved that the rules be so far suspended that S. F. No. 1084 be substituted for H. F. No. 1040 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 120 and H. F. No. 165, 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. 120 be substituted for H. F. No. 165 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. Nos. 315, 388, 1084 and 120 were read for the second time.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Clawson, Jude, Brandl, Byrne and Kvam introduced:

H. F. No. 1499, A bill for an act relating to the hospitalization and commitment of persons who are mentally ill, mentally ill and dangerous, mentally deficient, or inebriate; providing for informal hospitalization by consent, involuntary emergency hospitalization and for involuntary commitment by civil judicial procedures; providing for rights of persons hospitalized under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening prior to filing a petition for commitment; providing for commitment hearings and procedures in conformance with due process; requiring a final hearing within 60 days before final determination of commitment; providing for commitment for determinate periods; providing for provisional discharge and partial hospitalization; requiring special review boards for mentally ill and dangerous and psychopathic personalities; establishing review boards for civilly committed persons; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 253A; repealing Minnesota Statutes 1980, Sections 253A.01 to 253A.21.

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

Clawson introduced:

H. F. No. 1500, A bill for an act relating to the legislature; proposing an amendment to the Minnesota Constitution, Article IV, by adding a section, to provide for initiative and referendum.

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

Searles, McDonald and Heinitz introduced:

H. F. No. 1501, A bill for an act relating to metropolitan government; providing a method for election of metropolitan council members; fixing the size of the council; amending Minnesota Statutes 1980, Sections 473.121, by adding a subdivision; and 473.123.

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

Rice and Harens introduced:

H. F. No. 1502, A bill for an act relating to corrections; providing funds for a Hennepin County work-study release facility; appropriating money.

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

HOUSE ADVISORIES

The following House Advisory was introduced:

Kalis, Reding, Reif, Weaver and Munger introduced:

H. A. No. 35, A proposal to investigate the spearing of northern pike in Minnesota lakes.

The advisory was referred to the Committee on Environment and Natural Resources.

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. 1052, A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

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. 126, A bill for an act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map in lieu of the names of owners or descriptions of affected properties in a notification of a proposed watershed improvement in a watershed benefit; permitting Murray County and the

city of Slayton to enter an agreement for the administration of county ditches; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivisions 1, 2 and 4; proposing new law coded in Minnesota Statutes, Chapter 378.

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. 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. 1125, A bill for an act relating to economic development; providing for changes in the small business finance agency law to better provide assistance for small business; making technical changes; amending Minnesota Statutes 1980, Sections 362.50, Subdivisions 4, 5, 9 and 10; 362.52, Subdivisions 2 and 4; 362.53, Subdivisions 11, 12, 15 and 17; repealing Minnesota Statutes 1980, Section 362.50, Subdivisions 6 and 7.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Reding moved that the House concur in the Senate amendments to H. F. No. 1125 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1125, A bill for an act relating to economic development; providing for changes in the small business finance agency law to better provide assistance for small business; making technical changes; establishing a uniform business licensing policy; defining its scope; and detailing its application and effect; prescribing the powers and duties of the bureau of business licenses regarding the consolidation, simplification and expedition of business license procedures of state agencies; appropriating money; amending Minnesota Statutes 1980, Sections 3.965, by adding a subdivision; 362.50, Subdivisions 4, 5, 9 and 10; 362.52, Subdivisions 2 and 4; 362.53, Subdivisions 11, 12, 15 and 17; proposing new law coded in Minnesota Statutes, Chapter 362; repealing Minnesota Statutes 1980, Sections 362.45; and 362.50, Subdivisions 6 and 7.

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 17 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kelly | Ogren | Sieben, M. |
| Anderson, B. | Erickson | Knickerbocker | Olsen | Simoneau |
| Anderson, G. | Evans | Kostohryz | Osthoff | Skoglund |
| Anderson, I. | Greenfield | Kvam | Otis | Stadum |
| Battaglia | Gruenes | Lehto | Peterson, B. | Staten |
| Begich | Gustafson | Lemen | Peterson, D. | Stowell |
| Berkelman | Halberg | Levi | Piepho | Stumpf |
| Blatz | Hanson | Long | Pogemiller | Sviggum |
| Brandl | Hauge | Luknic | Reding | Swanson |
| Brinkman | Haukoos | Mann | Rees | Tomlinson |
| Byrne | Heap | Marsh | Rice | Valan |
| Carlson, D. | Heinitz | McCarron | Rodriguez, C. | Vellenga |
| Carlson, L. | Himle | McEachern | Rodriguez, F. | Voss |
| Clark, J. | Hoberg | Mehrkens | Rose | Weaver |
| Clark, K. | Hokanson | Metzen | Rothenberg | Welch |
| Clawson | Jacobs | Minne | Samuelson | Wenzel |
| Dahlvang | Johnson, C. | Munger | Sarna | Wynia |
| Dean | Johnson, D. | Murphy | Schoenfeld | Zubay |
| Dempsey | Jude | Nelsen, B. | Schreiber | Spkr. Sieben, H. |
| Drew | Kahn | Niehaus | Searles | |
| Eken | Kaley | Norton | Shea | |
| Elioff | Kalis | Novak | Sherwood | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|----------|---------|--------|
| Ainley | Hokr | Nysether | Schafer | Wigley |
| Den Ouden | Jennings | Onnen | Valento | |
| Esau | Ludeman | Redalen | Welker | |
| Fjoslien | McDonald | Reif | 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. 616, A bill for an act relating to commerce; requiring that consumer contracts be written in clear and coherent language; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 325G.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Gustafson moved that the House concur in the Senate amendments to H. F. No. 616 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 616, A bill for an act relating to commerce; requiring that consumer contracts be written in clear and coherent language; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 325G.

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 101 yeas and 22 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Evans | Knickerbocker | Otis | Stadum |
| Anderson, G. | Greenfield | Kostohryz | Peterson, B. | Staten |
| Anderson, I. | Gruenes | Kvam | Peterson, D. | Stumpf |
| Battaglia | Gustafson | Lehto | Piepho | Sviggum |
| Begich | Halberg | Levi | Pogemiller | Swanson |
| Berkelman | Hanson | Long | Reding | Tomlinson |
| Blatz | Hauge | Luknic | Reif | Valan |
| Brandl | Haukoos | Mann | Rice | Vanasek |
| Brinkman | Heap | Marsh | Rodriguez, C. | Vellenga |
| Carlson, D. | Heinitz | McCarron | Rodriguez, F. | Voss |
| Carlson, L. | Himle | McEachern | Rose | Weaver |
| Clark, J. | Hokanson | Metzen | Rothenberg | Welch |
| Clawson | Jacobs | Minne | Samuelson | Wenzel |
| Dahlvang | Jennings | Munger | Sarna | Wieser |
| Dean | Johnson, C. | Murphy | Schoenfeld | Wynia |
| Dempsey | Johnson, D. | Nelson, K. | Searles | Zubay |
| Drew | Jude | Norton | Shea | Sprk. Sieben, H. |
| Eken | Kahn | Novak | Sherman | |
| Elioff | Kaley | Ogren | Sieben, M. | |
| Ellingson | Kalis | Olsen | Simoneau | |
| Erickson | Kelly | Osthoff | Skoglund | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|------------|----------|--------|
| Aasness | Hokr | Nelsen, B. | Rees | Welker |
| Ainley | Lemen | Niehaus | Schafer | Wigley |
| Den Ouden | Ludeman | Nysether | Sherwood | |
| Esau | McDonald | Onnen | Stowell | |
| Fjoslien | Mehrkens | Redalen | 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. 409, A bill for an act relating to agriculture; requiring department of agriculture approval and receipt of certain grain storage receipts; regulating the family farm security program; changing terms of members of the family farm advisory council; regulating denaturing of certain food; identifying fur

pelts; amending Minnesota Statutes 1980, Sections 17.35, Subdivision 7; 31.095; 41.52, Subdivisions 5, 8 and 9; 41.54, Subdivision 2; 41.56, Subdivisions 1, 2 and 4; 41.58, Subdivision 2; 232.06, Subdivision 1; 233.03; 234.02; 236.03; and 290.08, Subdivision 24; repealing Minnesota Statutes 1980, Section 29.091.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Erickson moved that the House concur in the Senate amendments to H. F. No. 409 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 409, A bill for an act relating to agriculture; requiring department of agriculture approval and receipt of certain grain storage receipts; regulating the family farm security program; changing terms of members of the family farm advisory council; regulating denaturing of certain food; identifying fur pelts; updating references in the shade tree control law; amending Minnesota Statutes 1980, Sections 17.35, Subdivision 7; 18.023, Subdivision 3a; 31.095; 41.52, Subdivisions 5, 8 and 9, and by adding subdivisions; 41.54, Subdivision 2; 41.56, Subdivisions 1, 2, 3 and 4; 41.58, Subdivision 2; 232.06, Subdivision 1; 233.03; 234.27; 236.03; 275.50, Subdivision 6; 290.01, Subdivision 20; and 290.08, Subdivision 24; repealing Minnesota Statutes 1980, Sections 29.091 and 234.02.

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 | Drew | Jacobs | McDonald | Pogemiller |
| Ainley | Eken | Jennings | McEachern | Redalen |
| Anderson, B. | Elioff | Johnson, C. | Mehrkens | Reding |
| Anderson, G. | Ellingson | Johnson, D. | Metzen | Rees |
| Anderson, I. | Erickson | Jude | Minne | Reif |
| Battaglia | Esau | Kahn | Munger | Rice |
| Begich | Evans | Kaley | Murphy | Rodriguez, C. |
| Berkelman | Fjoslien | Kalis | Nelsen, B. | Rodriguez, F. |
| Blatz | Forsythe | Kelly | Nelson, K. | Rose |
| Brandl | Greenfield | Knickerbocker | Niehaus | Rothenberg |
| Brinkman | Gruenes | Kostohryz | Norton | Samuelson |
| Byrne | Halberg | Kvam | Novak | Sarna |
| Carlson, D. | Hanson | Lehto | Nysether | Schafer |
| Carlson, L. | Hauge | Lemen | Ogren | Schoenfeld |
| Clark, J. | Haukoos | Levi | Olsen | Schreiber |
| Clark, K. | Heap | Long | Onnen | Searles |
| Clawson | Heinitz | Ludeman | Osthoff | Shea |
| Dahlvang | Himle | Luknic | Otis | Sherman |
| Dean | Hoberg | Mann | Peterson, B. | Sherwood |
| Dempsey | Hokanson | Marsh | Peterson, D. | Sieben, M. |
| Den Ouden | Hokr | McCarron | Piepho | Simoneau |

| | | | | |
|----------|-----------|----------|--------|------------------|
| Skoglund | Swiggum | Vanasek | Welker | Zubay |
| Stadum | Swanson | Vellenga | Wenzel | Spkr. Sieben, H. |
| Staten | Tomlinson | Voss | Wieser | |
| Stowell | Valan | Weaver | Wigley | |
| Stumpf | Valento | Welch | 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. 306, A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 306 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 306, A bill for an act relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

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 72 yeas and 55 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | Osthoff | Skoglund |
| Anderson, G. | Ellingson | Lehto | Otis | Staten |
| Anderson, I. | Greenfield | Lemen | Peterson, D. | Stumpf |
| Battaglia | Gustafson | Levi | Pogemiller | Swanson |
| Begich | Hanson | Long | Reding | Tomlinson |
| Berkelman | Harens | Luknic | Reif | Vanasek |
| Blatz | Hauge | Mann | Rice | Vellenga |
| Brandl | Hokanson | McCarron | Rodriguez, C. | Voss |
| Byrne | Jacobs | Minne | Rodriguez, F. | Wenzel |
| Carlson, L. | Johnson, C. | Munger | Samuelson | Wynia |
| Clark, J. | Johnson, D. | Murphy | Sarna | Zubay |
| Clark, K. | Jude | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Clawson | Kahn | Norton | Shea | |
| Dahlvang | Kalis | Novak | Sieben, M. | |
| Eken | Kelly | Ogren | Simoneau | |

Those who voted in the negative were:

| | | | | |
|-------------|-----------|---------------|--------------|----------|
| Aasness | Fjoslien | Jennings | Olsen | Sherman |
| Ainley | Forsythe | Kaley | Onnen | Sherwood |
| Brinkman | Friedrich | Knickerbocker | Peterson, B. | Stadum |
| Carlson, D. | Gruenes | Kvam | Piepho | Stowell |
| Dean | Halberg | Ludeman | Redalen | Sviggum |
| Dempsey | Haukoos | Marsh | Rees | Valan |
| Den Ouden | Heap | McDonald | Rose | Valento |
| Drew | Heinitz | Mehrkens | Rothenberg | Weaver |
| Erickson | Himle | Nelsen, B. | Schafer | Welker |
| Esau | Hoberg | Niehaus | Schreiber | Wieser |
| Evans | Hokr | Nysether | Searles | 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. 1044, A bill for an act relating to attachment; prescribing the grounds when a writ of attachment may be issued for purposes of securing property or acquiring quasi in rem jurisdiction over defendants; amending Minnesota Statutes 1980, Section 570.02.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Jude moved that the House concur in the Senate amendments to H. F. No. 1044 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1044, A bill for an act relating to attachment; prescribing the grounds when a writ of attachment may be issued for purposes of securing property or acquiring quasi in rem jurisdiction over defendants; amending Minnesota Statutes 1980, Section 570.02.

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, B. | Anderson, I. | Begich | Blatz |
| Ainley | Anderson, G. | Battaglia | Berkelman | Brandl |

| | | | | |
|-------------|---------------|------------|---------------|------------------|
| Brinkman | Halberg | Lemen | Osthoff | Simoneau |
| Byrne | Hanson | Levi | Otis | Skoglund |
| Carlson, D. | Harens | Long | Peterson, B. | Stadum |
| Carlson, L. | Hauge | Ludeman | Peterson, D. | Staten |
| Clark, J. | Haukoos | Luknic | Piepho | Stowell |
| Clark, K. | Heap | Mann | Pogemiller | Stumpf |
| Clawson | Heinitz | Marsh | Redalen | Sviggum |
| Dahlvang | Himle | McCarron | Reding | Swanson |
| Dean | Hoberg | McDonald | Rees | Tomlinson |
| Dempsey | Hokanson | McEachern | Reif | Valan |
| Den Ouden | Hokr | Mehrkens | Rice | Valento |
| Drew | Jacobs | Metzen | Rodriguez, C. | Vanasek |
| Eken | Jennings | Minne | Rodriguez, F. | Vellenga |
| Elioff | Johnson, C. | Munger | Rose | Voss |
| Ellingson | Johnson, D. | Murphy | Rothenberg | Weaver |
| Erickson | Jude | Nelsen, B. | Samuelson | Weich |
| Esau | Kahn | Nelson, K. | Sarna | Welker |
| Evans | Kaley | Niehaus | Schafer | Wenzel |
| Fjoslien | Kalis | Norton | Schoenfeld | Wieser |
| Forsythe | Kelly | Novak | Schreiber | Wigley |
| Friedrich | Knickerbocker | Nysether | Searles | Wynia |
| Greenfield | Kostohryz | Ogren | Sherman | Zubay |
| Gruenes | Kvam | Olsen | Sherwood | Spkr. Sieben, H. |
| Gustafson | Lehto | 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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 188, A bill for an act relating to financial institutions; increasing the maximum lawful interest rate chargeable by state banks and savings banks on certain transactions; amending Minnesota Statutes 1980, Section 48.195.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 188 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 188, A bill for an act relating to financial institutions; increasing the maximum lawful interest rate chargeable by banks and savings banks on certain transactions; requiring disclosure of the right to prepay overdraft checking loan balances; amending Minnesota Statutes 1980, Sections 48.185, by adding a subdivision; and 48.195.

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 77 yeas and 44 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|----------|
| Aasness | Friedrich | Knickerbocker | Nysether | Searles |
| Ainley | Gruenes | Kvam | Olsen | Sherman |
| Anderson, B. | Gustafson | Lehto | Onnen | Sherwood |
| Berkelman | Halberg | Lemen | Otis | Stadum |
| Blatz | Haukoos | Levi | Peterson, B. | Stowell |
| Brinkman | Heap | Ludeman | Piepho | Stumpf |
| Carlson, D. | Heinitz | Luknic | Redalen | Swiggum |
| Dempsey | Himle | Mann | Reding | Valento |
| Den Ouden | Hoberg | Marsh | Rees | Vanasek |
| Drew | Hokr | McDonald | Reif | Welker |
| Eken | Jennings | McEachern | Rodriguez, C. | Wieser |
| Erickson | Johnson, C. | Mehrkens | Rodriguez, F. | Wigley |
| Esau | Johnson, D. | Metzen | Rose | Zubay |
| Evans | Kaley | Munger | Rothenberg | |
| Fjoslien | Kalis | Nelsen, B. | Schafer | |
| Forsythe | Kelly | Niehaus | Schreiber | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|--------------|------------------|
| Anderson, I. | Dahlvang | Long | Peterson, D. | Swanson |
| Battaglia | Ellingson | McCarron | Rice | Tomlinson |
| Begich | Greenfield | Minne | Samuelson | Vellenga |
| Brandl | Hanson | Murphy | Sarna | Voss |
| Byrne | Harens | Nelson, K. | Schoenfeld | Weaver |
| Carlson, L. | Jacobs | Norton | Sieben, M. | Wenzel |
| Clark, J. | Jude | Novak | Simoneau | Wynia |
| Clark, K. | Kahn | Ogren | Skoglund | Spkr. Sieben, H. |
| Clawson | Kostohryz | Osthoff | Staten | |

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. 673, A bill for an act relating to commerce; increasing the amount of the surety bond required of collection agencies; authorizing the commissioner of securities and real estate to investigate and examine certain collection agencies; broadening the classification of prohibited practices; amending Minnesota Statutes 1980, Sections 332.34; 332.37; and 332.40.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Staten moved that the House concur in the Senate amendments to H. F. No. 673 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 673, A bill for an act relating to commerce; increasing the amount of the surety bond required of collection agencies; authorizing the commissioner of securities and real estate to investigate and examine certain collection agencies; broadening the classification of prohibited practices; amending Minnesota Statutes 1980, Sections 332.34; 332.37; and 332.40.

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 108 yeas and 18 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Friedrich | Kvam | Onnen | Skoglund |
| Anderson, G. | Greenfield | Lehto | Osthoff | Stadum |
| Anderson, I. | Gustafson | Lemen | Otis | Staten |
| Battaglia | Halberg | Levi | Peterson, B. | Stumpf |
| Begich | Hanson | Long | Peterson, D. | Svigum |
| Berkelman | Hauge | Luknic | Pogemiller | Swanson |
| Blatz | Haukoos | Mann | Rees | Tomlinson |
| Brandl | Heap | Marsh | Reif | Valan |
| Brinkman | Heinitz | McCarron | Rice | Vanasek |
| Byrne | Himle | McEachern | Rodriguez, C. | Vellenga |
| Carlson, D. | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Carlson, L. | Hokanson | Metzen | Rose | Weaver |
| Clark, J. | Hokr | Minne | Rothenberg | Welch |
| Clark, K. | Jacobs | Munger | Samuelson | Wenzel |
| Clawson | Johnson, C. | Murphy | Sarna | Wieser |
| Dahlvang | Jude | Nelsen, B. | Schreiber | Wigley |
| Drew | Kahn | Nelson, K. | Searles | Wynia |
| Eken | Kaley | Norton | Shea | Zubay |
| Elioff | Kalis | Novak | Sherman | Spkr. Sieben, H. |
| Ellingson | Kelly | Nysether | Sherwood | |
| Evans | Knickerbocker | Ogren | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|-------------|---------|---------|
| Ainley | Esau | Johnson, D. | Piepho | Valento |
| Dempsey | Forsythe | Ludeman | Redalen | Welker |
| Den Ouden | Gruenes | McDonald | Schafer | |
| Erickson | Jennings | Niehaus | Stowell | |

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. 1048, A bill for an act relating to insurance; removing insurance solicitors from insurance licensing provisions; pre-

scribing certain fees; providing for licensing of certain legal entities as agents; providing for the licensing of other insurance agents; providing for examinations; providing exceptions to the licensing requirements; authorizing temporary licenses; providing for appointment of agents by insurers; prohibiting certain persons from obtaining an agent's license; providing for the revocation or suspension of licenses upon specified conditions; providing for the surrender, loss, or destruction of licenses; prescribing certain powers of the commissioner; authorizing the sale of contracts on a variable basis without licensure in certain circumstances; authorizing the commissioner to promulgate rules; prescribing penalties; amending Minnesota Statutes 1980, Sections 60A.02, Subdivision 7; 60A.14, Subdivision 1; 60A.17, Subdivisions 1, 3, 5, 6, 10, 12, and 13, and by adding subdivisions; repealing Minnesota Statutes 1980, Sections 60A.02, Subdivision 8; and 60A.17, Subdivisions 2, 2a, 2b, 4, 5a, 6a, 7, and 9.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Rees moved that the House concur in the Senate amendments to H. F. No. 1048 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1048, A bill for an act relating to insurance; removing insurance solicitors from insurance licensing provisions; prescribing certain fees; providing for licensing of certain legal entities as agents; providing for the licensing of other insurance agents; providing for examinations; providing exceptions to the licensing requirements; authorizing temporary licenses; providing for appointment of agents by insurers; prohibiting certain persons from obtaining an agent's license; providing for the revocation or suspension of licenses upon specified conditions; providing for the surrender, loss, or destruction of licenses; prescribing certain powers of the commissioner; authorizing the sale of contracts on a variable basis without licensure in certain circumstances; authorizing the commissioner to promulgate rules; prescribing penalties; amending Minnesota Statutes 1980, Sections 60A.02, Subdivision 7; 60A.14, Subdivision 1; 60A.17, Subdivisions 1, 3, 5, 6, 10, 12, and 13, and by adding subdivisions; repealing Minnesota Statutes 1980, Sections 60A.02, Subdivision 8; and 60A.17, Subdivisions 2, 2a, 2b, 4, 5a, 6a, 7, and 9.

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 | Fjoslien | Knickerbocker | Olsen | Sieben, M. |
| Anderson, B. | Forsythe | Kostohryz | Onnen | Simoneau |
| Anderson, G. | Friedrich | Kvam | Osthoff | Skoglund |
| Anderson, I. | Greenfield | Lehto | Otis | Stadum |
| Battaglia | Gruenes | Lemen | Peterson, B. | Staten |
| Begich | Gustafson | Levi | Peterson, D. | Stowell |
| Berkelman | Halberg | Long | Piepho | Stumpf |
| Blatz | Hanson | Ludeman | Pogemiller | Sviggum |
| Brandl | Harens | Luknic | Redalen | Swanson |
| Brinkman | Hauge | Mann | Reding | Tomlinson |
| Byrne | Haukoos | Marsh | Rees | Valan |
| Carlson, D. | Heap | McCarron | Reif | Valento |
| Carlson, L. | Heinitz | McDonald | Rice | Vanasek |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Vellenga |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Voss |
| Clawson | Hokanson | Metzen | Rose | Weaver |
| Dahlvang | Hokr | Minne | Rothenberg | Welch |
| Dempsey | Jacobs | Munger | Samuelson | Welker |
| Den Ouden | Jennings | Murphy | Sarna | Wenzel |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wieser |
| Eken | Johnson, D. | Nelson, K. | Schoenfeld | Wigley |
| Elioff | Jude | Niehaus | Schreiber | Wynia |
| Ellingson | Kahn | Norton | Searles | Zubay |
| Erickson | Kaley | Novak | Shea | Spkr. Sieben, H. |
| Esau | Kalis | Nysether | Sherman | |
| Evans | Kelly | Ogren | 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. 1005, A bill for an act relating to housing; authorizing the board of the Minneapolis municipal employees retirement fund to invest funds with the Minneapolis-St. Paul family housing fund; authorizing the housing finance agency to use temporary rulemaking to define certain terms; providing for a revolving account; permitting certain loans; limiting the dollar amount of certain loans; limiting the maximum purchase price or appraised value of certain dwelling units financed with local bond proceeds; providing for the allocation of mortgage subsidy bonds; appropriating money; amending Minnesota Statutes 1980, Sections 422A.05, by adding a subdivision; 462A.03, Subdivision 10; 462A.04, Subdivision 8; 462A.05, Subdivisions 17 and 19, and by adding subdivisions; 462A.07, by adding a subdivision; 462A.20, Subdivision 3; 462A.21, Subdivision 8, and by adding a subdivision; 462A.22, Subdivision 9; 462C.03, by adding a subdivision; 462C.05, Subdivision 3; 462C.08; and proposing new law coded in Minnesota Statutes, Chapter 462C; repealing Minnesota Statutes 1980, Section 462A.21, Subdivision 11.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Peterson, D., moved that the House concur in the Senate amendments to H. F. No. 1005 and that the bill be repassed as amended by the Senate.

Hanson moved that the House refuse to concur in the Senate amendments to H. F. No. 1005, 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 Hanson motion and the roll was called. There were 37 yeas and 81 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-----------|-----------|--------------|------------|---------|
| Aasness | Ellingson | Long | Piepho | Swanson |
| Ainley | Erickson | Ludeman | Reif | Voss |
| Berkelman | Hanson | Nelson, K. | Rose | Weaver |
| Brandl | Haukoos | Niehaus | Rothenberg | Welker |
| Byrne | Jennings | Novak | Schafer | Wynia |
| Clark, J. | Kahn | Nysether | Sherman | |
| Clawson | Kalis | Otis | Sherwood | |
| Dempsey | Lemen | Peterson, B. | Svigum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Forsythe | Knickerbocker | Osthoff | Staten |
| Anderson, G. | Greenfield | Kostohryz | Peterson, D. | Stowell |
| Anderson, I. | Gruenes | Kvam | Pogemiller | Stumpf |
| Battaglia | Gustafson | Levi | Redalen | Tomlinson |
| Blatz | Halberg | Luknic | Reding | Valento |
| Brinkman | Heap | Mann | Rodriguez, C. | Vanasek |
| Carlson, D. | Heinitz | Marsh | Rodriguez, F. | Vellenga |
| Carlson, L. | Himle | McCarron | Samuelson | Welch |
| Clark, K. | Hoberg | McEachern | Sarna | Wenzel |
| Dahlvang | Hokanson | Mehrkens | Schoenfeld | Wieser |
| Dean | Hokr | Metzen | Schreiber | Wigley |
| Den Ouden | Jacobs | Minne | Searles | Zubay |
| Drew | Johnson, C. | Munger | Shea | Spkr. Sieben, H. |
| Eken | Johnson, D. | Nelsen, B. | Sieben, M. | |
| Esau | Jude | Ogren | Simoneau | |
| Evans | Kaley | Olsen | Skoglund | |
| Fjoslien | Kelly | Onnen | Stadum | |

The motion did not prevail.

The question recurred on the Peterson, D., motion that the House concur in the Senate amendments to H. F. No. 1005 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1005, A bill for an act relating to housing; authorizing municipalities under 2,500 population to elect that the state building code not apply within their jurisdictions;

permitting certain investments by the Minneapolis retirement board; authorizing temporary rulemaking power for the housing finance agency to define certain terms; providing for the continuation of staff complement; providing for changes in the assumability of agency loans; making non-citizen veterans eligible for certain loans; permitting certain loans; permitting the transfer of certain funds; providing for a revolving account; restricting the use of municipal housing revenue bonds in redevelopment areas; eliminating restrictions on the issuance of certain bonds exempted by federal law; appropriating money; amending Minnesota Statutes 1980, Sections 422A.05, by adding a subdivision; 462A.03, Subdivision 10; 462A.04, Subdivision 8; 462A.05, Subdivisions 17 and 19, and by adding subdivisions; 462A.07, by adding a subdivision; 462A.20, Subdivision 3; 462A.21, Subdivision 8, and by adding a subdivision; 462A.22, Subdivision 9; 462C.03, by adding a subdivision; 462C.05, Subdivision 3; 462C.07, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapters 16 and 462C; repealing Minnesota Statutes 1980, Section 462A.21, 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 110 yeas and 15 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kaley | Nysether | Sherwood |
| Anderson, B. | Evans | Kalis | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kelly | Olsen | Simoneau |
| Anderson, I. | Forsythe | Knickerbocker | Osthoff | Skoglund |
| Battaglia | Greenfield | Kostohryz | Otis | Stadum |
| Begich | Gruenes | Lehto | Peterson, B. | Staten |
| Berkelman | Gustafson | Lemen | Peterson, D. | Stowell |
| Blatz | Halberg | Levi | Piepho | Stumpf |
| Brandl | Hanson | Luknic | Pogemiller | Swanson |
| Brinkman | Hauge | Mann | Reding | Tomlinson |
| Byrne | Haukoos | Marsh | Rees | Valan |
| Carlson, D. | Heap | McCarron | Rice | Valento |
| Carlson, L. | Heinitz | McEachern | Rodriguez, C. | Vanasek |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Vellenga |
| Clark, K. | Hoberg | Metzen | Rose | Voss |
| Clawson | Hokanson | Minne | Samuelson | Weaver |
| Dahlvang | Hokr | Munger | Sarna | Welch |
| Dean | Jacobs | Murphy | Schoenfeld | Wenzel |
| Drew | Johnson, C. | Nelsen, B. | Schreiber | Wieser |
| Eken | Johnson, D. | Nelson, K. | Searles | Wynia |
| Elioff | Jude | Norton | Shea | Zubay |
| Ellingson | Kahn | Novak | Sherman | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|----------|---------|------------|---------|
| Dempsey | Jennings | Niehaus | Reif | Sviggum |
| Den Ouden | Kvam | Onnen | Rothenberg | Welker |
| Esau | Ludeman | Redalen | Schafer | Wigley |

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 appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 487, A bill for an act relating to the capitol area architectural and planning board; providing for disposition of tax-forfeited property within the capitol area; amending Minnesota Statutes 1980, Section 15.50, Subdivision 6.

The Senate has appointed as such committee Messrs. Stumpf, Willet and Penny.

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. 691, A bill for an act relating to court reporting; permitting the use of electronic recording equipment in certain district court proceedings; amending Minnesota Statutes 1980, Sections 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484.

The Senate has appointed as such committee Mrs. Brataas, Messrs. Merriam and Lessard.

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. 1190, A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

The Senate has appointed as such committee Messrs. Johnson, Pehler and Benson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 338, A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Nelson, Berg and Sikorski.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Reding 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. 338. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 400, A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Wegener, Olhoft and Taylor.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like 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. 400. The motion prevailed.

Mr. Speaker:

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

S. F. No. 571.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 571, A bill for an act relating to Goodhue county; authorizing an increase in the levy limit to allow a levy for county fairs.

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

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 79

A bill for an act relating to commerce; providing for the regulation and licensing of precious metal dealers; establishing identification procedures and recording requirements; prohibiting certain transactions; providing for criminal and civil penalties; providing remedies; amending Minnesota Statutes 1980, Section 609.53, Subdivision 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 325F.

May 12, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 79, 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. 79 be further amended as follows:

Page 1, line 16, delete "includes" and insert "means"

Page 1, line 16, delete "copartnership" and insert "partnership"

Page 1, line 19, after "candlesticks," insert "and"

Page 1, line 20, delete the comma

Page 1, line 21, delete "includes" and insert "means"

Page 1, line 23, delete "ITEMS" and insert "ITEM"

Page 1, line 23, delete "Items" and insert "Item"

Page 1, line 24, delete "items" and insert "an item"

Page 1, line 25, delete ", which contain" and insert "and containing"

Page 2, line 7, after the comma, insert "or estate sales or farm auctions held at the decedent's residence,"

Page 2, delete lines 14 and 15

Page 2, line 23, delete "where" and insert "in which"

Page 2, line 29, after "with" insert "the requirements of"

Page 2, line 29, delete "through" and insert "to"

Page 2, delete lines 30 to 33 and insert:

"(8) Transactions between precious metal dealers if both dealers are licensed under section 3 or if the seller's business is located outside of the state and the item is shipped from outside the state to a dealer licensed under section 3.

(9) Transactions in which the buyer of the secondhand item containing precious metal is engaged primarily in the business of buying and selling antiques, and the items are resold

in an unaltered condition except for repair, and the items are resold at retail, and the buyer paid less than \$2,500 for second-hand items containing precious metals purchased within any period of 12 consecutive months."

Renumber the clauses in sequence

Page 3, line 5, after the comma insert "*and locations of the*"

Page 3, line 12, delete "*copartnership*" and insert "*partnership*"

Page 3, line 13, after the period insert "*Each application shall be kept by the auditor for a period of no less than three years and shall be available for inspection only by employees of the county auditor, the county attorney, the attorney general, or by a peace officer.*"

Page 4, line 7, after the first period insert "*The book shall contain the same information as required on the application for the license; provided, that the applicant's resident address and date of birth shall not be recorded.*"

Page 4, line 28, delete "*or purchasing*"

Page 5, line 20, delete "*this section*" and insert "*section 10*"

Page 5, line 33, delete "*MUNICIPALITIES*" and insert "*GOVERNMENTAL SUBDIVISIONS*"

Page 5, line 36, delete "*city or other municipal corporation or*"

Page 6, line 2, delete "*the municipality*" and insert "*its jurisdiction in a manner more restrictive than sections 1 to 17; provided, that transactions described in section 2, subdivision 2, shall not be regulated in a manner inconsistent with sections 1 to 17*"

Page 7, line 17, delete "*15 and*" and insert "*14 to*"

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

House Conferees: LAWRENCE J. POGEMILLER, ROBERT E. VANASEK and KATHLEEN A. BLATZ.

Senate Conferees: ERIC D. PETTY, CLARENCE M. PURFEERST and JAMES ULLAND.

Pogemiller moved that the report of the Conference Committee on H. F. No. 79 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 79, A bill for an act relating to commerce; providing for the regulation and licensing of precious metal dealers; establishing identification procedures and recording requirements; prohibiting certain transactions; providing for criminal and civil penalties; providing remedies; amending Minnesota Statutes 1980, Section 609.53, Subdivision 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 325F.

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 105 yeas and 14 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Ellingson | Kaley | Novak | Searles |
| Anderson, G. | Erickson | Kelly | Ogren | Shea |
| Anderson, I. | Fjoslien | Knickerbocker | Olsen | Sherman |
| Battaglia | Greenfield | Kostohryz | Onnen | Sieben, M. |
| Begich | Gruenes | Kvam | Osthoff | Simoneau |
| Blatz | Gustafson | Lemen | Otis | Skoglund |
| Brandl | Halberg | Levi | Peterson, B. | Swanson |
| Brinkman | Hanson | Long | Peterson, D. | Tomlinson |
| Byrne | Harens | Luknic | Piepho | Valan |
| Carlson, D. | Hauge | Mann | Pogemiller | Valento |
| Carlson, L. | Haukoos | Marsh | Rees | Vanasek |
| Clark, J. | Heap | McCarron | Reif | Vellenga |
| Clark, K. | Heinitz | McEachern | Rice | Voss |
| Clawson | Himle | Metzen | Rodriguez, C. | Weaver |
| Dahlvang | Hokanson | Minne | Rodriguez, F. | Welch |
| Dean | Hokr | Munger | Rose | Wenzel |
| Dempsey | Jacobs | Murphy | Rothenberg | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Samuelson | Wigley |
| Drew | Johnson, D. | Nelson, K. | Sarna | Wynia |
| Eken | Jude | Niehaus | Schoenfeld | Zubay |
| Elioff | Kahn | Norton | Schreiber | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|---------|----------|----------|----------|---------|
| Aasness | Evans | Mehrkens | Schafer | Sviggum |
| Ainley | Jennings | Nysether | Sherwood | Welker |
| Esau | Ludeman | Redalen | Stowell | |

The bill was repassed, as amended by Conference, 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 bills as a Special Order to be acted upon immediately following Special Orders pending for Thursday, May 14, 1981: S. F. Nos. 937, 368, 513, 31, 136, 250, 268, 436, 489, 17, 188, 254, 535 and 595;

H. F. No. 18; S. F. Nos. 179, 650, 56, 655, 1188, 1126, 830, 74, 915, 470, 1005, 674, 533, 649, 34, 539 and 890.

Kostohryz was excused from 12:30 p.m. to 1:30 p.m.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of S. F. No. 28.

S. F. No. 28, A bill for an act relating to claims against the state; providing for payment of various claims; 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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | Onnen | Simoneau |
| Ainley | Evans | Knickerbocker | Osthoff | Skoglund |
| Anderson, B. | Fjoslien | Kvam | Otis | Stadum |
| Anderson, G. | Friedrich | Lehto | Peterson, B. | Stowell |
| Anderson, I. | Greenfield | Lemen | Peterson, D. | Stumpf |
| Battaglia | Gruenes | Levi | Piepho | Sviggum |
| Begich | Gustafson | Long | Pogemiller | Swanson |
| Berkelman | Halberg | Ludeman | Redalen | Tomlinson |
| Blatz | Hanson | Mann | Reding | Valan |
| Brandl | Hauge | Marsh | Rees | Valento |
| Brinkman | Haukoos | McCarron | Reif | Vanasek |
| Byrne | Heap | McDonald | Rice | Vellenga |
| Carlson, D. | Heinitz | McEachern | Rodriguez, C. | Voss |
| Carlson, L. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Hokr | Munger | Sarna | Wenzel |
| Dean | Jacobs | Murphy | Schafer | Wigley |
| Dempsey | Jennings | Nelsen, B. | Schoenfeld | Wynia |
| Den Ouden | Johnson, C. | Nelson, K. | Schreiber | Zubay |
| Drew | Johnson, D. | Niehaus | Searles | Spkr. Sieben, H. |
| Eken | Jude | Norton | Shea | |
| Elioff | Kahn | Novak | Sherman | |
| Ellingson | Kaley | Nysether | Sherwood | |
| Erickson | Kalis | Olsen | Sieben, M. | |

The bill was passed and its title agreed to.

SPECIAL ORDERS

S. F. No. 664 was reported to the House.

The Speaker called Wynia to the Chair.

Welker and Weaver moved to amend S. F. No. 664, as follows:

Page 3, after line 25, insert a new section to read:

“Sec. 2. Minnesota Statutes 1980, Section 105.485, is amended by adding a subdivision to read:

Subd. 9. [RULES: RATIFICATION BY LEGISLATURE.] Rules promulgated after June 1, 1981, under the authority of the commissioner, or by any other agency, which supplement, interpret or in any way relate to sections 105.37 to 105.55 pertaining to drainage, filling and excavating shall have the force of law only after ratification by the legislature.”

ReNUMBER remaining sections

Amend the title, as follows:

Page 1, line 4, after “municipalities;” insert “providing for ratification of rules by legislature;”

Page 1, line 5, after “Subdivision 6” insert “and by adding a subdivision”

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Ogren | Sieben, M. |
| Ainley | Evans | Kelly | Olsen | Simoneau |
| Anderson, B. | Fjoslien | Knickerbocker | Onnen | Skoglund |
| Anderson, G. | Forsythe | Kvam | Osthoff | Stadum |
| Anderson, I. | Greenfield | Lehto | Otis | Staten |
| Battaglia | Gruenes | Lemen | Peterson, B. | Stowell |
| Berkelman | Gustafson | Long | Peterson, D. | Stumpf |
| Blatz | Halberg | Ludeman | Piepho | Sviggum |
| Brandl | Hanson | Luknic | Pogemiller | Tomlinson |
| Brinkman | Harens | Mann | Redalen | Valan |
| Byrne | Hauge | Marsh | Reding | Valento |
| Carlson, D. | Haukoos | McCarron | Rees | Vanasek |
| Carlson, L. | Heap | McDonald | Reif | Voss |
| Clark, J. | Heinitz | McEachern | Rodriguez, C. | Weaver |
| Clark, K. | Himle | Mehrkens | Rodriguez, F. | Welch |
| Clawson | Hoberg | Metzen | Rose | Welker |
| Dahvang | Hokanson | Minne | Rothenberg | Wenzel |
| Dean | Hokr | Munger | Sarna | Wieser |
| Dempsey | Jacobs | Murphy | Schafer | Wigley |
| Den Ouden | Jennings | Nelsen, B. | Schoenfeld | Wynia |
| Drew | Johnson, D. | Nelson, K. | Schreiber | Spkr. Sieben, H. |
| Eken | Jude | Niehaus | Searles | |
| Ellingson | Kahn | Norton | Shea | |
| Erickson | Kaley | Nysether | Sherman | |

Simoneau 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 amendment and the roll was called.

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

There were 72 yeas and 55 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|-----------|---------|
| Aasness | Fjoslien | Kaley | Nysether | Stadum |
| Ainley | Forsythe | Kalis | Ogren | Staten |
| Anderson, B. | Gruenes | Knickerbocker | Olsen | Stowell |
| Anderson, G. | Halberg | Kvam | Onnen | Stumpf |
| Battaglia | Hauge | Levi | Piepho | Sviggum |
| Begich | Haukoos | Ludeman | Redalen | Valan |
| Blatz | Heap | Luknic | Rees | Valento |
| Brinkman | Heinitz | Marsh | Reif | Weaver |
| Carlson, D. | Himle | McDonald | Rose | Welker |
| Dempsey | Hoberg | McEachern | Samuelson | Wieser |
| Den Ouden | Hokr | Mehrkens | Schafer | Wigley |
| Elioff | Jennings | Metzen | Schreiber | Zubay |
| Erickson | Johnson, C. | Minne | Searles | |
| Esau | Johnson, D. | Nelsen, B. | Shea | |
| Evans | Jude | Niehaus | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, I. | Eken | Laidig | Otis | Sieben, M. |
| Berkelman | Ellingson | Lehto | Peterson, B. | Simoneau |
| Brandl | Greenfield | Lemen | Peterson, D. | Skoglund |
| Byrne | Gustafson | Long | Pogemiller | Tomlinson |
| Carlson, L. | Hanson | Mann | Reding | Vanasek |
| Clark, J. | Harens | McCarron | Rice | Vellenga |
| Clark, K. | Hokanson | Munger | Rodriguez, C. | Voss |
| Clawson | Jacobs | Murphy | Rodriguez, F. | Welch |
| Dahlvang | Kahn | Nelson, K. | Rothenberg | Wenzel |
| Dean | Kelly | Norton | Sarna | Wynia |
| Drew | Kostohryz | Osthoff | Schoenfeld | Spkr. Sieben, H. |

The motion prevailed and the amendment was adopted.

Voss and Munger moved that their names be stricken as authors on H. F. No. 786. The motion prevailed.

S. F. No. 664, A bill for an act relating to water resources; altering certain provisions concerning the regulation of shoreland use and development in municipalities; amending Minnesota Statutes 1980, Section 105.485, 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.

Eken 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:

| | | | | |
|--------------|-------------|---------------|-----------|----------|
| Aasness | Esau | Kaley | Niehaus | Sherwood |
| Ainley | Evans | Kalis | Nysether | Stadum |
| Anderson, B. | Fjoslien | Knickerbocker | Ogren | Stumpf |
| Anderson, G. | Forsythe | Kvam | Olsen | Sviggum |
| Anderson, R. | Gruenes | Lemen | Onnen | Valan |
| Battaglia | Halberg | Levi | Piepho | Valento |
| Begich | Hauge | Ludeman | Redalen | Weaver |
| Blatz | Haukoos | Luknic | Rees | Welker |
| Brinkman | Heap | Marsh | Reif | Wieser |
| Carlson, D. | Heinitz | McDonald | Samuelson | Wigley |
| Dempsey | Himle | Mehrkens | Schafer | Zubay |
| Den Ouden | Hoberg | Metzen | Schreiber | |
| Elioff | Jennings | Minne | Searles | |
| Erickson | Johnson, C. | Nelsen, B. | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, I. | Ellingson | Laidig | Peterson, B. | Simoneau |
| Berkelman | Greenfield | Lehto | Peterson, D. | Skoglund |
| Brandl | Gustafson | Long | Pogemiller | Staten |
| Byrne | Hanson | Mann | Reding | Stowell |
| Carlson, L. | Harens | McCarron | Rice | Tomlinson |
| Clark, J. | Hokanson | Munger | Rodriguez, C. | Vanasek |
| Clark, K. | Jacobs | Murphy | Rodriguez, F. | Vellenga |
| Clawson | Johnson, D. | Nelson, K. | Rothenberg | Voss |
| Dahlvang | Jude | Norton | Sarna | Welch |
| Dean | Kahn | Novak | Schoenfeld | Wenzel |
| Drew | Kelly | Osthoff | Sherman | Wynia |
| Eken | Kostohryz | Otis | Sieben, M. | Spkr. Sieben, H. |

The bill was not passed as amended.

CALL OF THE HOUSE LIFTED

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

S. F. No. 525 was reported to the House.

Shea moved to amend S. F. No. 525, the unofficial engrossment, as follows:

Page 3, after line 2, insert:

“Sec. 2. [173.171] [VEGETATION CONTROL; VISIBILITY; AGREEMENTS.]

The commissioner of the department of transportation may enter into agreements with the owners of advertising devices not prohibited under chapter 173 and lawfully erected and main-

tained in adjacent areas, or with the owners of the real property on which the advertising devices are located, providing for the control of vegetation on the right-of-way in the vicinity of the advertising devices to ensure their visibility from the highway. The agreements shall provide that:

(1) The cost of any vegetation control measures will be paid for by the owner of the advertising device or the owner of the real property on which it is located; and

(2) Any control measures will be carried out in a safe, workmanlike manner."

Re-number the remaining section

Further, amend the title as follows:

Page 1, line 3, after the semicolon insert "providing for maintenance of areas;"

Page 1, line 4, before the period insert "; proposing new law coded in Minnesota Statutes, Chapter 173"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Kelly and Kahn moved to amend S. F. No. 525, the unofficial engrossment, as amended, as follows:

Page 2, line 33, after "erected" insert "along an Interstate or Federal-aid primary highway"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 20 yeas and 88 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|------------|--------|------------|---------------|-----------|
| Byrne | Hanson | Kelly | Peterson, D. | Simoneau |
| Clark, J. | Harens | Lehto | Pogemiller | Tomlinson |
| Greenfield | Hauge | Long | Rodriguez, C. | Vanasek |
| Gustafson | Kahn | Nelson, K. | Rodriguez, F. | Vellenga |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|-------------|---------------|
| Aasness | Carlson, D. | Ewald | Heinitz | Jude |
| Ainley | Carlson, L. | Fjoslien | Himle | Kaley |
| Anderson, I. | Dahlvang | Forsythe | Hoberg | Kalis |
| Battaglia | Dean | Friedrich | Hokanson | Knickerbocker |
| Begich | Dempsey | Gruenes | Hokr | Kostohryz |
| Berkelman | Den Ouden | Halberg | Jacobs | Kvam |
| Blatz | Elioff | Haukoos | Jennings | Laidig |
| Brinkman | Esau | Heap | Johnson, D. | Lemen |

| | | | | |
|-----------|----------|--------------|------------|------------------|
| Levi | Munger | Peterson, B. | Searles | Voss |
| Ludeman | Murphy | Piepho | Shea | Weaver |
| Luknic | Niehaus | Redalen | Sherman | Weiker |
| Mann | Norton | Reding | Sieben, M. | Wenzel |
| Marsh | Novak | Rees | Stadum | Wieser |
| McDonald | Nysether | Rose | Staten | Wigley |
| McEachern | Ogren | Rothenberg | Stowell | Zubay |
| Mehrkens | Olsen | Sarna | Stumpf | Spkr. Sieben, H. |
| Metzen | Onnen | Schafer | Swiggum | |
| Minne | Osthoff | Schoenfeld | Valento | |

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

Aasness moved to amend S. F. No. 525, the unofficial engrossment, as amended, as follows:

Page 3, after line 2, insert:

"The Minnesota department of transportation with the assistance and cooperation of the department of economic development shall make recommendations to the standing committees on transportation of both houses of the legislature by February 1, 1982 for a comprehensive directional signing program."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Kahn and Kelly moved to amend S. F. No. 525, the unofficial engrossment, as amended, as follows:

Page 3, after line 2, add a section to read:

"Sec. 2. Minnesota Statutes 1980, Section 173.13, is amended to read:

173.13 [DEVICES ALONG INTERSTATE HIGHWAYS.]

Subdivision 1. No advertising device shall be erected or maintained in any adjacent area without a permit therefor being first obtained from the commissioner, except that permit systems of legitimate local zoning authorities shall take precedence inside a business area.

Subd. 2. The commissioner of transportation may adopt, modify, amend, or repeal regulations governing the issuance of permits or renewals therefor for the erection and maintenance of advertising devices adjacent to the interstate and primary system of highways, provided that such regulations shall not be more restrictive than the provisions of sections 173.13 to 173.24.

Subd. 3. No size limitation shall apply to any advertising device otherwise legally in place on June 8, 1971.

Subd. 4. The annual fee for each such permit or renewal thereof shall be as follows:

(1) If the advertising area of the advertising device does not exceed 50 square feet, the fee shall be (\$5) \$10.

(2) If the advertising area exceeds 50 square feet but does not exceed 300 square feet, the fee shall be (\$10) \$20.

(3) If the advertising area exceeds 300 square feet, the fee shall be (\$20) \$40.

(4) No fee shall be charged for a permit for directional and other official signs and notices as they are defined in section 178.02.

Subd. 5. The provisions of this section shall be effective on July 1, 1971, and the provisions relating to permits and fees shall apply to then legally existing devices as well as devices that may be erected and maintained thereafter.

Subd. 6. Permits shall expire on the last day of June of each year. They may be renewed upon payment of the annual fee and filing of a renewal application form to be provided by the commissioner, but without the filing of a new permit application. There shall be proration of the fee for the year in which the permit is first obtained, and the portion of any fees for a permit on any advertising device paid under this chapter, allocable to the period July 1, 1971, through December 31, 1971, shall be deemed to have been paid upon and shall apply to payment of the fees required by Laws 1971, Chapter 883 or refunded. There shall be no additional fee or permit required for change in advertising copy.

Subd. 7. A penalty of (\$2) *two times the annual fee* shall be charged upon failure to pay the annual permit fee for renewal on or before August 1 of each year.

Subd. 8. There shall be submitted, together with the fee for the annual renewal, a statement by the applicant that the owner or occupant of the property has consented to the continued use of his property for such advertising device.

Subd. 9. The commissioner of transportation shall be notified in writing by the assignor of any such assignment.

Subd. 10. The commissioner may revoke any permit granted herein for cause upon 30 days written notice of such hearing to the permittee. Such notice and hearing and all regulations with respect thereto shall be in accordance with chapter 15. The commissioner within 10 days after hearing shall notify the permittee what he must do to retain the permit and the permittee shall

have 30 days therefrom in which to comply with the order of the commissioner.

Subd. 11. Advertising devices erected or maintained after June 8, 1971, not complying with Laws 1971, Chapter 883, and not otherwise by Laws 1971, Chapter 883, permitted to stand may be removed by the commissioner upon 60 days prior written notice by certified mail to the owner thereof and to the owner of the real property on which such advertising device is located, provided that no notice shall be required to be given to the owner of an advertising device whose name is not stated upon the advertising device or the structure on which it is displayed, unless the name of such owner is otherwise reasonably known to the commissioner. The period of such notice shall be computed from the date of mailing."

Renumber Section 2 as Section 3

Further amend title:

Page 1, line 3, after the semicolon insert:

"increasing certain fees for outdoor advertising permits"

Page 1, line 3, delete "Section 173.17" and insert "Section 173.13, and 173.17.

The motion prevailed and the amendment was adopted.

S. F. No. 525, A bill for an act relating to advertising devices; requiring compensation for removing certain devices; providing for maintenance of areas; amending Minnesota Statutes 1980, Section 173.17; proposing new law coded in Minnesota Statutes, Chapter 173.

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 108 yeas and 14 nays as follows:

Those who voted in the affirmative were:

- | | | | | |
|--------------|-------------|-----------|-----------|---------------|
| Aasness | Byrne | Eken | Gustafson | Hokr |
| Ainley | Carlson, D. | Elioff | Halberg | Jacobs |
| Anderson, G. | Carlson, L. | Esau | Harens | Jennings |
| Anderson, I. | Clark, J. | Evans | Haukoos | Johnson, C. |
| Battaglia | Clawson | Ewald | Heap | Johnson, D. |
| Begich | Dahlvang | Fjoslien | Heinitz | Jude |
| Berkelman | Dean | Forsythe | Himle | Kaley |
| Blatz | Dempsey | Friedrich | Hoberg | Kalis |
| Brinkman | Drew | Gruenes | Hokanson | Knickerbocker |

| | | | | |
|-----------|----------|--------------|------------|------------------|
| Kostohryz | Mehrkens | Otis | Schreiber | Valan |
| Kvam | Metzen | Peterson, B. | Searles | Valento |
| Laidig | Minne | Piepho | Shea | Vanasek |
| Lehto | Munger | Pogemiller | Sherman | Voss |
| Lemen | Murphy | Redalen | Sieben, M. | Weaver |
| Levi | Niehaus | Reding | Simoneau | Welker |
| Ludeman | Norton | Rees | Skoglund | Wenzel |
| Luknic | Novak | Reif | Stadum | Wieser |
| Mann | Nysether | Rose | Staten | Wigley |
| Marsh | Ogren | Rothenberg | Stowell | Zubay |
| McCarron | Olsen | Sarna | Stumpf | Spkr. Sieben, H. |
| McDonald | Onnen | Schafer | Sviggum | |
| McEachern | Osthoff | Schoenfeld | Tomlinson | |

Those who voted in the negative were:

| | | | | |
|-----------|------------|-------|---------------|----------|
| Brandl | Greenfield | Kahn | Peterson, D. | Vellenga |
| Clark, K. | Hanson | Kelly | Rodriguez, C. | Wynia |
| Ellingson | Hauge | Long | Rodriguez, F. | |

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

S. F. No. 818 was reported to the House.

Reding moved to amend S. F. No. 818, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 97.49, Subdivision 1a, is amended 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) \$2 from each deer license issued by the commissioner shall be used for the purpose of deer habitat improvement *contingent upon deer license fees being increased by 1981 law.*

Sec. 2. Minnesota Statutes 1980, Section 100.27, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise specifically provided, there shall be no open season on elk, caribou, antelope, marten, *cougar*, or wolverine.

Sec. 3. Minnesota Statutes 1980, Section 100.27, Subdivision 2, is amended to read:

Subd. 2. Deer, moose and *adult bear one year of age or older* 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 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."

Delete the title and insert:

"A bill for an act relating to game and fish; increasing deer license habitat amount; restricting season on cougar; restricting the taking of bear to adult bear; amending Minnesota Statutes 1980, Sections 97.49, Subdivision 1a; and 100.27, Subdivisions 1 and 2."

The motion prevailed and the amendment was adopted.

Carlson, D., moved to amend S. F. No. 818, as amended, as follows:

Page 1, line 26, delete "*one year of age or*"

Page 2, line 1, delete "*older*"

The motion prevailed and the amendment was adopted.

The Speaker called Wynia to the Chair.

Weaver offered an amendment to S. F. No. 818, as amended.

POINT OF ORDER

Long raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker pro tempore ruled the point of order well taken and the amendment out of order.

S. F. No. 818, A bill for an act relating to game and fish; increasing the amount set aside from any increased deer license fees for deer habitat improvement; restricting the taking of bear

to adult bear; amending Minnesota Statutes 1980, Sections 97.49, Subdivision 1a; and 100.27, 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 104 yeas and 16 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Ewald | Kaley | Olsen | Sherman |
| Battaglia | Fjoslien | Kalis | Onnen | Sherwood |
| Begich | Forsythe | Kelly | Osthoff | Sieben, M. |
| Berkelman | Greenfield | Knickerbocker | Peterson, B. | Simoneau |
| Blatz | Gruenes | Kostohryz | Peterson, D. | Skoglund |
| Brandl | Gustafson | Laidig | Piepho | Stowell |
| Byrne | Halberg | Lehto | Pogemiller | Stumpf |
| Carlson, D. | Hanson | Lemen | Redalen | Sviggum |
| Carlson, L. | Harens | Levi | Reding | Swanson |
| Clark, J. | Hauge | Long | Reif | Tomlinson |
| Clark, K. | Heap | Mann | Rice | Valan |
| Clawson | Heinitz | Marsh | Rodriguez, C. | Valento |
| Dahlvang | Himle | McCarron | Rodriguez, F. | Vanasek |
| Dean | Hoberg | Mehrkens | Rose | Vellenga |
| Dempsey | Hokanson | Minne | Rothenberg | Weaver |
| Drew | Hokr | Munger | Samuelson | Welch |
| Eken | Jacobs | Murphy | Sarna | Wenzel |
| Elioff | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Ellingson | Johnson, D. | Norton | Schreiber | Zubay |
| Esau | Jude | Novak | Searles | Spkr. Sieben, H. |
| Evans | Kahn | Nysether | Shea | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|----------|--------|--------|
| Aasness | Haukoos | McDonald | Voss | Wieser |
| Ainley | Jennings | Niehaus | Welker | Wigley |
| Brinkman | Kvam | Otis | | |
| Den Ouden | Ludeman | Schafer | | |

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

S. F. No. 1074 was reported to the House.

Clawson moved to amend S. F. No. 1074, as follows:

Page 2, after line 13, insert:

“Sec. 2. [SALE OF LOT AUTHORIZED.]

Notwithstanding Minnesota Statutes, Section 282.018 or any other law to the contrary the following described tract of land in Mahnomen county may be offered for sale by the authority having jurisdiction over the land without the prior approval of the commissioner of natural resources:

Lot 14, Johnson's Addition to Island Lake.

Sec. 3. [EASEMENT GRANTED.]

Notwithstanding any law to the contrary, the commissioner of natural resources shall grant as an easement the following described real property in the manner provided by law:

The North 33.00 feet of the East 300.0 feet of the Northwest Quarter of the Northeast Quarter of Section 36, Township 34, Range 24, Anoka County; but not including that portion of the real property which is designated as a right of way for county state aid highway number 24.

Sec. 4. [EFFECTIVE DATE.]

Sections 2 and 3 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after "lands;" insert "providing that certain lands may be sold; authorizing an easement on certain lands;"

The motion prevailed and the amendment was adopted.

S. F. No. 1074, A bill for an act relating to natural resources; extending the permissible term of agricultural leases of state peat lands; amending Minnesota Statutes 1980, Section 92.50, 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 120 yeas and 7 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Aasness | Eken | Hokr | Marsh | Piepho |
| Ainley | Elioff | Jacobs | McCarron | Redalen |
| Anderson, B. | Ellingson | Jennings | McDonald | Rees |
| Anderson, G. | Esau | Johnson, C. | McEachern | Reif |
| Anderson, I. | Evans | Johnson, D. | Mehrrens | Rice |
| Battaglia | Ewald | Jude | Metzen | Rodriguez, C. |
| Begich | Fjoslien | Kahn | Minne | Rodriguez, F. |
| Berkelman | Forsythe | Kaley | Munger | Rose |
| Blatz | Greenfield | Kelly | Murphy | Rothenberg |
| Brandl | Gruenes | Knickerbocker | Nelsen, B. | Samuelson |
| Brinkman | Gustafson | Kostohryz | Nelson, K. | Sarna |
| Byrne | Halberg | Kvam | Niehaus | Schafer |
| Carlson, D. | Hanson | Laidig | Norton | Schreiber |
| Carlson, L. | Harens | Lehto | Novak | Searles |
| Clark, J. | Haukoos | Lemen | Olsen | Sherman |
| Clawson | Heap | Levi | Onnen | Sherwood |
| Dahlvang | Heinitz | Long | Osthoff | Sieben, M. |
| Dean | Himle | Ludeman | Otis | Simoneau |
| Den Ouden | Hoberg | Luknic | Peterson, B. | Skoglund |
| Drew | Hokanson | Mann | Peterson, D. | Stadum |

| | | | | |
|---------|-----------|----------|--------|------------------|
| Staten | Swanson | Vanasek | Welch | Wigley |
| Stowell | Tomlinson | Vellenga | Welker | Wynia |
| Stumpf | Valan | Voss | Wenzel | Zubay |
| Sviglum | Valento | Weaver | Wieser | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------------|----------------|------------|------------|------|
| Clark, K. Hauge | Kalis Ogren | Pogemiller | Schoenfeld | Shea |
|--------------------|----------------|------------|------------|------|

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

S. F. No. 767 was reported to the House.

Minne moved to amend S. F. No. 767, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 375.17, is amended to read:

375.17 [PUBLICATION OF FINANCIAL STATEMENTS.]

Annually, not later than the first Tuesday after the first Monday in March, the county board shall make a full and accurate statement of the receipts and expenditures of the preceding year, which shall contain a statement of the assets and liabilities, a summary of receipts, disbursements, and balances of all county funds together with a detailed statement of each fund account, under the form and style prescribed by and on file with the state auditor, which prescribed form and any changes or modifications thereof shall so far as practical be uniform for all counties and shall be approved by the attorney general and the state printer and within 30 days thereafter shall cause the same to be published for one issue in some newspaper within the county, which newspaper must be a duly qualified legal newspaper, as provided by law. The county board may also refrain from publishing an itemized account of amounts paid out, to whom and for what purpose to the extent that the published proceedings of the county board contain such information, provided that all disbursements aggregating \$5,000 or more to any person are set forth in a schedule of major disbursements showing amounts paid out, to whom and for what purpose and are made a part of, and published with, the financial statement. *The county board may refrain from publishing the names and amounts of salaries and expenses paid to employees but shall publish the totals of disbursements for salaries and expenses.* The county board may refrain from publishing the names of persons receiving poor relief or direct relief and the amounts paid to each, but the totals of the disbursements for such purposes must be published. In addition to the publication thereof in the newspaper designated by the board as the official newspaper for publication of the financial statement, the same shall be published in one other newspaper of the county, if there be one located in a different mu-

nicipality in the county than the official newspaper. The county board shall call for separate bids for each publication. Insofar as any provision of this section is inconsistent with the provisions of section 393.07, the provisions of that section shall prevail."

Delete the title and insert:

"A bill for an act relating to counties; providing for publication of certain salary and expense information; amending Minnesota Statutes 1980, Section 375.17."

The motion prevailed and the amendment was adopted.

Begich moved to amend S. F. No. 767, as amended, as follows:

Page 2, after line 20, add a new section to read:

"Sec. 2. [EXEMPTIONS.]

In St. Louis County the county commissioners and the department head salaries shall be published by name, title and total amount of compensation received for the year being listed."

The motion prevailed and the amendment was adopted.

S. F. No. 767, A bill for an act relating to counties; providing for publication of certain financial information; proposing new law coded in Minnesota Statutes, Chapter 375; repealing Minnesota Statutes 1980, Section 375.17.

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 91 yeas and 31 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Anderson, B. | Eken | Jacobs | McDonald | Pogemiller |
| Anderson, I. | Elioff | Johnson, C. | McEachern | Reding |
| Battaglia | Ellingson | Johnson, D. | Mehrrens | Rees |
| Begich | Ewald | Kahn | Metzen | Reif |
| Berkelman | Fjoslien | Kaley | Minne | Rice |
| Brandl | Forsythe | Kalis | Munger | Rodriguez, C. |
| Brinkman | Greenfield | Kelly | Murphy | Rodriguez, F. |
| Byrne | Gruenes | Knickerbocker | Nelson, K. | Samuelson |
| Carlson, D. | Gustafson | Kostohryz | Niehaus | Sarna |
| Carlson, L. | Halberg | Laidig | Norton | Schoenfeld |
| Clark, J. | Hanson | Lehto | Novak | Searles |
| Clark, K. | Heap | Lemen | Olsen | Sherman |
| Clawson | Heinitz | Levi | Osthoff | Sieben, M. |
| Dahlvang | Himle | Long | Otis | Simoneau |
| Den Ouden | Hokanson | Luknic | Peterson, B. | Skoglund |
| Drew | Hokr | McCarron | Peterson, D. | Staten |

| | | | | |
|---------|-----------|--------|-------|------------------|
| Stowell | Tomlinson | Voss | Wynia | Spkr. Sieben, H. |
| Stumpf | Vanasek | Weaver | | |
| Swanson | Vellenga | Wenzel | | |

Those who voted in the negative were:

| | | | | |
|--------------|----------|----------|---------|--------|
| Aasness | Evans | Marsh | Schafer | Wieser |
| Ainley | Haukoos | Nysether | Shea | Wigley |
| Anderson, G. | Jennings | Ogren | Stadum | Zubay |
| Dean | Jude | Onnen | Sviggum | |
| Dempsey | Kvam | Piepho | Valan | |
| Erickson | Ludeman | Redalen | Valento | |
| Esau | Mann | Rose | Welker | |

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

S. F. No. 2, A bill for an act relating to the Mississippi River headwaters area; establishing a joint board of counties to prepare, adopt and implement a comprehensive land use plan for the Mississippi River head waters area; imposing a temporary moratorium on the use of certain lands subject to city land use controls; proposing new law coded as Minnesota Statutes, Chapter 114B.

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 112 yeas and 5 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ewald | Knickerbocker | Onnen | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Osthoff | Simoneau |
| Anderson, I. | Forsythe | Laidig | Otis | Skoglund |
| Anderson, R. | Greenfield | Lehto | Peterson, B. | Stadum |
| Battaglia | Gruenes | Lemen | Peterson, D. | Stowell |
| Begich | Gustafson | Levi | Piepho | Stumpf |
| Berkelman | Halberg | Long | Pogemiller | Sviggum |
| Brandl | Hanson | Mann | Redalen | Swanson |
| Brinkman | Hauge | Marsh | Reding | Tomlinson |
| Byrne | Heap | McCarron | Rees | Valento |
| Carlson, L. | Heinitz | McEachern | Reif | Vanasek |
| Clark, J. | Himle | Mehrkens | Rice | Vellenga |
| Clawson | Hoberg | Metzen | Rodriguez, C. | Voss |
| Dahlvang | Hokanson | Minne | Rodriguez, F. | Weaver |
| Dean | Hokr | Munger | Rose | Wenzel |
| Dempsey | Jacobs | Murphy | Rothenberg | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Samuelson | Wigley |
| Eken | Johnson, D. | Nelson, K. | Sarna | Wynia |
| Elioff | Jude | Niehaus | Schafer | Zubay |
| Ellingson | Kahn | Norton | Schoenfeld | Spkr. Sieben, H. |
| Erickson | Kaley | Novak | Searles | |
| Esau | Kalis | Nysether | Shea | |
| Evans | Kelly | Olsen | Sherman | |

Those who voted in the negative were:

| | | | | |
|---------|----------|------|---------|--------|
| Haukoos | Jennings | Kvam | Ludeman | Welker |
|---------|----------|------|---------|--------|

The bill was passed and its title agreed to.

S. F. No. 937 was reported to the House.

There being no objection S. F. No. 937 was temporarily laid over.

S. F. No. 368 was reported to the House.

Clark, K., moved to amend S. F. No. 368, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 462C.03, Subdivision 1, is amended to read:

Subdivision 1. The housing plan shall set forth:

(a) The housing needs of the city and the data demonstrating those needs;

(b) The plan of the city to meet identified housing needs, and the specific methods to be used to carry out the plan;

(c) Target areas, if any, of the city for each method;

(d) The financing program or programs to be included in the plan;

(e) The number and qualifications of lenders eligible to participate in the program;

(f) The estimated amount of mortgage loans to be made or purchased in each program and the estimated amounts and timing of the sale of revenue bonds required to finance such loans, fund appropriate reserves, and pay costs of issuance;

(g) Methods for monitoring the implementation by participants to insure that the programs will be consistent with the plan and its objectives;

(h) The administrative capacity of the city to monitor and supervise housing finance programs;

(i) The cost to the city, including administrative costs;
(AND)

(j) An analysis of how the programs will meet the needs of low and moderate income families in the city; *and*

(k) *A description of the city's strategies to minimize displacement of low and moderate income persons and families and an outline of policies which will be implemented to mitigate adverse effects which do occur as a result of developments financed through programs in this chapter.*

The governing body of the city or a committee thereof shall review the plan at a public hearing and shall consider the comments presented at the hearing. The city shall cause to be published, in a newspaper of general circulation, notice of the public hearing at least 15 and not more than 30 days prior to the public hearing. Amendments to the plan considered at the public hearing may be adopted at that hearing or a subsequent meeting.

Sec. 2. Minnesota Statutes 1980, Section 462C.03, is amended by adding a subdivision to read:

Subd. 10. Notwithstanding any provision of this chapter to the contrary, after December 31, 1981 any city of the first class issuing bonds subject to this chapter, for the purpose of financing single family housing, including condominiums or cooperatives, and subject to section 103A of the Internal Revenue Code, shall allocate at least ten percent of the proceeds of bonds issued during each calendar year for the purpose of making single family housing loans for, or purchasing single family housing loans made to families whose adjusted gross income does not exceed 80 percent of the median family income, as estimated by the department of housing and urban development for the applicable standard metropolitan statistical area. Provided, however, that if on May 1 of each year, the city determines that it is unable to issue bonds during that calendar year in the amount allocated pursuant to this subdivision, then any amount which the city determines will not be so issued may be issued for any purpose authorized by this chapter.

For the purpose of this subdivision, "single family housing" includes dwelling units owned under a condominium or cooperative form of ownership which are to be occupied by families as a principal residence.

Sec. 3. Minnesota Statutes 1980, Section 462C.03, is amended by adding a subdivision to read:

Subd. 11. Notwithstanding any provision of this chapter to the contrary, any city of the first class issuing bonds for single family housing subject to this chapter and not subject to sections 1102 and 1103 of the Mortgage Subsidy Bond Tax Act of 1980, but not including bonds issued to finance the Minneapolis/St. Paul joint housing program, shall allocate at least 20 percent of the proceeds of the bonds issued for the purpose specified in section 2. For the purpose of this subdivision, "single family housing" includes dwelling units owned under a condominium or co-

operative form of ownership which are to be occupied by families as a principal residence.

Sec. 4. Minnesota Statutes 1980, Section 462C.05, Subdivision 1, is amended to read:

Subdivision 1. A city may also plan, administer, and make or purchase a loan or loans to finance one or more multifamily housing developments within its boundaries, of the kind described in subdivision 2, 3 or 4, and upon the conditions set forth in this section. A loan may be made or purchased for the acquisition and preparation of a site and the construction of a new development, (OR) for the acquisition of an existing building and site and the rehabilitation thereof, *or for the acquisition of an existing building and site for purposes of conversion to limited equity cooperative ownership by low or moderate income families, provided that:*

(a) *Except in the case of acquisition for purposes of conversion to limited equity cooperative ownership, the cost of rehabilitation of an existing building is estimated to equal at least \$5,000 per dwelling unit or 50 percent of the appraised value of the original building and site, whichever is less or if the rehabilitation is financed in part by proceeds from a program provided by the federal government pursuant to 24 C.F.R. Sections 882.-401 to 882.519 or pursuant to section 312 of the Housing Act of 1964 (42 U.S.C. Section 1452b), the cost of rehabilitation of an existing building is estimated to equal at least \$2,000 per dwelling unit or 20 percent of the appraised value of the original building and site whichever is less;*

(b) At least a substantial portion of such rehabilitation cost is estimated to be incurred for compliance with building codes or conservation of energy;

(c) Each development upon completion shall comply with all applicable code requirements;

(d) A loan or loans may be made or purchased for either the construction or the long term financing of a development, or both, including the financing of the acquisition of dwelling units and interests in common facilities provided therein, by persons to whom such units and facilities may be sold as contemplated in chapter 515 or any supplemental or amendatory law thereof; (AND)

(e) Substantially all of the proceeds of each loan shall be used to pay the cost of a multifamily housing development, including property functionally related and subordinate to it; but nothing herein prevents the construction of the development over, under, or adjacent to, and in conjunction with facilities to be used for purposes other than housing; *and*

(f) *The owner or borrower utilizing loans provided under this chapter certifies that he or she will not displace current tenants either during or after the rehabilitation, except as provided for in section 1.*

Sec. 5. [APPLICABILITY.]

The provisions of section 2 shall not apply to any programs which were approved or are considered approved pursuant to section 462C.04, subdivision 2, by the Minnesota housing finance agency on or before the date of final enactment, nor to the Minneapolis/St. Paul joint housing program specifically exempted from the provisions of section 103A of the Internal Revenue Code.

Sec. 6. [EFFECTIVE DATE.]

This act is effective the day following its final enactment."

Delete the title and insert:

"A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement; requiring cities to hold public hearings for review of their municipal housing plans; placing income limits on certain loans made or purchased with certain local housing bond proceeds; providing that multi-family loans may be used to acquire structures for purposes of conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivision 1, and by adding subdivisions; and 462C.05, Subdivision 1."

The motion prevailed and the amendment was adopted.

Clark, K., moved to amend S. F. No. 368, as amended, as follows:

Page 2, line 32, delete "*proceeds of bonds issued*" and insert "*maximum amount of single family housing bonds which the city may issue*"

Page 2, line 32, after "*year*" insert "*, taking all laws into account.*"

Page 3, line 15, delete everything after "*class*"

Page 3, delete lines 16 to 24 and insert "*which may issue bonds pursuant to section 1104 of the Mortgage Subsidy Bond Tax Act of 1980, shall allocate at least 20 percent of the amount of bonds authorized by section 1104 of the Mortgage Subsidy Bond Tax Act of 1980 which are estimated to be issued pursuant to this chapter, for the purpose of making single family housing loans for, or purchasing single family housing loans made to families*

whose adjusted gross income does not exceed 80 percent of the median family income, as estimated by the department of housing and urban development for the applicable standard metropolitan statistical area. For the purpose of this subdivision, "single family housing" includes dwelling units owned under a condominium or cooperative form of ownership which are to be occupied by families as a principal residence."

Page 5, line 1, delete "section 2" and insert "sections 2 and 3"

The motion prevailed and the amendment was adopted.

Schreiber moved to amend S. F. No. 368, as amended, as follows:

Page 4, line 31, delete "and"

Page 4, line 35, strike the period and insert "; and"

Page 4, after line 35, insert:

"(g) The city has not enacted, by ordinance, charter amendment, or any other means, any system of rent control generally applicable to one or more classifications or types of rental residential property."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "providing that a city that has enacted a general system of residential rent control may not use certain authority granted regarding multifamily housing developments;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 76 yeas and 50 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|--------------|---------|
| Aasness | Friedrich | Laidig | Onnen | Stadum |
| Ainley | Gruenes | Lemen | Osthoff | Stowell |
| Anderson, R. | Halberg | Levi | Peterson, B. | Sviggum |
| Blatz | Haukoos | Ludeman | Piepho | Swanson |
| Brandl | Heap | Luknic | Redalen | Valan |
| Carlson, D. | Heinitz | Marsh | Rees | Valento |
| Dahlvang | Himle | McCarron | Reif | Weaver |
| Dean | Hoberg | McDonald | Rose | Welker |
| Dempsey | Hokanson | McEachern | Rothenberg | Wenzel |
| Den Ouden | Hokr | Mehrkens | Sarna | Wieser |
| Erickson | Jennings | Metzen | Schafer | Wigley |
| Esau | Johnson, D. | Minne | Schoenfeld | Zubay |
| Evans | Jude | Nelsen, B. | Schreiber | |
| Ewald | Kaley | Niehaus | Searles | |
| Fjoslien | Knickerbocker | Nysether | Sherman | |
| Forsythe | Kvam | Olsen | Sherwood | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Clawson | Kahn | Ogren | Simoneau |
| Anderson, G. | Eken | Kelly | Otis | Staten |
| Battaglia | Elioff | Kostohryz | Peterson, D. | Stumpf |
| Begich | Ellingson | Lehto | Pogemiller | Tomlinson |
| Berkelman | Greenfield | Long | Reding | Vanasek |
| Brinkman | Gustafson | Mann | Rice | Vellenga |
| Byrne | Hanson | Munger | Rodriguez, C. | Voss |
| Carlson, L. | Hauge | Murphy | Rodriguez, F. | Welch |
| Clark, J. | Jacobs | Nelson, K. | Shea | Wynia |
| Clark, K. | Johnson, C. | Norton | Sieben, M. | Spkr. Sieben, H. |

The motion prevailed and the amendment was adopted.

Clark, K., moved that S. F. No. 368, as amended, be temporarily laid over. The motion prevailed.

S. F. No. 513 was reported to the House.

Friedrich moved to amend S. F. No. 513, the unofficial engrossment, as follows:

Page 2, after line 30, insert:

"Sec. 4. Minnesota Statutes 1980, Section 334.16, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATION OF RATES.] The imposition, charge or collection of a finance charge upon an account balance by a seller of goods, services or both shall be lawful, provided that:

(a) The sale is a consumer credit sale pursuant to an open end credit plan, agreement or arrangement between the buyer and seller under which (1) the seller may permit the buyer to make purchases from time to time from the seller or other sellers, (2) the buyer has the privilege of paying the balance in full or in installments, and (3) a finance charge may be computed by the seller from time to time on an outstanding unpaid balance; and

(b) The terms of the plan, agreement or arrangement provide for a periodic rate of finance charge which does not exceed (1-1/3) 1-1/2 percent per month computed on an amount no greater than the average daily balance of the account during each monthly billing cycle; provided a minimum finance charge not in excess of 50 cents per month may be imposed, charged or collected."

Renumber the remaining section

Page 2, line 33, before the period insert "*, section 4, is effective October 1, 1981*"

A roll call was requested and properly seconded.

POINT OF ORDER

Sieben, M., raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker pro tempore ruled the point of order not well taken and the amendment in order.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Ogren | Simoneau |
| Ainley | Evans | Kelly | Olsen | Skoglund |
| Anderson, B. | Ewald | Knickerbocker | Onnen | Stadum |
| Anderson, G. | Fjoslien | Kostohryz | Osthoff | Staten |
| Anderson, I. | Friedrich | Laidig | Otis | Stowell |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Sviggum |
| Battaglia | Gruenes | Levi | Peterson, D. | Swanson |
| Begich | Gustafson | Long | Piepho | Tomlinson |
| Berkelman | Halberg | Ludeman | Pogemiller | Valan |
| Blatz | Hanson | Luknic | Redalen | Valento |
| Brandl | Harens | Mann | Reding | Vanasek |
| Brinkman | Hauge | Marsh | Rees | Vellenga |
| Carlson, D. | Haukoos | McCarron | Reif | Voss |
| Carlson, L. | Heap | McDonald | Rice | Weaver |
| Clark, J. | Heinitz | McEachern | Rodriguez, F. | Welch |
| Clark, K. | Himle | Mehrkens | Rose | Welker |
| Dahlvang | Hoberg | Minne | Rothenberg | Wenzel |
| Dean | Hokanson | Munger | Samuelson | Wieser |
| Dempsey | Hokr | Murphy | Sarna | Wigley |
| Den Ouden | Jacobs | Nelsen, B. | Schafer | Wynia |
| Drew | Jennings | Nelson, K. | Schoenfeld | Zubay |
| Eken | Johnson, C. | Niehaus | Schreiber | Spkr. Sieben, H. |
| Elioff | Johnson, D. | Norton | Shea | |
| Ellingson | Jude | Novak | Sherman | |
| Erickson | Kaley | Nysether | Sieben, M. | |

Simoneau 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 Speaker resumed the Chair.

Rodriguez, C., was excused while in conference committee.

The question recurred on the Friedrich amendment and the roll was called. There were 70 yeas and 62 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|----------|-----------|
| Aasness | Berkelman | Den Ouden | Evans | Friedrich |
| Ainley | Carlson, D. | Drew | Ewald | Gruenes |
| Anderson, B. | Dean | Erickson | Fjoslien | Halberg |
| Anderson, R. | Dempsey | Esau | Forsythe | Haukoos |

| | | | | |
|---------------|----------|--------------|------------|---------|
| Heap | Kvam | Nelsen, B. | Reif | Stadum |
| Heintz | Laidig | Niehaus | Rose | Stowell |
| Himle | Lehto | Nysether | Rothenberg | Swiggum |
| Hokr | Levi | Olsen | Schafer | Valan |
| Jennings | Long | Onnen | Schoenfeld | Valento |
| Johnson, C. | Ludeman | Peterson, B. | Schreiber | Welker |
| Johnson, D. | Luknic | Piepho | Searles | Wenzel |
| Kaley | Marsh | Redalen | Shea | Wieser |
| Kalis | McDonald | Reding | Sherman | Wigley |
| Knickerbocker | Mehrkens | Rees | Sherwood | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, G. | Eken | Kelly | Ogren | Stumpf |
| Anderson, I. | Elioff | Kostohryz | Osthoff | Swanson |
| Battaglia | Ellingson | Lemen | Otis | Tomlinson |
| Begich | Greenfield | Mann | Peterson, D. | Vanasek |
| Blatz | Gustafson | McCarron | Pogemiller | Vellenga |
| Brandl | Hanson | McEachern | Rice | Voss |
| Brinkman | Harens | Metzen | Rodriguez, F. | Weaver |
| Byrne | Hauge | Minne | Samuelson | Welch |
| Carlson, L. | Hoberg | Munger | Sarna | Wynia |
| Clark, J. | Hokanson | Murphy | Sieben, M. | Spkr. Sieben, H. |
| Clark, K. | Jacobs | Nelson, K. | Simoneau | |
| Clawson | Jude | Norton | Skoglund | |
| Dahlvang | Kahn | Novak | Staten | |

The motion prevailed and the amendment was adopted.

Eken 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.

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

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 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. 769, A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of

money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kalis moved that the House refuse to concur in the Senate amendments to H. F. No. 769, 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 H. F. No. 769:

Anderson, B.; Kalis and Stowell.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 338:

Reding; Anderson, I., and Rodriguez, F.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 400:

Lehto, Vanasek and Jennings.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken, from the Committee on Rules and Legislative Administration, pursuant to Rule 1.9, withdraws S. F. No. 513 as a Special Order for today, Thursday, May 14, 1981.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to rule 1.9 relating to S. F. No. 513. The Speaker ruled the point of order well taken.

SPECIAL ORDERS

S. F. No. 513, as amended, was again reported to the House.

S. F. No. 513, A bill for an act relating to interest; clarifying the usury exemption on certain loans; increasing rates of interest on loans for business and agricultural transactions and loans made by agricultural credit corporations; removing certain deficiencies and ambiguities; amending Minnesota Statutes 1980, Sections 334.01, Subdivision 2; 334.011, Subdivision 1; and 334.061.

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.

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

There were 55 yeas and 56 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|------------|----------|
| Aasness | Forsythe | Johnson, C. | Niehaus | Shea |
| Ainley | Friedrich | Kaley | Nysether | Sherman |
| Anderson, B. | Gruenes | Kalis | Onnen | Sherwood |
| Anderson, G. | Hauge | Knickerbocker | Piepho | Stowell |
| Anderson, R. | Haukoos | Levi | Redalen | Stumpf |
| Carlson, D. | Heap | Long | Reding | Sviggum |
| Den Ouden | Heinitz | Ludeman | Rees | Vanasek |
| Erickson | Himle | Luknic | Reif | Welker |
| Esau | Hoberg | Marsh | Rose | Wenzel |
| Evans | Hokr | McDonald | Schafer | Wigley |
| Ewald | Jennings | Nelsen, B. | Schoenfeld | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|-----------------|
| Anderson, I. | Elioff | Lemen | Osthoff | Swanson |
| Battaglia | Ellingson | Mann | Otis | Tomlinson |
| Begich | Greenfield | McCarron | Peterson, D. | Vellenga |
| Brandl | Gustafson | McEachern | Pogemiller | Voss |
| Brinkman | Hanson | Metzen | Rice | Weaver |
| Byrne | Harens | Minne | Rodriguez, C. | Welch |
| Carlson, L. | Hokanson | Murphy | Rodriguez, F. | Wynia |
| Clark, J. | Jacobs | Nelson, K. | Samuelson | Spk. Sieben, H. |
| Clark, K. | Jude | Norton | Sarna | |
| Clawson | Kahn | Novak | Sieben, M. | |
| Dahlvang | Kelly | O'Connor | Skoglund | |
| Eken | Kostohryz | Ogren | Staten | |

The bill was not passed, as amended.

S. F. No. 368, as amended, which was temporarily laid over earlier today was again reported to the House.

S. F. No. 368, A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; encouraging the use of bond proceeds for housing for persons and families

of low income; providing that multifamily housing loans may be used to acquire structures for conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1 and 2; and 462C.05, 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.

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

There were 80 yeas and 30 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-------------|---------------|--------------|------------------|
| Anderson, B. | Ellingson | Johnson, D. | Minne | Rice |
| Anderson, G. | Evans | Jude | Munger | Rodriguez, C. |
| Anderson, I. | Ewald | Kahn | Murphy | Rodriguez, F. |
| Anderson, R. | Forsythe | Kaley | Nelsen, B. | Sarna |
| Battaglia | Greenfield | Kelly | Nelson, K. | Sherwood |
| Begich | Gruenes | Knickerbocker | Norton | Sieben, M. |
| Brandl | Gustafson | Kostohryz | O'Connor | Simoneau |
| Byrne | Hanson | Laidig | Ogren | Staten |
| Carlson, D. | Harens | Lehto | Onnen | Stumpf |
| Carlson, L. | Hauge | Lemen | Osthoff | Tomlinson |
| Clark, J. | Heap | Levi | Otis | Vanasek |
| Clark, K. | Himle | Luknic | Peterson, D. | Voss |
| Clawson | Hoberg | Mann | Pogemiller | Wenzel |
| Dahlvang | Hokr | McCarron | Reding | Wynia |
| Dean | Jacobs | McEachern | Rees | Zubay |
| Elioff | Johnson, C. | Metzen | Reif | Spkr. Sieben, H. |

Those who voted in the negative were :

| | | | | |
|-----------|-----------|----------|------------|----------|
| Aasness | Esau | Kvam | Redalen | Sviggum |
| Ainley | Friedrich | Ludeman | Samuelson | Swanson |
| Berkelman | Haukoos | McDonald | Schafer | Vellenga |
| Den Ouden | Heinitz | Niehaus | Schoenfeld | Weaver |
| Drew | Jennings | Nysether | Sherman | Welker |
| Erickson | Kalis | Piepho | Stowell | Wigley |

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

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. 31 was reported to the House.

Harens moved to amend S. F. No. 31, as follows :

Page 1, after line 15 insert :

"Nothing in this section shall be construed to restrict options under consideration regarding the completion of Interstate 35E."

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 90 yeas and 24 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|------------------|
| Aasness | Forsythe | Knickerbocker | Olsen | Sherwood |
| Ainley | Friedrich | Kostohryz | Onnen | Sieben, M. |
| Anderson, G. | Gruenes | Kvam | Osthoff | Simoneau |
| Anderson, R. | Gustafson | Laidig | Peterson, B. | Staten |
| Blatz | Halberg | Lehto | Piepho | Stowell |
| Carlson, D. | Harens | Lemen | Redalen | Stumpf |
| Carlson, L. | Haukoos | Levi | Reding | Sviggum |
| Clark, K. | Heap | Long | Rees | Swanson |
| Clawson | Himle | Ludeman | Reif | Tomlinson |
| Dahlvang | Hoberg | Luknic | Rose | Valan |
| Dempsey | Hokanson. | Marsh | Rothenberg | Valento |
| Den Ouden | Hokr | McDonald | Samuelson | Vellenga |
| Drew | Jennings | McEachern | Sarna | Weaver |
| Eken | Johnson, C. | Metzen | Schafer | Welch |
| Erickson | Johnson, D. | Nelsen, B. | Schoenfeld | Welker |
| Esau | Jude | Niehaus | Schreiber | Wenzel |
| Evans | Kaley | Nysether | Shea | Wigley |
| Ewald | Kalis | Ogren | Sherman | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|------------|----------|--------------|---------------|
| Anderson, B. | Clark, J. | Kahn | Murphy | Rodriguez, F. |
| Battaglia | Elioff | Kelly | Nelson, K. | Skoglund |
| Begich | Ellingson | Mann | Norton | Voss |
| Brandl | Greenfield | McCarron | Peterson, D. | Wynia |
| Byrne | Hanson | Minne | Pogemiller | |

The motion prevailed and the amendment was adopted.

S. F. No. 31, A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

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 12 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|-------------|-------------|----------|
| Aasness | Anderson, R. | Blatz | Carlson, L. | Dahlvang |
| Anderson, B. | Battaglia | Brandl | Clark, J. | Dempsey |
| Anderson, G. | Begich | Byrne | Clark, K. | Drew |
| Anderson, I. | Berkelman | Carlson, D. | Clawson | Eken |

| | | | | |
|------------|---------------|--------------|---------------|------------------|
| Elioff | Hokanson | Mann | Piepho | Stowell |
| Ellingson | Hokr | Marsh | Pogemiller | Stumpf |
| Erickson | Jacobs | McCarron | Redalen | Swanson |
| Esau | Jennings | McEachern | Reding | Valan |
| Evans | Johnson, C. | Metzen | Rees | Valento |
| Ewald | Johnson, D. | Minne | Reif | Vanasek |
| Forsythe | Jude | Munger | Rice | Vellenga |
| Greenfield | Kahn | Murphy | Rodriguez, C. | Voss |
| Gruenes | Kaley | Nelson, K. | Rodriguez, F. | Weaver |
| Gustafson | Kalis | Niehaus | Rose | Welch |
| Halberg | Kelly | Norton | Samuelson | Wenzel |
| Hanson | Knickerbocker | O'Connor | Sarna | Wigley |
| Harens | Kostohryz | Ogren | Schoenfeld | Wynia |
| Hauge | Laidig | Olsen | Searles | Zubay |
| Haukoos | Lehto | Onnen | Shea | Spkr. Sieben, H. |
| Heap | Lemen | Osthoff | Sieben, M. | |
| Heinitz | Levi | Otis | Simoneau | |
| Himle | Long | Peterson, B. | Skoglund | |
| Hoberg | Luknic | Peterson, D. | Staten | |

Those who voted in the negative were:

| | | | | |
|-----------|------------|------------|-----------|--------|
| Ainley | Ludeman | Rothenberg | Sviggum | Welker |
| Den Ouden | Nelsen, B. | Schafer | Tomlinson | |
| Kvam | Nysether | Schreiber | | |

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

S. F. No. 937, which was temporarily laid over earlier today was again reported to the House.

Wynia moved to amend S. F. No. 937, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [62A.154] [BENEFITS FOR DES RELATED CONDITIONS.]

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

(a) "Covered person" means a natural person who is covered under a policy.

(b) "Insurer" means an insurer providing health, medical, hospitalization, or accident and sickness insurance regulated under this chapter, a non-profit health services plan corporation regulated under chapter 62C, a health maintenance organization regulated under chapter 62D or a fraternal beneficiary association regulated under chapter 64A.

(c) "Policy" means a policy or plan of health, medical, hospitalization or accident and sickness insurance, a health maintenance contract, or a health benefit certificate provided by an insurer which provides coverage of, or reimbursement for, hospital,

medical, or surgical expenses on a group or individual basis, but does not include a policy designed primarily to provide coverage payable on a per diem, fixed indemnity or nonexpense incurred basis, or a policy that provides only accident coverage.

Subd. 2. [REQUIRED COVERAGE.] No policy shall be issued or renewed in this state after August 1, 1981 if it provides an exclusion, reduction, or other limitation as to coverage, deductible, coinsurance or copayment applicable solely to conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which coverage for that person begins.

Subd. 3. [REFUSAL TO ISSUE OR RENEW.] No insurer shall refuse to issue or renew a policy, or to provide coverage under a policy, in this state after August 1, 1981 solely because of conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which coverage for that person begins.

The motion prevailed and the amendment was adopted.

S. F. No. 937, A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|------------|---------------|
| Aasness | Dempsey | Heap | Lehto | Nysether |
| Ainley | Den Ouden | Heinitz | Lemen | O'Connor |
| Anderson, B. | Drew | Himle | Levi | Ogren |
| Anderson, G. | Eken | Hoberg | Long | Olsen |
| Anderson, I. | Elioff | Hokanson | Ludeman | Onnen |
| Anderson, R. | Ellingson | Hokr | Luknic | Osthoff |
| Battaglia | Erickson | Jacobs | Mann | Otis |
| Begich | Esau | Jennings | Marsh | Peterson, B. |
| Berkelman | Evans | Johnson, C. | McCarron | Peterson, D. |
| Blatz | Ewald | Johnson, D. | McDonald | Piepho |
| Brandl | Forsythe | Jude | McEachern | Pogemiller |
| Byrne | Friedrich | Kahn | Metzen | Redalen |
| Carlson, D. | Greenfield | Kaley | Minne | Reding |
| Carlson, L. | Gruenes | Kalis | Munger | Rees |
| Clark, J. | Gustafson | Kelly | Murphy | Reif |
| Clark, K. | Halberg | Knickerbocker | Nelson, B. | Rice |
| Clawson | Hanson | Kostohryz | Nelson, K. | Rodriguez, C. |
| Dahlvang | Hauge | Kvam | Niehaus | Rodriguez, F. |
| Dean | Haukoos | Laidig | Norton | Rose |

| | | | | |
|------------|------------|-----------|----------|------------------|
| Rothenberg | Shea | Stowell | Vanasek | Wigley |
| Samuelson | Sherman | Stumpf | Vellenga | Wynia |
| Sarna | Sherwood | Sviggum | Voss | Zubay |
| Schafer | Sieben, M. | Swanson | Weaver | Spkr. Sieben, H. |
| Schoenfeld | Simoneau | Tomlinson | Welch | |
| Schreiber | Skoglund | Valan | Wenzel | |
| Searles | Staten | Valento | Wieser | |

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

S. F. No. 136 was reported to the House.

Piepho and Dempsey offered an amendment to S. F. No. 136.

POINT 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.

S. F. No. 136, A bill for an act relating to elections; changing compensation of certain election judges; amending Minnesota Statutes 1980, Section 204A.23.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | Norton | Schoenfeld |
| Anderson, B. | Ewald | Knickerbocker | Novak | Schreiber |
| Anderson, G. | Forsythe | Kostohryz | O'Connor | Searles |
| Anderson, I. | Friedrich | Kvam | Ogren | Shea |
| Battaglia | Greenfield | Laidig | Olsen | Sherman |
| Begich | Gruenes | Lehto | Onnen | Sherwood |
| Berkelman | Gustafson | Lemen | Osthoff | Sieben, M. |
| Blatz | Halberg | Levi | Otis | Simoneau |
| Brandl | Harens | Long | Peterson, B. | Skoglund |
| Byrne | Hauge | Ludeman | Peterson, D. | Staten |
| Carlson, D. | Haukoos | Luknic | Piepho | Stowell |
| Carlson, L. | Heap | Mann | Pogemiller | Stumpf |
| Clark, J. | Heinitz | Marsh | Redalen | Sviggum |
| Clark, K. | Himle | McCarron | Reding | Tomlinson |
| Clawson | Hoberg | McDonald | Rees | Valento |
| Dahlvang | Hokanson | McEachern | Reif | Vanasek |
| Dean | Hokr | Mehrkens | Rice | Vellenga |
| Dempsey | Jacobs | Metzen | Rodriguez, C. | Weaver |
| Den Ouden | Jennings | Minne | Rodriguez, F. | Welch |
| Eken | Johnson, C. | Munger | Rose | Wenzel |
| Elioff | Johnson, D. | Murphy | Rothenberg | Wynia |
| Ellingson | Jude | Nelsen, B. | Samuelson | Zubay |
| Erickson | Kahn | Nelson, K. | Sarna | Spkr. Sieben, H. |
| Esau | Kalis | Niehaus | Schafer | |

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

S. F. No. 250, A bill for an act relating to economic development; raising certain matching grant limitations; changing the composition of a community development corporation board; amending Minnesota Statutes 1980, Sections 362.12, Subdivision 4; and 362.41, Subdivision 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 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Esau | Kostohryz | Olsen | Sherwood |
| Ainley | Evans | Kvam | Onnen | Sieben, M. |
| Anderson, G. | Forsythe | Laidig | Osthoff | Simoneau |
| Anderson, I. | Friedrich | Lehto | Otis | Skoglund |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Staten |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Piepho | Swiggum |
| Berkelman | Halberg | Ludeman | Pogemiller | Swanson |
| Blatz | Hanson | Luknic | Redalen | Tomlinson |
| Brandl | Hauge | Mann | Reding | Valento |
| Byrne | Haukoos | Marsh | Rees | Vanasek |
| Carlson, D. | Heap | McCarron | Reif | Vellenga |
| Carlson, L. | Heinitz | Mehrkens | Rice | Voss |
| Clark, J. | Himle | Metzen | Rodriguez, C. | Weaver |
| Clark, K. | Hoberg | Minne | Rodriguez, F. | Welker |
| Clawson | Hokanson | Munger | Rose | Wenzel |
| Dahlvang | Hokr | Murphy | Rothenberg | Wieser |
| Dean | Jacobs | Nelsen, B. | Samuelson | Wigley |
| Dempsey | Jennings | Nelson, K. | Sarna | Wynia |
| Den Ouden | Johnson, C. | Niehaus | Schafer | Zubay |
| Drew | Johnson, D. | Norton | Schoenfeld | Spkr. Sieben, H. |
| Eken | Jude | Novak | Schreiber | |
| Elioff | Kalis | Nysether | Searles | |
| Ellingson | Kelly | O'Connor | Shea | |
| Erickson | Knickerbocker | Ogren | Sherman | |

Those who voted in the negative were:

Kahn

The bill was passed and its title agreed to.

S. F. No. 268, A bill for an act relating to insurance; regulating suicide provisions in life insurance contracts; proposing new law coded in Minnesota Statutes, Chapter 61A.

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 | Erickson | Kostohryz | Nysether | Schreiber |
| Ainley | Esau | Kvam | O'Connor | Searles |
| Anderson, B. | Friedrich | Laidig | Ogren | Shea |
| Anderson, G. | Greenfield | Lehto | Olsen | Sherman |
| Anderson, I. | Gruenes | Lemen | Onnen | Sherwood |
| Battaglia | Halberg | Levi | Osthoff | Sieben, M. |
| Begich | Hanson | Long | Otis | Simoneau |
| Berkelman | Hauge | Ludeman | Peterson, B. | Skoglund |
| Blatz | Haukoos | Luknic | Peterson, D. | Staten |
| Brandl | Heap | Mann | Piepho | Stowell |
| Byrne | Heinitz | Marsh | Pogemiller | Stumpf |
| Carlson, D. | Himle | McCarron | Redalen | Sviggum |
| Carlson, L. | Hoberg | McDonald | Reding | Swanson |
| Clark, J. | Hokanson | McEachern | Rees | Tomlinson |
| Clark, K. | Hokr | Mehrkens | Reif | Valento |
| Clawson | Jacobs | Metzen | Rice | Vanasek |
| Dahlvang | Jennings | Minne | Rodriguez, C. | Vellenga |
| Dean | Johnson, C. | Munger | Rodriguez, F. | Voss |
| Dempsey | Johnson, D. | Murphy | Rose | Weaver |
| Den Ouden | Jude | Nelsen, B. | Rothenberg | Welch |
| Drew | Kahn | Nelson, K. | Samuelson | Wenzel |
| Eken | Kalis | Niehaus | Sarna | Wigley |
| Elioff | Kelly | Norton | Schafer | Wynia |
| Ellingson | Knickerbocker | Novak | Schoenfeld | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

Forsythe was excused while in conference committee.

S. F. No. 436 was reported to the House.

Hokr moved to amend S. F. No. 436 as follows:

Page 3, after line 23 insert a section to read:

Sec. 5. Minnesota Statutes 1980, Section 245.783, Subdivision 3, is amended to read:

Subd. 3. Before issuing a license or renewing a license, the commissioner shall conduct a study of the applicant and the agency or the day care or residential facility. *The bureau of criminal apprehension, a county attorney, a county sheriff, and a chief of a local police department with the informed consent of the subject of the data shall assist in this study by providing to the commissioner, the director of any local agency responsible for licensing, or their representatives all criminal conviction data available from local, state, and national criminal history record repositories, including the criminal justice data communications network, pertaining to the following individuals connected with the application for or renewal of a license: applicants, operators, all persons living in the household, all staff of any day care or residential facility and all staff of agencies placing children for*

care. If the commissioner is satisfied that the provisions of Laws 1976, Chapter 243 and the applicable rules and regulations promulgated by him are substantially met, a license shall be issued. If the results of the study indicate that all of the applicable laws, rules and regulations cannot be met immediately, but can and will be met within one year or less, and the deviations do not threaten the health, rights, or safety of persons to be served, a provisional license (SHALL) *may* be issued for a period not to exceed one year from the date of issuance.

The commissioner may request advice from persons using the facility, agency, or service, operators of a similar facility, agency, or service, and relevant professionals as part of the evaluation of an applicant.

Renumber subsequent sections

Amend the title as follows

Page 1, line 4, after "Sections" insert

"245.783, Subdivision 3;"

The motion prevailed and the amendment was adopted.

S. F. No. 436, A bill for an act relating to children; providing for review of foster care status of certain children; amending Minnesota Statutes 1980, Sections 257.071, Subdivisions 2, 3 and 4; 260.015, Subdivision 7; 260.111, Subdivision 2; and 260.131, by adding a subdivision; proposing new law to be coded in Minnesota Statutes, Chapter 260.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Clawson | Gustafson | Jude | Mann |
| Ainley | Dahlvang | Halberg | Kahn | Marsh |
| Anderson, B. | Dempsey | Hanson | Kaley | McCarron |
| Anderson, G. | Den Ouden | Hauge | Kalis | McDonald |
| Anderson, I. | Drew | Haukoos | Kelly | McEachern |
| Battaglia | Eken | Heap | Knickerbocker | Mehrkens |
| Begich | Elioff | Heinitz | Kostohryz | Metzen |
| Berkelman | Ellingson | Himle | Kvam | Minne |
| Blatz | Erickson | Hoberg | Laidig | Munger |
| Brandl | Esau | Hokanson | Lehto | Murphy |
| Byrne | Evans | Hokr | Lemen | Nelsen, B. |
| Carlson, D. | Fjoslien | Jacobs | Levi | Nelson, K. |
| Carlson, L. | Friedrich | Jennings | Long | Niehaus |
| Clark, J. | Greenfield | Johnson, C. | Ludeman | Norton |
| Clark, K. | Gruenes | Johnson, D. | Luknic | Novak |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Nysether | Redalen | Schafer | Stowell | Welch |
| O'Connor | Reding | Schoenfeld | Stumpf | Welker |
| Ogren | Rees | Schreiber | Sviggum | Wenzel |
| Olsen | Reif | Searles | Swanson | Wieser |
| Onnen | Rice | Shea | Tomlinson | Wigley |
| Osthoff | Rodriguez, C. | Sherman | Valan | Wynia |
| Otis | Rodriguez, F. | Sherwood | Valento | Zubay |
| Peterson, B. | Rose | Sieben, M. | Vanasek | Spkr. Sieben, H. |
| Peterson, D. | Rothenberg | Simoneau | Vellenga | |
| Piepho | Samuelson | Skoglund | Voss | |
| Pogemiller | Sarna | Staten | Weaver | |

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

S. F. No. 489, A bill for an act relating to crimes; immunity from prosecution; changing the current transactional immunity to conform with federal use immunity; amending Minnesota Statutes 1980, Section 609.09, 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 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Fjoslien | Laidig | Olsen | Simoneau |
| Ainley | Friedrich | Lehto | Onnen | Skoglund |
| Anderson, B. | Greenfield | Lemen | Osthoff | Staten |
| Anderson, G. | Gruenes | Levi | Otis | Stumpf |
| Anderson, I. | Gustafson | Long | Peterson, B. | Sviggum |
| Battaglia | Halberg | Ludeman | Peterson, D. | Swanson |
| Begich | Hanson | Luknic | Piepho | Tomlinson |
| Berkelman | Harens | Mann | Pogemiller | Valan |
| Blatz | Hauge | Marsh | Redalen | Valento |
| Brandl | Heap | McCarron | Reding | Vanasek |
| Byrne | Heinitz | McDonald | Rees | Vellenga |
| Carlson, D. | Hoberg | McEachern | Rice | Voss |
| Carlson, L. | Hokanson | Mehrkens | Rodriguez, C. | Weaver |
| Clark, J. | Hokr | Metzen | Rodriguez, F. | Welch |
| Clawson | Jacobs | Minne | Rothenberg | Welker |
| Dahlvang | Johnson, C. | Munger | Samuelson | Wenzel |
| Dean | Johnson, D. | Murphy | Sarna | Wieser |
| Dempsey | Jude | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Kahn | Nelson, K. | Schoenfeld | Wynia |
| Drew | Kaley | Niehaus | Schreiber | Zubay |
| Eken | Kalis | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kelly | Novak | Shea | |
| Erickson | Knickerbocker | Nysether | Sherman | |
| Esau | Kostohryz | O'Connor | Sherwood | |
| Ewald | Kvam | Ogren | Sieben, M. | |

Those who voted in the negative were:

Ellingson

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, M., from the Committee on Appropriations to which was referred:

H. F. No. 546, A bill for an act relating to insurance; providing for a program of continuing education; establishing a continuing insurance education advisory committee; authorizing the commissioner of insurance to promulgate rules to implement the program; requiring certain disclosures on credit insurance policies and application; amending Minnesota Statutes 1980, Section 62B.06, Subdivisions 2, 3 and 4; and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 60A.

Reported the same back with the following amendments:

Page 1, after line 12, insert:

"Section 1. Minnesota Statutes 1980, Section 60A.03, Subdivision 6, is amended to read:

Subd. 6. [(EXAMINATION) REVOLVING FUND.] (1) [REVOLVING FUND CREATED.] There is hereby created the insurance division (EXAMINATION) revolving fund for the purposes of carrying on the examination of foreign and domestic insurance companies *and as provided in section 60A.1701.*

(2) [MONEYS IN REVOLVING FUND.] (SUCH) *The* fund shall consist of the \$7,500 appropriated therefor and the moneys transferred to it as herein provided, which are reappropriated to the commissioner of insurance for the purposes of this subdivision.

(3) [FUND TO BE KEPT IN STATE TREASURY.] (SUCH) *The* fund shall be kept in the state treasury and shall be paid out in the manner prescribed by law for moneys therein.

(4) [PURPOSES FOR WHICH FUND MAY BE EXPENDED.] (SUCH) *The* fund shall be used for the payment of per diem salaries and expenses of special examiners and appraisers, and the expenses of the commissioner of insurance, deputy commissioner of insurance, chief examiner, actuary other than a consulting actuary appointed under subdivision 3(3) hereof, regular salaried examiners and other employees of the insurance division when participating in examinations of for-

eign and domestic insurance companies. Expenses include meals, lodging, laundry, transportation, and mileage. The salary of regular employees of the division of insurance shall not be paid out of this fund, except as provided in section 60A.1701.

The fund shall also be used as authorized by section 60A.1701.

(5) [COLLECTIONS TO BE DEPOSITED IN FUND.] All moneys collected by the division of insurance from insurance companies for fees and expenses of examinations, *and as provided in section 60A.1701* shall be deposited in the insurance division (EXAMINATION) revolving fund.

(6) [PAYMENTS FROM SUCH FUND.] Upon authorization by the commissioner of insurance, the moneys due (EACH EXAMINER OR EMPLOYEE ENGAGED IN AN EXAMINATION) *to any person* shall be paid (TO HIM) from the insurance division (EXAMINATION) revolving fund in the manner prescribed by law.

(7) [EXCESS OVER \$7,500 CANCELED INTO GENERAL FUND.] The balance in (SUCH) *the* fund on June 30 of each year in excess of \$7,500 shall be forthwith canceled into the general fund."

Page 2, line 6, delete "*limited or*"

Page 3, line 26, delete "*continuing education*"

Page 6, line 14, delete "*continuing education*"

Page 6, line 28, delete "*continuing education*"

Page 6, line 35, delete "*The continuing education*" and insert:

"Fees collected pursuant to this section shall be deposited in the insurance division revolving fund operated pursuant to section 60A.03, subdivision 6. Moneys authorized to be paid pursuant to this section shall be paid from the insurance division revolving fund operated pursuant to section 60A.03, subdivision 6."

Page 6, delete line 36

Page 7, delete line 1

Page 7, line 2, delete everything before "*Moneys*"

Page 7, line 21, delete "*created*"

Page 9, line 19, after the quotations marks insert “, and the disclosure provided in subdivision 6”

Page 10, line 10, before “Section” insert “Section 1 is effective July 1, 1981.”

Page 10, line 10, after “Section” delete “1” and insert “2”

Page 10, line 11, delete “1” and insert “2”

Page 10, line 12, after “Section” delete “1” and insert “2”

Page 10, line 13, delete “2, 3, and 4” and insert “3, 4, 5, and 6”

Renumber the sections

Amend the title as follows:

Page 1, line 2, after the semicolon insert “extending the insurance division revolving fund;”

Page 1, line 8, delete “Section” and insert “Sections 60A.03, Subdivision 6; and”

With the recommendation that when so amended the bill pass.

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

S. F. No. 132, A bill for an act relating to retirement; Duluth teachers retirement fund association; authorizing an increase in retirement allowances and benefits for certain teachers; establishing a new coordinated retirement program within the retirement fund association; amending Minnesota Statutes 1980, Sections 354A.011, Subdivision 11; 354A.092; 354A.093; 354A.-12, Subdivision 1; 354A.24; 354A.32; 354A.39; and 354A.41.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 546 was read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 132 was read for the second time.

SPECIAL ORDERS

S. F. No. 17 was reported to the House.

There being no objection S. F. No. 17 was continued one day.

S. F. No. 188 was reported to the House.

Beginch moved to amend S. F. No. 188, the unofficial engrossment, as follows:

Page 1, line 11, after "*means*" add "*a lachrymator or*"

Page 1, line 13, after "*alpha-chloroacetophenone,*" insert "*phenylchloromethylketone,*"

The motion prevailed and the amendment was adopted.

S. F. No. 188, A bill for an act relating to crimes; regulating the possession, use, sale, and furnishing of tear gas and tear gas compounds; providing penalties; proposing new law coded in Minnesota Statutes, Chapter 624; repealing Minnesota Statutes 1980, Section 624.73.

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 10 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ewald | Kahn | Nelson, K. | Searles |
| Ainley | Fjoslien | Kaley | Niehaus | Shea |
| Anderson, B. | Forsythe | Kalis | Novak | Sherman |
| Battaglia | Friedrich | Kelly | Nysether | Sieben, M. |
| Berkelman | Greenfield | Knickerbocker | O'Connor | Simoneau |
| Blatz | Gruenes | Kostohryz | Ogren | Skoglund |
| Brandl | Gustafson | Laidig | Olsen | Stowell |
| Byrne | Halberg | Lehto | Onnen | Stumpf |
| Carlson, D. | Hanson | Lemen | Otis | Sviggum |
| Carlson, L. | Harens | Levi | Piepho | Swanson |
| Clark, J. | Hauge | Long | Redalen | Tomlinson |
| Clark, K. | Haukoos | Ludeman | Reding | Valan |
| Clawson | Heap | Luknic | Rees | Valento |
| Dahlvang | Heinitz | Mann | Reif | Vanasek |
| Dean | Himle | Marsh | Rodriguez, F. | Voss |
| Den Ouden | Hoberg | McDonald | Rose | Weaver |
| Eken | Hokanson | McEachern | Rothenberg | Welker |
| Elioff | Hokr | Metzen | Samuelson | Wenzel |
| Ellingson | Jacobs | Minne | Sarna | Wieser |
| Erickson | Jennings | Munger | Schafer | Wynia |
| Esau | Johnson, D. | Murphy | Schoenfeld | Zubay |
| Evans | Jude | Nelsen, B. | Schreiber | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|---------|----------|--------------|--------------|----------|
| Dempsey | Kvam | Osthoff | Peterson, D. | Vellenga |
| Drew | McCarron | Peterson, B. | Pogemiller | Wigley |

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

S. F. No. 254 was reported to the House.

Fjoslien moved to amend S. F. No. 254, as follows:

Page 2, line 4, after "*taking*" insert "*or killing*"

The motion prevailed and the amendment was adopted.

S. F. No. 254, A bill for an act relating to natural resources; providing for the designation of endangered plant species; establishing a temporary technical advisory committee; amending Minnesota Statutes 1980, Section 97.488.

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 93 yeas and 28 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, I. | Fjoslien | Kelly | Ogren | Shea |
| Battaglia | Greenfield | Knickerbocker | Olsen | Sherman |
| Begich | Gruenes | Kostohryz | Osthoff | Sherwood |
| Berkelman | Gustafson | Laidig | Otis | Sieben, M. |
| Blatz | Halberg | Lehto | Peterson, B. | Simoneau |
| Brandl | Hanson | Lemen | Peterson, D. | Skoglund |
| Byrne | Harens | Levi | Pogemiller | Staten |
| Carlson, L. | Hauge | Long | Reding | Stowell |
| Clark, J. | Heap | Luknic | Reif | Swanson |
| Clark, K. | Heinitz | Mann | Rice | Tomlinson |
| Clawson | Hoberg | Marsh | Rodriguez, C. | Vanasek |
| Dahlyang | Hokanson | Metzen | Rodriguez, F. | Vellenga |
| Dean | Hokr | Minne | Rose | Voss |
| Drew | Jacobs | Munger | Rothenberg | Welch |
| Eken | Johnson, C. | Murphy | Samuelson | Wenzel |
| Elihoff | Johnson, D. | Nelson, K. | Sarna | Wynia |
| Ellingson | Jude | Norton | Schoenfeld | Spkr. Sieben, H. |
| Evans | Kahn | Novak | Schreiber | |
| Ewald | Kaley | O'Connor | Searles | |

Those who voted in the negative were:

| | | | | |
|-------------|----------|----------|---------|--------|
| Aasness | Haukoos | McDonald | Redalen | Weaver |
| Carlson, D. | Jennings | Mehrrens | Rees | Welker |
| Dempsey | Kalis | Niehaus | Schafer | Wieser |
| Den Ouden | Kvam | Nysether | Stumpf | Wigley |
| Esau | Ludeman | Onnen | Sviggum | |
| Friedrich | McCarron | Piepho | Valento | |

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

S. F. No. 535, A bill for an act relating to corporations; providing for the issuance of stock in a professional corporation to

a partnership or a professional corporation performing the same kind of service; providing for the transfer of stock to a partnership or a professional corporation; amending Minnesota Statutes 1980, Section 319A.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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ewald | Knickerbocker | Ogren | Sherwood |
| Ainley | Fjoslien | Kostohryz | Olsen | Sieben, M. |
| Anderson, B. | Friedrich | Kvam | Onnen | Simoneau |
| Anderson, G. | Greenfield | Laidig | Osthoff | Skoglund |
| Anderson, I. | Gruenes | Lehto | Otis | Staten |
| Battaglia | Gustafson | Lemen | Peterson, B. | Stowell |
| Begich | Halberg | Levi | Peterson, D. | Stumpf |
| Berkelman | Hanson | Long | Piepho | Sviggum |
| Blatz | Harens | Ludeman | Pogemiller | Swanson |
| Brandl | Hauge | Luknic | Redalen | Tomlinson |
| Byrne | Haukoos | Mann | Reding | Valan |
| Carlson, D. | Heap | Marsh | Rees | Valento |
| Carlson, L. | Heinitz | McCarron | Reif | Vanasek |
| Clark, J. | Himle | McDonald | Rice | Vallenga |
| Clark, K. | Hoberg | McEachern | Rodriguez, C. | Voss |
| Clawson | Hokanson | Mehrkens | Rodriguez, F. | Weaver |
| Dahlvang | Hokr | Metzen | Rose | Welch |
| Dean | Jacobs | Minne | Rothenberg | Welker |
| Dempsey | Jennings | Munger | Samuelson | Wenzel |
| Den Ouden | Johnson, C. | Murphy | Sarna | Wieser |
| Drew | Johnson, D. | Nelsen, B. | Schafer | Wigley |
| Eken | Jude | Nelson, K. | Schoenfeld | Wynia |
| Elioff | Kahn | Niehaus | Schreiber | Spkr. Sieben, H. |
| Ellingson | Kaley | Norton | Searles | |
| Esau | Kalis | Novak | Shea | |
| Evans | Kelly | Nysether | Sherman | |

The bill was passed and its title agreed to.

S. F. No. 595, A bill for an act relating to education; providing for the preparation of a report by the legislative commission on employee relations analyzing current insurance programs available to teachers and other public school employees in Minnesota; amending Minnesota Statutes 1980, Section 3.855, 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 71 yeas and 50 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------|-------------|-----------|
| Anderson, B. | Begich | Brandl | Carlson, D. | Clark, J. |
| Battaglia | Berkelman | Byrne | Carlson, L. | Clark, K. |

| | | | | |
|------------|-------------|--------------|---------------|------------------|
| Clawson | Jacobs | McCarron | Pogemiller | Staten |
| Dahlvang | Johnson, C. | McEachern | Reding | Stumpf |
| Eken | Jude | Minne | Rice | Swanson |
| Elioff | Kahn | Munger | Rodriguez, C. | Tomlinson |
| Ellingson | Kaley | Murphy | Rodriguez, F. | Vellenga |
| Greenfield | Kalis | Nelson, K. | Rose | Voss |
| Gruenes | Kelly | Norton | Samuelson | Wenzel |
| Gustafson | Kostohryz | Novak | Sarna | Wynia |
| Hanson | Laidig | Nysether | Schoenfeld | Spkr. Sieben, H. |
| Hauge | Lehto | O'Connor | Shea | |
| Heap | Long | Ogren | Sieben, M. | |
| Hoberg | Mann | Otis | Simoneau | |
| Hokanson | Marsh | Peterson, D. | Skoglund | |

Those who voted in the negative were :

| | | | | |
|--------------|-------------|--------------|------------|---------|
| Aasness | Ewald | Lemen | Piepho | Stowell |
| Ainley | Fjoslien | Levi | Redalen | Sviggum |
| Anderson, G. | Friedrich | Ludeman | Rees | Valan |
| Blatz | Haukoos | McDonald | Reif | Valento |
| Dean | Heinitz | Mehrkens | Rothenberg | Vanasek |
| Dempsey | Himle | Nelsen, B. | Schafer | Weaver |
| Den Ouden | Hokr | Niehaus | Schreiber | Welker |
| Drew | Jennings | Olsen | Searles | Wieser |
| Esau | Johnson, D. | Onnen | Sherman | Wigley |
| Evans | Kvam | Peterson, B. | Sherwood | Zubay |

The bill was passed and its title agreed to.

H. F. No. 18 was reported to the House.

There being no objection H. F. No. 18 was continued one day.

S. F. No. 179 was reported to the House.

Ainley moved to amend S. F. No. 179, the unofficial engrossment, as follows :

Page 3, lines 7, 8, 9 and 10, reinstate the stricken language

Page 3, line 10, delete "*The*"

Page 3, delete lines 11 and 12

Page 3, line 13, delete "*tribal council.*"

The motion prevailed and the amendment was adopted.

S. F. No. 179, A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

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 | Ewald | Knickerbocker | Olsen | Sherwood |
| Ainley | Fjoslien | Kostohryz | Onnen | Sieben, M. |
| Anderson, B. | Friedrich | Kvam | Osthoff | Simoneau |
| Anderson, G. | Greenfield | Laidig | Otis | Skoglund |
| Anderson, I. | Gruenes | Lehto | Peterson, B. | Staten |
| Battaglia | Gustafson | Lemen | Peterson, D. | Stowell |
| Begich | Halberg | Levi | Piepho | Stumpf |
| Berkelman | Hanson | Long | Pogemiller | Swiggum |
| Blatz | Hauge | Ludeman | Redalen | Swanson |
| Brandl | Haukoos | Luknic | Reding | Tomlinson |
| Byrne | Heap | Mann | Rees | Valan |
| Carlson, D. | Heinitz | Marsh | Reif | Valento |
| Carlson, L. | Himle | McCarron | Rice | Vanasek |
| Clark, J. | Hoberg | McEachern | Rodriguez, C. | Vellenga |
| Clark, K. | Hokanson | Mehrkens | Rodriguez, F. | Voss |
| Clawson | Hokr | Metzen | Rose | Weaver |
| Dahlvang | Jacobs | Minne | Rothenberg | Welker |
| Dempsey | Jennings | Munger | Samuelson | Wenzel |
| Den Ouden | Johnson, C. | Murphy | Sarna | Wieser |
| Drew | Johnson, D. | Nelson, K. | Schafer | Wigley |
| Eken | Jude | Niehaus | Schoenfeld | Wynia |
| Elioff | Kahn | Norton | Schreiber | Zubay |
| Ellingson | Kaley | Novak | Searles | Sprk. Sieben, H. |
| Esau | Kalis | Nysether | Shea | |
| Evans | Kelly | Ogren | Sherman | |

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

S. F. No. 650, A bill for an act relating to education; providing for the inclusion of certain community college and state university faculty members in the definition of an employee under the public employment labor relations act of 1971; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

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 87 yeas and 33 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|------------|---------------|
| Ainley | Dahlvang | Hoberg | Luknic | Olsen |
| Anderson, G. | Dean | Hokanson | Mann | Osthoff |
| Anderson, I. | Eken | Jacobs | Marsh | Otis |
| Battaglia | Elioff | Johnson, C. | McCarron | Peterson, D. |
| Begich | Ellingson | Johnson, D. | McEachern | Piepho |
| Berkelman | Ewald | Jude | Metzen | Pogemiller |
| Blatz | Greenfield | Kahn | Minne | Reding |
| Brandl | Gruenes | Kalis | Munger | Reif |
| Byrne | Gustafson | Kelly | Murphy | Rice |
| Carlson, D. | Hanson | Kostohryz | Nelson, K. | Rodriguez, C. |
| Carlson, L. | Harens | Laidig | Norton | Rodriguez, F. |
| Clark, J. | Hauge | Lehto | Novak | Rose |
| Clark, K. | Heap | Lemen | O'Connor | Sarna |
| Clawson | Heinitz | Long | Ogren | Schafer |

| | | | | |
|------------|----------|-----------|----------|------------------|
| Schoenfeld | Skoglund | Swanson | Vellenga | Spkr. Sieben, H. |
| Searles | Staten | Tomlinson | Voss | |
| Sieben, M. | Stowell | Valan | Wenzel | |
| Simoneau | Stumpf | Vanasek | Wynia | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|------------|------------|--------|
| Aasness | Haukoos | Ludeman | Redalen | Weaver |
| Dempsey | Himle | McDonald | Rees | Welker |
| Den Ouden | Hokr | Mehrkens | Rothenberg | Wieser |
| Esau | Jennings | Nelsen, B. | Sherman | Wigley |
| Evans | Kaley | Niehaus | Sherwood | Zubay |
| Fjoslien | Kvam | Nysether | Sviggum | |
| Friedrich | Levi | Onnen | Valento | |

The bill was passed and its title agreed to.

S. F. No. 56, A bill for an act relating to insurance; broadening the scope of mandated group accident and health coverage for ambulatory mental health services; modifying certain comprehensive health insurance benefit requirements; amending Minnesota Statutes 1980, Sections 62A.152; and 62E.06, 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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|---------------|------------------|
| Aasness | Evans | Kostohryz | Ogren | Sherman |
| Ainley | Ewald | Kvam | Olsen | Sherwood |
| Anderson, B. | Fjoslien | Laidig | Onnen | Sieben, M. |
| Anderson, G. | Friedrich | Lehto | Osthoff | Simoneau |
| Anderson, I. | Greenfield | Lemen | Otis | Skoglund |
| Battaglia | Gruenes | Levi | Peterson, B. | Staten |
| Begich | Gustafson | Long | Peterson, D. | Stowell |
| Berkelman | Hanson | Ludeman | Piepho | Stumpf |
| Blatz | Hauge | Luknic | Pogemiller | Sviggum |
| Brandl | Haukoos | Mann | Redalen | Swanson |
| Byrne | Heap | Marsh | Reding | Tomlinson |
| Carlson, D. | Heinitz | McCarron | Rees | Valan |
| Carlson, L. | Himle | McDonald | Reif | Valento |
| Clark, J. | Hoberg | McEachern | Rice | Vanasek |
| Clark, K. | Hokanson | Mehrkens | Rodriguez, C. | Vellenga |
| Clawson | Hokr | Metzen | Rodriguez, F. | Voss |
| Dahlvang | Jacobs | Minne | Rose | Weaver |
| Dean | Jennings | Munger | Rothenberg | Welker |
| Dempsey | Johnson, C. | Murphy | Samuelson | Wenzel |
| Den Ouden | Johnson, D. | Niehaus | Sarna | Wieser |
| Eken | Jude | Norton | Schafer | Wigley |
| Elihoff | Kahn | Novak | Schoenfeld | Wynia |
| Ellingson | Kaley | Nysether | Schreiber | Zubay |
| Esau | Kelly | O'Connor | Searles | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

S. F. No. 655 was reported to the House.

Heinitz, Metzen and Brinkman moved to amend S. F. No. 655, as follows:

Page 2, line 36, reinstate the stricken language

Page 3, delete lines 1 to 3

Page 3, line 4, delete "authorizing draft withdrawals"

Page 3, line 4, reinstate the stricken language

Page 3, line 5, reinstate the stricken language

Page 3, line 5, after "members" insert: "*provided that any credit union proposing to permit draft withdrawals shall notify the commissioner of banks, in the form prescribed, of its intent not less than 90 days prior to authorizing draft withdrawals*"

The motion prevailed and the amendment was adopted.

S. F. No. 655, A bill for an act relating to financial institutions; permitting the sale of certain loans of credit unions; providing for the withdrawal of credit union members; amending Minnesota Statutes 1980, Sections 52.04 and 52.19.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|---------------|
| Aasness | Esau | Kaley | Munger | Rice |
| Anderson, B. | Evans | Kalis | Murphy | Rodriguez, C. |
| Anderson, G. | Fjoslien | Kelly | Nelson, K. | Rodriguez, F. |
| Anderson, I. | Friedrich | Knickerbocker | Niehaus | Rose |
| Battaglia | Greenfield | Kostohryz | Norton | Rothenberg |
| Begich | Gruenes | Kvam | Novak | Samuelson |
| Berkelman | Gustafson | Laidig | Nysether | Sarna |
| Blatz | Halberg | Lehto | O'Connor | Schafer |
| Brandl | Hanson | Lemen | Ogren | Schoenfeld |
| Byrne | Harens | Levi | Olsen | Schreiber |
| Carlson, D. | Haukoos | Long | Onnen | Searles |
| Carlson, L. | Heinitz | Ludeman | Osthoff | Shea |
| Clark, J. | Himle | Luknic | Otis | Sherman |
| Clark, K. | Hokanson | Mann | Peterson, B. | Sherwood |
| Clawson | Hokr | Marsh | Peterson, D. | Sieben, M. |
| Dahlvang | Jacobs | McCarron | Piepho | Simoneau |
| Dean | Jennings | McDonald | Pogemiller | Skoglund |
| Dempsey | Johnson, C. | McEachern | Redalen | Staten |
| Den Ouden | Johnson, D. | Mehrrens | Reding | Stowell |
| Elioff | Jude | Metzen | Rees | Stumpf |
| Ellingson | Kahn | Minne | Reif | Svigum |

Swanson
Tomlinson
Valento

Vanasek
Vellenga
Voss

Weaver
Welch
Welker

Wenzel
Wieser
Wigley

Wynia
Zubay
Spkr. Sieben, H.

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

The Speaker resumed the Chair.

S. F. No. 1188 was reported to the House.

Greenfield moved to amend S. F. No. 1188, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 363.03, Subdivision 7, is amended to read:

Subd. 7. [REPRISALS.] It is an unfair discriminatory practice for any employer, labor organization, employment agency, public accommodation, public service, educational institution, or owner, lessor, lessee, sublessee, assignee or managing agent of any real property, or any real estate broker, real estate salesperson or employee or agent thereof to intentionally engage in any reprisal against any person because that person:

(1) Opposed a practice forbidden under this chapter or has filed a charge, testified, assisted, or participated in any matter in an investigation, proceeding or hearing under this chapter; or

(2) Associated with a person or group of persons of different race, color, creed, religion or national origin.

A reprisal includes, but is not limited to, any form of intimidation, retaliation, or harassment. It is a reprisal for an employer to do any of the following with respect to an individual because that individual has engaged in the activities listed in clause (1) or (2): refuse to hire the individual; depart from any customary employment practice; transfer or assign the individual to a lesser position in terms of wages, hours, job classification, job security, or other employment status; or inform another employer that the individual has engaged in the activities listed in clause (1) or (2).

Sec. 2. Minnesota Statutes 1980, Section 363.06, Subdivision 1, is amended to read:

Subdivision 1. [CHARGE FILING.] Any person aggrieved by a violation of this chapter may bring a civil action as provided in section 363.14, subdivision 1, clause (a), or may file a verified charge with the commissioner or his designated agent, stating the name and address of the person alleged to have committed an unfair discriminatory practice, setting out the details of the

practice complained of *and, if applicable, providing witnesses, documents, and any other information required by the commissioner. The commissioner may dismiss a charge when the charging party fails to provide required information.* The commissioner within five days of (SUCH) *the filing shall serve a copy of the charge and a request for a response upon the respondent personally or by registered or certified mail. (PERIODICALLY) After the filing of a charge (BUT AT INTERVALS OF NO MORE THAN 60 DAYS, UNTIL THE CHARGE IS NO LONGER IN THE JURISDICTION OF THE DEPARTMENT)* the commissioner shall in writing inform the charging party of *any change in the status of (HIS) the charge. A copy of the (PERIODIC) notice shall be mailed to the respondent.*

Sec. 3. Minnesota Statutes 1980, Section 363.06, Subdivision 3, is amended to read:

Subd. 3. [TIME FOR FILING (CHARGE) CLAIM.] A (CHARGE) *claim of an unfair discriminatory practice must be brought as a civil action pursuant to section 363.14, subdivision 1, clause (a), or filed in a charge with the commissioner within six months after the occurrence of the practice.*

Sec. 4. Minnesota Statutes 1980, Section 363.06, Subdivision 4, is amended to read:

Subd. 4. [INQUIRY INTO CHARGE.] (1) *Consistent with clause (7), when a charge has been filed, the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when necessary to prevent a charging party from suffering irreparable loss in the absence of immediate action. The commissioner shall also make an immediate inquiry when it appears that a charge is frivolous or without merit and shall dismiss those charges. The charging party shall be notified in writing of intent to dismiss a charge because it is frivolous or without merit ten days prior to dismissal by the commissioner. On (EACH CHARGE) all other charges the commissioner shall make a determination as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices, and*

((1)) (2) *If the commissioner (SHALL DETERMINE) determines after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ten days after receipt of notice, the charging party may request in writing on forms prepared by the department that the commissioner reconsider his determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner,*

the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall either reaffirm or reverse his determination of no probable cause within 20 days after receipt of the request for reconsideration, and he shall within ten days notify in writing the charging party and respondent of his decision to reaffirm or reverse.

A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to district court pursuant to section 363.072 or section 15.0424.

(2) (3) If the commissioner (SHALL DETERMINE) *determines* after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and his attorney if he is represented by counsel, by first class mail, a notice setting forth a short plain written statement of the alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 5 have been or would be unsuccessful or unproductive, the commissioner shall issue a complaint and serve on the respondent, by registered or certified mail, a written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before a hearing examiner at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.

(3) AFTER (4) *If, at any time after the filing of a charge,* the commissioner has (DETERMINED THAT THERE IS PROBABLE CAUSE) *reason* to believe that a respondent has engaged in (AN) *any* unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining him from doing or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory practice. *Except as modified by this section,* the Minnesota rules of civil procedure shall apply to an application, and the district court shall have authority to grant or deny such relief sought on conditions as it

deems just and equitable. All hearings under this section shall be given precedence as nearly as practicable over all other pending civil actions.

((4)) (5) If a lessor, after he has engaged in a discriminatory practice defined in section 363.03, subdivision 2, clause (1), (a), shall lease or rent a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in this section requiring the person to be evicted from the dwelling unit.

((5)) (6) In any complaint issued under this section, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date six months prior to the filing of the charge from which the complaint originates.

(7) *The commissioner may adopt policies to determine the order in which charges are processed based on their particular social or legal significance, administrative convenience, difficulty of resolution, or other standard consistent with the provisions of this chapter.*

Sec. 5. Minnesota Statutes 1980, Section 363.06, is amended by adding a subdivision to read:

Subd. 8. [ACCESS TO DOCUMENTS.] The charging party or his representative may review the answer of the respondent to the charge submitted pursuant to subdivision 1. The department shall make these documents available to the charging party in a reasonable manner and consistent with any law requiring a state agency to make the answer available to the public.

Sec. 6. Minnesota Statutes 1980, Section 363.14, Subdivision 1, is amended to read:

Subdivision 1. [COURT ACTIONS, SUITS BY PRIVATE PARTIES, INTERVENTION.] A person may bring a civil action seeking redress for an unfair discriminatory practice (, UPON WITHDRAWAL OF THE COMPLAINT FROM THE DEPARTMENT OF HUMAN RIGHTS, AT THE FOLLOWING TIMES):

(a) *Directly to district court; or*

(b) *Notwithstanding the provisions of any law to the contrary, (1) within 45 days after the commissioner has dismissed a charge because it is frivolous or without merit or has determined that there is no probable cause to credit the allegations contained in a charge filed with the commissioner (, OR, IF THE*

CHARGING PARTY REQUESTED A RECONSIDERATION, WITHIN 45 DAYS AFTER THE COMMISSIONER HAS RE-AFFIRMED HIS DETERMINATION OF NO PROBABLE CAUSE); or ((B)) (2) after 45 days from the filing of a charge pursuant to section 363.06, subdivision 1 if a hearing has not been held pursuant to section 363.071 or if the commissioner has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the commissioner of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice;

(c) The commissioner may discharge, without prejudice to the charging party, any case filed with the department on or before June 30, 1978. The commissioner shall notify a charging party by regular mail sent before August 1, 1981, that he has a right to bring a civil action pursuant to this section. Within ten days after receipt of the notice, the charging party may request in writing that the commissioner reinstate his complaint. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reinstatement. At the time the charging party submits this request to the commissioner, he shall deliver or mail a copy of it to the respondent. The commissioner shall either reaffirm dismissal of the charge or reinstate the charge within 60 days after receipt of the request for reinstatement, and shall immediately notify the charging party and respondent of the decision. Upon giving notice of a decision to reaffirm dismissal, the commissioner shall end all proceedings relating to the charge. Notwithstanding any statutory period of limitation to the contrary, an individual notified pursuant to this clause may bring a civil action relating to his charge; provided that the action is filed on or before February 1, 1982.

A charging party bringing a civil action shall mail by registered or certified mail a copy of the summons and complaint to the commissioner, and upon his receipt thereof the commissioner shall cause all proceedings in the department relating to the charge to terminate. No charge shall be filed or reinstated with the commissioner after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Upon application by the complaining party to the district court at a special term thereof and in such circumstances as the court may deem just, the court may appoint an attorney for such person and may authorize the commencement of the action without payment of fees, costs, or security.

Upon timely application, the court may, in its discretion, permit the department to intervene in a civil action brought pursuant to this section upon certification that the case is of general public importance.

(UPON REQUEST, THE COURT MAY, IN ITS DISCRETION, STAY FURTHER PROCEEDINGS FOR NOT MORE THAN 60 DAYS PENDING FURTHER EFFORTS OF THE DEPARTMENT TO OBTAIN VOLUNTARY COMPLIANCE.)

Sec. 7. [REPEALER.]

Minnesota Statutes 1980, Section 363.04, Subdivision 3, is repealed.

Sec. 8. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to human rights; clarifying the meaning of reprisal; defining certain terms; permitting the filing of a charge of unfair discriminatory practice directly in district court; permitting access to certain documents; granting certain powers to the commissioner of human rights and eliminating the requirement that the commissioner provide a bond; amending Minnesota Statutes 1980, Sections 363.03, Subdivision 7; 363.06, Subdivisions 1, 3, and 4, and by adding a subdivision; 363.14, Subdivision 1; repealing Minnesota Statutes 1980, Section 363.04, Subdivision 3."

The motion prevailed and the amendment was adopted.

Greenfield moved to amend S. F. No. 1188, as amended, as follows:

Page 2, line 31, strike "in writing inform" and insert "notify"

Page 2, line 31, after "party" insert "in writing"

Page 3, line 14, delete "The"

Page 3, delete lines 15 and 16 and line 17 through the period

Page 5, line 10, strike "such" and insert "the"

Page 5, line 16, strike "shall lease or rent" and insert "leases or rents"

Page 6, line 1, delete "in a"

Page 6, delete lines 2 and 3 through "public"

Page 6, line 14, delete the second "or" and insert ", because the charging party has failed to provide required information, or because the commissioner"

Page 6, line 27, delete "discharge" and insert "dismiss"

Page 6, line 31, delete "Within"

Page 6, delete lines 32 to 36

Page 7, delete lines 1 to 6 and line 7 before "the" and insert :

"Upon giving this notice"

Page 7, line 7, after "proceedings" insert "in the department"

Page 7, line 14, strike "his" and insert "their"

Page 7, line 14, strike "thereof"

Page 7, line 15, strike "cause" and insert "terminate"

Page 7, line 16, strike "to terminate"

Page 7, line 22, strike "thereof"

Page 7, line 22, strike "in such" and insert "under"

Page 7, line 22, strike "as"

Page 7, line 23, strike "may deem" and insert "deems"

Page 7, line 23, strike "such" and insert "the"

Page 7, line 26, strike ", in its discretion,"

Amend the title as follows :

Page 1, line 3, delete "defining certain terms;"

The motion prevailed and the amendment was adopted.

Greenfield moved to amend S. F. No. 1188, as amended, as follows:

Page 7, after line 32, add a new section :

"Sec. 7. [363.117] [WITHDRAWAL FROM A LOCAL COMMISSION.] *Notwithstanding the provisions of any law*

or ordinance to the contrary, a person who has filed a charge with a local commission may bring a civil action as provided in section 363.14 at the following times:

(a) Within 45 days after the local commission has determined that there is no probable cause to credit the allegations contained in the charge; or

(b) After 45 days from the filing of the charge if a hearing has not been held or if the local commission has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the local commission of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice.

A charging party bringing a civil action shall mail by registered or certified mail a copy of the summons and complaint to the local commission and upon their receipt the local commission shall terminate all proceedings before the local commission relating to the charge. No charge shall be filed or reinstated with the local commission after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice."

Renumber the sections in sequence

Further, amend the title as follows :

Page 1, line 11, after the second semi-colon, insert "proposing new law coded in Chapter 363;"

The motion prevailed and the amendment was adopted.

S. F. No. 1188, A bill for an act relating to human rights; clarifying the meaning of reprisal; permitting the filing of a charge of unfair discriminatory practice directly in district court; permitting access to certain documents; granting certain powers to the commissioner of human rights; amending Minnesota Statutes 1980, Sections 363.03, Subdivision 7; 363.06, Subdivisions 1, 3, and 4, and by adding a subdivision; 363.14, Subdivision 1; repealing Minnesota Statutes 1980, Section 363.04, 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 97 yeas and 26 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|--------------|-----------|-----------|--------|
| Anderson, B. | Anderson, I. | Battaglia | Berkelman | Brandl |
| Anderson, G. | Anderson, R. | Begich | Blatz | Byrne |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Carlson, L. | Harens | Luknic | Peterson, D. | Staten |
| Clark, J. | Hauge | Mann | Piepho | Stumpf |
| Clark, K. | Heinitz | McCarron | Pogemiller | Sviggum |
| Clawson | Himle | McEachern | Reding | Swanson |
| Dahlvang | Hokanson | Metzen | Rees | Tomlinson |
| Dean | Hokr | Minne | Reif | Valan |
| Drew | Jacobs | Munger | Rice | Vanasek |
| Eken | Johnson, D. | Murphy | Rodriguez, C. | Vellenga |
| Elioff | Jude | Nelson, K. | Rodriguez, F. | Voss |
| Ellingson | Kahn | Norton | Rothenberg | Weaver |
| Ewald | Kaley | Novak | Samuelson | Welch |
| Fjoslien | Kelly | O'Connor | Sarna | Wenzel |
| Forsythe | Knickerbocker | Ogren | Schreiber | Wynia |
| Friedrich | Kostohryz | Olsen | Shea | Zubay |
| Greenfield | Laidig | Onnen | Sherman | Spkr. Sieben, H. |
| Gruenes | Lemen | Osthoff | Sieben, M. | |
| Gustafson | Levi | Otis | Simoneau | |
| Hanson | Long | Peterson, B. | Skoglund | |

Those who voted in the negative were :

| | | | | |
|-------------|----------|------------|------------|--------|
| Carlson, D. | Haukoos | Ludeman | Schafer | Welker |
| Dempsey | Heap | Marsh | Schoenfeld | Wigley |
| Den Ouden | Hoberg | Mehrkens | Searles | |
| Erickson | Jennings | Nelsen, B. | Sherwood | |
| Esau | Kalis | Niehaus | Stowell | |
| Halberg | Kvam | Nysether | Valento | |

The bill was passed, as amended, 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. 1474 :

Sieben, M. ; Carlson, L. ; Welch ; Nelsen, B., and Erickson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1475 :

Kahn ; Anderson, G. ; Sieben, M. ; Valan and Metzen.

The following conference committee report was received :

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2

A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, Subdivision 3.

May 13, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 2, report that we have agreed upon the items in dispute and recommend as follows:

That the House concurs in the Senate amendments adopted on April 27, 1981 and May 6, 1981, and that H. F. No. 2, the unofficial engrossment, be further amended as follows:

Page 4, line 9, delete "good"

Page 4, line 10, delete "cause exists" and insert "substantial mitigating factors exist"

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

House Conferees: STEPHEN G. WENZEL, PAUL MCCARRON, CONNIE M. LEVI and ROBERT E. VANASEK.

Senate Conferees: GENE WALDORF, MARV HANSON, JOHN B. KEEFE, GREGORY L. DAHL and STEVEN O. LINDGREN.

Wenzel moved that the report of the Conference Committee on H. F. No. 2 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2, A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, 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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|---------|--------------|--------------|-----------|-----------|
| Aasness | Anderson, B. | Anderson, I. | Battaglia | Berkelman |
| Ainley | Anderson, G. | Anderson, R. | Begich | Blatz |

| | | | | |
|-------------|---------------|------------|---------------|------------------|
| Brandl | Gustafson | Lehto | Onnen | Sieben, M. |
| Brinkman | Halberg | Lemen | Osthoff | Simoneau |
| Byrne | Hanson | Levi | Otis | Skoglund |
| Carlson, D. | Harens | Long | Peterson, B. | Staten |
| Carlson, L. | Hauge | Ludeman | Peterson, D. | Stowell |
| Clark, J. | Haukoos | Luknic | Piepho | Stumpf |
| Clark, K. | Heap | Mann | Pogemiller | Sviggun |
| Clawson | Heinitz | Marsh | Redalen | Swanson |
| Dahlvang | Himle | McCarron | Reding | Tomlinson |
| Dean | Hoberg | McDonald | Rees | Valan |
| Dempsey | Hokanson | McEachern | Reif | Valento |
| Den Ouden | Hokr | Mehrkens | Rice | Vanasek |
| Drew | Jacobs | Metzen | Rodriguez, C. | Vellenga |
| Eken | Jennings | Minne | Rodriguez, F. | Voss |
| Elioff | Johnson, C. | Munger | Rose | Weaver |
| Ellingson | Johnson, D. | Murphy | Rothenberg | Welch |
| Erickson | Jude | Nelsen, B. | Samuelson | Welker |
| Esau | Kahn | Nelson, K. | Sarna | Wenzel |
| Evans | Kaley | Niehaus | Schafer | Wieser |
| Ewald | Kalis | Norton | Schoenfeld | Wigley |
| Fjoslien | Kelly | Novak | Schreiber | Wynia |
| Forsythe | Knickerbocker | Nysether | Searles | Zubay |
| Friedrich | Kostohryz | O'Connor | Shea | Spkr. Sieben, H. |
| Greenfield | Kvam | Ogren | Sherman | |
| Gruenes | Laidig | Olsen | Sherwood | |

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 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. 356, A bill for an act relating to crimes; specifying offenses relating to computers; providing penalties; proposing new law coded in Minnesota Statutes 1980, Chapter 609.

The Senate has appointed as such committee Messrs. Luther, Davies and Keefe.

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. 604, A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

The Senate has appointed as such committee Mrs. Stokowski, Mr. Renneke and Mrs. Lantry.

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. 678, A bill for an act relating to elections; changing certain election procedures, requirements and time limits; amending Minnesota Statutes 1980, Sections 201.071, Subdivision 1; 202A.26, Subdivision 1; 203A.22, Subdivision 4; 203A.31, Subdivisions 1 and 3; 203A.32; 204A.04, Subdivision 1; 204A.13, Subdivision 1; 204A.17, Subdivision 1; 204A.53, Subdivision 2; 204A.54, Subdivision 1; 205.03, Subdivisions 1 and 3; 207.03, Subdivision 1; 207.04, Subdivision 1; and 207.20, Subdivision 1; repealing Minnesota Statutes 1980, Sections 201.091, Subdivision 5; and 202A.54.

The Senate has appointed as such committee Messrs. Schmitz, Stumpf and Pillsbury.

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. 697, A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

The Senate has appointed as such committee Messrs. Hanson, Dahl and Peterson, D. L.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 964, A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Berglin, Messrs. Moe, D. M. and Frederickson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Staten 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. 964. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 886, A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; regulating the sale of dimethyl sulfoxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Stern, Benson and Dicklich.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVER, Secretary of the Senate

Clark, K., 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. 886. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 694.

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. 694

A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, Subdivision 2.

May 13, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 694, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the amendments of the House and that S. F. No. 694 be further amended as follows:

Page 6, line 27, after the period, insert "*No person shall install a manufactured home in a manufactured home park as defined in section 327.14, subdivision 3, which is located within a governmental subdivision which has enacted an ordinance requiring that manufactured homes within its jurisdiction be secured by an anchoring system, unless the manufactured home is secured by an anchoring system which complies with the commissioner's rules.*"

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

Senate Conferees: IRVING M. STERN, HOWARD A. KNUTSON and MARION MENNING.

House Conferees: TOM REES, GORDON O. VOSS and DAVID B. GRUENES.

Rees moved that the report of the Conference Committee on S. F. No. 694 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 694, A bill for an act relating to commerce; regulating the manufacture, importation, distribution, sale, leasing and alteration of manufactured homes; conforming state regulatory practices and the state manufactured home building code to federal law; providing for enforcement of the code; prohibiting certain practices; providing civil and criminal penalties; amending Minnesota Statutes 1980, Sections 327.31; 327.32; 327.33; and 327.34, Subdivisions 1, 3, and 4, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 327; repealing Minnesota Statutes 1980, Section 327.34, 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 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|------------|-------------|
| Aasness | Brinkman | Den Ouden | Friedrich | Heinitz |
| Anderson, B. | Byrne | Drew | Greenfield | Himle |
| Anderson, G. | Carlson, D. | Eken | Gruenes | Hoberg |
| Anderson, I. | Carlson, L. | Elioff | Gustafson | Hokanson |
| Anderson, R. | Clark, J. | Ellingson | Halberg | Hokr |
| Battaglia | Clark, K. | Erickson | Hanson | Jacobs |
| Begich | Clawson | Esau | Harens | Jennings |
| Berkelman | Dahlvang | Evans | Hauge | Johnson, C. |
| Blatz | Dean | Ewald | Haukoos | Johnson, D. |
| Brandl | Dempsey | Fjoslien | Heap | Jude |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Kahn | McDonald | Osthoff | Sarna | Tomlinson |
| Kaley | McEachern | Otis | Schafer | Valan |
| Kalis | Mehrrens | Peterson, B. | Schoenfeld | Valento |
| Kelly | Metzen | Peterson, D. | Schreiber | Vanasek |
| Knickerbocker | Minne | Piepho | Searles | Vellenga |
| Kostohryz | Murphy | Pogemiller | Shea | Voss |
| Kvam | Nelsen, B. | Redalen | Sherman | Weaver |
| Laidig | Nelson, K. | Reding | Sherwood | Welch |
| Lehto | Niehaus | Rees | Sieben, M. | Welker |
| Lemen | Norton | Reif | Simoneau | Wenzel |
| Levi | Novak | Rice | Skoglund | Wieser |
| Long | Nysether | Rodriguez, C. | Staten | Wigley |
| Luknic | O'Connor | Rodriguez, F. | Stowell | Wynia |
| Mann | Ogren | Rose | Stumpf | Zubay |
| Marsh | Olsen | Rothenberg | Sviggum | Spkr. Sieben, H. |
| McCarron | Onnen | Samuelson | Swanson | |

Those who voted in the negative were:

Ainley Ludeman

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. 665.

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. 665

A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

May 8, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 665, 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. 665 be further amended as follows:

Page 2, line 6, delete "*individual travel accident policies*" and insert "*disability income protection insurance policies*"

Page 2, line 11, delete "*of the employer*" and insert "*, and dependents of employees or retirees,*"

Page 3, line 1, delete "QUALIFIED"

Page 3, after line 30, insert "*The coverage must be subject to a maximum lifetime benefit of not less than \$100,000.*"

Page 3, line 31, delete "NON-QUALIFIED"

Page 4, line 14, delete "and"

Page 4, line 23, delete "NON-QUALIFIED"

Page 5, line 8, delete "NON-QUALIFIED"

Page 6, line 12, before "No" insert "*Subdivision 1.*"

Page 6, line 15, after "*body*" insert "*of this state or any agency thereof or of the United States of America or any agency thereof*"

Page 6, after line 15, insert

"Subd. 2. Any false statement or representation printed on the policy or on promotional literature that indicates the policy has a connection with, is certified by, or has the approval or endorsement of any agency of this state or of the United States of America shall be unlawful."

Page 8, line 5, after "*way*" insert "*, including a violation of section 7,*"

Page 8, line 20, delete "this section" and insert "sections 1 to 12"

Page 8, line 29, delete "this section" and insert "sections 1 to 12"

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

Senate Conferees: TIMOTHY J. PENNY, GERRY SIKORSKI and JOHN B. KEEFE.

House Conferees: JAMES C. SWANSON, LEE GREENFIELD and JOHN R. KALEY.

Swanson moved that the report of the Conference Committee on S. F. No. 665 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 665, A bill for an act relating to insurance; establishing standards applicable to accident or health insurance policies which purport to supplement medicare benefits; prescribing minimum levels of coverage; providing for certain disclosures; and prescribing penalties; amending Minnesota Statutes 1980, Section 62E.02, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 62A.

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 | Elioff | Jude | Nelsen, B. | Rothenberg |
| Ainley | Ellingson | Kahn | Nelson, K. | Samuelson |
| Anderson, B. | Erickson | Kaley | Niehaus | Sarna |
| Anderson, G. | Esau | Kalis | Norton | Schafer |
| Anderson, I. | Evans | Kelly | Novak | Schoenfeld |
| Anderson, R. | Ewald | Knickerbocker | Nysether | Schreiber |
| Battaglia | Friedrich | Kostohryz | O'Connor | Searles |
| Begich | Greenfield | Kvam | Ogner | Shea |
| Berkelman | Gruenes | Laidig | Olsen | Sherman |
| Blatz | Halberg | Lehto | Onnen | Sherwood |
| Brandl | Hanson | Lemen | Osthoff | Sieben, M. |
| Brinkman | Harens | Levi | Otis | Simoneau |
| Byrne | Hauge | Long | Peterson, B. | Skoglund |
| Carlson, D. | Haukoos | Ludeman | Peterson, D. | Staten |
| Carlson, L. | Heap | Luknic | Piepho | Stowell |
| Clark, J. | Heinitz | Mann | Pogemiller | Stumpf |
| Clark, K. | Himle | Marsh | Redalen | Sviggum |
| Clawson | Hoberg | McCarron | Reding | Swanson |
| Dahlvang | Hokanson | McDonald | Rees | Tomlinson |
| Dean | Hokr | Mehrkens | Reif | Valan |
| Dempsey | Jacobs | Metzen | Rice | Valento |
| Den Ouden | Jennings | Minne | Rodriguez, C. | Vanasek |
| Drew | Johnson, C. | Munger | Rodriguez, F. | Vellenga |
| Eken | Johnson, D. | Murphy | Rose | Voss |

Weaver
Welch

Welker
Wenzel

Wigley
Wynia

Zubay

Spkr. Sieben, H.

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 S. F. No. 886:

Clark, K.; Welch and Sviggum.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 964:

Staten, Ogren and Clark, K.

SPECIAL ORDERS

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

GENERAL ORDERS

There being no objection the bills on General Orders were continued one day.

MOTIONS AND RESOLUTIONS

Brinkman moved that the name of Brinkman be stricken and the name of Voss be added as chief author on H. F. No. 935. The motion prevailed.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 10:30 a.m., Friday, May 15, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:30 a.m., Friday, May 15, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTY-FIFTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MAY 15, 1981

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

Prayer was offered by Debra von Fischer, Trinity Lutheran Congregation, Minneapolis, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ewald | Knickerbocker | Olsen | Simoneau |
| Ainley | Fjoslien | Kostohryz | Onnen | Skoglund |
| Anderson, B. | Forsythe | Kvam | Osthoff | Stadum |
| Anderson, G. | Friedrich | Laidig | Otis | Staten |
| Anderson, I. | Greenfield | Lehto | Peterson, B. | Stowell |
| Battaglia | Gruenes | Lemen | Peterson, D. | Stumpf |
| Begich | Gustafson | Levi | Piepho | Sviggum |
| Berkelman | Halberg | Long | Pogemiller | Swanson |
| Blatz | Hanson | Ludeman | Redalen | Tomlinson |
| Brandl | Harens | Mann | Reding | Valan |
| Brinkman | Hauge | Marsh | Rees | Valento |
| Byrne | Haukoos | McCarron | Reif | Vanasek |
| Carlson, D. | Heap | McDonald | Rice | Vellenga |
| Carlson, L. | Heinitz | McEachern | Rodriguez, C. | Voss |
| Clark, J. | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Clark, K. | Hoberg | Metzen | Rose | Welch |
| Clawson | Hokanson | Minne | Rothenberg | Welker |
| Dahlvang | Hokr | Munger | Samuelson | Wenzel |
| Dean | Jacobs | Murphy | Sarna | Wieser |
| Dempsey | Jennings | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Drew | Johnson, D. | Niehaus | Schreiber | Zubay |
| Eken | Jude | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Kahn | Novak | Shea | |
| Ellingson | Kaley | Nysether | Sherman | |
| Erickson | Kalis | O'Connor | Sherwood | |
| Esau | Kelly | Ogren | Sieben, M. | |

A quorum was present.

Evans and Anderson, R., were excused until 11:20 a.m. Luknic was excused until 1:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Laidig 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. 403 and 546 and S. F. No. 571 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 13, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 624, relating to corrections; clarifying the transfer of correctional inmates to medical facilities; providing for tuberculosis testing for correctional employees; clarifying unclaimed property of correctional inmates, and diversified labor accounts; changing terminology of correctional facilities; harmonizing furlough provisions; prescribing the time for counties to submit estimates for reimbursement for probation services;

H. F. No. 217, relating to state trails; authorizing the sale or conveyance of certain lands acquired for the Luce Line Trail and certain other lands acquired for trail purposes; reducing the selling price on the sale of certain state owned trail land in Fillmore County.

H. F. No. 211, relating to local government; permitting agreements for compensation for transfers of taxable property in certain annexations; proposing new law coded in Minnesota Statutes, Chapter 414.

H. F. No. 921, relating to motor vehicles; adjusting bond provisions for dealers; requiring bonds for motorized bicycle dealers;

H. F. No. 1344, relating to education; authorizing school boards to permit certain persons to enroll in classes and programs at

a secondary school; providing for class fees in certain circumstances; prohibiting districts from counting certain persons enrolled in classes and programs for the purposes of state aid; authorizing districts to provide transportation; increasing the administration fee when senior citizens attend classes at higher education institutions;

H. F. No. 1218, relating to education; extending due dates for plans and reports relating to the statewide education management information system; authorizing the state board to perform certain duties according to specified criteria in the absence of rules;

H. F. No. 357, relating to highway traffic regulation; authorizing and regulating the use of strobe lamps on school buses; correcting the applicability provision of a school bus law; authorizing and regulating flashing signals or school bus stop signal arms; imposing standards for the signal arms; restricting the meaning of "type three school bus"; prohibiting a type three school bus from being equipped and identified as certain other school buses;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 13, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 142, relating to taxation; real property; extending 3 classification to certain property used for recreational purposes;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 13, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 207 | | 180 | May 13 | May 13 |
| 560 | | 181 | May 13 | May 13 |
| 641 | | 182 | May 13 | May 13 |
| 771 | | 183 | May 13 | May 13 |
| 982 | | 184 | May 13 | May 13 |
| 1058 | | 185 | May 13 | May 13 |
| 1122 | | 186 | May 13 | May 13 |
| 1343 | | 187 | May 13 | May 13 |
| | 142 | 188 | May 13 | May 13 |
| | 211 | 189 | May 13 | May 13 |
| | 217 | 190 | May 13 | May 13 |
| | 357 | 191 | May 13 | May 13 |
| | 624 | 192 | May 13 | May 13 |
| | 1218 | 193 | May 13 | May 13 |

55th Day]

FRIDAY, MAY 15, 1981

3239

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 1344 | 194 | May 13 | May 13 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 13, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 822 | | 195 | May 13 | May 13 |
| | 921 | 196 | May 13 | May 13 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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. 79, A bill for an act relating to commerce; providing for the regulation and licensing of precious metal dealers; estab-

lishing identification procedures and recording requirements; prohibiting certain transactions; providing for criminal and civil penalties; providing remedies; amending Minnesota Statutes 1980, Section 609.53, Subdivision 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 325F.

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. 766, A bill for an act relating to the University of Minnesota hospitals; authorizing the sale of state bonds and loan of the proceeds of the sale to the board of regents of the University of Minnesota; limiting the use of the proceeds of the bonds; requiring an annual report to the legislature; appropriating money.

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. 477, A bill for an act relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; increasing the bonding authority of the higher education coordinating board; expanding the career guidance program; providing exclusive property rights in certain records; providing for certification of status of tuition subsidy recipients; amending Minnesota Statutes 1980, Sections 136A.141; 136A.15, Subdivision 7; 136A.16, Subdivisions 3 and 4; 136A.17, Subdivisions 1, 4, and 10; 136A.171; 136A.85; 136A.86, Subdivisions 2, 3, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Johnson, C., moved that the House concur in the Senate amendments to H. F. No. 477 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 477, A bill for an act relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; requiring the higher education coordinating board to receive approval prior to implementing a parent loan program; increasing the bonding authority of the higher education coordinating board; expanding the career guidance program; providing exclusive property rights in certain records; providing for development of procedures by the higher education coordinating board; amending Minnesota Statutes 1980, Sections 136A.141; 136A.15, Subdivision 7; 136A.16, Subdivisions 3 and 4, and by adding a subdivision; 136A.17, Subdivisions 1, 4, and 10; 136A.171; 136A.85; 136A.86, Subdivisions 2, 3, 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 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Fjoslien | Knickerbocker | Onnen | Simoneau |
| Anderson, B. | Forsythe | Kostohryz | Osthoff | Skoglund |
| Anderson, G. | Friedrich | Kvam | Otis | Stadum |
| Anderson, I. | Greenfield | Laidig | Peterson, B. | Staten |
| Battaglia | Gruenes | Lehto | Peterson, D. | Stowell |
| Begich | Gustafson | Lemen | Piepho | Stumpf |
| Berkelman | Halberg | Levi | Pogemiller | Sviggum |
| Blatz | Hanson | Long | Redalen | Swanson |
| Brandl | Harens | Mann | Reding | Tomlinson |
| Brinkman | Hauge | Marsh | Rees | Valan |
| Byrne | Haukoos | McCarron | Reif | Valento |
| Carlson, D. | Heap | McEachern | Rice | Vanasek |
| Carlson, L. | Heinitz | Mehrkens | Rodriguez, C. | Vellenga |
| Clark, J. | Himle | Metzen | Rodriguez, F. | Voss |
| Clawson | Hoberg | Minne | Rose | Weaver |
| Dahlvaag | Hokanson | Munger | Rothenberg | Welch |
| Dean | Hokr | Murphy | Samuelson | Wenzel |
| Dempsey | Jacobs | Nelsen, B. | Sarna | Wieser |
| Den Ouden | Jennings | Nelson, K. | Schafer | Wigley |
| Drew | Johnson, C. | Niehaus | Schoenfeld | Wynia |
| Eken | Johnson, D. | Norton | Schreiber | Zubay |
| Elioff | Jude | Novak | Searles | Spkr. Sieben, H. |
| Ellingson | Kahn | Nysether | Shea | |
| Erickson | Kaley | O'Connor | Sherman | |
| Esau | Kalis | Ogren | Sherwood | |
| Ewald | Kelly | Olsen | Sieben, M. | |

Those who voted in the negative were:

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 Senate File, herewith transmitted :

S. F. No. 140.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 140, A bill for an act relating to natural resources; changing the term "public waters" to "protected waters"; excluding watercourses with a drainage area of five square miles or less from the definition of protected waters; requiring notice to landowners of designation of wetlands adjacent to their property; permitting repair of drainage systems without a permit; changing the procedure for designating protected waters and wetlands; raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; eliminating a responsibility imposed on certain water project contractors; amending Minnesota Statutes 1980, Sections 105.37, Subdivisions 14, 15 and 16, and by adding a subdivision; 105.38; 105.39, Subdivision 3; 105.391, Subdivisions 1, 3, 10 and 11; 105.42, Subdivision 1; 106.041; 106.631, Subdivision 2; repealing Minnesota Statutes 1980, Section 105.463.

The bill was read for the first time.

Munger moved that S. F. No. 140 and H. F. No. 1305, now on General Orders, be referred to the Chief Clerk for comparison.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-----------|-------------|----------|--------------|
| Aasness | Dean | Heinitz | Kvam | Nelsen, B. |
| Ainley | Den Ouden | Himle | Laidig | Niehaus |
| Anderson, B. | Drew | Hoberg | Lehto | Norton |
| Anderson, G. | Erickson | Hokanson | Lemen | Novak |
| Battaglia | Esau | Hokr | Levi | Nysether |
| Begich | Ewald | Jacobs | Long | Ogren |
| Berkelman | Fjoslien | Jennings | Ludeman | Olsen |
| Blatz | Forsythe | Johnson, C. | Mann | Onnen |
| Brinkman | Gruenes | Johnson, D. | Marsh | Osthoff |
| Carlson, D. | Gustafson | Jude | McDonald | Otis |
| Carlson, L. | Halberg | Kahn | Mehrkens | Peterson, B. |
| Clark, J. | Hanson | Kaley | Metzen | Peterson, D. |
| Clark, K. | Harens | Kalis | Minne | Piepho |
| Clawson | Hauge | Kelly | Munger | Pogemiller |
| Dahlvang | Haukoos | Kostohryz | Murphy | Redalen |

| | | | | |
|---------------|------------|----------|----------|------------------|
| Reding | Rothenberg | Sherwood | Sviggum | Welch |
| Rees | Sarna | Simoneau | Valan | Welker |
| Reif | Schafer | Skoglund | Valento | Wenzel |
| Rice | Schreiber | Stadum | Vanasek | Wieser |
| Rodriguez, C. | Searles | Staten | Vellenga | Wigley |
| Rodriguez, F. | Shea | Stowell | Voss | Spkr. Sieben, H. |
| Rose | Sherman | Stumpf | Weaver | |

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 Munger motion and the roll was called.

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

There were 69 yeas and 61 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kostohryz | Osthoff | Simoneau |
| Anderson, G. | Elioff | Lehto | Otis | Skoglund |
| Anderson, I. | Ellingson | Lemen | Peterson, B. | Staten |
| Battaglia | Greenfield | Long | Peterson, D. | Stumpf |
| Begich | Gustafson | Mann | Pogemiller | Swanson |
| Berkelman | Hanson | Marsh | Reding | Tomlinson |
| Brandl | Harens | McCarron | Rice | Vanasek |
| Byrne | Hokanson | Minne | Rodriguez, C. | Vellenga |
| Carlson, L. | Jacobs | Munger | Rodriguez, F. | Voss |
| Clark, J. | Johnson, C. | Murphy | Rothenberg | Welch |
| Clark, K. | Jude | Nelson, K. | Samuelson | Wenzel |
| Clawson | Kahn | Norton | Sarna | Wynia |
| Dahlvang | Kalis | Novak | Shea | Spkr. Sieben, H. |
| Dean | Kelly | O'Connor | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|-------------|-------------|---------------|-----------|---------|
| Aasness | Friedrich | Knickerbocker | Olsen | Stowell |
| Ainley | Gruenes | Kvam | Onnen | Sviggum |
| Blatz | Halberg | Laidig | Piepho | Valan |
| Brinkman | Hauge | Levi | Redalen | Valento |
| Carlson, D. | Haukoos | Ludeman | Rees | Weaver |
| Dempsey | Heap | McDonald | Reif | Welker |
| Den Ouden | Heinitz | McEachern | Rose | Wieser |
| Drew | Himle | Mehrkens | Schafer | Wigley |
| Erickson | Hoberg | Metzen | Schreiber | Zubay |
| Esau | Hokr | Nelsen, B. | Searles | |
| Ewald | Jennings | Niehaus | Sherman | |
| Fjoslien | Johnson, D. | Nysether | Sherwood | |
| Forsythe | Kaley | Ogren | Stadum | |

The motion prevailed.

CALL OF THE HOUSE LIFTED

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

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:

Shea; Munger; Begich; Carlson, D., and Anderson, B., introduced:

H. F. No. 1503, A bill for an act relating to resource recovery; providing for approval of resource recovery franchises; imposing an excise tax on the gross receipts from sales of products, packages and containers sold to retailers; providing income tax credits for the investment in property used in recycling and on the gross receipts from sales of recycled materials; imposing penalties; amending Minnesota Statutes 1980, Section 290.06, by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 116F, 297A, 400, and 473.

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

Osthoff; Sieben, M., and Levi introduced:

H. F. No. 1504, A bill for an act relating to metropolitan government; changing the membership of the metropolitan parks and open space commission; amending Minnesota Statutes 1980, Section 473.301, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 473; and repealing Minnesota Statutes 1980, Section 473.303.

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

Levi; Voss; McCarron; Rodriguez, C., and Weaver introduced:

H. F. No. 1505, A bill for an act relating to metropolitan government; providing for the establishment and operation of a water planning and management program in the metropolitan area; requiring watershed and local water management plans; establishing a metropolitan water resources advisory board; providing for the establishment and operation of watershed management organizations; establishing a program of planning and capital improvement grants; authorizing county and metropolitan debt; authorizing taxes; amending Minnesota Statutes 1980, Sections 112.35, by adding a subdivision; 112.37, Subdivision 1, and by adding a subdivision; 112.42, Subdivision 3 and by adding subdivisions; 112.43, by adding a subdivision; 112.46; proposing new law coded in Minnesota Statutes, Chapter 473.

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

Shea; Stowell; Johnson, C.; Stumpf and Wenzel introduced:

H. F. No. 1506, A bill for an act relating to agriculture; providing for state-wide agricultural land preservation; amending Minnesota Statutes 1980, Sections 473H.01; 473H.02; 473H.04; 473H.06; and 473H.08, Subdivision 4.

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

Shea, Gustafson, Hauge and Pogemiller introduced:

H. F. No. 1507, A bill for an act relating to congressional districts; apportioning congressional districts; amending Minnesota Statutes 1980, Sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Shea, Kalis, Himle, Stumpf and Nelson, K., introduced:

H. A. No. 36, A proposal to study the potential for wind power in highway rest areas and information centers.

The advisory was referred to the Committee on Energy.

Hokanson; Swanson; Clark, J.; Reif and Hokr introduced:

H. A. No. 37, A proposal for a study of the Child Abuse Reporting Act.

The advisory was referred to the Committee on Health and Welfare.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1421

A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and

the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 121.931, Subdivision 5; 123.742, by adding a subdivision; 123.743; and 136A.121, Subdivisions 4 and 5.

May 14, 1981

The Honorable Harry A Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1421, 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. 1421 be further amended as follows:

Delete everything after the enacting clause and insert

"Section 1. [EDUCATION; 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 year indicated for each purpose. The figures "1981", "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder or therefor shall be available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

| | 1981 | 1982 | 1983 | TOTAL |
|--------------------------------|--------------------|--------------------|--------------------|-------|
| General | \$432,322,400 | \$424,466,600 | \$856,789,000 | |
| Tr. Hwy. | 17,100 | 18,600 | 35,700 | |
| Prm. Univ. | 2,500,000 | 2,500,000 | 5,000,000 | |
| Non-Game Wildlife Fund | 25,000 | 25,000 | 50,000 | |
| TOTAL | 434,864,500 | 427,010,200 | 861,874,700 | |

APPROPRIATIONS
Available for the Year
Ending June 30

| 1982 | 1983 |
|------|------|
| \$ | \$ |

Sec. 2. DEPARTMENT OF
EDUCATION

| | | |
|---|------------|------------|
| Subdivision 1. General Operations and Management | 23,801,500 | 23,798,200 |
|---|------------|------------|

Approved Complement

| | | |
|--------|-------|-------|
| State— | 536.6 | 535.6 |
|--------|-------|-------|

| | | |
|----------|-------|-------|
| Federal— | 222.9 | 222.9 |
|----------|-------|-------|

| | | |
|------------------|------|------|
| Special Revenue— | 11.5 | 11.5 |
|------------------|------|------|

The amounts that may be expended from this appropriation for each program and activity are more specifically described in the following subdivisions of this section.

Subd. 2. Special and Compensatory
Education

| | |
|--------------|--------------|
| \$ 5,728,500 | \$ 5,695,300 |
|--------------|--------------|

Of this appropriation, \$625,000 in the first year, and \$625,000 in the second year is for Indian scholarships. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$91,000 the first year is for repair and purchase of equipment at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School. Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

Subd. 3. Vocational Technical
Instruction

| | |
|-------------|-------------|
| \$3,270,800 | \$3,381,000 |
|-------------|-------------|

(a) \$416,500 the first year and \$441,000 the second year is for Minnesota curriculum services center.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

(b) \$180,000 the first year and \$196,000 the second year is for the vocational student organization center.

(c) \$216,000 the first year and \$234,000 the second year is for vocational area agricultural coordinators.

(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, 1983, 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.

(e) Federal money received for state vocational education programs pursuant to the Vocational Education Act of 1963, Section 120, and required to be used for vocational education of the disadvantaged and handicapped shall be used only for grants and not for state administrative costs. This does not limit the use of grant money by a school district for its own administrative costs if otherwise permitted by federal law. The remainder of section 120 money not required to be used for eliminating sex bias, for displaced homemakers programs, and for matching requirements in vocational education shall be used for grants for post-secondary vocational support services aid.

(f) The department shall charge municipalities, counties or other units of government, electric cooperatives and other independent telephone companies an amount to provide 25 percent of the cost of field instruction in the utilities, electric cooperatives, and telephone training. The department shall make a similar charge to the above named units

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

of government or companies for rescue training, however, volunteers shall not be charged.

(g) On or before January 1, 1982, the commissioner of education shall submit to the legislature an examination of the adult vocational field instructor positions and services. The examination shall include a cost analysis of the following options: (1) transferring all adult vocational field instructors to area vocational-technical institutes as local employees; (2) transferring all adult vocational field instructors to area vocational-technical institutes but maintaining their status as state employees; (3) transferring a portion of the field instructors to area vocational-technical institutes; (4) maintaining field instructors as a part of the vocational division with a fee structure similar to that of the area vocational-technical institutes.

(h) Of the five state complement positions to be reduced from this program, three shall be vocational supervisors in the post-secondary and adult activity areas and two shall be professional positions to be selected at the discretion of the commissioner from within the program.

Subd. 4. Special Services

| | |
|-------------|-------------|
| \$1,854,500 | \$1,907,700 |
|-------------|-------------|

The department may fund two professional and one clerical positions from the fees and grants collected, pursuant to section 13 of this act and appropriated in section 14 of this act.

Effective July 1, 1981, all fees for private trade school licenses and for solicitor's permits are doubled. Notice of the revised fees shall be published in the state register as soon as practicable. During the biennium ending June 30, 1983,

1982

1983

\$

\$

these fees shall not be decreased, but may be increased pursuant to sections 15.0412, subdivision 4, 16A.128, and 214.06, as amended. Thereafter, the fees shall be set as provided in those sections.

The department shall provide on or before January 4, 1982, to the appropriate committees of the legislature a report on the administrative and regulatory activities associated with the provisions of Minnesota Statutes, Chapter 141, including details and the resulting costs and relationship of costs to the fees charged and collected.

The state board of education and the state board of teaching, after joint consultation, shall individually set consistent license fees for which they are responsible at a level sufficient to recover all department of education and board of teaching costs associated with the licensure, relicensure, and placement of teachers, administrators, and other education professionals. In setting these fees, the state board of education and the board of teaching are exempt from the public hearing process in chapter 15.

Subd. 5. Instructional Services

\$2,171,900 \$2,188,500

Of the amounts provided by this subdivision, \$17,100 in 1982 and \$18,600 in 1983 are from the trunk highway fund.

\$94,300 in the first year and \$94,900 in the second year is for the chemical dependency program. These appropriations may be expended only with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30 and only as a substitute for federal funds that are diminished or no longer available for this purpose. Up to two federal complement positions may be con-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

verted to state complement positions as needed to compensate for any loss of federal funds and as state funds are made available pursuant to this paragraph.

The department of education is authorized to apply for and receive federal money for the career education program. The department of education shall not increase its expenditure of state money or its state complement involved in career education programs above the level of the spending and complement in fiscal year 1979. The department of education shall not apply for federal career education money if the application will require an appropriation of state money at any time in the future. The department of education shall present no budget requests for state appropriations for this program in future sessions.

Subd. 6. School Management Services

| | |
|-------------|-------------|
| \$8,601,100 | \$8,431,100 |
|-------------|-------------|

(a) \$800,000 in 1982 and \$850,000 in 1983 is for MECC management information services. Of this amount \$300,000 in 1982 and \$850,000 in 1983 shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30. No dollars shall be expended for new ESV-IS applications software development or major enhancements of present applications software until a systems architecture plan has been approved by the state board with the advice and assistance of the ESV computer council. The system architecture plan shall consider the formation of a central development group to be created to provide for the future development of applications software for ESV-IS. Particular emphasis shall be placed on the consolidation and coordina-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

tion of software development efforts at MECC and the regional management information centers so as to reduce duplication of effort and cost.

(b) \$3,213,000 in 1982 and \$3,425,100 in 1983 is for regional support aids for regional management information centers.

(c) \$757,400 in 1982 and \$872,500 in 1983 is for regional telecommunication subsidies.

(d) \$900,000 in 1982 and \$450,000 in 1983 is for instructional timesharing telecommunications costs.

The appropriation for 1983 shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30. The Minnesota Education Computing Consortium shall charge fees to any district which uses the instructional timesharing system for a computer program which is available for use on a microcomputer. MECC shall prepare a report on the specific effects of the reduction of the instructional telecommunications subsidy for submission to the legislature on or before January 1, 1983.

(e) The department of education in consultation with MECC shall submit to the chairman of the house appropriations committee and the chairman of the senate finance committee by July 15 and December 31 of each year a progress report, proposed plans, and expenditures for educational computing.

(f) Any unexpended balance remaining in (a) through (e) in the first year does not cancel but is available for the second year of the biennium.

(g) \$40,000 is appropriated to a special contingent account for an evaluation

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

of the development of the state department of education information system (SDE-IS). These funds shall be released to the office of the legislative auditor after submission of a plan to the chairmen of the house appropriations committee and the senate finance committee. The evaluation shall consider:

(1) the extent to which the present system meets all reporting requirements of the department and the cost and effort required to automate those reporting requirements which are presently not computerized;

(2) the impact of legislative mandates and changing complex statutory requirements on the system;

(3) an estimate of the resources and schedule necessary to complete development of the system and to maintain it in the future; specific consideration shall be given to the present arrangement of data processing hardware used for the system and projected hardware requirements in the future;

(4) the role of consultants in the development of the system;

(5) the adequacy of the documentation of the system as development occurs.

(h) \$40,000 shall be used by the department 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 consultant shall evaluate the effectiveness of the regional reporting subsidy formula and make recommendations. The consultant shall further develop a systematic mechanism for the monitoring of the financial and performance elements of the operations of the ESV regional centers. The employ-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

ment of a consulting firm shall not be subject to the contract approval procedures of the commissioner of administration.

Subd. 7. Auxiliary and General Support Services

\$ 2,009,200 \$ 2,021,800

Of the complement positions to be eliminated in the department, the commissioner shall eliminate at least one state complement position of his own choosing with a classification of education specialist IV or higher. In addition, the commissioner shall prepare a plan to reorganize the senior level management of the department. In developing the plan, the commissioner shall provide for the elimination of two state complement in the assistant commissioner and/or deputy commissioner categories. The plan shall be submitted to the chairmen of the house appropriations and senate finance committees by December 1, 1981. The department may carry two positions in excess of approved complement until January 1, 1982.

The commissioner of education with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfer shall be reported forthwith to the house appropriations and senate finance committees.

It is the intent of the legislature, except in the case of executive order to the contrary, that the department of education be allowed to transfer money among the various object of expenditure categories and activities within each program.

Subd. 8. Federal money received for strengthening state education agencies pursuant to the Elementary and Secondary Education Act of 1965, Title 4C, as

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

amended, or pursuant to the Education Amendments of 1978, Section 404, Paragraph (a), Clause (9), or Title 5, Part B, shall be spent only for the activities and approved complement positions shown in the allocation plan for Title 4C money as approved by the conferees of the senate and house of representatives. The amounts available for expenditure for each activity are those shown in the allocation plan. Amounts necessary to support approved complement positions shown in the allocation plan may be added to or transferred among those activities by the commissioner of education, with the approval of the commissioner of finance and with notification to the committee on finance of the senate and the committee on appropriations of the house of representatives. Any other transfers or additions may be made only by the governor after consultation with the legislative advisory commission.

Subd. 9. Board of Teaching

| | | |
|------------|----|---------|
| \$ 165,500 | \$ | 172,800 |
|------------|----|---------|

Sec. 3. HIGHER EDUCATION
COORDINATING BOARD

Subdivision 1. General Operations
and Management

| | |
|------------|------------|
| 43,528,600 | 44,103,900 |
|------------|------------|

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Salaries and Expenses

| | | |
|--------------|----|-----------|
| \$ 2,003,800 | \$ | 2,018,200 |
|--------------|----|-----------|

This appropriation includes sufficient state money to offset anticipated loss of federal money in the policy planning and research activities. If any federal money becomes available for this activity, an equal amount of state money shall cancel to the general fund.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

This appropriation includes money for the administration of the state student assistance programs, program planning and coordination, policy planning and research, and agency management services.

This appropriation includes money for continuation of the optometry and osteopathy contract program. No more than eight new students shall be admitted to the program each year. The higher education coordinating board shall amend the contracts with participating institutions to provide that continued participation by the state of Minnesota be contingent upon the availability of appropriations for the program.

Subd. 3. State Scholarship, Nurses Scholarship and State Grant-In-Aid

| | |
|--------------|--------------|
| \$27,720,000 | \$27,720,000 |
|--------------|--------------|

The general goal of this program is that the proportion of funds flowing to students attending private institutions not exceed a figure which is approximately 50 percent of the total amount of money available.

It is expected that approximately \$3,000,000 of this appropriation will revert to the general fund at the end of fiscal year 1983.

Subd. 4. Part Time Student Subsidy

| | |
|------------|------------|
| \$ 300,000 | \$ 300,000 |
|------------|------------|

Subd. 5. Special Assistance

| | |
|----------|----------|
| \$ 1,200 | \$ 1,200 |
|----------|----------|

Subd. 6. Interstate Tuition Reciprocity

| | |
|--------------|--------------|
| \$ 5,300,000 | \$ 5,669,000 |
|--------------|--------------|

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

If the appropriation for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.

Subd. 7. State Work Study

\$3,892,000 \$4,067,000

Subd. 8. Medical Student Loans

\$81,000 \$222,000

No new participants shall be admitted to this program after June 30, 1981. This appropriation shall be used to meet the renewal loan requests of participants who entered the program prior to June 30, 1981 and to make principal and interest payments on outstanding bonds.

Subd. 9. AVTI Tuition Subsidy

\$1,400,000 \$1,400,000

Any unexpended balance in this subdivision remaining at the end of the first year does not cancel but is available for the purposes of subdivision 3 above for the second year.

Subd. 10. Private College Contracts

\$2,105,000 \$2,105,000

Any private educational institution that holds classes or other scheduled educational activities on evenings of precinct caucuses as defined by Minnesota Statutes, Chapter 202A is ineligible to receive money from this appropriation.

Subd. 11. Regional Coordination and Service

\$132,600

| | 1982 | 1983 |
|-----------------------------------|-----------|-----------|
| | \$ | \$ |
| Subd. 12. Minitex Library Program | | |
| | \$557,900 | \$601,500 |

Subd. 13. Southwest and West
Central Consortium

\$35,100

Subd. 14. The nursing articulation task force shall submit a report to the higher education coordinating board by January 1, 1982. The report shall include, but not necessarily be limited to: (1) a documentation of the changes in the curricula that existing nursing education programs will implement before January 1, 1983; (2) a documentation of the changes in the transfer policies and policies for advanced placement of licensed nurses that each institution will implement before January 1, 1983; and (3) a set of specific alternatives for providing additional educational opportunities for licensed nurses in all areas of the state which could be implemented on or before July 1, 1983.

The higher education coordinating board shall present its recommendations on the above mentioned report to the chairmen of the house appropriations and senate finance committees.

Subd. 15. Notwithstanding any other provision to the contrary, none of the personnel, powers, or duties of the higher education coordinating board shall be transferred to any other department, higher education system, or other part of state government.

Subd. 16. Any unexpended balances in this section, except subdivisions 8, 11 and 13 remaining in the first year do not cancel but are available for the second year of the biennium.

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

Sec. 4. STATE UNIVERSITY BOARD

| | | |
|--|------------|------------|
| Subdivision 1. General Operations and Management | 83,757,300 | 82,298,700 |
|--|------------|------------|

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Maintenance and Equipment

| | |
|--------------|--------------|
| \$81,653,500 | \$80,649,100 |
|--------------|--------------|

This appropriation includes an amount not to exceed \$1,482,300 in 1982 and \$1,770,300 in 1983 for partial support of the temporary increase in enrollment. None of this amount shall be available unless full year equivalent enrollment exceeds the threshold level of 31,505. For each full year equivalent student in excess of the threshold level \$653 shall be available. The full year equivalent enrollment figure to be used in determining the amount of partial enrollment support to be available in fiscal year 1982 shall be the actual full year equivalent enrollment for fiscal year 1981. In like manner, the full year equivalent enrollment for fiscal year 1982 shall be used in determining the amount to be available in fiscal year 1983. The number of students generating partial enrollment support is limited by the amount appropriated above. If the number of students exceeds the number which can be supported by the appropriation, those students shall be supported by tuition revenue only.

Additional funding for nursing programs for fiscal year 1983 shall not be available until the higher education coordinating board has presented its recommendations on the nursing articulation task force report to the chairmen of the house appropriations and senate finance committees and the chairmen

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

have made their recommendations thereon. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. The nursing articulation task force report is further described in section 3, subdivision 14 of this act.

(a) The appropriation in subdivision 2 includes \$120,000 in 1982 and \$130,000 in 1983 for enrollment and staffing stabilization.

(b) If the amounts in (a) are insufficient for this purpose, the board may request additional money from the contingent fund in subdivision 3.

No additional funding shall be available for the above program after June 30, 1983.

(c) The amounts appropriated in subdivision 2 include a sum in each year for recruitment of unclassified staff.

Notwithstanding the provisions of Minnesota Statutes, Chapters 15A and 43A, the state university board may establish executive salaries within the state university system.

Subd. 3. State University Board
Contingent

\$500,000

Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

**Subd. 4. Federal Student Loans—
State Matching**

| | |
|-----------|-----------|
| \$175,000 | \$175,000 |
|-----------|-----------|

**Subd. 5. Federal Work Study—
State Matching**

| | |
|-----------|-----------|
| \$518,000 | \$518,000 |
|-----------|-----------|

Any unexpended balances in subdivisions 4 and 5 remaining in the first year do not cancel but are available for the second year of the biennium. If the amounts appropriated in subdivision 5 are insufficient to fully match federal money available, the state university board may transfer money from the appropriations in subdivisions 1 or 3 to this program. No portion of the appropriation shall be used to defray obligations incurred prior to July 1, 1980.

Subd. 6. Repairs and Betterments

| | |
|-----------|-----------|
| \$910,800 | \$956,600 |
|-----------|-----------|

Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

The state university board, with the concurrence of the commissioner of finance and the chairmen of the senate finance and house appropriations committees, may transfer excess fuel and utility money appropriated in subdivision 2 to the repair and betterment account to fund energy conservation related building repairs and improvements.

Subd. 7. A report shall be submitted to the 73rd session of the legislature on the use of all money exempt from budgetary control by the commissioner of finance pursuant to Minnesota Statutes, Sections 136.11, Subdivision 5; 136.144; and 136.37.

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

Sec. 5. STATE COMMUNITY COLLEGE BOARD

| | | |
|--|------------|------------|
| Subdivision 1. General Operations and Management | 40,349,000 | 38,661,000 |
|--|------------|------------|

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following subdivisions of this section.

Subd. 2. Operations and Maintenance

| | |
|--------------|--------------|
| \$38,797,800 | \$37,587,500 |
|--------------|--------------|

This appropriation is for maintenance and equipment of the state community college board and the state community colleges. The state community colleges are encouraged to use off-campus courses to extend the benefits of this appropriation to as many Minnesota residents as possible.

Notwithstanding the provisions of Minnesota Statutes, Chapters 15A and 43A, the state community college board may establish executive salaries within the community college system.

An amount not to exceed \$861,900 in 1982 and \$861,900 in 1983 is for partial support of the temporary increase in enrollment. None of this amount shall be available unless full year equivalent enrollment exceeds the threshold level of 21,247. For each full year equivalent student in excess of the threshold level \$533 shall be available. The full year equivalent enrollment figure to be used in determining the amount of partial enrollment support to be available in fiscal year 1982 shall be the actual full year equivalent enrollment for fiscal year 1981. In like manner, the full year equivalent enrollment for fiscal year 1982 shall be used in determining the amount

1982

1983

\$

\$

to be available in fiscal year 1983. The number of students generating partial enrollment support is limited by the amount appropriated above. If the number of students exceeds the number which can be supported by the appropriation, those students shall be supported by tuition revenue only.

Rental funds are appropriated in the amount of \$194,800 for the biennium. A request for release of these funds shall be submitted and reviewed by the chairmen of the house appropriations and senate finance committees whose recommendations are advisory only. Failure to make a recommendation promptly is deemed a negative recommendation.

Additional funding for nursing programs for fiscal year 1983 shall not be available until the higher education coordinating board has presented its recommendations on the nursing articulation task force report to the chairmen of the house appropriations and senate finance committees and the chairmen have made their recommendations thereon. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. The nursing articulation task force report is further described in section 3, subdivision 14 of this act.

(a) The appropriation in subdivision 2 includes \$40,000 in 1982 and \$60,000 in 1983 for enrollment and staffing stabilization.

(b) If the amounts in (a) are insufficient for this purpose, the board may request additional money from the contingent fund in subdivision 7.

No additional funding shall be available for the above program beyond June 30, 1983.

| | 1982 | 1983 |
|------------------------------|------|------|
| | \$ | \$ |
| Subd. 3. Program Development | | |
| \$300,000 | | |

Prior to use of this appropriation the chancellor of the community college system shall submit the proposed program and expenditures for review by the chairmen of the house appropriations and senate finance committees.

Subd. 4. Learning Centers

| | |
|-----------|-----------|
| \$231,300 | \$232,500 |
|-----------|-----------|

The board shall report to the committee on finance of the senate and the committee on appropriations of the house of representatives by March 1, 1982 for the first year and January 1, 1983 for the second year on the use of the money in this appropriation.

Subd. 5. Federal Student Loan—
State Matching

| | |
|----------|----------|
| \$35,000 | \$35,000 |
|----------|----------|

Subd. 6. Federal Work Study—
State Matching

| | |
|-----------|-----------|
| \$365,600 | \$365,600 |
|-----------|-----------|

If the amounts appropriated are insufficient to fully match federal money available, the community college board may transfer money available from the appropriation in subdivision 2 to this program.

Subd. 7. State Community College
Board Contingent

| |
|-----------|
| \$200,000 |
|-----------|

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission, as provided by Minnesota Statutes, Section 3.30.

| | 1982 | 1983 |
|----------------------------------|-----------|-----------|
| | \$ | \$ |
| Subd. 8. Repairs and Betterments | | |
| | \$419,300 | \$440,400 |

Any unexpended balances in this section, except subdivision 2, remaining in the first year do not cancel but are available for the second year of the biennium.

| | | |
|---------------------------------|-------------|-------------|
| Sec. 6. UNIVERSITY OF MINNESOTA | 241,904,400 | 236,481,100 |
|---------------------------------|-------------|-------------|

The amounts that may be expended from this appropriation for each purpose are more specifically described in the following three sections of this act.

Sec. 7. UNIVERSITY OF MINNESOTA: GENERAL

| | | |
|---|-------------|-------------|
| Subdivision 1. Operations and Maintenance | 199,393,400 | 195,818,100 |
|---|-------------|-------------|

These appropriations are made from:

(a) Income derived from investment of the permanent university fund, which is appropriated to the university as provided in Minnesota Statutes, Section 137.022. It is estimated that this income will not exceed \$2,500,000 for the first year and \$2,500,000 for the second year; and

(b) The general fund. It is estimated that the amount required from the general fund will be at least \$196,893,400 for the first year and \$193,318,100 for the second year.

The university is authorized to retain 2-1/2 percent of the indirect cost recoveries and this amount shall be expended to improve its ability to attract nonstate money. A report on the expenditures of this money with an analysis of apparent results shall accom-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

pany the university's annual report on expenditure of excess receipts.

On October 1, 1982 and 1983 the president of the university of Minnesota shall furnish the house appropriations and senate finance committees and the commissioner of finance the following information:

(1) The total amount of receipts during the fiscal year 1982 from all sources in excess of \$93,179,300 and during the fiscal year 1983 from all sources in excess of \$101,522,400;

(2) The sources of these receipts; and

(3) The purposes for which any excess receipts were expended and accounts to which transferred.

The board of regents shall certify to the commissioner of finance at the end of each quarter the amount of earnings derived from the investment of the permanent university fund.

If this income during any fiscal year exceeds the amounts stated in (a) above, the amount payable from the general fund is reduced accordingly.

State appropriations for fellowship programs shall cancel if replacement federal money becomes available during the 1981-1983 biennium.

In preparing the university's legislative budget request for the 1983-1985 biennium, all projected income from student tuition shall be based on a charge per credit hour schedule.

This appropriation includes money to provide direct support services to handicapped students.

This appropriation includes money for a program for the education of teachers

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

of children with vision and hearing impairments. This appropriation shall only be available if it is matched by an equal amount of money from the federal government, private sources, or reallocation of existing funds from the budgets of the university and the state universities. The university shall operate this program in cooperation with the state university system and other teacher education institutions.

Additional funding for nursing programs for fiscal year 1983 shall not be available until the higher education coordinating board has presented its recommendations on the nursing articulation task force report to the chairmen of the house appropriations and senate finance committees and the chairmen have made their recommendations thereon. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. The nursing articulation task force report is further described in section 3, subdivision 14 of this act.

Subd. 2. Salary Increase Authorization

Salary supplements for employees of the University of Minnesota are approved as follows:

(a) Academic employees

(1) Academic employees who are not represented by an exclusive representative. The commissioner of finance, in consultation with the chairmen of the house appropriations and senate finance committees, shall determine the average of the percentage increases provided from the salary supplement appropriation to the state university instructional unit, and the community college instructional unit. That average shall be the basis for determining the amount of the approved salary supplement.

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | \$ | |

(2) Academic employees who are represented by an exclusive representative shall receive salary supplements in accordance with the collective bargaining agreements approved pursuant to chapter 179.

(b) Non-academic employees

(1) Non-academic employees who are not represented by an exclusive representative. The commissioner of finance shall determine the average of the percentage increase provided from the salary supplement appropriation to classes of state employees which are approximately comparable to classes of university employees. That average shall be the basis for determining the amount of the approved salary supplement.

(2) Non-academic employees who are represented by an exclusive representative shall receive salary supplements in accordance with the collective bargaining agreements approved pursuant to chapter 179.

The amounts needed to provide the above salary supplements shall be provided to the University of Minnesota from the salary supplement appropriation in the state departments appropriations act.

The salary supplements provided by this subdivision shall be submitted to the entire legislature for ratification in the same manner as provided for negotiated agreements and arbitration awards under section 179.74, subdivision 5.

Sec. 8. UNIVERSITY OF MINNESOTA: SPECIAL PROGRAMS

| | | |
|---|---------|---------|
| Subdivision 1. Student Loans—State Matching | 175,000 | 175,000 |
| Subd. 2. Disadvantaged Students ... | 361,500 | 361,500 |

| | 1982 | 1983 |
|--|-----------|-----------|
| | \$ | \$ |
| <p>This appropriation shall be used for providing counseling, tutorial, and other direct services to disadvantaged students.</p> | | |
| Subd. 3. Fellowship for Minority and Disadvantaged Students | 71,500 | |
| <p>Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.</p> | | |
| Subd. 4. Intercollegiate athletics ... | 1,494,700 | 1,494,700 |
| <p>This appropriation shall be used as a general offset to the expenses of intercollegiate athletics.</p> | | |
| Subd. 5. Summer School Tuition and Continuing Education Supplement..... | 1,202,200 | 1,164,200 |
| <p>This appropriation includes money for the administration of the elderhostel program and construction of a tower at Rochester.</p> | | |
| Subd. 6. Medical Services and Instruction | 1,771,800 | 1,746,800 |
| <p>This appropriation includes money for the final appropriation for the rural hospital cooperative program.</p> | | |
| <p>This appropriation includes money for the occupational and physical therapy instructional grants replacement.</p> | | |
| Subd. 7. Health Sciences Contingent | 3,212,500 | 1,212,500 |
| <p>Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.</p> | | |
| <p>Portions or all of the above appropriation are available upon submission of required documentation that federal health sciences capitation money has been re-</p> | | |

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

duced or phased out. Replacement of any capitation grant losses or reductions shall be computed by using the fiscal year 1976 level as the base year. The replacement will be adjusted to reflect faculty and civil service salary increases granted to the university for the 1981-1983 biennium. All requests shall be reviewed by the chairmen of the house appropriations and senate finance committees whose recommendations are advisory only. Failure to make a recommendation promptly is deemed a negative recommendation.

Sec. 9. UNIVERSITY OF MINNESOTA: RESEARCH

| | | |
|---|-----------|-----------|
| Subdivision 1. General Research | 2,064,900 | 2,064,900 |
|---|-----------|-----------|

This appropriation is, as the board of regents may direct, for general research, business and economic research including Duluth, training for careers in fire prevention and protection, center for urban and regional affairs, museum of natural history, and juvenile justice seminar.

| | | |
|---|---------|---------|
| Subd. 2. Mineral Resource Research Center | 307,500 | 307,500 |
|---|---------|---------|

| | | |
|--|-----------|-----------|
| Subd. 3. General Agricultural Research | 8,899,800 | 8,899,800 |
|--|-----------|-----------|

This appropriation includes money for research on aquatic plants (including wild rice), soybeans, avian disease, swine disease, corn improvement and irrigation.

The university shall establish an advisory council system for each experiment station. The advisory councils shall be broadly representative of range of size and income distributions for farms and agribusiness, and shall not be disproportionately represented by those from the upper half of the size and in-

| | 1982 | 1983 |
|---|-----------|-----------|
| | \$ | \$ |
| come distributions of farms and agri- business. | | |
| Subd. 4. Hormel Institute— Austin | 185,100 | 135,100 |
| To support the operation of the insti- tute and to promote research by the institute. | | |
| Subd. 5. Medical Research | 1,673,900 | 1,673,900 |
| Subd. 6. Coleman Leukemia Research Fund | 150,000 | 200,000 |
| Subd. 7. Veterinary Diagnostic Laboratory and Teaching Hospital | 776,400 | 776,400 |
| This appropriation includes \$25,000 from the nongame wildlife fund for the Raptor Rehabilitation and Research Clinic. | | |
| Subd. 8. Geological Survey | 565,300 | 565,300 |
| Subd. 9. Lake Superior Basin Studies | 114,500 | 114,500 |
| Subd. 10. Sea Grant | 100,200 | 100,200 |
| Subd. 11. Plant Biomass Research . | 112,500 | 125,000 |
| Subd. 12. Immigration History Research Center | 225,000 | |

Portions of the above appropriation are available upon submission of required documentation that each dollar in state money has been matched by at least two dollars in money contributed from non-state and non-federal sources; that each dollar in state money has been matched by at least one dollar in federal money and that the total amount provided by the state does not exceed the total amount provided by the federal government. All requests shall be reviewed by the chairmen of the house appropriations and senate finance com-

| | 1982 | 1983 |
|---|------|------|
| | \$ | \$ |
| <p>mittees and the chairmen shall make recommendations on the requests. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.</p> | | |

| | | |
|--|---------|---------|
| Subd. 13. Science and Technical Center | 125,000 | 125,000 |
|--|---------|---------|

Sec. 10. UNIVERSITY OF MINNESOTA: COMMUNITY SERVICES

| | | |
|---|-----------|-----------|
| Subdivision 1. Agricultural Extension Service | 8,729,600 | 8,729,600 |
|---|-----------|-----------|

This appropriation includes money for agriculture extension work, county agricultural agents, home demonstration and 4-H club work, and soil conservation. Any salary increases granted by the university to personnel paid from this appropriation shall not result in a reduction of the county portion of the salary payments.

This appropriation includes money each year for the sawyer training program. It also includes money for the potato and sugar beet extension program in the Red River Valley, contingent on an equal amount being provided by the state of North Dakota.

| | | |
|--|-----------|-----------|
| Subd. 2. For State's Share of Expenses of County Indigent Patients ... | 2,000,000 | 2,000,000 |
|--|-----------|-----------|

| | | |
|--|-----------|-----------|
| Subd. 3. Special Hospitals, Community Service, and Educational Offset .. | 7,270,500 | 7,270,500 |
|--|-----------|-----------|

Fees for service furnished to counties and individuals under this program shall be sought to augment the money appropriated; the fees are appropriated to the university hospitals, to be available until June 30, 1983.

| | 1982 | 1983 |
|--|---------|---------|
| | \$ | \$ |
| Subd. 4. Industrial Relations Education Program | 520,600 | 520,600 |
| Subd. 5. Inflation Allowance— University Specials | 451,000 | 900,000 |

The appropriations in section 7 for operations and maintenance funding for the agricultural extension service, for the faculty travel fund and for the university hospitals outpatient clinics shall be merged with the appropriate special appropriations in fiscal years 1982 and 1983.

Sec. 11. MAYO MEDICAL

| | | |
|-------------------------------------|-----------|-----------|
| Subdivision 1. Medical School | 1,367,700 | 1,499,300 |
|-------------------------------------|-----------|-----------|

The state of Minnesota shall pay a capitation of \$8,998 in fiscal year 1982 and \$9,799 in fiscal year 1983 for each student who is a resident of Minnesota for a maximum of 40 such students in each class.

| | | |
|--|---------|---------|
| Subd. 2. Family Practice and Graduate Residency Program | 156,000 | 168,000 |
|--|---------|---------|

The state of Minnesota shall pay capitation of \$13,000 in fiscal year 1982 and \$14,000 in fiscal year 1983 for a maximum of 12 students each year.

Sec. 12. Minnesota Statutes 1980, Section 15.38, is amended to read:

15.38 [NON-INSURANCE OF STATE PROPERTY; (STILLWATER CORRECTIONAL FACILITY, EXCEPTION) EXCEPTIONS.]

Subdivision 1. [INSURANCE PROHIBITED.] No public funds shall be expended on account of any insurance upon state property against loss or damage by fire or tornado, nor shall any state officer or board contract for or incur any indebtedness against the state on account of any such insurance, except (THAT) as specifically authorized in this section, section 15.39, or other law.

Subd. 2. [STILLWATER PRISON.] The commissioner of corrections is authorized in his discretion to insure the state of Minnesota against loss by fire or tornado to the Minnesota correctional facility-Stillwater, or the contents thereof, in any insurance companies licensed to do business in this state, in such an amount as he may from time to time determine and to pay the premiums therefor from the revolving fund of the institution.

Subd. 3. [STATE UNIVERSITIES.] The state university board may purchase insurance coverage as it deems necessary and appropriate for activities ancillary to the programs of the state universities.

Subd. 4. [COMMUNITY COLLEGES.] The community college board may purchase insurance coverage as it deems necessary and appropriate for activities ancillary to the programs of the state community colleges.

Sec. 13. Minnesota Statutes 1980, Section 123.742, is amended by adding a subdivision to read:

Subd. 3. The department may provide available curriculum information for improving teaching practices at public elementary, secondary and post-secondary vocational schools. The information may be provided upon the request of a school district or an educational cooperative service unit with which the department has a written agreement. The department may collect reasonable fees not to exceed its actual costs for this service. The department may also accept money from any public or private source to defray the cost of this service.

Sec. 14. Minnesota Statutes 1980, Section 123.743, is amended to read:

123.743 [APPROPRIATION.]

There is annually appropriated from the general fund to the department of education any and all amounts received by the department pursuant to section 123.742, subdivision 2 and section 13 of this act.

Sec. 15. Minnesota Statutes 1980, Section 136A.121, Subdivision 4, is amended to read:

Subd. 4. A financial stipend shall accompany scholarship awards if the scholarship winner demonstrates financial need and will attend an eligible institution. Financial stipends shall range from a maximum of \$1,100 in the 1979-1980 school year, \$1,250 in the 1980-1981 school year and up to \$1,400 in the 1981-1982 school year and subsequent school years to a minimum of \$100 but in no event shall exceed one-half of the applicant's financial need or an amount which if combined with the amount of a federal basic educational opportunity grant for which the

applicant is eligible equals 75 percent of the applicants need, whichever is the lesser. Scholarship winners who do not demonstrate financial need under criteria prescribed by the board shall be awarded honorary scholarships.

Sec. 16. Minnesota Statutes 1980, Section 136A.121, Subdivision 5, is amended to read:

Subd. 5. A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of \$1,100 in the 1979-1980 school year, \$1,250 in the 1980-1981 school year and up to \$1,400 in the 1981-1982 school year and subsequent school years to a minimum of \$100, but in no event shall exceed one-half of the applicant's financial need, or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicants need, whichever is the lesser.

Sec. 17. Minnesota Statutes 1980, Section 144A.61, Subdivision 3, is amended to read:

Subd. 3. [CURRICULA; TEST.] The commissioner of education shall develop curricula (WHICH MAY) and a test to be used for nursing assistant training programs for employees of nursing homes. The curricula, as reviewed and evaluated by the board of nursing, shall be utilized by all facilities, institutions, or programs offering nursing assistant training programs. *The test may be given by any area vocational-technical institute or community college in accordance with instructions from the commissioner of education. The commissioner of education may prescribe a fee for the administration of the test not to exceed \$30.*

Sec. 18. [REPEALER.]

Minnesota Statutes 1980, Section 123.939, is repealed."

Delete the title and insert

"A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 123.742, by adding a subdivision; 123.743; 136A.121, Subdivisions 4 and 5; and 144A.61, Subdivision 3; repealing Minnesota Statutes 1980, Section 123.939."

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

House Conferees: LYNDON R. CARLSON, JAMES C. SWANSON, RICHARD J. WELCH, BRUCE G. NELSEN and WENDELL O. ERICKSON.

Senate Conferees: TOM A. NELSON, GERALD L. WILLET, TIMOTHY J. PENNY, ROBERT J. TENNESSEN and JOHN B. KEEFE.

Carlson, L., moved that the report of the Conference Committee on H. F. No. 1421 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 Carlson, L., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

| | | | | |
|--------------|-------------|---------------|---------------|------------|
| Aasness | Evans | Kalis | Ogren | Sherwood |
| Ainley | Ewald | Kelly | Olsen | Sieben, M. |
| Anderson, B. | Forsythe | Knickerbocker | Onnen | Simoneau |
| Anderson, G. | Friedrich | Kvam | Osthoff | Skoglund |
| Anderson, I. | Greenfield | Laidig | Otis | Stadum |
| Berkelman | Gruenes | Lemen | Peterson, B. | Staten |
| Blatz | Gustafson | Levi | Peterson, D. | Stowell |
| Brandl | Halberg | Long | Piepho | Stumpf |
| Brinkman | Hanson | Ludeman | Pogemiller | Swiggum |
| Carlson, D. | Haukoos | Marsh | Redalen | Swanson |
| Carlson, L. | Heap | McCarron | Reding | Tomlinson |
| Clark, J. | Heinitz | McDonald | Rees | Valan |
| Clawson | Himle | Mehrkens | Rice | Vanasek |
| Dahlvang | Hokanson | Minne | Rodriguez, C. | Vellenga |
| Dean | Hokr | Munger | Rodriguez, F. | Voss |
| Dempsey | Jacobs | Murphy | Rose | Weaver |
| Den Ouden | Jennings | Nelsen, B. | Rothenberg | Welch |
| Drew | Johnson, C. | Nelson, K. | Samuelson | Wenzel |
| Eken | Johnson, D. | Niehaus | Schoenfeld | Wieser |
| Elioff | Jude | Novak | Schreiber | Wynia |
| Ellingson | Kahn | Nysether | Shea | |
| Esau | Kaley | O'Connor | Sherman | |

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.

H. F. No. 1421, A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 121.931, Subdivision 5; 123.742, by adding a subdivision; 123.743; and 136A.121, Subdivisions 4 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.

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

There were 105 yeas and 25 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Evans | Kvam | O'Connor | Sherman |
| Ainley | Ewald | Laidig | Ogren | Sherwood |
| Anderson, B. | Fjoslien | Lehto | Olsen | Sieben, M. |
| Anderson, G. | Greenfield | Lemen | Osthoff | Simoneau |
| Anderson, I. | Gruenes | Levi | Otis | Skoglund |
| Battaglia | Gustafson | Long | Peterson, D. | Stadum |
| Begich | Halberg | Mann | Piepho | Staten |
| Berkelman | Harens | Marsh | Pogemiller | Stumpf |
| Blatz | Hauge | McCarron | Reding | Sviggun |
| Brandl | Heap | McDonald | Rees | Swanson |
| Brinkman | Hoberg | McEachern | Rice | Tomlinson |
| Byrne | Hokanson | Mehrkens | Rodriguez, C. | Valan |
| Carlson, D. | Jacobs | Metzen | Rodriguez, F. | Vanasek |
| Carlson, L. | Johnson, C. | Minne | Rose | Vellenga |
| Clark, J. | Johnson, D. | Munger | Rothenberg | Weaver |
| Clawson | Jude | Murphy | Samuelson | Welch |
| Dahlvang | Kahn | Nelsen, B. | Sarna | Wenzel |
| Drew | Kalis | Nelson, K. | Schafer | Wieser |
| Elioff | Kelly | Niehaus | Schoenfeld | Wigley |
| Ellingson | Knickerbocker | Norton | Schreiber | Wynia |
| Erickson | Kostohryz | Novak | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|----------|--------------|---------|
| Anderson, R. | Forsythe | Himle | Nysether | Stowell |
| Dean | Friedrich | Hokr | Onnen | Valento |
| Dempsey | Hanson | Jennings | Peterson, B. | Voss |
| Den Ouden | Haukoos | Kaley | Redalen | Welker |
| Esau | Heinitz | Ludeman | Searles | Zubay |

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

Vanasek 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 reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 586

A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

May 13, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 586 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. 586 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 15.1695, Subdivision 1, is amended to read:

Subdivision 1. When collected, created, or maintained by law enforcement agencies including municipal police departments, county sheriff departments, the bureau of criminal apprehension, the Minnesota state patrol, the peace officers standards and training board, or public prosecutors or defenders:

(a) Data on participants in crime prevention programs including lists of property with identification numbers or evaluations or recommendations related to structural security against unauthorized entry is private; and

(b) Data contained on incident complaint reports, variously called logs or dockets, comprising a chronological record of events, shall be public; provided that data on individuals which could reasonably be used to determine the identity of an undercover agent, informant, or victim of criminal sexual conduct or *intrafamilial sexual abuse* shall be private data on individuals; provided further that any other data classified by law as private or confidential contained in incident complaint reports shall remain private or confidential data.

Sec. 2. Minnesota Statutes 1980, Section 518B.01, Subdivision 6, is amended to read:

Subd. 6. [RELIEF BY THE COURT.] Upon notice and hearing, the court may provide relief as follows:

(a) Restrain any party from committing acts of domestic abuse;

(b) Exclude the abusing party from the dwelling which the parties share or from the residence of the petitioner;

(c) On the same basis as is provided in chapter 518, award temporary custody or establish temporary visitation with regard to minor children of the parties;

(d) On the same basis as is provided in chapter 518, establish temporary support for minor children or a spouse;

(e) Provide counseling or other social services for the parties, if married, or if there are minor children;

(f) *Order the abusing party to participate in treatment or counseling services;*

(g) Order, in its discretion, other relief as it deems necessary for the protection of a family or household member, including orders or directives to the sheriff or constable, as provided by this section.

Any relief granted by the order for protection shall be for a fixed period not to exceed one year.

Sec. 3. Minnesota Statutes 1980, Section 595.02, is amended to read:

595.02 [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows:

(1) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights;

(2) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of (SUCH) *the* attorney be examined as to (SUCH) *the* communication or advice, without the client's consent;

(3) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of (SUCH) *the* person;

(4) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of (SUCH) *the* patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of (SUCH) *the* deceased person for the purpose of waiving (THE) *this* privilege (HEREINBEFORE CREATED), and no oral or written waiver of the privilege (HEREINBEFORE CREATED) shall have any binding force or effect except (THAT THE SAME BE) *when* made upon the trial or examination where the evidence is offered or received;

(5) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure;

(6) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the facts respecting which they are examined, or of relating them truly, are not competent witnesses. *This exception does not apply to a child under ten years of age, in a criminal proceeding for intrafamilial sexual abuse as defined in section 7, subdivision 10, or in a criminal proceeding under sections 609.342 clause (a), 609.343 clause (a), 609.344 clause (a), or 609.345 clause (a), who is able to describe or relate in language appropriate for a child of that age the events or facts respecting which the child is examined;*

(7) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity.

Sec. 4. Minnesota Statutes 1980, Section 609.346, is amended to read:

609.346 [SUBSEQUENT OFFENSES.]

Subdivision 1. If a person is convicted of a second or subsequent offense under sections 609.342 to (609.346) *609.345 or sections 7 to 11* within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.

Subd. 2. For the purposes of this section, an offense is considered a second or subsequent offense if, prior to conviction of the second or subsequent offense, the actor has been at any time convicted under sections 609.342 to 609.346 *or sections 7 to 11* or under any similar statute of the United States, or this or any other state.

Sec. 5. Minnesota Statutes 1980, Section 609.348, is amended to read:

609.348 [MEDICAL PURPOSES; EXCLUSION.]

Laws 1975, Chapter 374, *and sections 7 to 11* shall not apply to sexual penetration or sexual contact when done for a bona fide medical purpose.

Sec. 6. Minnesota Statutes 1980, Section 609.35, is amended to read:

609.35 [COSTS OF MEDICAL EXAMINATION.]

No costs incurred by a county, city, or private hospital or other emergency medical facility or by a private physician for the examination of a complainant of criminal sexual conduct *or intrafamilial sexual abuse, as defined in section 7, subdivision 10*, when the examination is performed for the purpose of gathering evidence for possible prosecution, shall be charged directly or indirectly to the complainant. The reasonable costs of (SUCH) *the* examination shall be paid by the county in which the alleged offense was committed. Nothing in this section shall be construed to limit the duties, responsibilities, or liabilities of any insurer, whether public or private.

Sec. 7. [609.364] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 3 and 7 to 11, the terms in this section have the meanings given them.

Subd. 2. [ACTOR.] "Actor" means an adult accused of intrafamilial sexual abuse.

Subd. 3. [CHILD.] "Child" means a person under age 16.

Subd. 4. [COERCION.] "Coercion" means a threat to unlawfully inflict bodily harm upon, or hold in confinement, the person threatened or another.

Subd. 5. [COMPLAINANT.] "Complainant" means a child or minor alleging to have been subjected to intrafamilial sexual abuse, but need not be the person who signs the complaint.

Subd. 6. [CONSENT.] "Consent" means a voluntary uncoerced manifestation of a present agreement to perform a particular sexual act.

Subd. 7. [FORCE.] "Force" means the infliction, attempted infliction, or threatened infliction by the actor of bodily harm or commission or threat of any other crime by the actor against the complainant or another, which causes the complainant to reasonably believe that the actor has the present ability to execute the threat.

Subd. 8. [INTIMATE PARTS.] "Intimate parts" includes the primary genital area, groin, inner thigh, buttocks, or breast of a human being.

Subd. 9. [FAMILIAL RELATIONSHIP.] "Familial relationship" means a situation in which the actor is:

- (a) The complainant's parent, stepparent, or guardian;
- (b) Nearer of kin to the complainant than first cousin, computed by rules of the civil law, whether of the half or the whole blood;
- (c) Any of the following persons related to the complainant by marriage or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent, great-grandparent, great-uncle, great-aunt; or
- (d) An adult who jointly resides intermittently or regularly in the same dwelling as the complainant and who is not the complainant's spouse.

Subd. 10. [INTRAFAMILIAL SEXUAL ABUSE.] "Intrafamilial sexual abuse" means sexual contact or sexual penetration, or both, of a child or minor when the actor has a familial relationship to the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense.

Subd. 11. [MINOR.] "Minor" means a person under age 18 but age 16 or over.

Subd. 12. [PERSONAL INJURY.] "Personal injury" means bodily harm as defined in section 609.02, subdivision 7, or severe mental anguish, or pregnancy.

Subd. 13. [SEXUAL CONTACT.] "Sexual contact" includes any of the following acts, if the acts can reasonably be construed as being for the purpose of satisfying the actor's sexual or aggressive impulses:

(a) The intentional touching by the actor of the complainant's intimate parts;

(b) The touching by the complainant of the actor's, the complainant's, or another's intimate parts;

(c) The touching by another of the complainant's intimate parts; or

(d) In any of the cases listed above, touching of the clothing covering the immediate area of the intimate parts.

Subd. 14. [SEXUAL PENETRATION.] "Sexual penetration" means sexual intercourse, cunnilingus, fellatio, anal intercourse, or any intrusion however slight into the genital or anal openings of the complainant's body of any part of the actor's body or any object used by the actor for this purpose. Emission of semen is not necessary.

Sec. 8. [609.3641] [INTRAFAMILIAL SEXUAL ABUSE IN THE FIRST DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the first degree if:

(1) He has a familial relationship to and engages in sexual penetration with a child; or

(2) He has a familial relationship to and engages in sexual penetration with a child and:

(a) the actor or an accomplice used force or coercion to accomplish the penetration;

(b) the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

(c) circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(d) *the complainant suffered personal injury; or*

(e) *the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.*

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than 20 years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than 20 years.

Sec. 9. [609.3642] [INTRAFAMILIAL SEXUAL ABUSE IN THE SECOND DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the second degree if:

(1) *He has a familial relationship to and engages in sexual contact with a child; or*

(2) *He has a familial relationship to and engages in sexual contact with a child and:*

(a) *the actor or an accomplice used force or coercion to accomplish the contact;*

(b) *the actor or an accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and used or threatened to use the dangerous weapon;*

(c) *circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;*

(d) *the complainant suffered personal injury; or*

(e) *the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.*

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than 15 years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than 15 years.

Sec. 10. [609.3643] [INTRAFAMILIAL SEXUAL ABUSE
IN THE THIRD DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the third degree if:

(1) He has a familial relationship to and engages in sexual penetration with a minor; or

(2) He has a familial relationship to and engages in sexual penetration with a minor and:

(a) the actor or an accomplice used force or coercion to accomplish the penetration;

(b) the actor or accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;

(c) circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;

(d) the complainant suffered personal injury; or

(e) the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than ten years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than ten years.

Sec. 11. [609.3644] [INTRAFAMILIAL SEXUAL ABUSE
IN THE FOURTH DEGREE.]

Subdivision 1. [CRIME DEFINED.] A person is guilty of intrafamilial sexual abuse in the fourth degree if:

(1) He has a familial relationship to and engages in sexual contact with a minor; or

(2) He has a familial relationship to and engages in sexual contact with a minor and:

(a) the actor or an accomplice used force or coercion to accomplish the contact;

(b) *the actor or accomplice was armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it could be a dangerous weapon and used or threatened to use the dangerous weapon;*

(c) *circumstances existed at the time of the act to cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another;*

(d) *the complainant suffered personal injury; or*

(e) *the intrafamilial sexual abuse involved multiple acts committed over an extended period of time.*

Subd. 2. [PENALTY.] A person convicted under subdivision 1, clause (1), may be sentenced to imprisonment for not more than five years. Except when imprisonment is required by section 609.346, the court may stay imposition or execution of the sentence if it finds that a stay is in the best interest of the complainant or the family unit. A person convicted under subdivision 1, clause (2), may be sentenced to imprisonment for not more than five years.

Sec. 12. Minnesota Statutes 1980, Section 626.556, Subdivision 2, is amended to read:

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

(a) "Sexual abuse" means the subjection by the child's parents, guardian, or person responsible for the child's care, to any act which constitutes a violation of sections 609.342, 609.343, 609.344, or 609.345, or sections 7 to 11. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Neglect" means failure by a parent, guardian or other person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child.

(c) "Physical abuse" means:

(i) Any physical injury inflicted by a parent, guardian or other person responsible for the child's care on a child other than by accidental means; or

(ii) Any physical injury that cannot reasonably be explained by the history of injuries provided by a parent, guardian or other person responsible for the child's care.

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

Sec. 13. Minnesota Statutes 1980, Section 629.341, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding the provisions of section 629.34 or any other law or rule to the contrary, a peace officer may arrest without a warrant a person ((1) *anywhere, including* at his place of residence (; OR (2) WHEN THE PERSON IS THREATENING TO RETURN TO HIS PLACE OF RESIDENCE,) if the peace officer has probable cause to believe the person within the preceding four hours has assaulted his spouse or other person with whom he resides, although the assault did not take place in the presence of the peace officer. A peace officer may not arrest a person pursuant to this section without first observing recent physical injury to, or impairment of physical condition of the alleged victim.

Sec. 14. [EFFECTIVE DATE.]

Sections 1 to 13 are effective the day following final enactment and apply to any act which occurs on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; prescribing penalties; amending Minnesota Statutes 1980, Sections 15.1695, Subdivision 1; 518B.01, Subdivision 6; 595.02; 609.346; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609."

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

House Conferees: BRUCE ANDERSON, WAYNE A. SIMONEAU and TERRY M. DEMPSEY.

Senate Conferees: LINDA BERGLIN, DENNIS R. FREDERICKSON and DON FRANK.

Anderson, B., moved that the report of the Conference Committee on H. F. No. 586 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 586, A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

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 107 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Eloff | Jude | Olsen | Sieben, M. |
| Ainley | Ellingson | Kaley | Onnen | Simoneau |
| Anderson, B. | Esau | Kelly | Osthoff | Skoglund |
| Anderson, G. | Evans | Kostohryz | Otis | Stadum |
| Anderson, I. | Fjoslien | Kvam | Peterson, B. | Stowell |
| Anderson, R. | Forsythe | Laidig | Piepho | Stumpf |
| Battaglia | Friedrich | Lemen | Pogemiller | Sviggum |
| Begich | Greenfield | Long | Redalen | Tomlinson |
| Blatz | Gruenes | Luknic | Reding | Valan |
| Brandl | Halberg | Mann | Rees | Valento |
| Brinkman | Hauge | McDonald | Rice | Vanasek |
| Byrne | Haukoos | McEachern | Rodriguez, C. | Weaver |
| Carlson, D. | Heap | Mehrkens | Rodriguez, F. | Welch |
| Carlson, L. | Heinitz | Metzen | Rose | Welker |
| Clark, J. | Himle | Munger | Rothenberg | Wenzel |
| Clark, K. | Hoberg | Murphy | Sarna | Wieser |
| Clawson | Hokanson | Nelsen, B. | Schafer | Wynia |
| Dahvang | Hokr | Nelson, K. | Schoenfeld | Zubay |
| Dempsey | Jacobs | Niehaus | Schreiber | Spkr. Sieben, H. |
| Den Ouden | Jennings | Novak | Searles | |
| Drew | Johnson, C. | Nysether | Sherman | |
| Eken | Johnson, D. | O'Connor | Sherwood | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 157

A bill for an act relating to public welfare; providing that every birth to a minor shall be reported within three working days to the commissioner of public welfare; amending Minnesota Statutes 1980, Section 257.33.

May 14, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 157, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: SHIRLEY A. HOKANSON, JANET H. CLARK and KENNETH P. ZUBAY.

Senate Conferees: LINDA BERGLIN, RONALD R. DICKLICH and DUANE D. BENSON.

Hokanson moved that the report of the Conference Committee on H. F. No. 157 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 157, A bill for an act relating to public welfare; providing that every birth to a minor shall be reported within three working days to the commissioner of public welfare; amending Minnesota Statutes 1980, Section 257.33.

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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------|
| Aasness | Eken | Jennings | Munger | Rothenberg |
| Ainley | Elioff | Johnson, C. | Murphy | Samuelson |
| Anderson, B. | Ellingson | Johnson, D. | Nelsen, B. | Sarna |
| Anderson, G. | Erickson | Jude | Nelson, K. | Schafer |
| Anderson, I. | Esau | Kahn | Niehaus | Schoenfeld |
| Anderson, R. | Evans | Kaley | Novak | Schreiber |
| Battaglia | Fjoslien | Kelly | Nysether | Searles |
| Begich | Forsythe | Kostohryz | O'Connor | Sherman |
| Berkelman | Friedrich | Kvam | Olsen | Sherwood |
| Blatz | Greenfield | Laidig | Onnen | Sieben, M. |
| Brandl | Gruenes | Lemen | Osthoff | Simoneau |
| Brinkman | Hanson | Levi | Otis | Skoglund |
| Byrne | Harens | Long | Peterson, B. | Stadum |
| Carlson, D. | Hauge | Ludeman | Piepho | Stowell |
| Carlson, L. | Haukoos | Luknic | Pogemiller | Stumpf |
| Clark, J. | Heap | Mann | Redalen | Sviggum |
| Clark, K. | Heinitz | Marsh | Reding | Swanson |
| Clawson | Himle | McCarron | Rees | Tomlinson |
| Dahlvang | Hoberg | McDonald | Rice | Valan |
| Dempsey | Hokanson | McEachern | Rodriguez, C. | Valento |
| Den Ouden | Hokr | Mehrkens | Rodriguez, F. | Vanasek |
| Drew | Jacobs | Metzen | Rose | Voss |

Weaver
WelchWelker
WenzelWieser
WigleyWynia
Zubay

Spkr. Sieben, H.

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

CALL OF THE HOUSE LIFTED

Peterson, B., 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. 1190

A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

May 14, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1190, 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. 1190 be further amended as follows:

Page 2, after line 9, insert:

“Sec. 2. [375.056] [SEVEN-MEMBER BOARD.]

Any county with a population of 100,000 or more according to the last federal decennial census may by resolution of its county board provide for a seven-member board of county commissioners. A certified copy of the resolution of the county board of any county choosing to exercise this option shall be transmitted to the secretary of state, and the county commissioner districts shall be redistricted by the county board in accordance with section 375.025.”

Page 2, line 14, delete “this act is” and insert “sections 1 and 3 are”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for a seven-member board of commissioners in certain counties;"

Page 1, line 6, after the semicolon, insert "proposing new law coded in Minnesota Statutes, Chapter 375;"

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

House Conferees: JOSEPH R. BEGICH, WALTER R. HANSON and AL W. WIESER, JR.

Senate Conferees: DOUGLAS W. JOHNSON, JAMES C. PEHLER and DUANE D. BENSON.

Begich moved that the report of the Conference Committee on H. F. No. 1190 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1190, A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; repealing Laws 1965, Chapter 843.

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:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Knickerbocker | O'Connor | Sherman |
| Ainley | Fjoslien | Kostohryz | Ogren | Sherwood |
| Anderson, B. | Forsythe | Kvam | Olsen | Sieben, M. |
| Anderson, G. | Greenfield | Laidig | Onnen | Simoneau |
| Anderson, I. | Gruenes | Lehto | Osthoff | Skoglund |
| Anderson, R. | Halberg | Lemen | Otis | Stadum |
| Battaglia | Hanson | Levi | Peterson, B. | Staten |
| Begich | Harens | Long | Piepho | Stowell |
| Blatz | Hauge | Ludeman | Pogemiller | Stumpf |
| Brandl | Haukoos | Luknic | Redalen | Sviggum |
| Brinkman | Heap | Mann | Reding | Swanson |
| Carlson, D. | Heinitz | Marsh | Rees | Tomlinson |
| Carlson, L. | Himle | McCarron | Reif | Valan |
| Clark, J. | Hoberg | McDonald | Rice | Valento |
| Clark, K. | Hokanson | McEachern | Rodriguez, C. | Vanasek |
| Clawson | Hokr | Mehrkens | Rodriguez, F. | Voss |
| Dahlvang | Jacobs | Metzen | Rose | Weaver |
| Dean | Jennings | Munger | Rothenberg | Welch |
| Dempsey | Johnson, C. | Murphy | Samuelson | Welker |
| Den Ouden | Johnson, D. | Nelsen, B. | Sarna | Wenzel |
| Drew | Jude | Nelson, K. | Schafer | Wieser |
| Eken | Kahn | Niehaus | Schoenfeld | Wigley |
| Elioff | Kaley | Norton | Schreiber | Wynia |
| Ellingson | Kalis | Novak | Searles | Zubay |
| Esau | Kelly | Nysether | Shea | Spkr. Sieben, H. |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1434

A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; amending Minnesota Statutes 1980, Sections 12.14; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.242, Subdivision 4; 169.451; 173.25; 174.255, by adding a subdivision; 216B.62, Subdivision 3, and by adding a subdivision; 237.295, Subdivision 2, and by adding a subdivision; 239.10; 239.52; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402; 340.493, Subdivision 2; 340.62; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; and 414.051; proposing new law coded in Minnesota Statutes, Chapter 138.

May 14, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1434, 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. 1434 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [TRANSPORTATION AND OTHER AGENCIES; 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 "1981", "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND
(Net after transfers)

| | 1981 | 1982 | 1983 | TOTAL |
|----------------------|-----------------|----------------------|----------------------|------------------------|
| General | \$75,000 | \$37,793,800 | \$37,615,700 | \$75,484,500 |
| Airports | | 10,319,300 | 9,956,300 | 20,275,600 |
| M.S.A.S. | | 35,208,600 | 35,280,900 | 70,489,500 |
| C.S.A.H. | | 107,291,200 | 107,524,900 | 214,816,100 |
| Tr. Hwy. | | 337,171,700 | 341,119,500 | 678,291,200 |
| Hwy. User | | 6,077,500 | 6,129,200 | 12,206,700 |
| Special Revenue Fund | | 157,900 | 167,500 | 325,400 |
| TOTAL | \$75,000 | \$534,020,000 | \$537,794,000 | \$1,071,889,000 |

APPROPRIATIONS
Available for the Year
Ending June 30
1982 1983
\$ \$

Sec. 2. TRANSPORTATION

Subdivision 1. Total Department
Appropriation 455,727,400 458,297,700

Approved Complement—4313

Trunk Highway—4309

Federal—4

The approved complement in this section as adjusted pursuant to subdivisions 8, 9, or 10 of this section shall be in effect on January 1, 1982.

The appropriations in this section are from the trunk highway fund, except where another fund is designated.

Of this appropriation, \$1,000,000 the first year is from the general fund; \$10,284,900 the first year and \$9,919,000 the second year is from the

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

state airports fund; \$35,208,600 the first year and \$35,280,900 the second year is from the municipal state aid street fund; \$107,291,200 the first year and \$107,524,900 the second year is from the county state aid highway fund; \$301,942,700 the first year and \$305,572,900 and second year is from the trunk highway fund.

| | | |
|-------------------------|-----------|-----------|
| Subd. 2. Planning | 2,672,600 | 2,690,200 |
|-------------------------|-----------|-----------|

Of this amount \$175,000 each year is available for grants to regional development commissions outside the seven county metropolitan area for transportation studies to identify critical concerns, problems and issues.

| | | |
|-----------------------------------|-------------|-------------|
| Subd. 3. Highway Operations | 406,624,000 | 409,935,500 |
|-----------------------------------|-------------|-------------|

The amounts that may be expended from this appropriation for each activity are as follows:

Highway Maintenance

| | |
|--------------|--------------|
| \$85,182,500 | \$87,537,000 |
|--------------|--------------|

Maintenance Preservation

| | |
|-------------|-------------|
| \$7,500,000 | \$7,500,000 |
|-------------|-------------|

District Construction Support

| | |
|--------------|--------------|
| \$23,033,200 | \$23,094,500 |
|--------------|--------------|

Highway Improvement

| | |
|---------------|---------------|
| \$138,000,000 | \$139,000,000 |
|---------------|---------------|

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to land owners for lands acquired for highway right of way, payment to lessees, interest subsidies, and relocation expenses.

| | 1982 | 1983 |
|-------------------|---------------|------|
| | \$ | \$ |
| County State Aids | | |
| \$107,291,200 | \$107,524,900 | |

This appropriation is from the county state-aid highway fund and is available until expended.

Municipal State Aids

| | |
|--------------|--------------|
| \$35,208,600 | \$35,280,900 |
|--------------|--------------|

This appropriation is from the municipal state-aid street fund and is available until expended.

If an appropriation for either county state aids or municipal state aids is insufficient to exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

Highway Debt Service

| | |
|--------------|-------------|
| \$10,408,500 | \$9,998,200 |
|--------------|-------------|

For transfer to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount pursuant to the statutory open appropriation.

| | 1982 | 1983 |
|--|-----------|-----------|
| | \$ | \$ |
| Subd. 4. Public Transportation | 2,474,400 | 1,487,800 |

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Transportation Rates and Regulation

\$539,000 \$546,100

(b) Transit Administration

\$352,000 \$354,500

The appropriation made by Laws 1979, Extra Session, Chapter 1, Section 4, for development of operating standards for vehicles providing special transportation service and of procedures for enforcing the standards shall be available until June 30, 1983.

(c) Railroad Administration

\$583,400 \$587,200

(d) Rail Service Improvement Grants

\$1,000,000

This appropriation is from the general fund for transfer to the rail service improvement account.

This appropriation shall be used to maximize the use of federal money.

(e) AMTRAK operations for the Northstar line between Minneapolis-St. Paul and Duluth

\$75,000

This appropriation may be used to satisfy any deficit and may be expended only if funds from any municipality or

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

other sources are so appropriated or otherwise received. This appropriation shall be used to match on a 50-50 basis the amount received from the other sources. These funds shall be available immediately.

| | | |
|---------------------------------------|------------|------------|
| Subd. 5. Aeronautics Operations . . . | 11,654,200 | 11,204,600 |
|---------------------------------------|------------|------------|

The amounts that may be expended from this appropriation for each activity are as follows:

Aeronautics Operations

| | |
|-----------|-----------|
| \$369,900 | \$373,300 |
|-----------|-----------|

The commissioner shall not require the registration of personal use airports except for those within five miles of a public airport, whether privately or publicly owned.

Aeronautics Development and Assistance

| | |
|--------------|--------------|
| \$10,696,900 | \$10,722,200 |
|--------------|--------------|

\$7,293,300 the first year and \$7,233,500 the second year is for airport construction grants.

\$1,105,500 the first year and \$1,211,700 the second year is for airport maintenance grants.

\$1,040,300 the first year and \$1,066,300 the second year is for navigational aids.

The appropriations for construction grants, maintenance grants, and navigational aids are from the state airports fund. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. These appropriations shall be expended only for grant-in-aid programs for airports that are not state owned.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

These appropriations are to be expended in accordance with Minnesota Statutes, Section 360.305, Subdivision 4, Clauses (1), (2), (4) and (5).

The commissioner of transportation may transfer unencumbered balances among these appropriations with the approval of the governor after consultation with the legislative advisory commission.

\$350,000 the first year and \$400,000 the second year is from the state airports fund to increase the capitalization of the hangar revolving account from \$2,800,000 to \$3,150,000 in the first year and \$3,550,000 in the second year.

\$17,500 the first year and \$7,500 the second year is from the state airports fund for maintenance of the Pine Creek Airport.

Air Transportation Services

\$109,100 \$109,100

The commissioner of transportation shall expend no money for pilot uniforms.

Aeronautics Debt Service

\$478,300

This appropriation is from the state airports fund for transfer to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

that amount pursuant to the statutory open appropriation.

| | | |
|---------------------------------------|------------|------------|
| Subd. 6. Technical Services | 17,768,100 | 18,076,800 |
|---------------------------------------|------------|------------|

The amounts that may be expended from this appropriation for each activity are as follows:

Engineering Services

| | |
|--------------|--------------|
| \$10,284,800 | \$10,512,200 |
|--------------|--------------|

Engineering Development

| | |
|-------------|-------------|
| \$5,195,700 | \$5,257,000 |
|-------------|-------------|

\$75,000 the first year and \$75,000 the second year is for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. Expenditures from this account are subject to the approval of the commissioner of finance. Reimbursements shall be deposited in the trunk highway fund. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

State Aid Technical Assistance

| | |
|-----------|-----------|
| \$319,600 | \$321,000 |
|-----------|-----------|

The variance committee shall be continued at the fiscal year 1981 level.

Electronic Communications

| | |
|-------------|-------------|
| \$1,326,400 | \$1,342,100 |
|-------------|-------------|

Environmental Services

| | |
|-----------|-----------|
| \$641,600 | \$644,500 |
|-----------|-----------|

| | | |
|------------------------------------|------------|------------|
| Subd. 7. General Support | 14,534,100 | 14,902,800 |
|------------------------------------|------------|------------|

1982

1983

\$

\$

The amounts that may be expended from this appropriation for each activity are as follows:

Finance and Administration

\$6,255,900 \$6,345,200

Equipment

\$4,933,800 \$5,089,800

General Services

\$2,949,500 \$3,033,900

\$400,000 the first year and \$400,000 in the second year is for development of a computerized cost accounting system.

The commissioner of transportation shall submit forthwith to the chairmen of the house appropriations and senate finance committees a cost and time schedule for completion of the development project once phase II of the PRIDE procedure has been approved by the commissioners of administration and finance. This cost and time schedule shall include a description of the elements and costs of the development project which are anticipated to extend beyond the 1982-1983 biennium.

In addition the commissioner shall prepare a report every three months beginning October 1, 1981, describing the progress made in developing the computer system. The reports shall be sent to the above named chairmen.

Programming specifications for each stage of the project shall be frozen at the completion of PRIDE phase III for that stage. Any deviation shall require the approval of the commissioner of administration. If at the end of any quarter, development project expendi-

1982

1983

\$

\$

tures exceed the schedule by 25 percent or more, the project shall be halted immediately and shall not resume until reviewed and approved by the commissioners of administration and finance.

If the appropriation for either year is insufficient, the appropriation for the other year is available. However, the appropriation for the second year shall be expended with the approval of the governor, after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30.

Legal Services

\$394,900 \$428,900

This appropriation is for the purchase of legal services from or through the attorney general.

Subd. 8. New Revenue Appropriated

The purpose of this subdivision is to provide a mechanism for increasing department of transportation complement and operational expenditures from the levels provided in the previous subdivisions of this section if new revenues are provided by the legislature to the department for highway purposes.

(a) Immediately following the adjournment of the 1981 session of the legislature, the commissioner of finance shall determine the total amount of new revenue provided by all acts of the legislature to the department of transportation for highway related purposes. The commissioner of finance shall report that amount of new revenue with an explanation of how the new revenue estimates were determined to the chairman of the senate finance committee and the chairman of the house appropriations committee.

| | 1982 | 1983 |
|----|------|------|
| \$ | | \$ |

(b) Appropriations to the department of transportation for operational purposes may increase by 7 percent of the new revenue determined pursuant to paragraph (a) of this subdivision. Complement may increase by 1 position for each \$1,000,000 of new revenue for the first \$100,000,000 of new revenue, by .55 positions for each \$1,000,000 of new revenue for new revenue from \$100,000,000 to \$200,000,000, and by .3 positions for each \$1,000,000 of new revenue for new revenue from \$200,000,000 to \$223,000,000. A detailed biennial spending and complement plan shall be submitted by the commissioner of transportation to the commissioner of finance, approved by the commissioner of finance, and reported to the chairman of the senate finance committee and the chairman of the house appropriations committee by June 30, 1981. In no activity may the appropriations in this plan exceed those recommended by the governor in his biennial budget, and in no event shall the complement increase by more than 161 positions over the complement set in this act.

(c) The amounts necessary to provide increases in appropriations pursuant to this subdivision are appropriated from the trunk highway fund to the commissioner of transportation.

Subd. 9. Transfers

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations from the trunk highway fund made in this section. No transfer shall be made from the appropriation for highway improvement, except to the appropriation for highway maintenance, nor shall any transfer be made from highway maintenance, except with the approval of the governor after consultation with the legislative advisory commission.

1982

1983

\$

\$

No transfer shall be made from the appropriations for debt service to any other appropriation. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Subd. 10. Contingent Appropriation

The commissioner of transportation, with the approval of the governor after consultation with the legislative advisory commission, may transfer all or part of the unappropriated balance in the trunk highway fund to the appropriation for highway improvement or for departmental operations in order to meet an emergency or to take advantage of an unanticipated receipt of income to the trunk highway fund. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Subd. 11. Reimbursement

(a) The sums of \$1,140,500 for the first year and \$1,152,900 for the second year are appropriated from the general fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1982 and January 1, 1983, respectively, in order to reimburse the trunk highway fund for expenses not related to trunk highways.

These represent amounts appropriated out of the trunk highway fund for general fund purposes as follows: transportation rates and regulation; transit administration; railroads, ports and pipelines; and general services.

(b) The sums of \$1,403,600 for the first year and \$1,316,400 for the second year are appropriated from the state airports fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1982 and Janu-

1982 1983
\$ \$

ary 1, 1983, respectively, in order to reimburse the trunk highway fund for expenses not related to trunk highways.

These represent amounts appropriated out of the trunk highway fund for aeronautics purposes in subdivision 5, and for general services in subdivision 7.

Sec. 3. PUBLIC SAFETY

| | | |
|---|------------|------------|
| General Operations and Management | 55,949,800 | 56,943,800 |
| | 1982 | 1983 |
| Approved Complement— | 1,677.3 | 1,649.3 |
| General— | 395.2 | 392.2 |
| Trunk Highway— | 1,023.3 | 1,026.3 |
| Highway User— | 182.6 | 174.6 |
| Federal— | 76.2 | 56.2 |

The above approved complement includes 504 in fiscal year 1982 and 511 in fiscal year 1983 for state funded unclassified patrol officers and supervisors of the highway patrol.

Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section provided that the above complement shall be reduced accordingly.

No new highway patrol supervisory positions shall be established, with the exception of special duty assigned ranks for the length of assignment only.

Of this appropriation, \$14,655,500 for the first year and \$15,281,400 for the

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

second year are from the general fund; \$34,400 the first year and \$37,300 the second year are from the state airports fund for the civil air patrol; \$35,182,400 for the first year and \$35,495,900 for the second year are from the trunk highway fund for traffic safety programs. \$6,077,500 for the first year and \$6,129,200 for the second year are from the highway user tax distribution fund for the administration of motor vehicle laws.

The amounts that may be expended from this appropriation for each program are as follows:

Administration and Related Services

| | |
|--------------|--------------|
| \$ 1,868,100 | \$ 1,902,200 |
|--------------|--------------|

This appropriation is from the trunk highway fund.

Emergency Services

| | |
|------------|------------|
| \$ 610,600 | \$ 615,800 |
|------------|------------|

The appropriation in Laws 1979, Chapter 333, Section 41, for air warning devices is available only to match local money on the basis of 50 percent state and 50 percent local.

The appropriation in Laws 1980, Chapter 611, Section 6, is available until June 30, 1983.

Criminal Apprehension

| | |
|--------------|--------------|
| \$ 8,092,100 | \$ 8,660,000 |
|--------------|--------------|

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Of this appropriation, \$230,700 the first year and \$233,600 the second year is from the trunk highway fund for blood alcohol analysis.

\$49,500 the first year and \$51,200 the second year is for the bureau of criminal apprehension to continue to provide in-service training for peace officers on a regional basis.

\$38,000 the first year and \$38,000 the second year is for reimbursing political subdivisions for training peace officers and firefighters in the conduct of arson investigations.

\$171,000 each year is for grants to local officials for the cooperative investigation of cross jurisdictional criminal activity. \$193,800 the first year and \$206,500 the second year is for use by the bureau of criminal apprehension for the purpose of investigating cross jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

Fire Safety

| | |
|--------------|--------------|
| \$ 1,045,200 | \$ 1,064,000 |
|--------------|--------------|

\$27,300 the first year and \$29,600 the second year is for reimbursing political subdivisions who enter into agreements to perform uniform fire code inspections.

State Patrol

| | |
|---------------|---------------|
| \$ 24,550,600 | \$ 24,654,000 |
|---------------|---------------|

This appropriation is from the trunk highway fund.

The commissioner may assign up to 11 pilots to the air patrolling of highways.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

This appropriation provides sufficient money to operate the mobile truck weighing program on a 12 month basis.

No more than five positions in the state patrol support activity shall be filled by state troopers.

Capitol Security

| | |
|------------|------------|
| \$ 968,600 | \$ 965,300 |
|------------|------------|

The commissioner shall submit to the legislature by January 1, 1982, a plan for coordinating capitol and mansion security activities.

Driver and Vehicle Licensing

| | |
|---------------|---------------|
| \$ 17,578,800 | \$ 17,789,100 |
|---------------|---------------|

Of this appropriation, \$8,420,400 the first year and \$8,590,800 the second year is from the trunk highway fund, and \$6,077,500 the first year and \$6,129,200 the second year is from the highway user tax distribution fund.

During the biennium ending June 30, 1983, the commissioner of public safety shall continue to notify licensed drivers when their licenses need to be renewed.

Effective July 1, 1981, the fee for obtaining a copy of a traffic accident report is doubled.

License plates currently on hand in the department of public safety may be used for lifetime license plates.

Liquor Licensing

| | |
|------------|------------|
| \$ 461,600 | \$ 463,200 |
|------------|------------|

Ancillary Services

| | |
|------------|------------|
| \$ 774,200 | \$ 830,200 |
|------------|------------|

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

\$34,400 the first year and \$37,300 the second year is from the state airports fund for the civil air patrol.

\$112,600 the first year and \$115,300 the second year is from the trunk highway fund for traffic safety and research.

\$27,200 the first year and \$27,600 the second year is for the expenses of the Private Detective and Protective Agency Licensing Board.

The commissioner of public safety with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

\$600,000 the first year and \$650,000 the second year is for the crime victims reparations board. If any funds are generated by a penalty assessment and dedicated for use in paying crime victims, the unexpended funds in this activity intended for payments to crime victims shall cancel. Any unencumbered balance remaining the first year does not cancel but is available for the second year of the biennium.

The sums of \$303,200 for the first year and \$313,800 for the second year are appropriated from the general fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1982 and January 1, 1983 respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for general fund purposes in the administration and related services program.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

The sums of \$383,800 for the first year and \$391,400 for the second year are appropriated from the highway user fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1982 and January 1, 1983 respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for highway user fund purposes in the administration and related services program.

Sec. 4. COMMERCE

| | | |
|-----------------------------------|-----------|-----------|
| General Operations and Management | 6,736,000 | 6,792,300 |
| | 1982 | 1983 |
| Approved Complement—248 | | 244 |
| General— | 245 | 241 |
| Special— | 3 | 3 |

The amounts that may be expended from this appropriation for each program are as follows:

Supervision of State Chartered Financial Institutions

| | |
|-------------|-------------|
| \$2,205,500 | \$2,232,500 |
|-------------|-------------|

Included in this appropriation is \$130,000 each year for employee salary structure changes. The department of employee relations is directed to review the classification structure of financial institution examiners and if revisions are appropriate to work with the department of commerce in preparing revised classification specifications and standards. If no or lesser adjustments are made, the remaining amounts shall cancel back to the general fund.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

The commissioner of banks shall cooperate with the state treasurer in the conduct of audits relating to unclaimed property.

Investment Protection

| | |
|-----------|-------------|
| \$998,700 | \$1,024,300 |
|-----------|-------------|

\$157,900 the first year and \$167,500 the second year is from the real estate education, research and recovery fund for the purpose of Minnesota Statutes, Section 82.34, Subdivision 6. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Consumer Services

| | |
|-------------|-------------|
| \$1,111,300 | \$1,101,000 |
|-------------|-------------|

This appropriation includes funding for activities relating to cosmetology pursuant to sections 31 to 48 of this act.

The director of consumer services shall establish a statewide consumer outreach service to provide consumer services, education, and information throughout the state.

The staff complement of the section of consumer services shall be increased by four to carry out the program of the statewide consumer outreach service.

Regulation of Insurance Companies

| | |
|-------------|-------------|
| \$1,700,300 | \$1,721,600 |
|-------------|-------------|

The commissioner of insurance shall cooperate with the state treasurer to improve procedures for notifying beneficiaries of the death of life insurance policyholders.

| | 1982 | 1983 |
|-------------------------|-------------|------|
| | \$ | \$ |
| General Support | | |
| \$872,200 | \$892,700 | |
| General Staff Reduction | | |
| (\$ 27,600) | (\$ 55,500) | |

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

General Reduction

(\$ 124,400) (\$ 124,300)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The commission with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 5. [NON-HEALTH RELATED BOARDS.]

| | | |
|---|-----------|-----------|
| Subdivision 1. Total for this section | 1,467,300 | 1,460,700 |
| Subd. 2. Board of Abstractors | 3,700 | 3,900 |
| Subd. 3. Board of Accountancy | 185,100 | 195,700 |

| | 1982 | 1983 |
|--|-----------|-----------|
| | \$ | \$ |
| Approved Complement—4 | | |
| Subd. 4. Board of Architecture, Engineering and Land Surveying | 244,700 | 237,200 |
| Approved Complement—7 | | |
| Subd. 5. Board of Barber Examiners | 88,400 | 90,800 |
| Approved Complement—3 | | |
| Subd. 6. Board of Boxing and Wrestling | 32,600 | 33,600 |
| Approved Complement—1 | | |
| Subd. 7. Board of Electricity | 616,300 | 595,400 |
| Approved Complement—18 | | |
| Subd. 8. Board of Peace Officer Standards and Training | | |
| General Operations and Management | 290,700 | 297,600 |
| Approved Complement—10 | | |
| Subd. 9. Board of Examiners in Watchmaking | 5,800 | 6,500 |
| Sec. 6. PUBLIC UTILITIES COMMISSION | 1,064,500 | 1,011,300 |
| Approved Complement—27 | | |
| \$85,000 the first year is for transfer to the special account for administra- tive hearing costs. | | |
| Sec. 7. PUBLIC SERVICE | | |
| General Operations and Management | 2,959,000 | 3,024,500 |
| Approved Complement—98 | | |

| | 1982 | 1983 |
|------------|------|------|
| | \$ | \$ |
| General—94 | | |
| Federal—4 | | |

The amounts that may be expended from this appropriation for each program are as follows:

Utility Regulation

\$ 1,233,000 \$ 1,251,700

Weights and Measures

\$ 1,329,200 \$ 1,370,700

Effective July 1, 1981, the flat rate and hourly fees for regular and special weights and measures inspections by the department of public service shall be based upon hourly charges of \$35 for light duty devices, \$40 for heavy duty devices, and \$47 for laboratory work. Notice of the revised fees shall be published in the state register as soon as practicable. During the biennium ending June 30, 1983 these fees shall not be decreased, but may be increased pursuant to section 239.52, as amended by this act. Thereafter, the fees shall be set as provided in that section.

Administrative Services

\$ 396,800 \$ 402,100

The public service department with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations in the house of representatives.

| | | |
|---------------------------------------|---------|---------|
| Sec. 8. ETHICAL PRACTICES BOARD | 156,700 | 161,000 |
|---------------------------------------|---------|---------|

Approved Complement—5

| | 1982 | 1983 |
|--|-----------|-----------|
| | \$ | \$ |
| Sec. 9. MINNESOTA MUNICIPAL BOARD | 166,900 | 169,600 |
| Approved Complement—4 | | |
| Sec. 10. MINNESOTA-WISCONSIN BOUNDARY AREA COMMISSION | 54,800 | 60,000 |
| The amount expended shall not exceed the amount provided for the commission by the state of Wisconsin. | | |
| Sec. 11. UNIFORM LAWS COMMISSION | 12,600 | 12,900 |
| Sec. 12. VOYAGEURS NATIONAL PARK CITIZENS COMMITTEE | 51,000 | 52,000 |
| Sec. 13. SOUTHERN MINNESOTA RIVERS BASIN BOARD | 46,700 | 48,100 |
| Sec. 14. MINNESOTA HISTORICAL SOCIETY | 6,910,300 | 7,023,500 |

The amounts that may be expended from this appropriation for each program are as follows:

(a) Minnesota Historical Society Operations

\$ 6,532,800 \$ 6,636,500

\$30,000 in the first year is for the purpose of maintaining Minnesota military history museums at Fort Snelling and Camp Ripley. Any unexpended funds shall not cancel and shall be available in the second year.

This appropriation includes money for a seven-day-a-week tour program in the capitol and historical buildings. The historical building shall remain open for public use on Saturdays and, if necessary, adjustments in the remainder of

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

the week day schedule may be effected by the Minnesota historical society.

Any unencumbered balance remaining at the end of the first year shall be returned to the state treasury and credited to the general fund.

The appropriation in this subdivision includes no funds for compensation increases. The Minnesota historical society will draw on the open appropriation for that purpose. Employees of the Minnesota historical society will be paid in accordance with the appropriate pay plan.

(b) Historic Grant-In-Aid

| | | | |
|----|---------|----|---------|
| \$ | 245,000 | \$ | 245,000 |
|----|---------|----|---------|

For historic site grants to encourage local historic preservation projects.

To be eligible for a grant, a county or local project group must provide a 50 percent match, in accordance with the historical society's guidelines.

(c) Fiscal Agent

| | | | |
|----|---------|----|---------|
| \$ | 132,500 | \$ | 142,000 |
|----|---------|----|---------|

\$40,100 the first year and \$41,000 the second year is for the Sibley House association.

This appropriation is available for operation and maintenance of the Sibley House and related buildings on the Old Mendota state historic site owned by the Sibley House association.

The historical society should seek an agreement with the Sibley House association whereby the historical society will make payments to the association for this purpose and will provide the as-

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

sociation with technical assistance in applying for federal grants.

Notwithstanding any laws to the contrary, the Sibley House association may purchase fire, wind, hail, and vandalism insurance, and insurance coverage for fine art objects from this appropriation.

\$50,000 the first year and \$55,000 the second year is for the Government Learning Center.

\$26,500 the first year and \$28,700 the second year is for the Minnesota Humanities Commission.

\$15,900 the first year and \$17,300 the second year is for the Minnesota International Center.

Any unencumbered balance remaining in (b) or (c) the first year does not cancel but is available for the second year of the biennium.

| | | |
|----------------------------|-----------|-----------|
| Sec. 15. BOARD OF THE ARTS | 2,160,000 | 2,340,000 |
| | 1982 | 1983 |
| Approved Complement— | 16 | 16 |
| Federal | 3 | 3 |

The amounts that may be expended from this appropriation for each program are as follows:

(a) Administrative Services

\$ 355,700 \$ 361,500

(b) Subsidies and Grants

\$1,804,300 \$1,978,500

\$70,200 the first year and \$85,700 the second year is for individual artist grants.

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

\$676,600 the first year and \$700,100 the second year is for the support of regional arts councils throughout the state.

The board of the arts shall prepare a report that includes, but is not necessarily limited to: (1) a documentation of the historical expenditures of state monies by regional arts councils in the areas of program grants, administrative costs, and program services; (2) a documentation of the projected financial needs in the area of grants, administrative costs, and program services; (3) a set of specific alternatives on the amount of state money granted to regional arts councils that may be used for both general administrative costs and program service costs; and (4) a recommendation for the allocation of block grants to regional arts councils to insure an equitable distribution of money throughout the state. The report shall be submitted to the chairman of the senate finance committee and the chairman of the house appropriations committee by January 1, 1982, and the appropriations for the regional arts councils for fiscal year 1983 shall not be available for expenditure until the chairmen have made their recommendations on the report. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Any unencumbered balance remaining in (a) or (b) the first year does not cancel but is available for the second year of the biennium.

| | |
|---|--------|
| Sec. 16. MINNESOTA HUMANE SOCIETY | 50,000 |
|---|--------|

No state money shall be expended for the care, feeding, housing, or disposal of animals.

| | 1982 | 1983 |
|--|---------|---------|
| | \$ | \$ |
| <p>Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.</p> | | |
| Sec. 17. COUNTY ATTORNEYS COUNCIL | 121,800 | |
| | 1982 | 1983 |
| Approved Complement—4 | 4 | 4 |
| General— | 4 | 2 |
| Special— | 0 | 2 |
| <p>No additional funding shall be available for the above program beyond June 30, 1983. Any unexpended balances remaining in the first year do not cancel but are available for the second year of the biennium.</p> | | |
| Sec. 18. MINNESOTA HORTICULTURAL SOCIETY | 71,800 | 77,500 |
| Sec. 19. MINNESOTA ACADEMY OF SCIENCE | 23,300 | 23,300 |
| Sec. 20. SCIENCE MUSEUM OF MINNESOTA | 200,000 | 200,000 |
| Sec. 21. MINNESOTA SAFETY COUNCIL | 46,600 | 50,700 |
| <p>This appropriation is from the trunk highway fund.</p> | | |
| Sec. 22. DISABLED AMERICAN VETERANS | 18,500 | 20,100 |
| <p>For salaries, supplies and expenses to be expended as provided by Laws 1941, Chapter 425.</p> | | |
| Sec. 23. VETERANS OF FOREIGN WARS | 25,000 | 25,000 |

For carrying out the provisions of
Laws 1945, Chapter 455.

Sec. 24. Minnesota Statutes 1980, Section 12.14, is amended to read:

12.14 [ASSESSMENT FOR NUCLEAR SAFETY PREPAREDNESS ACT.]

Any person, firm, corporation or association in the business of owning or operating a nuclear fission electrical generating plant located in Minnesota, shall pay an assessment of \$250,000 per plant to cover the initial cost of upgrading nuclear power plant emergency response plans and other programs necessary to deal with incidents resulting from the operation of nuclear fission electrical generating plants. This assessment shall be paid to the state for deposit in the general fund within 90 days of April 25, 1980. Thereafter, an assessment of (\$50,000) \$75,000 per plant shall be paid annually on July 1 of each year, beginning with July 1, 1981, to cover ongoing costs related to the emergency response plan.

Sec. 25. Minnesota Statutes 1980, Section 15.0412, Subdivision 4, is amended to read:

Subd. 4. No rule, *other than a rule setting a fee covered by section 16A.128 or section 214.06*, shall be adopted by any agency unless the agency first holds a public hearing thereon, affording all affected interests an opportunity to participate. *Fee adjustments authorized under section 16A.128 or section 214.06 may be made by rule without a public hearing when the total fees received during the fiscal biennium will not exceed 110 percent of the sum of all direct appropriations, transfers in, and salary supplements for that purpose for the biennium.* 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, the agency need only publish that fact, giving the exact citation to the rule to be repealed in the notice.

Sec. 26. Minnesota Statutes 1980, Section 16A.128, is amended to read:

16A.128 [FEE ADJUSTMENTS.]

The fees fixed for the various accounts for which appropriations are made by law, shall be neither increased nor decreased except with the approval of the commissioner of finance. All (SUCH) *these* fees shall be reviewed at least once each six months, and (SUCH) adjustments shall be made to the end that the total fees received shall approximate the amount appropriated for the several (FUNDS) *accounts, plus the portion of the general support costs and statewide indirect costs of the agency that is attributable to the function for which the fee is charged.* Fee adjustments authorized under this section may be made without a public hearing when the total fees *estimated to be received during the fiscal biennium* will not exceed (THE AMOUNT OF THE DIRECT APPROPRIATION) *110 percent of the sum of all direct appropriations, transfers in, and salary supplements for that purpose for the biennium.*

Sec. 27. Minnesota Statutes 1980, Section 37.17, is amended by adding a subdivision to read:

Subd. 3. [EXPANSION OF CERTAIN LICENSES.] The society shall permit the expansion of services by license holders for food services by allowing additional sites upon request of the contract holder, provided that:

(a) The request for additional sites, is made by a license holder of five years or more;

(b) No more than four sites are held by a single license holder at the time of the requests; and

(c) The sites are physically available at the fairgrounds. The society shall make every effort to make additional sites available and shall not unreasonably withhold the allocation of additional sites, to qualified license holders, or fail to renew contracts for established food concessionaries who have made every good faith effort to comply with state fair rules and regulations.

Sec. 28. Minnesota Statutes 1980, Section 43.491, Subdivision 2, is amended to read:

Subd. 2. The following persons enumerated in this subdivision though excluded by section 43.47 from coverage are nonetheless eligible for coverages at their own expense pursuant to the provisions of subdivision 1:

(1) A part time or seasonal employee of the state serving on less than a 75 percent time basis;

(2) An employee of the board of regents of the University of Minnesota on the academic staff serving on less than a 75 percent regular appointment;

(3) A part time or seasonal employee of the board of regents of the University of Minnesota and a member of the civil service staff under the civil service plan serving on less than a 75 percent time basis;

(4) An employee in the unclassified service of the state civil service who is employed by the state university board or the state board for community colleges as a member of the academic staff serving on less than a 75 percent time basis;

(5) An officer or employee of the state agricultural society, state horticultural society, Sibley house association, Minnesota humanities commission, Minnesota international center, Minnesota academy of science, science museum of Minnesota, Minnesota safety council, (OR) Minnesota humane society, *state office of disabled American veterans, or state office of veterans of foreign wars;*

(6) A civilian employee of the adjutant general who is paid from federal funds and who is not eligible to benefit from any federal civilian employee group life insurance or health benefits program;

(7) An officer or employee of the state capitol credit union or the hiway credit union.

Sec. 29. Minnesota Statutes 1980, Section 46.131, Subdivision 3, is amended to read:

Subd. 3. A proportionate share of all annual office expenses of the commissioner of banks *and the portion of the general support costs of the department of commerce and of the cost of services provided by the attorney general that is attributable to the commissioner of banks,* as well as all actual expenses of the examiners in the field, excepting salaries, shall be allocated to each industry affected, and referred to in subdivision 4, as assessments and on the basis of the total time devoted to each.

Sec. 30. [138.94] [STATE HISTORICAL CENTER.]

The Historical building at 690 Cedar Street and the land housing the Mechanic Arts gymnasium, parking lot, and any other properties between those entities and the Historical building at 690 Cedar Street is hereby designated as the State Historical Center, and is to be used for such purposes notwithstanding any

other law to the contrary. Authority for administration and control of the State Historical Center is conferred on the Minnesota historical society. As such, the society is exempt from rental or lease costs by the state. The state will maintain and provide custodial, security, and climate control services for the Historical Center.

Sec. 31. [155A.01] [POLICY.]

The legislature finds that the health and safety of the people of the state are served by the licensing of the practice of cosmetology because of the use of chemicals, apparatus, and other appliances requiring special skills and education.

To this end, the public will best be served by vesting these responsibilities in the director of the office of consumer services.

Sec. 32. [155A.02] [PROHIBITION; LIMITATION.]

It shall be unlawful for any person to engage in cosmetology, or to conduct or operate a cosmetology school or salon, except as hereinafter provided.

Sec. 33. [155A.03] [DEFINITIONS.]

Subdivision 1. [TERMS.] For purposes of sections 31 to 48, and unless the context clearly requires otherwise, the words defined in this section have the meanings given them.

Subd. 2. [COSMETOLOGY.] "Cosmetology" is the practice of personal services, for compensation, for the cosmetic care of the hair, nails, and skin. These services include a cleaning, conditioning, shaping, reinforcing, coloring and enhancing the body surface in the areas of the head, scalp, face, arms, hands, legs, and feet, except where these services are performed by a licensed barber under chapter 154.

Subd. 3. [COSMETOLOGIST.] A "cosmetologist" is any person who, for compensation, performs the personal services, as defined in subdivision 2.

Subd. 4. [ESTHETICIAN.] An "esthetician" is any person who, for compensation, performs personal services for the cosmetic care of the skin only.

Subd. 5. [MANICURIST.] A "manicurist" is any person who, for compensation, performs personal services for the cosmetic care of the hands, feet, and nails only.

Subd. 6. [MANAGER.] A "manager" is any person who conducts, operates, or manages a cosmetology school or salon and

who also instructs in or provides any services, as defined in subdivision 2.

Subd. 7. [SALON.] A "salon" is an area, room, or rooms employed to offer personal services, as defined in subdivision 2. "Salon" does not include the home of a customer but the director may adopt health and sanitation rules governing practice in the homes of customers.

Subd. 8. [SCHOOL.] A "school" is a place where any person operates and maintains a class to teach cosmetology to the public for compensation. "School" does not include a place where the only teaching of cosmetology is done by a licensed cosmetologist as part of a community education program of less than ten hours duration, provided that the program does not permit practice on persons other than students in the program, and provided that the program is intended solely for the self-improvement of the students and not as preparation for professional practice.

Subd. 9. [INSTRUCTOR.] An "instructor" is any person employed by a school to prepare and present the theoretical and practical education of cosmetology to persons who seek to practice cosmetology.

Subd. 10. [DIRECTOR.] "Director" means the director of the office of consumer services.

Subd. 11. [COUNCIL.] The "council" is the Minnesota cosmetology advisory council, as defined in section 36.

Subd. 12. [PERSON.] The term "person" may extend and be applied to bodies politic and corporate, and to partnership and other unincorporated associations.

Sec. 34. [155A.04] [ADMINISTRATION.]

Subdivision 1. [DIRECTOR'S POWERS AND DUTIES; GENERALLY.] The director of the office of consumer services shall have the power and duties necessary for the administration of the provisions of this chapter.

Subd. 2. [HIRING AND ASSIGNMENT OF EMPLOYEES.] The director shall have the authority to hire in the classified service, or to assign to employees of the department of commerce, qualified personnel to assist in administering the law, including those for the testing and licensing of applicants and the continuing inspections required.

Sec. 35. [155A.05] [RULES.]

The director shall develop and adopt rules to carry out the provisions of sections 31 to 48 by December 31, 1982, pursuant

to chapter 15. For purposes of sections 31 to 48, the director may adopt temporary rules, pursuant to section 15.0412, subdivision 5. These rules may be reissued as temporary rules until permanent rules are adopted or until December 31, 1982, whichever is earlier. These temporary rules may provide that for any renewal license issued by the director within one year after the effective date of this section, the term of renewal shall be either one, two, or three years. The fee for a one-year renewal license shall be one-third of the fee for a three-year renewal license, and the fee for a two-year renewal shall be two-thirds of the three-year fee.

Sec. 36. [155A.06] [ADVISORY COUNCIL.]

Subdivision 1. [CREATION.] The Minnesota cosmetology advisory council is created, consisting of nine members, as follows: three members representative of consumers; three cosmetologists or shop managers; two cosmetology school representatives, one representing public cosmetology schools and one representing private cosmetology schools; and one representative of manufacturers of cosmetology products. The chair shall be selected at the first meeting of each year by the council from among its members by majority vote and shall serve until a successor is elected.

Subd. 2. [APPOINTMENTS.] Appointments to the council shall be made by the governor in accordance with section 15.0597.

Subd. 3. [MEMBERSHIP TERMS.] Each member of the council shall be appointed for a four year term, except that in making the appointments for the first term the governor shall appoint members for one, two, three, or four year duration by September 1, 1981 so that appointments do not expire concurrently.

Subd. 4. [DUTIES.] The council shall meet at least annually, at the call of the director. The council shall advise the director of the availability of cosmetology services and their ethical and safe operation. The director shall consult with the council prior to the promulgation of any rules, adoption of testing instruments, criteria for inspections, and other matters as the director deems appropriate.

Subd. 5. [COMPENSATION.] Members of the council shall be compensated for expenses as provided in section 15.059.

Sec. 37. [155A.07] [PRACTITIONER.]

Subdivision 1. [LICENSING.] Individual licensing shall be required for persons seeking to practice in the state as a cosmetologist, esthetician, manicurist, manager, or instructor.

Subd. 2. [QUALIFICATIONS.] Qualifications for licensing in each classification shall be determined by the director in consultation with the council, established by rule, and shall include educational and experiential prerequisites. The rules shall require a demonstrated knowledge of procedures necessary to protect the health of the practitioner and the consumer of cosmetology services, including but not limited to chemical applications.

Subd. 3. [TESTING.] Appropriate standardized tests shall be used and shall include subject matter relative to the application of Minnesota law. In every case, the primary consideration shall be to safeguard the health and safety of consumers by determining the competency of the applicants to provide the services indicated.

Subd. 4. [LICENSING WITHOUT TEST.] Licensing of persons without testing may be allowed as determined by rules.

Subd. 5. [DURATION OF LICENSE.] Licensing in each classification shall be for a period of three years.

Subd. 6. [RENEWALS.] Renewal of license shall be for a period of three years under conditions and process established by rule.

Subd. 7. [FEES.] Examination and licensing fees shall be established and adjusted, by rule, so that the total amount of fee income at least meets the anticipated costs, as provided in section 214.06.

Subd. 8. [EXEMPTIONS.] Persons licensed to provide cosmetology services in other states visiting this state for cosmetology demonstrations shall be exempted from the licensing provisions of sections 31 to 48 provided that services to consumers are in the physical presence of a licensed cosmetologist.

Sec. 38. [155A.08] [SALONS.]

Subdivision 1. [LICENSING.] Any person who offers cosmetology services for compensation in this state shall be licensed as a salon if not employed by another licensed salon.

Subd. 2. [REQUIREMENTS.] The conditions and process by which a salon is licensed shall be established by the director by rule after consultation with the council. The rule shall include the following requirements:

(a) Compliance with all local and state laws, particularly relating to matters of sanitation, health, and safety;

(b) *The employment of a manager, as defined in section 33, subdivision 6;*

(c) *Inspection and licensing prior to the commencing of business; and*

(d) *Evidence of professional liability insurance coverage in an amount by claim and total coverage as established by rule. The rule shall authorize a licensed manicurist who complies with the health, safety, sanitation, inspection, and insurance rules promulgated by the director to operate a salon solely for the performance of those personal services defined in section 33, subdivision 5.*

Subd. 3. [HEALTH AND SANITARY STANDARDS.] *Minimum health and sanitary standards for the operation of a salon shall be established by rule. A salon shall not be located in a room used for residential purposes. If a salon is in the residence of a person practicing cosmetology, the rooms used for the practice of cosmetology shall be completely partitioned off from the living quarters. There shall be an inspection at least annually to affirm compliance.*

Subd. 4. [RENEWAL.] *Licenses shall be renewed every three years by a process established by rule.*

Subd. 5. [FEES.] *Licensing and inspection fees shall be established and adjusted, by rule, so that the total amount of fee income at least meets the anticipated costs, as provided in section 214.06.*

Sec. 39. [155A.09] [SCHOOLS.]

Subdivision 1. [LICENSING.] *Any person who establishes or conducts a school in this state shall be licensed.*

Subd. 2. [STANDARDS.] *The director, after consultation with the council, shall by rule establish minimum standards of course content and length specific to the educational preparation prerequisite to testing and licensing as cosmetologist, esthetician, and manicurist.*

Subd. 3. [APPLICATIONS.] *Application for a license shall be prepared on forms furnished by the director and shall contain the following and such other information as may be required:*

(a) *The name of the school, together with ownership and controlling officers, members, managing employees and director;*

(b) *The specific fields of instruction which will be offered and reconciliation of the course content and length to meet the minimum standards, as prescribed in subdivision 2;*

- (c) *The place or places where instruction will be given;*
- (d) *A listing of the equipment available for instruction in each course offered;*
- (e) *The maximum enrollment to be accommodated;*
- (f) *A listing of instructors, all of whom shall be licensed as provided in section 37, subdivision 2, except that any school may use occasional instructors or lecturers who would add to the general or specialized knowledge of the students but who need not be licensed;*
- (g) *A current balance sheet, income statement or documentation to show sufficient financial worth and responsibility to properly conduct a school and to assure financial resources ample to meet the school's financial obligations;*
- (h) *Other financial guarantees which would assure protection of the public as determined by rule; and*
- (i) *A copy of all written material which the school uses to solicit prospective students, including but not limited to a tuition and fee schedule, and all catalogues, brochures and other recruitment advertisements. Each school shall annually, on a date determined by the director, file with the director any new or amended materials which it has distributed during the past year.*

Subd. 4. [VERIFICATION OF APPLICATION.] *Each application shall be signed and certified to under oath by the proprietor if the applicant is a proprietorship, by the managing partner if the applicant is a partnership, or by the authorized officers of the applicant if the applicant is a corporation, association, company, firm, society or trust.*

Subd. 5. [CONDITIONS PRECEDENT TO ISSUANCE.] *No license shall be issued unless the director first determines:*

- (a) *That the applicant has a sound financial condition with sufficient resources available to meet the school's financial obligations; to refund all tuition and other charges, within a reasonable period of time, in the event of dissolution of the school or in the event of any justifiable claims for refund against the school; to provide adequate service to its students and prospective students; and for the proper use and support of the school to be maintained;*
- (b) *That the applicant has satisfactory training facilities with sufficient tools and equipment and the necessary number of work stations to adequately train the students currently enrolled, and those proposed to be enrolled;*

(c) *That the applicant employs a sufficient number of qualified instructors trained by experience and education to give the training contemplated;*

(d) *That the premises and conditions under which the students work and study are sanitary, healthful, and safe according to modern standards;*

(e) *That each occupational course or program of instruction or study shall be of such quality and content as to provide education and training which will adequately prepare enrolled students for testing, licensing, and entry level positions as a cosmetologist, esthetician, or manicurist; and*

(f) *Evidence of professional liability insurance coverage in an amount by claim and total coverage as established by rule.*

Subd. 6. [FEES; RENEWALS.] (a) Applications for initial license under this chapter shall be accompanied by a non-refundable application fee established by rule.

(b) *License duration shall be three years. Each renewal application shall be accompanied by a nonrefundable renewal fee established by rule.*

(c) *Application for renewal of license shall be made as stipulated in rules promulgated by the director and on forms supplied by the director.*

Subd. 7. [INSPECTIONS.] All schools shall be inspected at least once a year. The director shall have the authority to assess the cost of the inspection to the school.

Subd. 8. [LIST OF LICENSED SCHOOLS; AVAILABILITY.] The director shall maintain and make available to the public a list of licensed schools.

Subd. 9. [SEPARATION OF SCHOOL AND PROFESSIONAL DEPARTMENTS.] A school shall display in the entrance reception room of its student section a sign prominently and conspicuously indicating that all work therein is done exclusively by students. Professional departments of a school shall be run as entirely separate and distinct businesses and shall have separate entrances.

Nothing contained in sections 31 to 48 shall prevent a school from charging for student work done in the school to cover the cost of materials used and expenses incurred in and for the operation of the school. All of the student work shall be prominently and conspicuously advertised and held forth as being student work and not otherwise.

Subd. 10. [DISCRIMINATION PROHIBITED.] No school, duly approved under this chapter, shall refuse to teach any student, otherwise qualified, on account of race, sex, creed, color, citizenship, national origin, or sexual preference.

Sec. 40. [155A.10] [DISPLAY OF LICENSE.]

(a) Every holder of a license granted by the director, shall display it in a conspicuous place in the place of business.

(b) Notwithstanding the provisions of paragraph (a), nothing contained in sections 31 to 48 shall be construed to prohibit a person licensed to provide cosmetology services from engaging in any practices defined in sections 31 to 48 in the homes of customers or patrons, under the sanitary and health rules promulgated by the director.

Sec. 41. [155A.11] [REVOCAION OF LICENSE.]

Subdivision 1. [GROUNDS.] The director may, after notice and opportunity for a hearing pursuant to chapter 15, refuse to renew, or revoke or suspend any license for any one, or combination of, the following grounds:

(a) Violation of any provision of sections 31 to 48 or any other statute or rule promulgated or enforced by the director;

(b) Intentionally furnishing false, misleading, or incomplete information;

(c) Refusal to allow reasonable inspection or supply reasonable information after a written request by the director or his designee;

(d) The existence of any circumstance which would be grounds for the refusal of an initial or renewal license.

Subd. 2. [APPEAL FROM ORDER.] Any order refusing, revoking, or suspending a license is appealable to the district court where the licensee conducts business as provided in chapter 15. If a person has been operating and the person's license has been revoked, suspended, or refused by the director, the order is not effective until final determination of the appeal unless the court orders it to take effect immediately.

Sec. 42. [155A.12] [COMPLAINTS; INVESTIGATIONS AND HEARINGS.]

Subdivision 1. [NOTICE TO ATTORNEY GENERAL.] The director or person employed by him who receives a complaint or other communication, whether oral or written, alleging or im-

plying a violation of a statute or rule which the director is empowered to enforce, which cannot be conciliated or resolved by the director or his designee shall promptly forward the substance of the communication on a form prepared by the attorney general to the designee of the attorney general responsible for providing legal services to the director. Before proceeding further with the communication, the director or designee of the attorney general may require the complaining party to state his complaint in writing on a form prepared by the attorney general. Complaints which relate to matters within the jurisdiction of another governmental agency shall be forwarded to that agency by the director. An officer of that agency shall advise the director of the disposition of that complaint. A complaint received by another agency which relates to a statute or rule which the director is empowered to enforce shall be forwarded to the director to be processed in accordance with this section.

Subd. 2. [INVESTIGATIONS BY ATTORNEY GENERAL.] The designee of the attorney general providing legal services to the director shall evaluate the communications forwarded to him by the director. If the communication alleges a violation of statute or rule which the director is to enforce, the designee is empowered to investigate the facts alleged in the communication. In the process of evaluation and investigation, he shall consult with or seek the assistance of the director. He may also consult with or seek the assistance of any other qualified person who the designee believes will materially aid in the process of evaluation or investigation. The director may attempt to correct improper activities and redress grievances through education, conference, conciliation and persuasion, and in these attempts he may be assisted by the designee of the attorney general. If the attempts at correction or redress do not produce satisfactory results in the opinion of the director, or if after investigation the designee providing legal services to the director believes that the communication and the investigation suggest illegal or unauthorized activities warranting action, he shall inform the director who shall schedule a disciplinary hearing in accordance with chapter 15. Before scheduling a disciplinary hearing, the basis for the hearing must be stated in writing. The director shall promptly inform the complaining party, if any, of the final disposition of the complaint. Nothing in this section shall preclude the director from scheduling a disciplinary hearing based upon the findings or report of the director's staff or the attorney general.

Subd. 3. [ISSUANCE OF COMPULSORY PROCESS.] In all matters pending before him relating to his lawful regulation activities, the director may issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books, records, documents, and other evidentiary material. Any person failing or refusing to either appear to testify regarding any matter about which he may be lawfully questioned, or produce any papers, books, records, documents, or

other evidentiary materials in the matter to be heard, after having been required by the order of the director or by subpoena of the director to do so may, upon application to the district court where the licensee conducts business, be ordered to comply therewith. The director may issue subpoenas and may administer oaths to witnesses, or take their affirmation. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person named therein, anywhere within the state by any officer authorized to serve subpoenas or other process or paper in civil actions, with the same fees and mileage and in the same manner as prescribed by law for service of process issued out of the district court of this state. Fees and mileage and other expenses shall be paid as the director directs.

Sec. 43. [155A.13] [ADDITIONAL REMEDY.]

In addition to any other remedy provided by law, the director may in his own name bring an action in the district court where the licensee conducts business for injunctive relief to restrain any unauthorized practice or violation or threatened violation of any statute or rule which the director is empowered to regulate or enforce. A temporary restraining order may be granted in the proceeding if continued activity by a person would create an imminent risk of harm to others. Injunctive relief granted pursuant to this section shall not relieve the person from disciplinary action by the director in respect to the person's license or application for license or renewal.

Sec. 44. [155A.14] [SERVICES EXCEPTED; EMERGENCY.]

Nothing in sections 31 to 48 shall prohibit services in cases of emergency where compensation or other reward is not received, nor in domestic service, nor in the practice of medicine, surgery, dentistry, podiatry, osteopathy, chiropractic, or barbering. This section shall not be construed to authorize any of the persons so exempted to wave the hair, or to color, tint, or bleach the hair, in any manner.

Sec. 45. [155A.15] [APPOINTMENT OF AGENT FOR SERVICE OF PROCESS.]

Any person, firm, partnership, or corporation, not a resident of Minnesota, who engages in Minnesota in the practices regulated in sections 31 to 48 shall file with the director the name and address of a duly authorized agent for service of legal process, which agent for service shall be a resident of the state of Minnesota.

Sec. 46. [155A.16] [VIOLATIONS; PENALTIES.]

Any person who violates any of the provisions of sections 31 to 48 shall be guilty of a misdemeanor and upon conviction may be sentenced to imprisonment for not more than 90 days or fined not more than \$500, or both, per violation.

Sec. 47. [155A.17] [TRANSFER OF POWERS.]

Subdivision 1. [AUTHORIZATION.] The director, as successor to the board of cosmetology examiners, shall be deemed to be a continuation of the former authority and not a new authority for the purpose of succession to all the rights, powers, duties and obligations of the board of cosmetology examiners as they were constituted immediately prior to the effective date of sections 31 to 48.

Subd. 2. [EFFECT OF RULES TRANSFERRED.] All rules heretofore promulgated under the authority of a power, duty, or responsibility transferred by sections 31 to 48 to the director shall remain in full force until modified or repealed in accordance with law by the director.

Subd. 3. [EFFECT OF PENDING PROCEEDINGS.] Any proceeding, court action, prosecution, or other business or matter which is pending on the effective date of sections 31 to 48 and which was undertaken or commenced by the board of cosmetology examiners under the authority of any power, duty, or responsibility which is transferred by sections 31 to 48 to the director may be conducted and completed by the director in the same manner, under the same terms and conditions, and with the same effect as though no transfer was made.

Subd. 4. [TRANSFER OF CUSTODY OF DOCUMENTS.] Every individual responsible under law for administration of any function transferred by sections 31 to 48 to the director shall, upon request by the director or by any of his designated employees, transfer custody of all books, maps, plans, papers, records, contracts, and other documents relating to the transferred function and necessary or convenient for the proper discharge of the director's new duties. The transfer shall be made in accordance with the directions of the director or his designated employee.

Subd. 5. [APPROPRIATIONS.] All unexpended and unencumbered funds appropriated to the board of cosmetology examiners for the purpose of performing any of the functions, powers, or duties which are transferred by sections 31 to 48 to the director are hereby transferred to the director. If any unexpended appropriation must be allocated between the director and any other individual, office, division, agency, or department to accurately reflect the division of responsibilities between those individuals, divisions, agencies, or departments and the director after the effective date of sections 31 to 48, the com-

missioner of administration shall allocate the unexpended appropriation as he deems appropriate.

Subd. 6. [TRANSFER OF POSITIONS.] Prior to the effective date of sections 31 to 48, the director has the authority to identify which board of cosmetology positions are required to carry out the provisions of sections 31 to 48. The incumbents of those positions in the classified service which the director determines are needed to carry out sections 31 to 48 are transferred to the employment of the director. The positions of all persons who are employed in the unclassified service by the board of cosmetology examiners to perform any of the functions, powers, or duties which are transferred by sections 31 to 48 to the director are abolished. Nothing in this subdivision 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 one of its appointing authorities.

Sec. 48. [155A.18] [PRIOR LICENSES.]

All licenses which were issued by the board of cosmetology under chapter 155, shall continue in effect under the office of consumer services until the licenses expire.

Sec. 49. Minnesota Statutes 1980, Section 161.125, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of transportation shall, in accordance with the department's program, implement sound abatement measures within or along the perimeter of any interstate or trunk highway within incorporated areas located within the metropolitan area or any municipality whenever the noise level attributable to vehicular traffic at the abutting residential property line is in excess of the federal noise standards. The commissioner shall utilize federal matching funds available for constructing and maintaining sound abatement measures. *No standard adopted by any state agency for limiting levels of noise in terms of sound pressure in the outdoor atmosphere shall apply to any interstate highway.*

Sec. 50. Minnesota Statutes 1980, Section 161.242, Subdivision 4, is amended to read:

Subd. 4. [AUTHORITY.] The commissioner shall screen junk yards when required by this section at locations on the right-of-way of the highway or on lands within 1,000 feet of the right-of-way and shall pay for the costs thereof. If screening is not feasible because of economic or topographic reasons, the commissioner shall secure the removal, relocation or disposal of such junk yard by sale, agreement, or other means, and pay for the costs thereof. Notwithstanding the other provisions of this section, if a junk yard exists within one-half mile of the right-

of-way of any trunk highway and is visible from the highway, the commissioner may acquire easements for screening purposes up to one-half mile from the edge of the right-of-way of the highway. The commissioner shall acquire such rights and interest in property, personal or real, necessary to carry out the purposes of this section by purchase, gift, or eminent domain proceedings and shall pay just compensation therefor. The commissioner shall not **(BE REQUIRED TO)** expend any **(FUNDS FOR SUCH PURPOSES UNLESS FEDERAL MONEYS ARE AVAILABLE TO THE STATE AND HAVE)** *money to acquire rights or interests in junk yards under this section, except those for which acquisition proceedings were begun before June 8, 1979 or for which federal money has been appropriated by Congress for junk yards described in Title 23, United States Code, Section 136(j) and the federal share has been made available to the commissioner.* All costs described herein shall be necessary for a highway purpose.

Sec. 51. Minnesota Statutes 1980, Section 168.013, Subdivision 1c, is amended to read:

Subd. 1c. **[FARM TRUCKS.]** On farm trucks, the tax shall be based on total gross weight and shall be 30 percent of the Minnesota base rate prescribed by subdivision 1e under Schedule I during each of the first six years of vehicle life, but in no event less than \$19, and during the seventh and succeeding years of vehicle life as taken from Schedule II, but in no event less than \$11. In addition to **(SUCH)** *the* gross weight tax imposed on a truck-tractor or truck used as a truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one year period **(OR \$50 FOR A FIVE YEAR PERIOD WHICHEVER THE APPLICANT ELECTS).**

Sec. 52. Minnesota Statutes 1980, Section 162.09, Subdivision 4, is amended to read:

Subd. 4. **[FEDERAL CENSUS TO BE CONCLUSIVE.]** In determining whether any city has a population of 5,000 or more, the last federal census shall be conclusive *provided that any city having been classified as having a population of 5,000 or more for the purposes of chapter 162 shall not be reclassified unless the city's population decreases by 15 percent from the census figure which last qualified the city for inclusion (;).* A city not reclassified under the provisions of this section shall receive the following percentages of its 1981 apportionment for the years indicated: 1982, 66 percent and 1983, 33 percent. Thereafter the city shall not receive any apportionment from the municipal state-aid street fund unless its population is determined to be 5,000 or over by a federal census. The governing body of any city not reclassified under the provisions of this section may contract with the United States bureau of the census to take one special census before January 1, 1986. A certified copy of the results of the census shall be filed with the appropriate state authorities

by the city. The result of the census shall be the population of the city for the purposes of any law providing that population is a required qualification for distribution of highway aids under chapter 162. The special census shall remain in effect until the 1990 federal census is completed and filed. The expense of taking the special census shall be paid by the city. Provided further, that if an entire area not heretofore incorporated as a city is incorporated as such during the interval between federal censuses, its population shall be determined by its incorporation census. The incorporation census shall be determinative of the population of the city only until the next federal census.

Sec. 53. Minnesota Statutes 1980, Section 168.013, Subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On all trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on all truck-tractor and semi-trailer combinations except those defined as farm combinations and urban combinations, the tax based on total gross weight during the first six years of vehicle life shall be graduated according to Schedule I of the Minnesota base rate prescribed in this subdivision, but in no event less than \$28, and during the seventh and succeeding years of vehicle life the tax shall be graduated according to Schedule II of this subdivision, but in no event less than \$17.

MINNESOTA BASE RATE

Scheduled taxes include five percent

surtax provided for in subdivision 14

TOTAL GROSS WEIGHT

IN POUNDS

SCHEDULE I

SCHEDULE II

Tax

Tax

| | | | |
|---|----------------|---------|------------|
| A | 0 - 1,500 | \$ 5.00 | \$ |
| B | 1,501 - 3,000 | 9.00 | |
| C | 3,001 - 4,500 | 14.00 | 8.00 |
| D | 4,501 - 6,000 | 19.00 | 11.00 |
| E | 6,001 - 9,000 | 28.00 | 17.00 |
| F | 9,001 - 12,000 | 39.00 | 23.00 |

TOTAL GROSS
WEIGHT
IN POUNDS

SCHEDULE I

SCHEDULE II

| | | Tax | Tax |
|---|-----------------|----------|--------|
| G | 12,001 - 15,000 | 62.00 | 37.00 |
| H | 15,001 - 18,000 | 86.00 | 52.00 |
| I | 18,001 - 21,000 | 114.00 | 68.00 |
| J | 21,001 - 27,000 | 158.00 | 95.00 |
| K | 27,001 - 33,000 | 230.00 | 138.00 |
| L | 33,001 - 39,000 | 320.00 | 192.00 |
| M | 39,001 - 45,000 | 420.00 | 252.00 |
| N | 45,001 - 51,000 | 540.00 | 324.00 |
| O | 51,001 - 57,000 | 690.00 | 414.00 |
| P | 57,001 - 63,000 | 830.00 | 498.00 |
| Q | 63,001 - 69,000 | 970.00 | 582.00 |
| R | 69,001 - 73,280 | 1,050.00 | 630.00 |
| S | 73,281 - 77,000 | 1,155.00 | 693.00 |
| T | 77,001 - 81,000 | 1,260.00 | 746.00 |

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$36 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to provisions of subdivision 12.

Provided however, that on all trucks, except those in this chapter defined as farm trucks and urban trucks, having a gross weight in excess of 18,000 pounds but less than 27,001 pounds, the tax shall be:

(a) For the registration year 1976, 70 percent of the applicable Schedule I or Schedule II of this subdivision;

(b) For the registration year 1977, 80 percent of the applicable Schedule I or Schedule II of this subdivision;

(c) For the registration year 1978, 90 percent of the applicable Schedule I or Schedule II of this subdivision;

(d) For the registration year 1979 and thereafter, 100 percent of the applicable Schedule I or Schedule II of this subdivision.

On vehicles having a gross weight in excess of 27,000 pounds, and used for the transportation of livestock or unprocessed and raw farm products shall be taxed at 90 percent of the Minnesota base rate prescribed by this subdivision under Schedule I during each of the first six years of vehicle life and during the seventh and succeeding years of vehicle life as taken from Schedule II, provided the gross receipts derived from (SUCH) use equal or exceed 60 percent of the owner's total gross receipts from the operation of (SUCH) *the* vehicle during the 12 month period immediately preceding the date set by law for the reregistration of (SUCH) *the* vehicle. The owner shall furnish (SUCH) information as the commissioner of public safety may require, including sworn statements of fact, and the commissioner of public safety shall thereupon determine whether (SUCH) *the* owner comes within the provisions of this paragraph.

If an owner has not used (SUCH) *a* vehicle for the transportation of livestock or unprocessed and raw farm products so as to be able to report gross receipts for the 12 month period as herein set forth, (HE) *the* owner may, nevertheless, apply for registration hereunder and pay the reduced tax and the commissioner of public safety shall, after consideration of the established facts, determine whether (SUCH) *the* owner is entitled to have (SUCH) *the* registration approved.

If an owner fails to operate under the conditions and limitations herein set forth, (HE) *the* owner shall immediately notify the commissioner of public safety of (SUCH) *the* fact and pay the difference between the scheduled gross weight tax and the reduced tax proportionate to the number of months remaining in the year, 1/12 of the difference for each month or fraction thereof, beginning with the month in which (SUCH) *the* operations were discontinued or changed.

If an owner first uses (SUCH) *a* vehicle for the transportation of livestock and unprocessed and raw farm products after the tax becomes due without reduction, no adjustment of refund of tax shall be made during that calendar year for reasons of transporting livestock and unprocessed and raw farm products.

All truck-tractors except those (HEREIN) defined as farm and urban truck-tractors shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of (SUCH) *the* truck-tractor and any semi-trailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to (SUCH) *a* gross weight tax im-

posed on the truck-tractor, each semi-trailer shall be taxed on fee of \$10 for a one year period (OR \$50 FOR A FIVE YEAR PERIOD WHICHEVER THE APPLICANT ELECTS).

(URBAN) *Commercial zone* trucks include only all trucks and all truck-tractors (AND SEMI-TRAILERS USED EXCLUSIVELY IN TRANSPORTING PROPERTY WITHIN THE METROPOLITAN AREA CONSISTING OF HENNEPIN, RAMSEY, SCOTT, DAKOTA, ANOKA, WASHINGTON AND CARVER COUNTIES, OR WITHIN THE CORPORATE LIMITS OF ANY CITY OR CONTIGUOUS CITIES OR WITHIN ONE MILE OF CITIES OF THE FIRST AND SECOND CLASS. FOR THE PURPOSES OF THIS CLAUSE A LAND AREA CEDED TO THE UNITED STATES OF AMERICA UNDER GENERAL LAWS 1889, CHAPTER 57, IS A STATUTORY CITY. THE VEHICLE SHALL NOT BE OPERATED OUTSIDE THE METROPOLITAN AREA OR CORPORATE LIMITS OF SUCH CITY OR CONTIGUOUS CITIES, OR BEYOND ONE MILE OF CITIES OF THE FIRST AND SECOND CLASS; EXCEPT THAT THE COMMISSIONER OF PUBLIC SAFETY MAY, BY SPECIAL PERMIT, AUTHORIZE THE PERMANENT REMOVAL OF SUCH VEHICLE FROM ANY REGISTRATION AREA TO ANOTHER. THE LICENSE PLATES ISSUED THEREFOR SHALL BE PLAINLY MARKED. ON URBAN TRUCKS AND COMBINATIONS THE TAX SHALL BE BASED ON TOTAL GROSS WEIGHT AND SHALL BE 30 PERCENT OF THE MINNESOTA BASE RATE PRESCRIBED IN THIS SUBDIVISION UNDER SCHEDULE I DURING EACH OF THE FIRST SIX YEARS OF VEHICLE LIFE, BUT IN NO EVENT LESS THAN \$19, AND DURING THE SEVENTH AND SUCCEEDING YEARS OF VEHICLE LIFE AS TAKEN FROM SCHEDULE II, BUT IN NO EVENT LESS THAN \$11. IN ADDITION TO SUCH GROSS WEIGHT TAX IMPOSED ON THE TRUCK-TRACTOR, EACH SEMI-TRAILER SHALL BE TAXED A FEE OF \$10 FOR A ONE YEAR PERIOD OR \$50 FOR A FIVE YEAR PERIOD WHICHEVER THE APPLICANT ELECTS. PROVIDED THAT ON VEHICLES USED BY AN AUTHORIZED LOCAL CARTAGE CARRIER OPERATING UNDER A PERMIT ISSUED PURSUANT TO SECTION 221.296 AND WHOSE GROSS TRANSPORTATION REVENUE CONSIST OF AT LEAST 60 PERCENT OBTAINED SOLELY FROM LOCAL CARTAGE CARRIAGE, SHALL BE TAXED AT 90 PERCENT OF THE PRESCRIBED URBAN TRUCK AND COMBINATION RATES FOR THE LIFE OF THE VEHICLE DURING EACH YEAR SUCH VEHICLE IS USED, PROVIDED THAT THE GROSS REVENUES OBTAINED FROM TRANSPORTATION SERVICES IS OBTAINED FROM LOCAL CARTAGE CARRIAGE IS AT LEAST 60 PERCENT OF ALL REVENUE OBTAINED FROM TRANSPORTATION SERVICES BY SAID PERSON; AND PROVIDED FURTHER, THAT SAID TAX SHALL IN NO EVENT BE LESS THAN \$10.) *and semi-trailers which are:*

(1) used by an authorized local cartage carrier operating under a permit issued pursuant to section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within the area defined in section 221.296, subdivision 1; or,

(2) operated by an interstate carrier registered pursuant to section 221.61 or 221.62, or by an authorized local cartage carrier or other carrier receiving operating authority pursuant to chapter 221, and operated solely within a zone exempt from regulation by the Interstate Commerce Commission pursuant to 49 U.S.C. 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. Any person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to re-register the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule, except as provided in this subdivision.

During the ninth and succeeding years the tax shall be:

(a) for the 1982 registration year, 35 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 40 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 45 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 50 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 54. Minnesota Statutes 1980, Section 168.013, is amended by adding a subdivision to read:

Subd. 1i. [URBAN TRUCKS.] On all vehicles registered as urban trucks for the registration year 1981, or any part

thereof, and which are not registered as commercial zone trucks for the registration year 1982 and succeeding years, the tax shall be:

(a) for the registration year 1982, 50 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 67 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 84 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Beginning with the registration year 1985, the registrar shall not issue urban license plates.

Sec. 55. Minnesota Statutes 1980, Section 168.12, Subdivision 1, is amended to read:

Subdivision 1. [NUMBER PLATES; VISIBILITY, PERIODS OF ISSUANCE.] The registrar, upon the approval and payment, shall issue to the applicant the number plates required by law, bearing an abbreviation of the state name and the number assigned. The number assigned may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned shall be in marked contrast. The plates shall be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the registrar, and when a vehicle is registered on the basis of total gross weight, the plates issued shall clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid. These number plates shall be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, these number plates, when viewed from a vehicle equipped with standard headlights, shall be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet. The registrar shall issue these number plates for the following periods:

(1) Number plates issued pursuant to sections 168.27, subdivisions 16 and 17, and 168.053 shall be for a one year period;

(2) New number plates issued pursuant to section 168.012, subdivision 1, shall be issued to a vehicle for as long as it is owned by the exempt agency and shall not be transferable from one vehicle to another but may be transferred with the vehicle from one tax exempt agency to another; (AND)

(3) *Plates issued for passenger automobiles as defined in section 168.011, subdivision 7, shall be issued for the life of the vehicle; and*

(3) (4) Plates for any vehicle not specified in clauses (1) (AND (2)), (2) and (3), except for trailers as hereafter provided, shall be issued for (A FIVE YEAR PERIOD) *the life of the vehicle*. Beginning with number plates issued for the year 1981, plates issued for trailers with a total gross weight of 3,000 pounds or less shall be issued for (A FOUR YEAR PERIOD) *the life of the trailer* and shall be not more than seven inches in length and four inches in width.

(IN ANY YEAR DURING WHICH THESE NUMBER PLATES ARE NOT ISSUED) The registrar shall issue for each registration a (REFLECTORIZED YEAR PLATE,) tab (,) or sticker to designate the year of registration. This (PLATE,) tab (,) or sticker shall show the calendar year or years for which issued, and is valid only for that period. Unless the motor vehicle for which a number plate, number, tab, or sticker is issued, is permanently lost, is destroyed, or is removed from the state, no number plate, number, tab, or sticker may be transferred to another motor vehicle during the period for which it is issued.

Notwithstanding any other provision of this subdivision, number plates issued to a vehicle which is used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The registrar shall be notified of each transfer of number plates under this paragraph, and may prescribe a form for (SUCH) notification.

Sec. 56. Minnesota Statutes 1980, Section 168.12, Subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates shall be issued to any applicant for registration of a passenger automobile, station wagon, van or pickup truck with a gross weight of 9,000 pounds or less, or self-propelled recreational vehicle, upon compliance with all laws of this state relating to registration of the vehicle, and upon payment of a fee of \$50 in addition to the registration tax required by law for the vehicle. In lieu of the numbers assigned as provided in subdivision 1, (SUCH) personalized license plates shall have imprinted thereon a series of not to exceed any combination of six numbers and letters. When an applicant has once obtained personalized plates, (HE) *the applicant* shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if (HE MAKES) *application is made* for them at least 30 days prior to the first date on which (HIS) registration can be renewed. The commissioner of public safety shall adopt rules and regulations in

the manner provided by chapter 15, regulating the issuance and transfer of (SUCH) personalized license plates. No words or combination of letters placed on (SUCH) personalized license plates may be used for commercial advertising or be of an obscene, indecent or immoral nature, or (SUCH AS) *that* would offend public morals or decency. The call signals or letters of a radio or television station shall not be construed as commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5, which fee shall be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by regulation provide a form for (SUCH) notification.

The fee prescribed for personalized license plates shall be paid only in those years in which the number plate itself is issued, and shall not be payable in any year in which a year plate, tab or sticker is issued in lieu of a number plate.

All fees from the sale of personalized license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 57. Minnesota Statutes 1980, Section 168.27, Subdivision 16, is amended to read:

Subd. 16. [PLATES, DISTINGUISHING NUMBERS.] (a) The registrar shall issue to every motor vehicle dealer, upon a request from (SUCH) *the* motor vehicle dealer licensed as provided in subdivisions 2 or 3, one or more (PAIR OF NUMBER) plates displaying a general distinguishing number upon the payment of \$10 to the registrar. In addition the dealer shall pay a motor vehicle excise tax of \$15 annually for each (PAIR OF) dealer (PLATES) *plate* purchased as required by section 297B.035. The registrar shall deposit the tax in the state treasury and it shall be credited to the general fund. Motor vehicles, new or used, owned by (SUCH) *the* motor vehicle dealer and bearing (SUCH) *the* number (PLATES) *plate*, except vehicles leased to the user who is not an employee of the dealer during the term of the lease, held for hire, or customarily used by the dealer as a tow truck, service truck, or parts pickup truck, may be driven upon the streets and highways of this state by (SUCH) *the* motor vehicle dealer, or any employee of (SUCH) *the* motor vehicle dealer or by any member of the immediate family of (SUCH) *the* dealer or employee for either private or business purposes; or may be driven upon the streets and highways for demonstration purposes by any prospective buyer thereof for a period of 48 hours or in the case of a truck, truck-tractor, or semi-trailer, for a period of seven days.

(b) A new or used motor vehicle sold by (SUCH) *the* motor vehicle dealer and bearing the motor vehicle dealer's number

(PLATES) *plate* may be driven upon the public streets and highways for a period of 72 hours by the buyer for either of the following purposes: (1) Removing the vehicle from this state for registration in another state, or (2) permitting the buyer to use the motor vehicle before (HE) *the buyer* receives number plates pursuant to (HIS OWN) registration. Use of a motor vehicle by the buyer under the provisions of clause (2) of the preceding sentence before (HE) *the buyer* receives number plates pursuant to (HIS OWN) registration constitutes a use of the public streets or highways for the purpose of the time requirements for registration of motor vehicles.

Sec. 58. Minnesota Statutes 1980, Section 168.27, Subdivision 17, is amended to read:

Subd. 17. [APPLICATION.] Every licensed dealer in motor vehicles may make application upon a blank provided by the registrar for that purpose for a general distinguishing number for use upon all new or used motor vehicles being transported from the dealer's source of supply, or other place of storage, to (HIS) *the dealer's* place of business, or to another place of storage, or from one dealer to another. A general distinguishing number shall be assigned by the registrar to (SUCH) *the dealer* for (SUCH) *that* purpose, and the registrar shall then issue to the dealer (SUCH) *the* number of (PAIRS OF SUCH) plates as the dealer may request, upon the payment by the dealer to the registrar of the sum of \$2 per (PAIR) *plate*. (SUCH) *The* plates shall be known as "in transit" plates. The registrar may issue (SUCH) "in transit" plates, upon the payment of the sum of \$2 to the registrar, to dealers duly licensed in other states or provinces upon information furnished (HIM) in (SUCH) *the* manner as (HE) *the registrar* may prescribe, and which satisfies (HIM) *the registrar* that persons or companies applying therefor are duly licensed dealers under the laws of (SUCH) *the* states or provinces.

Sec. 59. Minnesota Statutes 1980, Section 168.33, Subdivision 7, is amended to read:

Subd. 7. [FEES.] In addition to all other statutory fees and taxes, a filing fee is imposed on every application. The filing fee shall be (\$1.50) \$2.50 effective August 1, (1977) 1981, and (\$1.75) \$3.25 effective January 1, (1979) 1983. The filing fee shall be shown as a separate item on all registration renewal notices sent out by the department of public safety.

Sec. 60. Minnesota Statutes 1980, Section 169.09, Subdivision 7, is amended to read:

Subd. 7. [ACCIDENT REPORT TO COMMISSIONER.] The driver of a vehicle involved in an accident resulting in injury to or death of any person or total property damage to an

apparent extent of (\$300) \$500 or more, shall forward a written report of the accident to the commissioner of public safety within ten days thereof. If, in the opinion of the commissioner of public safety, the original report of any driver of a vehicle involved in an accident of which report must be made as provided in this section is insufficient he may require the driver to file supplementary reports.

Sec. 61. Minnesota Statutes 1980, Section 169.451, is amended to read:

169.451 [SCHOOL BUS INSPECTION.]

Subdivision 1. The Minnesota highway patrol shall inspect every school bus (AT LEAST SEMIANNUALLY) *annually* to ascertain whether its construction, design, equipment, and color comply with all provisions of law.

Subd. 2. No person shall drive, or no owner shall knowingly permit or cause to be driven, any school bus unless there is displayed thereon a certificate issued by the commissioner of public safety stating that on a certain date, which shall be within (SEVEN) 13 months of the date of operation, a member of the Minnesota highway patrol inspected the bus and found that on the date of inspection the bus complied with the applicable provisions of state law relating to construction, design, equipment, and color. The commissioner of public safety shall provide by rule or regulation for the issuance and display of distinctive inspection certificates.

Subd. 3. Not later than January 1, 1975 the commissioner of public safety shall provide by rule and regulation a point system for evaluating the effect on safety operation of any variance from law detected during school bus inspections conducted pursuant to subdivision 1.

Sec. 62. Minnesota Statutes 1980, Section 169.79, is amended to read:

169.79 [VEHICLE REGISTRATION.]

No person shall operate, drive or park a motor vehicle on any highway unless the vehicle is registered in accordance with the laws of this state and has the number plates for the current year only, as assigned to it by the commissioner of public safety, conspicuously displayed thereon in a manner that the view of any plate is not obstructed. If the vehicle is a motorcycle, motor scooter, motorized bicycle, motorcycle sidecar, trailer, (OR) semitrailer, or *vehicle displaying a dealer plate*, one (SUCH) plate shall be displayed on the rear thereof; if the vehicle is a truck-tractor or road-tractor, one (SUCH) plate shall be displayed on the front thereof; if it is any other kind

of motor vehicle, one (SUCH) plate shall be displayed on the front and one on the rear thereof. All plates shall be securely fastened so as to prevent them from swinging. The person driving the motor vehicle shall keep the plate legible and unobstructed and free from grease, dust, or other blurring material so that the lettering shall be plainly visible at all times.

Sec. 63. Minnesota Statutes 1980, Section 169.974, Subdivision 2, is amended to read:

Subd. 2. [LICENSE REQUIREMENTS.] No person shall operate a motorcycle on any street or highway unless he has a valid standard driver's license with a two-wheeled vehicle endorsement as provided by law. No such two-wheeled vehicle endorsement shall be issued unless the person applying therefor has in possession a valid two-wheeled vehicle instruction permit as provided herein, has passed a written examination and road test administered by the department of public safety for such endorsement, and, in the case of applicants under 18 years of age, shall present a certificate or other evidence of having successfully completed an approved two-wheeled vehicle driver's safety course in this or another state, in accordance with such regulations as the commissioner of public safety shall promulgate. *The commissioner may waive the road test for any applicant if he determines that the applicant possesses a valid license to operate a two-wheeled vehicle issued by a jurisdiction that requires a comparable road test for license issuance.* A two-wheeled vehicle instruction permit shall be issued to any person over 16 years of age, who is in possession of a valid driver's license, who is enrolled in an approved two-wheeled vehicle driver's safety course, and who has passed a written examination for such permit and has paid such fee as the commissioner of public safety shall prescribe. A two-wheeled vehicle instruction permit shall be effective for 45 days, and may be renewed under rules to be prescribed by the commissioner of public safety.

No person who is operating by virtue of a two-wheeled vehicle instruction permit shall:

- (a) Carry any passengers on the streets and highways of this state on the motorcycle which he is operating;
- (b) Drive the motorcycle at night time;
- (c) Drive the motorcycle on any highway marked by the commissioner as an interstate highway pursuant to Title 23 of the United States Code.
- (d) Drive the motorcycle without wearing protective headgear of a type approved by the commissioner of public safety.

Notwithstanding the provisions of this subdivision, the commissioner of public safety may, however, issue a special motorcycle permit, restricted or qualified in such manner as he shall deem proper, to any person demonstrating a need therefor and unable to qualify for a standard driver's license.

Sec. 64. Minnesota Statutes 1980, Section 171.13, is amended by adding a subdivision to read:

Subd. 1a. The commissioner may waive the requirement that the applicant demonstrate his ability to exercise ordinary and reasonable control in the operation of a motor vehicle if he determines that the applicant possesses a valid driver's license issued by a jurisdiction that requires a comparable demonstration for license issuance.

Sec. 65. Minnesota Statutes 1980, Section 171.36, is amended to read:

171.36 [LICENSE RENEWAL AND FEES.]

All licenses shall expire one year from date of issuance and may be renewed upon application to the commissioner. Each application for an original or renewal school license shall be accompanied by a fee of (\$75) \$150 and each application for an original or renewal instructor's license shall be accompanied by a fee of (\$20) \$50. The license fees collected under this article shall be paid into the trunk highway fund. No license fee shall be refunded in the event that the license is rejected or revoked.

Sec. 66. Minnesota Statutes 1980, Section 173.25, is amended to read:

173.25 [AVAILABILITY OF FEDERAL AID (FUNDS).]

The commissioner of transportation shall not (BE REQUIRED TO) expend (FUNDS) *money* for the acquisition of advertising devices controlled under this chapter (UNTIL FEDERAL FUNDS ARE MADE AVAILABLE TO THE COMMISSIONER FOR THE PURPOSE OF CARRYING OUT THE PROVISIONS OF THIS CHAPTER), *except those for which acquisition proceedings were begun before June 8, 1979 or for which federal money has been appropriated by Congress and the federal share has been made available to the commissioner.* No advertising device legal under Laws 1971, Chapter 883, shall be required to be removed or relocated until payment as provided in Laws 1971, Chapter 883, is tendered by the commissioner of transportation. (THIS SECTION SHALL NOT APPLY TO THE REMOVAL OF SIGNS FOR WHICH NO FEDERAL SHARE IS PAYABLE.)

Sec. 67. Minnesota Statutes 1980, Section 174.255, is amended by adding a subdivision to read:

Subd. 3. [OPERATOR ASSISTANCE.] A person operating or assisting the operation of a vehicle while employed by a program such as "project mobility" may leave the vehicle to enter premises in order to assist a person who does not require emergency ambulance service to gain access and entrance to the vehicle. The assistance shall include assisting through the first entrance to a building. Operators of the special transportation vehicles shall provide the necessary passenger assistance for door-through-door service. Assistance shall also include assisting wheelchair passengers over any exterior steps essential to either departure or destination buildings, subject to both the steps and the wheelchair being in good repair. If an operator or assistant refuses to assist because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the commissioner of transportation and the person denied service detailing the corrective measures necessary to qualify for service.

Sec. 68. Minnesota Statutes 1980, Section 214.01, Subdivision 3, is amended to read:

Subd. 3. "Non-health related licensing board" means the board of teaching established pursuant to section 125.183, the board of barber examiners established pursuant to section 154.22, (THE BOARD OF COSMETOLOGY EXAMINERS ESTABLISHED PURSUANT TO SECTION 155.04,) the board of assessors established pursuant to section 270.41, the board of architecture, engineering, land surveying and landscape architecture established pursuant to section 326.04, the board of accountancy established pursuant to section 326.17, the board of electricity established pursuant to section 326.241, the private detective and protective agent licensing board established pursuant to section 326.33, the board of examiners in watchmaking established pursuant to section 326.541, the board of boxing established pursuant to section 341.01, the board of abstracters established pursuant to section 386.63, and the peace officer standards and training board established pursuant to section 626.841.

Sec. 69. Minnesota Statutes 1980, Section 214.06, Subdivision 1, is amended to read:

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) shall 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, *including the portion of the general support costs and statewide indirect costs of the department providing administrative support services to the board that is attributable to the board.* Examination fees, if any, shall be set by rule so that the total amount of annual examination fee income approximately meets the anticipated costs of administer-

ing the examinations during the fiscal biennium. Fee adjustments authorized under this subdivision may be made without a public hearing when the total fees *estimated to be received during the biennium* will not exceed (THE AMOUNT OF THE DIRECT APPROPRIATION) 110 percent of the sum of all direct appropriations, transfers in, and salary supplements to the board for the biennium. All fees received shall be deposited with the state treasurer and credited to the general fund.

Sec. 70. Minnesota Statutes 1980, Section 216B.16, is amended by adding a subdivision to read:

Subd. 1b. When a public utility proposes changes in rates that would increase rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 71. Minnesota Statutes 1980, Section 216B.62, Subdivision 3, is amended to read:

Subd. 3. The department and commission shall (ANNUALLY, WITHIN 90 DAYS AFTER THE CLOSE OF EACH FISCAL YEAR, ASCERTAIN) quarterly, at least 30 days before the start of each quarter, estimate the total of of their expenditures (TO) in the performance of their duties relating to public utilities under (LAWS 1974, CHAPTER 429, AND SHALL DEDUCT THEREFROM ALL) sections 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 or section 72. 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) the calendar year from retail sales of gas or electric service within the state. The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the

amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 72. Minnesota Statutes 1980, Section 216B.62, is amended by adding a subdivision to read:

Subd. 6. [ADMINISTRATIVE HEARING COSTS.] Any amounts billed to the commission or the department by the office of administrative hearings for public utility contested case hearings shall be assessed by the commission or the department against the public utility. The assessment shall be paid into the state treasury within 30 days after a bill, which constitutes notice of the assessment and demand for payment of it, has been mailed to the public utility. Money received shall be credited to a special account and is appropriated to the commission or the department for payment to the office of administrative hearings.

Sec. 73. Minnesota Statutes 1980, Section 237.075, is amended by adding a subdivision to read:

Subd. 1b. When a telephone company proposes changes in rates that would increase rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 74. Minnesota Statutes 1980, 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) quarterly, at least 30 days before the start of each quarter, estimate the total of its expenditures (TO) in the performance of its duties relating to telephone companies, (AND SHALL DEDUCT THEREFROM ALL) other than amounts chargeable to telephone companies under subdivision 1 or section 75. 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) the calendar year. *The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.*

Sec. 75. Minnesota Statutes 1980, Section 237.295, is amended by adding a subdivision to read:

Subd. 5. [ADMINISTRATIVE HEARING COSTS.] Any amounts billed to the commission or the department by the office of administrative hearings for telephone contested case hearings shall be assessed by the commissioner or the department against the telephone company. The assessment shall be paid into the state treasury within 30 days after a bill, which constitutes notice of the assessment and demand for payment of it, has been mailed to the telephone company. Money received shall be credited to a special account and is appropriated to the commissioner or the department for payment to the office of administrative hearings.

Sec. 76. Minnesota Statutes 1980, Section 239.10, is amended to read:

239.10 [ANNUAL INSPECTION.]

(NO FEE, UNLESS SPECIALLY SCHEDULED BY) The department (,) shall (BE CHARGED) *charge a fee to the owner for the costs of the regular inspection of scales, weights, measures, and weighing or measuring devices. The cost of any other inspection shall be paid by the owner if the inspection is performed at his request (, AND) or if the inspection is made at the request of some other person (THE COST SHALL BE PAID BY THE OWNER IF) and the scale, weight, measure, or weighing or measuring device is found to be incorrect. The department may fix the fees and expenses for all regular inspections and special services. All moneys collected by the (DIVISION) department for its regular inspections, special services, fees, and penalties shall be paid into the state treasury (,) and credited to the state general fund.*

Sec. 77. Minnesota Statutes 1980, Section 239.52, is amended to read:

239.52 [WEIGHTS AND MEASURES FEES.]

The department of public service (IS DIRECTED TO) *shall adjust the schedule of fees for regular and special weights and*

measures inspections to (PROVIDE THAT EACH TYPE OF FEE CHARGED SHALL BE SUFFICIENT TO COVER THE COST OF THE SPECIAL INSPECTION, AND THAT THE AGGREGATE OF FEES COLLECTED SHALL BE SUFFICIENT TO PAY FOR ALL SALARIES AND OTHER EXPENSES CONNECTED WITH SPECIAL INSPECTIONS) *recover the amount of money appropriated for the weights and measures program, other than the cost of (1) checkweighing or the weighing of prepackaged goods to determine whether the content weight listed on the package is accurate, (2) testing for the quality of petroleum products, (3) inspections or investigations made as a result of a complaint received by the department, if the scale weight, measure, or weighing or measuring device is found to be correct, and (4) court appearances by department personnel on behalf of other governmental agencies.* The department of public service shall review and adjust its schedule of fees for *regular and special inspections* at the end of each six months and have all fees charged approved by the commissioner of (ADMINISTRATION) *finance* before they are adopted, so as to insure that the fees charged shall be sufficient to pay all the (SALARIES AND EXPENSES) *recoverable costs* connected with *regular and special inspections* during the fiscal year.

Sec. 78. Minnesota Statutes 1980, Section 270.051, Subdivision 2, is amended to read:

Subd. 2. The commissioner of revenue shall collect five percent of the gross receipts from admission to every *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition held within the state, and five percent of the gross receipts from the lease or sale of radio, motion picture and television rights therein. All complimentary tickets for a *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition presented at any entrance gate shall likewise be assessed for the tax herein provided five percent of the value thereof.

Each person issued a license in accordance with section 341.05, subdivision 2, shall also, within 24 hours after the termination of the telecast or subscription television program, pay to the commissioner five percent of the gross receipts from the sale of tickets of admission or money received from subscription for the showing or exhibiting of the telecast or program. If the *wrestling*, boxing or sparring match, exhibition, or performance shown or exhibited is wholly amateur no payment is due.

Sec. 79. Minnesota Statutes 1980, Section 297B.035, Subdivision 2, is amended to read:

Subd. 2. Motor vehicles which satisfy the definitions of subdivision 1, shall be taxed at a yearly rate of \$15 per (SET OF) dealer (PLATES) *plate*. This tax shall be paid when dealer plates are purchased and shall be deposited in the state treasury

and credited to the general fund. This tax shall be in lieu of any other state sales, excise, or use tax.

Sec. 80. Minnesota Statutes 1980, Section 326.241, Subdivision 3, is amended to read:

Subd. 3. [FEES AND FINANCES; DISPOSITION.] All license fees collected under the provisions of sections 326.241 to 326.248 are to be credited to the general fund. (THE UNEXPENDED BALANCE IN A SPECIAL FUND OF THE BOARD AS OF JULY 1, 1977, SHALL BE CREDITED TO THE GENERAL FUND.) The expenses of administering sections 326.241 to 326.248 shall be paid from appropriations made to the board of electricity.

Sec. 81. Minnesota Statutes 1980, Section 326.244, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE.]

(a) At or before commencement of any installation required to be inspected by the board, the electrical contractor, installer, special electrician, or owner making (SUCH) the installation shall submit to the board a request for inspection, in a form prescribed by the board, together with (A SUPERVISORY FEE OF 50 CENTS AND) the (INSPECTION) fees required for (SUCH) the installation.

(b) *The fees required are a handling fee and an inspection fee. The handling fee shall be set by the board in an amount sufficient to pay the cost of printing and handling the form requesting an inspection. The inspection fee shall be set by the board in an amount sufficient to pay the actual costs of the inspection and the board's costs in administering the inspection. All fees shall be set pursuant to the procedure of sections 15.041 to 15.052.*

(c) *All handling fees shall be deposited in the general fund. All inspection fees collected pursuant to this section shall be deposited by the board in a special revenue bookkeeping account of the treasury and are appropriated to the board for the purpose of compensating contract inspectors for inspections performed, for transfer to the general fund of the portion of the fee representing inspection administration costs, and for making refunds.*

(d) If the inspector finds that the installation is not in compliance with accepted standards of construction for safety to life and property as required by section 326.243, (HE) the inspector shall by written order condemn the installation or noncomplying portion thereof, or order service to (SUCH) the installation disconnected, and shall send a copy of (HIS) the order to the board.

If the installation of the noncomplying part (THEREOF IS SUCH AS TO) *will* seriously and proximately endanger human life and property, the order of the inspector, when approved by (HIS) *the inspector's* superior, shall require immediate condemnation or disconnection. In all other cases, the order of the inspector shall permit a reasonable opportunity for the installation to be brought into compliance with accepted standards of construction for safety to life and property prior to the effective time established (THEREIN) for condemnation or disconnection.

(e) Copies of each condemnation or disconnection order shall be served personally or by mail upon the property owner, and the electrical contractor, installer, or special electrician making the installation, and (SUCH) other persons as the board by rule or regulation may direct. An aggrieved party may appeal any (SUCH) condemnation or disconnection order by filing with the board a notice of appeal within ten days after ((A)) (1) service upon (HIM) *the aggrieved party* for the condemnation or disconnection order, if (SUCH) *this* service is required, or ((B)) (2) filing of the order with the board, whichever is later. (THEREUPON) The appeal shall proceed and the order of the inspector shall have (SUCH) *the* effect (NOT INCONSISTENT HEREWITH AS) the order, by its terms, and the rules (AND REGULATIONS) of the board (MAY PROVIDE) *provides*. The board shall adopt rules (OR REGULATIONS) providing procedures for the conduct of (SUCH) appeals, including provisions for the stay of enforcement of the order of the inspector pending such appeal when justified by the circumstances.

Sec. 82. [TRANSFER OF FUNDS.]

On the effective date of section 81, the commissioner of finance shall transfer from the appropriation to the board in Laws 1979, Chapter 333, Section 33, Subdivision 7, an amount equal to the liability of the board as of the date of transfer for inspection services to be performed. The transfer shall be made to the special revenue bookkeeping account provided in section 81.

Sec. 83. Minnesota Statutes 1980, Section 340.11, Subdivision 14, is amended to read:

Subd. 14. [LICENSE FEES.] The license fees to be paid before the issuance of licenses shall be as provided in clauses (a), (b), (c), (d).

(a) Except as provided in clauses (b), (c), and (d), any manufacturer shall pay to the state annually a license fee of (\$5,000) \$7,500, and a fee of \$3,000 for each duplicate thereof.

(b) Any manufacturer of wines containing not more than 25 percent of alcohol by volume shall pay to the state annually a fee of \$500.

(c) Except as provided in clauses (a), (b), (d), any wholesaler shall pay to the state annually a license fee of (\$5,000) \$7,500, and a fee of \$3,000 for each duplicate thereof.

(d) Any wholesaler of wines containing not more than 25 percent of alcohol by volume shall pay to the state annually a fee of (\$500) \$750.

(e) The maximum license fee for an "off-sale" license in the cities of the first class shall be the sum of which, together with any occupation tax that may be imposed by a municipality issuing said "off-sale" license, will not exceed the sum of \$1,000 annually; in all cities of over 10,000 population, except cities of the first class, the maximum license fee for an "off-sale" license shall be \$200; in all cities with a population between 5,000 and 10,000 the maximum license fee shall be \$150; in all cities of 5,000 population or less, the maximum license fee shall be \$100. All such license fees for "off-sale" licenses shall be payable to the municipalities issuing the license. Where such licenses shall be issued for less than one year, a fee may be a pro rata share of the annual license fee.

Sec. 84. Minnesota Statutes 1980, Section 340.113, Subdivision 2, is amended to read:

Subd. 2. [LICENSE, APPLICATION, RENEWAL.] Such licenses shall be issued by the commissioner of public safety for the term of one year, and must be renewed annually. Application for such a license shall be made to the commissioner of public safety. The form of application shall contain an agreement on the part of the applicant that he will observe all of the laws of this state relating to the importation and sale of intoxicating liquor, and such other information and statements as the commissioner of public safety may require. Any person who has violated any of the laws of this state relating to intoxicating liquor shall not be entitled to such a license. The fee for each annual license shall be (\$150) \$300 which shall accompany the application for license.

Sec. 85. Minnesota Statutes 1980, Section 340.119, Subdivision 3, is amended to read:

Subd. 3. It is unlawful for any bottle club or for any business establishment, directly or indirectly, or upon any pretense or by any device, to allow the consumption or display of intoxicating liquor or the serving of any liquid for the purpose of mixing of intoxicating liquor without having first obtained a permit therefor. Such permit may be issued by the commissioner of public safety after approval by the governing body of the county or city, for a period of one year to expire on July 1, next following issuance of such license, upon the payment of (\$100) \$150 and must be renewed annually on July 1.

Application for such permit shall be made to the commissioner of public safety. There is hereby conferred upon the governing body of each county and city in the state the authority to impose, in addition to the fee provided by this subdivision, a local license fee not exceeding \$300 per year, which shall be payable to the county and city imposing the fee.

Sec. 86. Minnesota Statutes 1980, Section 340.402, is amended to read:

340.402 [LICENSES, FEES.]

No person shall engage in business as a brewer or wholesaler of intoxicating malt liquor nor shall any person, directly or indirectly, by any device, manufacture for sale or sell at wholesale any intoxicating malt liquor unless licensed to do so by the commissioner.

Application for license shall be made in writing, filed with the commissioner in the form prescribed by him and verified by the applicant or, if a corporation, by one of its officers having knowledge of the facts. At the time of filing an application the applicant shall file with the commissioner his bond and pay the license fee herein provided for.

The annual fees for license are: for a brewer, the sum of (\$1,000) \$1,250, for a wholesaler, the sum of (\$200) \$300, and a wholesaler's malt beverage duplicate license the sum of \$15.

A brewer holding a license to manufacture intoxicating malt liquor may sell his products at wholesale without another license.

Sec. 87. Minnesota Statutes 1980, Section 340.493, Subdivision 2, is amended to read:

Subd. 2. [LICENSES; APPLICATION, RENEWAL.] Such licenses shall be issued by the commissioner of public safety for one year and must be renewed annually. The application for such license shall contain an agreement on the part of the applicant that he will observe all laws of this state relating to the importation and taxation of such fermented malt beverages and such other information and statements as the commissioner requires. Any person who has violated any laws of this state relating to fermented malt beverages or intoxicating liquor is not entitled to such license. The fee for each annual license is (\$100) \$200 which shall accompany the application for license. If an examination of the financial responsibility of any such applicant for license indicates that a bond is necessary for the protection of the revenue, the commissioner may require the applicant to file a bond to be approved by the commissioner, payable to the state in an amount not less than \$1,000 and not

more than \$5,000 conditioned upon the payment of all excise taxes to become payable to the state.

Sec. 88. Minnesota Statutes 1980, Section 340.62, is amended to read:

340.62 [CERTAIN LIQUOR REGISTERED.]

No licensed manufacturer or wholesaler shall manufacture or import for sale within the state, any brand of intoxicating liquor such as distilled spirits and wine, or any distilled or vinous liquor designated as a specialty, wherein such liquor is ready for sale for beverage purposes without further processing, unless the label of such brand has been registered with and approved by the commissioner. The commissioner shall hereinafter establish a register for such brand labels, which labels shall be acceptable under the following conditions:

(1) No brand of intoxicating liquor as hereinbefore described shall be manufactured or imported for sale within the state after the passage of this act unless the brand label thereof has been submitted to and approved by the commissioner. The fee for such registration shall be (\$10) \$20 for each brand label.

(2) The same registration and fee shall be required for any brand of liquor as hereinbefore described which has been manufactured or imported for sale within this state and in which the brand label for such brand has been filed with the commissioner and wherein the sale of such brand has been discontinued within the state by the manufacturer or wholesaler for a period of two years.

(3) After the sale of any brand of intoxicating liquor as hereinbefore described has been discontinued within this state for a period of three years by the manufacturer or wholesaler distributing it, said brand and its brand label and any and all registrations thereof in this state shall thereafter be conclusively presumed to have been abandoned by said manufacturer or wholesaler.

(4) The terms "brand" and "brand label," when used herein, shall each be construed to mean and include trademarks and designs used in connection therewith.

(5) All money received by the commissioner under the provisions of this section shall be paid to the state treasurer and such money shall be credited to the general fund.

Sec. 89. Minnesota Statutes 1980, Section 341.01, is amended to read:

341.01 [CREATION.]

There is hereby created the board of *wrestling and boxing*, to consist of seven members, citizens of this state, two of whom shall be public members as defined by section 214.02. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214 and Laws 1976, Chapter 222, Sections 2 to 7.

Sec. 90. Minnesota Statutes 1980, Section 341.02, is amended to read:

341.02 [LIMITATIONS.]

No member shall directly or indirectly promote any *wrestling*, boxing or sparring exhibition or directly or indirectly engage in the managing of any *wrestler or boxer* or be interested in any manner in any proceeds from any *wrestling or boxing match*.

Sec. 91. Minnesota Statutes 1980, Section 341.04, is amended to read:

341.04 [EXECUTIVE SECRETARY; PERSONNEL.]

The board of *wrestling and boxing* shall have power to appoint, and at its pleasure remove, an executive secretary and prescribe his powers and duties. The executive secretary shall be the executive secretary of the board, but shall not be a member of the board. The board may employ such other personnel as may be necessary in the performance of its duties.

Sec. 92. Minnesota Statutes 1980, Section 341.05, is amended to read:

341.05 [DUTIES.]

Subdivision 1. The board of *wrestling and boxing* shall have charge and supervision of all *professional wrestling exhibitions and boxing and sparring exhibitions* held in the state and have power:

(1) To promulgate rules governing the conduct of *professional wrestling exhibitions and boxing and sparring exhibitions* and the time and place thereof;

(2) To issue licenses to individuals or organizations desiring to promote or conduct *wrestling, boxing or sparring exhibi-*

tions, and to suspend or revoke the licenses at its pleasure; every application for a license shall designate the territory in which the individual or organization intends to operate, and the license granted shall entitle the licensee to conduct the exhibitions in that territory and in no other.

The commissioner of revenue shall collect five percent of the gross receipts from admission to every *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition held within the state, and five percent of the gross receipts from the lease or sale of radio, motion picture and television rights therein.

All complimentary tickets for a *wrestling*, boxing and sparring exhibition other than an amateur *wrestling*, boxing and sparring exhibition presented at any entrance gate shall likewise be assessed for the tax herein provided five percent of the value thereof. All moneys so collected shall be paid into the state treasury.

Subd. 2. The board of *wrestling and* boxing shall issue a license to a person or organization holding, showing, or exhibiting a simultaneous telecast of any live, current, or spontaneous *wrestling*, boxing or sparring match, exhibition, or performance on a closed circuit telecast or subscription television program viewed within the state, whether originating in this state or elsewhere, and for which a charge is made. Each such person or organization shall apply for such a license in advance of each showing and shall within 24 hours after the termination of such showing furnish the commissioner of revenue a written report, duly verified by an authorized person, showing the number of tickets sold for such showing, the amount of the gross proceeds thereof, and such other matters as the commissioner of revenue may prescribe; and shall also, within 24 hours after the termination of such showing, pay to the commissioner of revenue five percent of the gross receipts from the sale of tickets of admission or moneys received from subscription for the showing or exhibiting of said *wrestling*, boxing or sparring match, exhibition, or performance. If the *wrestling*, boxing or sparring match, exhibition, or performance is wholly amateur no payment is due.

Whoever violates the provisions of this subdivision is guilty of a misdemeanor and may be punished therefor as provided by law. The penalty herein provided is in addition to any other penalty for violation of this subdivision as may be otherwise fixed in this chapter.

Sec. 93. Minnesota Statutes 1980, Section 341.07, is amended to read:

341.07 [LICENSES; RESTRICTIONS.]

Unless revoked by the board, licenses granted hereunder shall authorize the individuals or organizations receiving the

same to conduct *professional wrestling exhibitions* or boxing or sparring exhibitions in the community designated therein for the period of time designated therein, subject to the rules of the board and to restrictions as the board may in its discretion incorporate therein. Each license shall contain a statement that *wrestling, boxing or sparring exhibitions may be held on any Sunday and that no boxing or sparring match shall be of more than 15 rounds, of not to exceed three minutes each, and no professional wrestling match shall exceed one hour of continuous action.*

Sec. 94. Minnesota Statutes 1980, Section 341.08, is amended to read:

341.08 [EXHIBITIONS; CONSENT REQUIRED.]

The provisions of this chapter are applicable to cities of the first class, but no license shall be issued for the conducting of any *professional wrestling exhibitions* or boxing or sparring exhibitions within the limits of any municipality, except cities of the first class, unless the governing body thereof has first consented to the holding of *professional wrestling exhibitions* or boxing or sparring exhibitions therein; in the event that the license is for the conducting of *professional wrestling exhibitions* or boxing or sparring exhibitions in any county outside the limits of a municipality, such license shall not be issued until the board of county commissioners of the county and also the governing body of the town shall have authorized the holding of *professional wrestling exhibitions* or boxing or sparring exhibitions in such community, and each such license shall designate the particular community in such county where such exhibitions are held. Consent by the governing body of such municipality or by the county board or by the governing board of the town shall be evidenced by a certified copy of a resolution thereof filed with the board. The governing body may revoke the consent any time, and any licenses shall expire 30 days after resolution revoking consent has been filed with the board.

Sec. 95. Minnesota Statutes 1980, Section 341.09, is amended to read:

341.09 [NUMBER OF LICENSES.]

Subdivision 1. Except as provided in subdivisions 2 and 3, only one license for *professional wrestling exhibitions* and one license for *boxing and sparring exhibitions* shall be in force in any municipality or community at any time.

Subd. 2. In any municipality having more than 100,000 and less than 200,000 inhabitants, the board of *wrestling and boxing* may issue one license for amateur and one for professional boxing and sparring exhibitions, and one for *professional wrestling exhibitions*, but (BOTH) the licenses shall not be issued to the same person.

Subd. 3. In municipalities whose population exceeds 200,000 the board of *wrestling and boxing* may issue one franchise for *professional wrestling exhibitions and one franchise for boxing and sparring exhibitions* for every 200,000 population or fraction thereof.

Sec. 96. Minnesota Statutes 1980, Section 341.10, is amended to read:

341.10 [LICENSE FEES.]

The board shall have authority to collect and require the payment of a license fee in an amount set by the board from the owners of franchises or licenses. The board shall require the payment of the fee at the time of the issuance of the license or franchise to the owner. The moneys so derived shall be collected by the board and paid to the state treasurer. The board shall have authority to license all *professional wrestlers and boxers, managers, seconds, referees and judges* and may require them to pay a license fee. All moneys collected by the board from such licenses shall be paid to the state treasurer.

Sec. 97. Minnesota Statutes 1980, Section 341.12, is amended to read:

341.12 [BONDS.]

Before any license other than an amateur *wrestling or boxing* license shall be granted to any person, club, corporation, or organization to conduct, hold or give any *wrestling, boxing or sparring match, or exhibition*, such applicant therefor shall execute and file with the chairman of the commerce commission a bond in the sum of \$2,500 in cities of the first class and \$1,000 in other communities, to be approved, as to form and sufficiency of the sureties thereof, by the chairman of the commerce commission, conditioned for the payment of the five percent of the total gross receipts and license fees herein provided. Upon the filing and approval of such bond the chairman of the commerce commission shall issue to such applicant for such license a certificate of such filing and approval, which shall be by such applicant filed in the office of the board with its application for such license; and no such license shall be issued until such certificate shall be so filed.

Sec. 98. Minnesota Statutes 1980, Section 341.13, is amended to read:

341.13 [PENALTIES FOR NON-LICENSED EXHIBITIONS.]

Any person or persons who shall send or cause to be sent, published, or otherwise made known, any challenge to fight

what is commonly known as a prize fight, or engage in any public *professional wrestling exhibition or any* boxing or sparring match, exhibition, or contest, with or without gloves, for any prize, reward, or compensation, or at which any admission fee is charged directly or indirectly, or go into training preparatory for such fight, exhibition, or contest, or act as a trainer, aider, abetter, backer, umpire, second surgeon, assistant, or attendant at such fight, exhibition, or contest, or in any preparation for the same, and any owner or lessee of any grounds, buildings, or structure of any kind permitting the same to be used for such fight, exhibition, or contest, shall be deemed guilty of a misdemeanor; provided, that this section shall not apply to *wrestling, boxing or sparring exhibitions held or to be held under license issued by the board of wrestling and boxing and in compliance with the rules issued by it.*

Sec. 99. Minnesota Statutes 1980, Section 341.15, is amended to read:

341.15 [FAILURE TO REPORT TO THE BOARD.]

When any individual or organization shall fail to make a report of receipts of any contest at the time prescribed by the board of *wrestling and boxing* or to pay the fee herein provided, or when such report is unsatisfactory to the commissioner of finance, he may examine, or cause to be examined, the books and records of such individual or organization, and subpoena and examine, under oath, officers and other persons as witnesses for the purpose of determining the total amount of the gross receipts for any contest and the amount due pursuant to the provisions of this chapter, which amount he may, upon and as the result of such examination, fix and determine. In case of default in the payment of any amount so ascertained to be due, together with the expense incurred in making such examination, for a period of 20 days after notice to such delinquent individual or organization of the amount at which the same may be fixed by the commissioner of finance, such delinquent shall, ipso facto, forfeit and be thereby disqualified from receiving any new license or any renewal of license and, in addition, forfeit to the state of Minnesota the sum of \$500, which may be recovered by the attorney general, in the name of the state, in the same manner as other penalties are by law recovered.

Sec. 100. Minnesota Statutes 1980, Section 360.021, Subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO ESTABLISH.] The commissioner is authorized and empowered, on behalf of and in the name of this state, within the limitation of available appropriations, to acquire, by purchase, gift, devise, lease, condemnation proceedings, or otherwise, property, real or personal, for the purpose of establishing and constructing (AIRPORTS,) restricted landing areas (,) and other air navigation facilities (,)

and to acquire in like manner, own, control, establish, construct, enlarge, improve, maintain, equip, operate, regulate, and police such (AIRPORTS,) restricted landing areas (,) and other air navigation facilities, either within or without this state; and to make, prior to any such acquisition, investigations, surveys, and plans (, TO). *He may maintain, equip, operate, regulate, and police airports, either within or without this state. He may (ERECT, INSTALL, CONSTRUCT, AND) maintain at such airports facilities for the servicing of aircraft and for the comfort and accommodation of air travelers. (AND TO) He may dispose of any such property, airport, restricted landing area, or any other air navigation facility, by sale, lease, or otherwise, in accordance with the laws of this state governing the disposition of other like property of the state. He may not acquire or take over any (AIRPORT,) restricted landing area, or other air navigation facility without the consent of the owner. He shall not acquire any additional state airports nor establish any additional state-owned airports. He may erect, equip, operate, and maintain on any airport buildings and equipment necessary and proper to (ESTABLISH,) maintain, and conduct such airport and air navigation facilities connected therewith. He shall not expend money for land acquisition, or for the construction, improvement, or maintenance of airports, or for air navigation facilities for an airport, unless the governmental unit involved has or is establishing a zoning authority for that airport, and the authority has made a good faith showing that it is in the process of and will complete with due diligence, an airport zoning ordinance in accordance with sections 360.061 to 360.074. Notwithstanding the foregoing prohibition, the commissioner may continue to maintain the state owned airport at Pine Creek.*

Sec. 101. Minnesota Statutes 1980, Section 360.021, Subdivision 2, is amended to read:

Subd. 2. [AIRPORT PROTECTION PRIVILEGES.] Where necessary in order to provide unobstructed air space for the landing and taking off of aircraft utilizing airports and restricted landing areas acquired or operated under the provisions of sections 360.011 to 360.076, he is hereby granted authority to acquire, in the same manner as is provided for the acquisition of property for airport purposes, easements through or other interests in air space over land or water, interests in airport hazards outside the boundaries of the airports or restricted landing areas, and such other airport protection privileges as are necessary to insure safe approaches to the landing areas of said airports and restricted landing areas, and the safe and efficient operation thereof. He is also hereby authorized to acquire, in the same manner, the right of easement, for a term of years or perpetually, to place or maintain suitable marks for the daytime marking and suitable lights for the nighttime marking of airport hazards, including the right of ingress and egress to or from such airport hazards for the purpose of maintaining and repairing such lights and marks. This authority shall not be so construed as to limit

the right, power, or authority of the state or any municipality to zone property adjacent to any airport or restricted landing area pursuant to any law of this state. *The commissioner shall make maximum use of zoning and easements to eliminate runway and other potential airport hazards rather than land acquisition in fee.*

Sec. 102. Minnesota Statutes 1980, Section 360.305, is amended by adding a subdivision to read:

Subd. 6. [ZONING REQUIRED.] The commissioner shall not expend money for land acquisition, or for the construction, improvement, or maintenance of airports, or for air navigation facilities for an airport, unless the governmental unit involved has or is establishing a zoning authority for that airport, and the authority has made a good faith showing that it is in the process of and will complete with due diligence, an airport zoning ordinance in accordance with sections 360.061 to 360.074. The commissioner shall make maximum use of zoning and easements to eliminate runway and other potential airport hazards rather than land acquisition in fee.

Sec. 103. Minnesota Statutes 1980, Section 360.305, is amended by adding a subdivision to read:

Subd. 7. [REIMBURSEMENTS.] Reimbursements from municipalities for striping runways shall be deposited in the state airport fund.

Sec. 104. Minnesota Statutes 1980, Section 388.14, is amended to read:

388.14 [CONTINGENT FUND; EXPENSES.]

The county board may set apart yearly a sum, not exceeding (\$3,000) \$5,000, *except in counties containing cities of the first class, where the sum shall not exceed \$7,500*, as a contingent fund for defraying necessary expenses not especially provided for by law, in preparing and trying criminal cases, conducting investigations by the grand jury, *making contributions to a statewide county attorney's organization*, and paying the necessary expenses of the county attorney incurred in the business of the county. All disbursements from such fund shall be made upon written request of the county attorney by auditor's warrant, countersigned by a judge of the district court. Any balance remaining at the end of the year shall be transferred to the revenue fund.

Sec. 105. Minnesota Statutes 1980, Section 388.19, Subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is hereby created a county attorneys council hereinafter designated as the "council" to be composed of the county attorney from each of the 87 counties and the attorney general of the state of Minnesota. The members shall meet annually in November of each year and, commencing at the annual meeting in November 1973, shall elect a president, a president-elect, a secretary, and a treasurer, and such other officers and directors as the county attorneys council shall determine. Each of these officers shall hold office for a term of one year and until their successors are elected and qualified. The county attorneys council may adopt such rules as are necessary for the carrying out of its duties. A county attorney may designate in writing an assistant who may act in his stead in carrying out any function of the county attorneys council except serving as an officer. The county attorneys council may acquire and hold property, accept gifts, *grants, and contributions* and (EXPEND ANY SUCH SUMS SO RECEIVED. THE COUNTY ATTORNEYS COUNCIL) may charge fees *for services*, for seminars, workshops and publications it conducts and produces. *All receipts from these sources shall be deposited in one or more special accounts in the state treasury and are appropriated to the county attorneys council for carrying out the duties described in subdivision 4.*

Sec. 106. Minnesota Statutes 1980, Section 414.051, is amended to read:

414.051 [BOARD'S REVIEW OF TOWNSHIPS ACCORDING TO POPULATION.]

After each federal census the board (SHALL) *may* determine the townships which have a population in excess of 2,000 exclusive of any municipality or part of a municipality within the township and make recommendations which it deems necessary and reasonable to the board of any such township.

Sec. 107. Minnesota Statutes 1980, Section 462.16, is amended to read:

462.16 [POWER TO ENACT ORDINANCES FOR ENFORCEMENT OF RIGHTS GIVEN TO COUNCIL.]

The council shall have the power to enact ordinances for the enforcement of the rights which shall be acquired under sections 462.12 to 462.17, and to fix penalties for their violation, including a fine not exceeding \$100 or confinement in the city workhouse not exceeding 90 days. Violations of the ordinances may be prosecuted in the municipal court of the city. *Restricted residence districts created pursuant to sections 462.12 to 462.16 shall be subject to the provisions of section 541.023. In construing the scope and effect of a residence district restriction, equitable principles shall be utilized and the following shall be considered:*

the historic pattern of enforcement or non-enforcement; changed circumstances; the length of time during which current uses have been allowed to exist; the actual impact of current land uses; and detrimental reliance.

Sec. 108. Laws 1980, Chapter 534, Section 87, is amended to read:

Sec. 87. [EFFECTIVE DATE.]

This act is effective on July 1, (1981) *1983*.

Sec. 109. Laws 1980, Chapter 607, Article XIII, Section 2, Subdivision 3, is amended to read:

Subd. 3. The joint commission shall report its findings and recommendations to the legislature on or before January 1, (1982) *1984*. 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.

Sec. 110. Laws 1980, Chapter 607, Article XIII, Section 2, Subdivision 5, is amended to read:

Subd. 5. This section is repealed January 1, (1982) *1984*.

Sec. 111. [APPROVAL.]

The implementation of sections 109 and 110 shall be the responsibility of the St. Cloud area planning organization with the assistance of the regional development commission for region 7W, the metropolitan council, and the commissioner of transportation.

Sec. 112. [VARIANCES; TEMPORARY PROVISION.]

If an application by a city for a variance under Minnesota Statutes, Section 162.13, Subdivision 2 proceeds to a contested case hearing, no financial commitment by the state made to a city either before or after the entry of the decision by the hearing examiner shall be reduced in any manner. This section applies to all variances granted on or after January 1, 1981 and before June 1, 1981.

Sec. 113. [DIRECTION TO REVISOR.]

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "director of the office of consumer services" for the term "board of cosmetology" wherever that term appears.

Sec. 114. [REPEALER.]

Minnesota Statutes 1980, Chapter 458B is repealed, effective the day after final enactment pursuant to Minnesota Statutes, Section 645.023, Subdivision 1. This section applies to the governmental units and agencies named in chapter 458B, including the city of St. Paul and the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 115. [REPEALER.]

Minnesota Statutes 1980, Sections 155.01; 155.02; 155.03; 155.04; 155.05; 155.06; 155.08; 155.09; 155.11; 155.12; 155.13; 155.14; 155.15; 155.16; 155.17; 155.18; 155.19; 155.20; 155.205; 155.21; and 239.521, are repealed.

Sec. 116. [EFFECTIVE DATE.]

Section 27 is effective the day following final enactment. Section 51 and sections 53 to 56 are effective retroactively to November 15, 1980."

Delete the title and insert the following:

"A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; providing for the regulation of professional wrestling; imposing a tax on the gross receipts from admission to professional wrestling exhibitions, and on the gross receipts from the lease or sale of radio, motion picture and television rights therein; providing penalties; amending Minnesota Statutes 1980, Sections 12.14; 15.0412, Subdivision 4; 16A.128; 37.17, by adding a subdivision; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.125, Subdivision 1; 161.242, Subdivision 4; 162.09, Subdivision 4; 168.013, Subdivisions 1c and 1e and by adding a subdivision; 168.12, Subdivisions 1 and 2a; 168.27, Subdivisions 16 and 17; 168.33, Subdivision 7; 169.09, Subdivision 7; 169.451; 169.79; 169.974, Subdivision 2; 171.13, by adding a subdivision; 171.36; 173.25; 174.255, by adding a subdivision; 214.01, Subdivision 3; 214.06, Subdivision 1; 216B.16 by adding a subdivision; 216B.62, Subdivision 3 and by adding a subdivision; 237.075 by adding a subdivision; 237.295, Subdivision 2 and by adding a subdivision; 239.10; 239.52; 270.051, Subdivision 2; 297B.035, Subdivision 2; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402; 340.493, Subdivision 2; 340.62; 341.01; 341.02; 341.04; 341.05; 341.07; 341.08; 341.09; 341.10; 341.12; 341.13; 341.15; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; 414.051; 462.16; Laws 1980, Chapter 534, Section 87; and Chapter 607, Article XIII, Section 2, Subdivisions 3 and 5; proposing new law coded in Minnesota Statutes, Chapter 138; proposing new

law coded as Minnesota Statutes, Chapter 155A; repealing Minnesota Statutes 1980, Sections 155.01; 155.02; 155.03; 155.04; 155.05; 155.06; 155.08; 155.09; 155.11; 155.12; 155.13; 155.14; 155.15; 155.16; 155.17; 155.18; 155.19; 155.20; 155.205; 155.21; and 239.521."

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

House Conferees: GLEN H. ANDERSON, C. THOMAS OSTHOFF, JAMES P. METZEN, MERLYN O. VALAN and LYLE G. MEHRKENS.

Senate Conferees: MARION (MIKE) MENNING, CLARENCE M. PURFEERST, EARL W. RENNEKE, PETER P. STUMPF and GEORGE S. PILLSBURY.

Anderson, G., moved that the report of the Conference Committee on H. F. No. 1434 be adopted and that the bill be repassed as amended by the Conference Committee.

Hoberg moved that the House refuse to adopt the Conference Committee report on H. F. No. 1434, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Fjoslien | Kelly | Ogren | Simoneau |
| Ainley | Forsythe | Knickerbocker | Olsen | Skoglund |
| Anderson, B. | Friedrich | Kostohryz | Onnen | Stadum |
| Anderson, G. | Greenfield | Kvam | Osthoff | Staten |
| Anderson, I. | Gruenes | Laidig | Otis | Stowell |
| Battaglia | Gustafson | Lemen | Peterson, B. | Swiggum |
| Begich | Halberg | Levi | Peterson, D. | Swanson |
| Berkelman | Hanson | Long | Piepho | Tomlinson |
| Blatz | Harens | Ludeman | Pogemiller | Valan |
| Brandl | Hauge | Luknic | Redalen | Valento |
| Brinkman | Haukoos | Mann | Reding | Vanasek |
| Byrne | Heap | Marsh | Rees | Vellenga |
| Carlson, D. | Heinritz | McDonald | Reif | Voss |
| Carlson, L. | Himle | McEachern | Rodriguez, F. | Weaver |
| Clawson | Hoberg | Mehrkens | Rose | Welker |
| Dahlvang | Hokanson | Metzen | Rothenberg | Wenzel |
| Dean | Hokr | Minne | Samuelson | Wieser |
| Dempsey | Jacobs | Munger | Sarna | Wigley |
| Den Ouden | Jennings | Murphy | Schafer | Wynia |
| Eken | Johnson, C. | Nelsen, B. | Schoenfeld | Zubay |
| Ellingson | Johnson, D. | Nelson, K. | Schreiber | Spkr. Sieben, H. |
| Erickson | Jude | Niehaus | Searles | |
| Esau | Kahn | Novak | Shea | |
| Evans | Kaley | Nysether | Sherman | |
| Ewald | Kalis | O'Connor | Sieben, M. | |

Anderson, G., moved that further proceedings of the roll call be dispensed with and that the Sargeant at Arms be in-

structed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Hoberg motion and the roll was called.

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

There were 49 yeas and 79 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-----------|---------------|--------------|---------|
| Aasness | Forsythe | Kaley | Olsen | Searles |
| Ainley | Friedrich | Knickerbocker | Onnen | Sherman |
| Anderson, R. | Halberg | Kvam | Peterson, B. | Stowell |
| Blatz | Haukoos | Lemen | Redalen | Sviggum |
| Carlson, D. | Heap | Levi | Rees | Valento |
| Dean | Heinitz | Ludeman | Reif | Weaver |
| Den Ouden | Himle | McDonald | Rose | Welker |
| Eken | Hoberg | Nelsen, B. | Rothenberg | Wigley |
| Evans | Hokr | Niehaus | Schafer | Zubay |
| Fjoslien | Jennings | Nysether | Schreiber | |

Those who voted in the negative were :

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Erickson | Kostohryz | O'Connor | Sieben, M. |
| Anderson, G. | Esau | Laidig | Ogren | Simoneau |
| Anderson, I. | Ewald | Long | Osthoff | Skoglund |
| Battaglia | Greenfield | Luknic | Otis | Stadum |
| Begich | Gruenes | Mann | Peterson, D. | Staten |
| Berkelman | Hanson | Marsh | Piepho | Swanson |
| Brandl | Harens | McCarron | Pogemiller | Valan |
| Brinkman | Hauge | McEachern | Reding | Vanasek |
| Byrne | Hokanson | Mehrkens | Rice | Vellenga |
| Carlson, L. | Jacobs | Metzen | Rodriguez, C. | Voss |
| Clark, J. | Johnson, C. | Minne | Rodriguez, F. | Welch |
| Clawson | Johnson, D. | Munger | Samuelson | Wenzel |
| Dahlvang | Jude | Murphy | Sarna | Wieser |
| Dempsey | Kahn | Nelson, K. | Schoenfeld | Wynia |
| Elioff | Kalis | Norton | Shea | Spkr. Sieben, H. |
| Ellingson | Kelly | Novak | Sherwood | |

The motion did not prevail.

The question recurred on the Anderson, G., motion that the report of the Conference Committee on H. F. No. 1434 be adopted and that the bill be re-passed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1434, A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; amending Minnesota Statutes 1980, Sections 12.14; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.242, Subdivision 4; 169.451; 173.25; 174.255, by adding a subdivision; 216B.62, Subdivision 3, and by adding a subdivision; 237.-295, Subdivision 2, and by adding a subdivision; 239.10; 239.52; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.402;

340.493, Subdivision 2; 340.62; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; and 414.051; proposing new law coded in Minnesota Statutes, Chapter 138.

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.

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

There were 100 yeas and 31 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Evans | Kelly | Norton | Shea |
| Anderson, G. | Ewald | Knickerbocker | Novak | Sieben, M. |
| Anderson, I. | Forsythe | Kostohryz | O'Connor | Simoneau |
| Battaglia | Greenfield | Laidig | Ogren | Skoglund |
| Begich | Gruenes | Lehto | Onnen | Stadum |
| Berkelman | Gustafson | Levi | Osthoff | Staten |
| Blatz | Halberg | Long | Otis | Stumpf |
| Brandl | Hanson | Luknie | Peterson, B. | Swanson |
| Byrne | Harens | Mann | Peterson, D. | Tomlinson |
| Carlson, D. | Hauge | Marsh | Piepho | Valan |
| Carlson, L. | Haukoos | McCarron | Pogemiller | Valento |
| Clark, J. | Heap | McEachern | Redalen | Vanasek |
| Clawson | Himle | Mehrkens | Reding | Vellenga |
| Dahlvang | Hokanson | Metzen | Reif | Voss |
| Dean | Jacobs | Minne | Rice | Weaver |
| Dempsey | Johnson, C. | Munger | Rodriguez, C. | Welch |
| Eken | Johnson, D. | Murphy | Rodriguez, F. | Wenzel |
| Elioff | Jude | Nelsen, B. | Samuelson | Wieser |
| Ellingson | Kahn | Nelson, K. | Sarna | Wynia |
| Erickson | Kalis | Niehaus | Schoenfeld | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|----------|------------|--------|
| Aasness | Friedrich | Lemen | Rothenberg | Welker |
| Ainley | Heinitz | Ludeman | Schafer | Wigley |
| Anderson, R. | Hoberg | McDonald | Schreiber | Zubay |
| Brinkman | Hokr | Nysether | Searles | |
| Den Ouden | Jennings | Olsen | Sherman | |
| Esau | Kaley | Rees | Stowell | |
| Fjoslien | Kvam | Rose | Sviggum | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 396

A bill for an act relating to the military; requiring the adjutant general to furnish an American flag upon request of the person disposing of the remains of a deceased person who served six years or more in the Minnesota national guard; proposing new law coded in Minnesota Statutes, Chapter 192.

April 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 396, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: DAVID M. JENNINGS, GLEN H. ANDERSON and RICHARD J. KOSTOHRYZ.

Senate Conferees: ROBERT J. SCHMITZ, GLEN TAYLOR and FLORIAN CHMIELEWSKI.

Jennings moved that the report of the Conference Committee on H. F. No. 396 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 396, A bill for an act relating to the military; requiring the adjutant general to furnish an American flag upon request of the person disposing of the remains of a deceased person who served six years or more in the Minnesota national guard; proposing new law coded in Minnesota Statutes, Chapter 192.

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.

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

There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-------------|-----------|------------|
| Aasness | Begich | Carlson, L. | Elioff | Forsythe |
| Ainley | Berkelman | Clark, J. | Ellingson | Friedrich |
| Anderson, B. | Blatz | Clawson | Erickson | Greenfield |
| Anderson, G. | Brandl | Dahlvang | Esau | Gruenes |
| Anderson, I. | Brinkman | Dean | Evans | Gustafson |
| Anderson, R. | Byrne | Dempsey | Ewald | Halberg |
| Battaglia | Carlson, D. | Den Ouden | Fjoslien | Hanson |

| | | | | |
|---------------|-----------|--------------|---------------|------------------|
| Harens | Kostohryz | Nelsen, B. | Rice | Tomlinson |
| Hauge | Kvam | Nelson, K. | Rodriguez, C. | Valan |
| Haukoos | Laidig | Niehaus | Rodriguez, F. | Valento |
| Heap | Lehto | Norton | Rose | Vanasek |
| Heinitz | Lemen | Novak | Rothenberg | Vellenga |
| Himle | Levi | Nysether | Sarna | Voss |
| Hoberg | Long | O'Connor | Schafer | Weaver |
| Hokanson | Ludeman | Ogren | Schoenfeld | Welch |
| Hokr | Luknic | Olsen | Schreiber | Welker |
| Jacobs | Mann | Onnen | Searles | Wenzel |
| Jennings | Marsh | Osthoff | Sherman | Wieser |
| Johnson, C. | McCarron | Otis | Simoneau | Wigley |
| Johnson, D. | McDonald | Peterson, B. | Skoglund | Wynia |
| Jude | McEachern | Piepho | Stadium | Zubay |
| Kahn | Mehrkens | Pogemiller | Staten | Spkr. Sieben, H. |
| Kaley | Metzen | Redalen | Stowell | |
| Kalis | Minne | Reding | Stumpf | |
| Kelly | Munger | Rees | Sviggum | |
| Knickerbocker | Murphy | Reif | Swanson | |

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

CALL OF THE HOUSE LIFTED

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

MOTION FOR RECONSIDERATION

Weaver moved that the vote whereby S. F. No. 513, as amended, was not passed on Special Orders on Thursday, May 14, 1981, be now reconsidered. The motion prevailed.

S. F. No. 513, as amended, was reported to the House.

CALL OF THE HOUSE

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

| | | | | |
|--------------|------------|---------------|------------|---------------|
| Aasness | Eken | Heinitz | Lehto | Norton |
| Ainley | Elioff | Himle | Lemen | Novak |
| Anderson, B. | Ellingson | Hoberg | Levi | Nysether |
| Anderson, G. | Erickson | Hokanson | Long | O'Connor |
| Battaglia | Esau | Hokr | Ludeman | Ogren |
| Begich | Evans | Jacobs | Luknic | Olsen |
| Berkelman | Ewald | Jennings | Mann | Onnen |
| Blatz | Fjoslien | Johnson, C. | Marsh | Otis |
| Brandl | Forsythe | Johnson, D. | McCarron | Peterson, B. |
| Brinkman | Friedrich | Jude | McDonald | Piepho |
| Byrne | Greenfield | Kahn | McEachern | Pogemiller |
| Carlson, D. | Gruenes | Kaley | Mehrkens | Redalen |
| Carlson, L. | Gustafson | Kalis | Metzen | Reding |
| Clark, J. | Halberg | Kelly | Munger | Rees |
| Clawson | Hanson | Knickerbocker | Murphy | Reif |
| Dahlvang | Harens | Kostohryz | Nelsen, B. | Rodriguez, C. |
| Dempsey | Haukoos | Kvam | Nelson, K. | Rodriguez, F. |
| Den Ouden | Heap | Laidig | Niehaus | Rose |

| | | | | |
|------------|------------|-----------|--------|------------------|
| Rothenberg | Sherman | Sviggum | Voss | Wynia |
| Sarna | Sherwood | Swanson | Weaver | Zubay |
| Schafer | Sieben, M. | Tomlinson | Welch | Spkr. Sieben, H. |
| Schoenfeld | Skoglund | Valan | Welker | |
| Schreiber | Stadum | Valento | Wenzel | |
| Searles | Staten | Vanasek | Wieser | |
| Shea | Stowell | Vellenga | Wigley | |

Peterson, B., 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.

Eken moved that the action whereby S. F. No. 513 was given its third reading, as amended, be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Eken motion and the roll was called.

Carlson, D., moved that those not voting be excused from voting. The motion prevailed.

There were 67 yeas and 66 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Ellingson | Long | Otis | Staten |
| Anderson, I. | Greenfield | Mann | Peterson, D. | Stumpf |
| Battaglia | Gustafson | McCarron | Pogemiller | Swanson |
| Begich | Hanson | McEachern | Reding | Tomlinson |
| Berkelman | Harens | Metzen | Rice | Vanasek |
| Brandl | Hauge | Minne | Rodriguez, C. | Vellenga |
| Byrne | Hokanson | Munger | Rodriguez, F. | Voss |
| Carlson, L. | Jacobs | Murphy | Samuelson | Welch |
| Clark, J. | Johnson, C. | Nelson, K. | Sarna | Wenzel |
| Clark, K. | Jude | Norton | Schoenfeld | Wynia |
| Clawson | Kahn | Novak | Shea | Spkr. Sieben, H. |
| Dahlvang | Kalis | O'Connor | Sieben, M. | |
| Eken | Kelly | Ogren | Simoneau | |
| Elioff | Lehto | Osthoff | Skoglund | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|---------|
| Aasness | Ewald | Kaley | Olsen | Stadum |
| Ainley | Fjoslien | Knickerbocker | Onnen | Stowell |
| Anderson, B. | Forsythe | Kvam | Peterson, B. | Sviggum |
| Anderson, R. | Friedrich | Laidig | Piepho | Valan |
| Blatz | Gruenes | Lemen | Redalen | Valento |
| Brinkman | Halberg | Levi | Rees | Weaver |
| Carlson, D. | Haukoos | Ludeman | Reif | Welker |
| Dean | Heap | Luknic | Rose | Wieser |
| Dempsey | Heintz | Marsh | Rothenberg | Wigley |
| Den Ouden | Himle | McDonald | Schafer | Zubay |
| Drew | Hoberg | Mehrkens | Schreiber | |
| Erickson | Hokr | Nelsen, B. | Searles | |
| Esau | Jennings | Niehaus | Sherman | |
| Evans | Johnson, D. | Nysether | Sherwood | |

The motion prevailed.

Vellenga moved to amend S. F. No. 513, as amended on Thursday, May 14, 1981, the unofficial engrossment, as follows:

Page 1, line 18, delete "1-1/2" and reinstate the stricken language

Page 1, line 20, before the semicolon insert "*up to an amount not exceeding \$200; a periodic rate of finance charge which does not exceed one and one half percent per month may be imposed on that portion of the average daily balance in excess of \$200 during each monthly billing cycle,*"

A roll call was requested and properly seconded.

Hanson moved that S. F. No. 513, as amended, be re-referred to the Committee on Financial Institutions and Insurance.

A roll call was requested and properly seconded.

The question was taken on the Hanson motion and the roll was called.

Eken 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:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, G. | Ellingson | Mann | Otis | Swanson |
| Anderson, I. | Greenfield | McCarron | Peterson, D. | Tomlinson |
| Battaglia | Gustafson | McEachern | Pogemiller | Vanasek |
| Begich | Hanson | Metzen | Reding | Vellenga |
| Brandl | Harens | Minne | Rice | Voss |
| Byrne | Hokanson | Munger | Rodriguez, F. | Welch |
| Carlson, L. | Jacobs | Murphy | Sarna | Wenzel |
| Clark, J. | Jude | Nelson, K. | Shea | Wynia |
| Clark, K. | Kahn | Norton | Sieben, M. | Spkr. Sieben, H. |
| Clawson | Kalis | Novak | Simoneau | |
| Dahlvang | Kelly | O'Connor | Skoglund | |
| Eken | Kostohryz | Ogren | Staten | |
| Elioff | Lehto | Osthoff | Stumpf | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------|---------------|------------|
| Aasness | Dempsey | Gruenes | Jennings | Ludeman |
| Ainley | Den Ouden | Halberg | Johnson, C. | Luknic |
| Anderson, B. | Erickson | Hauge | Johnson, D. | Marsh |
| Anderson, R. | Esau | Haukoos | Kaley | McDonald |
| Berkelman | Evans | Heap | Knickerbocker | Mehrkens |
| Blatz | Ewald | Heinitz | Kvam | Nelsen, B. |
| Brinkman | Fjoslien | Himle | Laidig | Niehaus |
| Carlson, D. | Forsythe | Hoberg | Lemen | Nysether |
| Dean | Friedrich | Hokr | Levi | Olsen |

| | | | | |
|--------------|---------------|------------|---------|--------|
| Onnen | Reif | Schoenfeld | Stadum | Weaver |
| Peterson, B. | Rodriguez, C. | Schreiber | Stowell | Welker |
| Piepho | Rose | Searles | Sviggum | Wieser |
| Redalen | Rothenberg | Sherman | Valan | Wigley |
| Rees | Schafer | Sherwood | Valento | Zubay |

The motion did not prevail.

The question recurred on the Vellenga amendment and the roll was called.

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

There were 62 yeas and 70 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Ellingson | Lehto | Osthoff | Staten |
| Anderson, I. | Greenfield | Long | Otis | Swanson |
| Battaglia | Gustafson | McCarron | Peterson, D. | Tomlinson |
| Begich | Hanson | McEachern | Pogemiller | Vanasek |
| Brandl | Harens | Metzen | Rice | Vellenga |
| Byrne | Hauge | Minne | Rodriguez, C. | Voss |
| Carlson, L. | Hokanson | Munger | Rodriguez, F. | Welch |
| Clark, J. | Jacobs | Murphy | Sarna | Wenzel |
| Clark, K. | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Clawson | Jude | Norton | Shea | Spkr. Sieben, H. |
| Dahlvang | Kahn | Novak | Sieben, M. | |
| Eken | Kelly | O'Connor | Simoneau | |
| Elioff | Kostohryz | Ogren | Skoglund | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Ewald | Kaley | Niehaus | Searles |
| Ainley | Fjoslien | Kalis | Nysether | Sherman |
| Anderson, B. | Forsythe | Knickerbocker | Olsen | Sherwood |
| Anderson, R. | Friedrich | Kvam | Onnen | Stadum |
| Berkelman | Gruenes | Laidig | Peterson, B. | Stowell |
| Blatz | Halberg | Lemen | Piepho | Stumpf |
| Brinkman | Haukoos | Levi | Redalen | Sviggum |
| Carlson, D. | Heap | Ludeman | Reding | Valan |
| Dean | Heinitz | Luknic | Rees | Valento |
| Dempsey | Himle | Mann | Reif | Weaver |
| Den Ouden | Hoberg | Marsh | Rose | Welker |
| Erickson | Hokr | McDonald | Rothenberg | Wieser |
| Esau | Jennings | Mehrkens | Schafer | Wigley |
| Evans | Johnson, D. | Nelsen, B. | Schreiber | Zubay |

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

Skoglund moved to amend S. F. No. 513, as amended on Thursday, May 14, 1981, the unofficial engrossment, as follows:

In the Friedrich amendment

Page 1, after line 22, insert:

"(c) No finance charge in excess of one and one third percent per month shall be imposed on an open end and consumer credit account by any seller whose Minnesota annual gross sales exceeds 25 million dollars."

A roll call was requested and properly seconded.

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

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

There were 68 yeas and 65 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Elioff | Lehto | Osthoff | Skoglund |
| Anderson, I. | Ellingson | Long | Otis | Staten |
| Battaglia | Greenfield | Mann | Peterson, D. | Stumpf |
| Begich | Gustafson | McCarron | Pogemiller | Swanson |
| Berkelman | Hanson | McEachern | Reding | Tomlinson |
| Brandl | Harens | Metzen | Rice | Vanasek |
| Byrne | Hauge | Minne | Rodriguez, C. | Vellenga |
| Carlson, D. | Hokanson | Munger | Rodriguez, F. | Voss |
| Carlson, L. | Jacobs | Murphy | Samuelson | Welch |
| Clark, J. | Johnson, C. | Nelson, K. | Sarna | Wenzel |
| Clark, K. | Jude | Norton | Schoenfeld | Wynia |
| Clawson | Kahn | Novak | Shea | Spkr. Sieben, H. |
| Dahlvang | Kelly | O'Connor | Sieben, M. | |
| Eken | Kostohryz | Ogren | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|--------------|----------|
| Aasness | Ewald | Johnson, D. | Niehaus | Searles |
| Ainley | Fjoslien | Kaley | Nysether | Sherman |
| Anderson, B. | Forsythe | Knickerbocker | Olsen | Sherwood |
| Anderson, R. | Friedrich | Kvam | Onnen | Stadum |
| Blatz | Gruenes | Laidig | Peterson, B. | Stowell |
| Brinkman | Halberg | Lemen | Piepho | Sviggum |
| Dean | Haukoos | Levi | Redalen | Valan |
| Dempsey | Heap | Ludeman | Rees | Valento |
| Den Ouden | Heinitz | Luknic | Reif | Weaver |
| Drew | Himle | Marsh | Rose | Welker |
| Erickson | Hoberg | McDonald | Rothenberg | Wieser |
| Esau | Hokr | Mehrkens | Schafer | Wigley |
| Evans | Jennings | Nelsen, B. | Schreiber | Zubay |

The motion prevailed and the amendment was adopted.

Norton moved to amend S. F. No. 513, as amended on Thursday, May 14, 1981, the unofficial engrossment, as follows:

Page 2, after line 33, insert:

"Sec. 6. [SUNSET OF SECTION 4.]

Section 4 is repealed effective June 30, 1982."

A roll call was requested and properly seconded.

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

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

There were 64 yeas and 67 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Ellingson | Lehto | Ogren | Skoglund |
| Anderson, I. | Greenfield | Long | Osthoff | Staten |
| Battaglia | Gustafson | Mann | Otis | Stowell |
| Begich | Hanson | McCarron | Peterson, D. | Swanson |
| Blatz | Harens | McEachern | Pogemiller | Tomlinson |
| Brandl | Hokanson | Metzen | Reding | Vanasek |
| Byrne | Jacobs | Minne | Rice | Vellenga |
| Carlson, L. | Johnson, C. | Munger | Rodriguez, F. | Voss |
| Clark, J. | Jude | Murphy | Samuelson | Welch |
| Clawson | Kahn | Nelson, K. | Sarna | Wenzel |
| Dahlvang | Kelly | Norton | Schoenfeld | Wynia |
| Eken | Kostohryz | Novak | Sieben, M. | Spkr. Sieben, H. |
| Elioff | Laidig | O'Connor | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Fjoslien | Kaley | Olsen | Sherwood |
| Ainley | Forsythe | Kalis | Onnen | Stadum |
| Anderson, B. | Friedrich | Knickerbocker | Peterson, B. | Stumpf |
| Anderson, R. | Gruenes | Kvam | Piepho | Sviggum |
| Berkelman | Halberg | Lemen | Redalen | Valan |
| Brinkman | Hauge | Levi | Rees | Valento |
| Carlson, D. | Haukoos | Ludeman | Reif | Weaver |
| Dean | Heap | Luknic | Rose | Welker |
| Dempsey | Heinitz | Marsh | Rothenberg | Wieser |
| Den Ouden | Himle | McDonald | Schafer | Wigley |
| Erickson | Hoberg | Mehrkens | Schreiber | Zubay |
| Esau | Hokr | Nelsen, B. | Searles | |
| Evans | Jennings | Niehaus | Shea | |
| Ewald | Johnson, D. | Nyseether | Sherman | |

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

S. F. No. 513, A bill for an act relating to interest; clarifying the usury exemption on certain loans; increasing rates of interest on loans for business and agricultural transactions and loans made by agricultural credit corporations; removing certain deficiencies and ambiguities; amending Minnesota Statutes 1980, Sections 334.01, Subdivision 2; 334.011, Subdivision 1; and 334.061.

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.

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

There were 75 yeas and 58 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Fjoslien | Kaley | Nysether | Shea |
| Ainley | Forsythe | Kalis | Olsen | Sherman |
| Anderson, B. | Friedrich | Knickerbocker | Onnen | Sherwood |
| Anderson, R. | Gruenes | Kvam | Peterson, B. | Stadum |
| Berkelman | Halberg | Laidig | Piepho | Stowell |
| Brinkman | Hauge | Lehto | Redalen | Stumpf |
| Carlson, D. | Haukoos | Levi | Reding | Sviggum |
| Dean | Heap | Long | Rees | Valan |
| Dempsey | Heinitz | Ludeman | Reif | Valento |
| Den Ouden | Himle | Luknic | Rose | Vanasek |
| Drew | Hoberg | Marsh | Rothenberg | Welker |
| Erickson | Hokr | McDonald | Schafer | Wenzel |
| Esau | Jennings | Mehrkens | Schoenfeld | Wieser |
| Evans | Johnson, C. | Nelsen, B. | Schreiber | Wigley |
| Ewald | Johnson, D. | Niehaus | Searles | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|------------|------------|---------------|------------------|
| Anderson, G. | Eken | Kostohryz | O'Connor | Simoneau |
| Anderson, I. | Elioff | Lemen | Ogren | Skoglund |
| Battaglia | Ellingson | Mann | Osthoff | Staten |
| Begich | Greenfield | McCarron | Otis | Swanson |
| Blatz | Gustafson | McEachern | Peterson, D. | Vellenga |
| Brandl | Hanson | Metzen | Pogemiller | Voss |
| Byrne | Harens | Minne | Rice | Weaver |
| Carlson, L. | Hokanson | Munger | Rodriguez, C. | Welch |
| Clark, J. | Jacobs | Murphy | Rodriguez, F. | Wynia |
| Clark, K. | Jude | Nelson, K. | Samuelson | Spkr. Sieben, H. |
| Clawson | Kahn | Norton | Sarna | |
| Dahlvang | Kelly | Novak | Sieben, M. | |

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

CALL OF THE HOUSE LIFTED

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

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of S. F. No. 120, H. F. No. 546 and S. F. No. 132.

S. F. No. 120 was reported to the House.

The Speaker called Wynia to the Chair.

Ellingson moved to amend S. F. No. 120 as follows:

Page 6, line 23, after "301" insert "*and that was incorporated*"

Page 7, line 22, delete "JULY 1, 1983" and insert "JANUARY 1, 1984"

Page 7, line 23, delete "*June 30, 1983*" and insert "*December 31, 1983*"

Page 7, line 30, delete "JULY 1, 1983" and insert "JANUARY 1, 1984"

Page 7, lines 30 to 31, delete "*July 1, 1983*" and insert "*January 1, 1984*"

Page 7, line 36, delete "*July 1, 1983*" and insert "*January 1, 1984*"

Page 8, lines 2 and 9, delete "*July 1, 1983*" and insert "*January 1, 1984*"

Page 9, line 4, delete "*July 1, 1983*" and insert "*January 1, 1984*"

Page 9, line 5, delete "JULY 1, 1983" and insert "JANUARY 1, 1984"

Page 9, line 6, delete "*July 1, 1983*" and insert "*January 1, 1984*"

Page 24, line 26, after the semicolon, insert "*and*"

Page 24, line 27, delete everything after "*animals*" and insert a period

Page 24, delete lines 28 to 34

Re-number the subdivisions in sequence

Page 37, line 8, delete everything after the period

Page 37, delete lines 9 to 12

Page 37, line 13, delete everything before the period and insert "*The good faith determinations of the committee are binding upon the corporation and its directors, officers, and shareholders*"

Page 65, delete lines 23 to 36

Page 66, delete lines 1 to 7

Page 66, line 8, delete "corporation" and insert "(b) A shareholder, beneficial owner, or a holder of a voting trust certificate has a right, upon written demand, to examine and copy, in person or by a legal representative, other corporate records at any reasonable time only if the shareholder, beneficial owner, or holder of a voting trust certificate demonstrates a proper purpose for the examination"

Page 74, after line 12, insert:

"Subd. 3. [BANKING AUTHORITY NOT GRANTED.] This section does not grant any authority to act as a bank or to carry on the business of banking."

Page 97, after line 13, insert:

"Subd. 2. [MANDATORY BUY-OUT.] In a case under subdivision 1, clause (b), involving a corporation having 25 or fewer shareholders, upon motion of a corporation, or of a shareholder or beneficial owner of shares of the corporation, a court of competent jurisdiction may order the sale by a plaintiff or a defendant of all shares of the corporation held by the plaintiff or defendant to either the corporation or the moving shareholders, whichever is specified in the motion, if the court determines in its discretion that an order would be fair and equitable to all parties under all of the circumstances of the case.

The purchase price of any shares so sold shall be the fair value of the shares as of the date of the commencement of the action or as of another date found equitable by the court.

Within five days after the entry of the order, the corporation shall provide each selling shareholder or beneficial owner with the information it is required to provide under section 81, subdivision 5, paragraph (a).

If the parties are unable to agree on fair value within 40 days of entry of the order, the court shall determine the fair value of the shares under the provisions of section 81, subdivision 6, and may allow interest or costs as provided in section 81, subdivisions 1 and 8.

The purchase price shall be paid in one or more installments as agreed on by the parties, or, if no agreement can be reached, as ordered by the court. Upon entry of an order for the sale of shares under this subdivision and provided that the corporation or the moving shareholders post a bond in adequate amount with sufficient sureties or otherwise satisfy the court that the full

purchase price of the shares, plus such additional costs, expenses, and fees as may be awarded, will be paid when due and payable, the selling shareholders shall no longer have any rights or status as shareholders, officers, or directors, except the right to receive the fair value of their shares plus such other amounts as might be awarded."

Renumber the subdivisions in sequence

Page 103, line 33, delete "ANNUAL REPORT" and insert "CORPORATE REGISTRATION"

Page 120, after line 9, insert: "*Additional approved complement —.5*"

Page 120, line 13, delete "*July 1, 1983*" and insert "*January 1, 1984*"

Amend the title as follows:

Page 1, line 3, after "corporations;" insert "providing penalties;"

The motion prevailed and the amendment was adopted.

S. F. No. 120, A bill for an act relating to corporations; modernizing and improving provisions governing business corporations; appropriating money; amending Minnesota Statutes 1980, Sections 53.01; 290.61; 303.05, Subdivision 1; 308.341; 319A.03; 319A.05; 319A.12, Subdivisions 1a and 2; 319A.20; 333.055, Subdivision 4; 333.19, Subdivision 1; 367.42, Subdivision 1; 462.601; and 462.605; proposing new law coded in Minnesota Statutes, Chapters 300, 302A, and 316; repealing Minnesota Statutes 1980, Sections 300.082 and 301.01 to 301.67.

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 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-----------|---------------|
| Aasness | Byrne | Eken | Gustafson | Jennings |
| Anderson, B. | Carlson, D. | Elioff | Halberg | Johnson, C. |
| Anderson, G. | Carlson, L. | Ellingson | Hanson | Johnson, D. |
| Anderson, I. | Clark, J. | Erickson | Hauge | Jude |
| Battaglia | Clawson | Esau | Haukoos | Kahn |
| Begich | Dahlvang | Evans | Heap | Kaley |
| Berkelman | Dean | Fjoslien | Himle | Kalis |
| Blatz | Dempsey | Forsythe | Hoberg | Kelly |
| Brandl | Den Ouden | Greenfield | Hokanson | Knickerbocker |
| Brinkman | Drew | Gruenes | Jacobs | Kostohryz |

| | | | | |
|-----------|--------------|---------------|------------|------------------|
| Kvam | Murphy | Piepho | Schreiber | Vellenga |
| Laidig | Nelsen, B. | Pogemiller | Shea | Voss |
| Lehto | Nelson, K. | Redalen | Sherman | Weaver |
| Lemen | Niehaus | Reding | Sherwood | Welch |
| Long | Norton | Rees | Sieben, M. | Welker |
| Luknic | Novak | Reif | Simoneau | Wenzel |
| Mann | Nysether | Rice | Skoglund | Wieser |
| Marsh | O'Connor | Rodriguez, C. | Stadum | Wigley |
| McCarron | Ogren | Rodriguez, F. | Staten | Wynia |
| McDonald | Olsen | Rose | Stowell | Zubay |
| McEachern | Onnen | Rothenberg | Sviggum | Spkr. Sieben, H. |
| Mehrkens | Osthoff | Samuelson | Swanson | |
| Metzen | Otis | Sarna | Valan | |
| Minne | Peterson, B. | Schafer | Valento | |
| Munger | Peterson, D. | Schoenfeld | Vanasek | |

Those who voted in the negative were:

Ainley Anderson, R.

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

H. F. No. 546 was reported to the House.

Rees moved to amend H. F. No. 546, as follows:

Page 2, line 33, delete "(1)" and insert "(a)"

Page 2, line 35, delete "(2)" and insert "(b)"

Page 2, line 36, delete "(3)" and insert "(c)"

Page 3, line 1, delete "(4)" and insert "(d)"

Page 3, line 7, delete "(1)" and insert "(a)"

Page 3, line 9, delete "(2)" and insert "(b)"

Page 3, line 12, delete "(3)" and insert "(c)"

Page 3, line 14, delete "(4)" and insert "(d)"

Page 3, line 18, delete "(5)" and insert "(e)"

Page 5, line 29, delete "(1)(a)" and insert "(a)(1)"

Page 6, line 19, delete "(b)" and insert "(2)"

Page 6, line 24, delete "(2)" and insert "(b)"

Page 7, line 10, delete "(1)" and insert "(a)"

Page 7, line 21, delete "(2)" and insert "(b)"

Page 7, line 25, delete "(3)" and insert "(c)"

Page 7, line 29, delete "(4)" and insert "(d)"

Page 10, line 26, delete "provided in" and insert "required by"

The motion prevailed and the amendment was adopted.

H. F. No. 546, A bill for an act relating to insurance; extending the insurance division revolving fund; providing for a program of continuing education; establishing a continuing insurance education advisory committee; authorizing the commissioner of insurance to promulgate rules to implement the program; requiring certain disclosures on credit insurance policies and application; amending Minnesota Statutes 1980, Sections 60A.03, Subdivision 6; and 62B.06, Subdivisions 2, 3 and 4; and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 60A.

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 10 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kaley | Novak | Schreiber |
| Anderson, B. | Erickson | Kalis | O'Connor | Searles |
| Anderson, G. | Evans | Kelly | Ogren | Shea |
| Anderson, I. | Fjostien | Knickerbocker | Olsen | Sherman |
| Anderson, R. | Forsythe | Kostohryz | Onnen | Sherwood |
| Battaglia | Friedrich | Kvam | Osthoff | Sieben, M. |
| Begich | Greenfield | Laidig | Otis | Simoneau |
| Berkelman | Gruenes | Lehto | Peterson, B. | Skoglund |
| Blatz | Halberg | Lemen | Peterson, D. | Stadum |
| Brandl | Hanson | Long | Piepho | Staten |
| Brinkman | Harens | Luknic | Pogemiller | Stowell |
| Byrne | Hauge | Mann | Redalen | Sviggum |
| Carlson, D. | Haukoos | Marsh | Reding | Swanson |
| Carlson, L. | Heap | McCarron | Rees | Valan |
| Clark, J. | Heinitz | McEachern | Reif | Vanasek |
| Clawson | Himle | Mehrkens | Rice | Vellenga |
| Dahlvang | Hoberg | Metzen | Rodriguez, C. | Voss |
| Dean | Hokanson | Minne | Rodriguez, F. | Weaver |
| Dempsey | Jacobs | Munger | Rose | Welch |
| Den Ouden | Johnson, C. | Murphy | Rothenberg | Wenzel |
| Drew | Johnson, D. | Nelson, K. | Samuelson | Wynia |
| Eken | Jude | Niehaus | Sarna | Zubay |
| Elioff | Kahn | Norton | Schoenfeld | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|----------|------------|---------|--------|
| Esau | Jennings | Nelsen, B. | Schafer | Welker |
| Gustafson | Ludeman | Nysether | Valento | Wieser |

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

S. F. No. 132, A bill for an act relating to retirement; Duluth teachers retirement fund association; authorizing an increase in retirement allowances and benefits for certain teachers; establishing a new coordinated retirement program within the retirement fund association; amending Minnesota Statutes 1980, Sections 354A.011, Subdivision 11; 354A.092; 354A.093; 354A.12, Subdivision 1; 354A.24; 354A.32; 354A.39; and 354A.41.

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 | Esau | Kelly | Nysether | Shea |
| Anderson, B. | Evans | Knickerbocker | O'Connor | Sherman |
| Anderson, G. | Fjoslien | Kostohryz | Ogren | Sherwood |
| Anderson, I. | Friedrich | Kvam | Olsen | Sieben, M. |
| Anderson, R. | Greenfield | Laidig | Onnen | Simoneau |
| Battaglia | Gruenes | Lehto | Osthoff | Skoglund |
| Begich | Gustafson | Lemen | Otis | Stadum |
| Berkelman | Halberg | Long | Peterson, B. | Staten |
| Blatz | Hanson | Ludeman | Peterson, D. | Sviggum |
| Brandl | Hauge | Luknic | Piepho | Swanson |
| Brinkman | Haukoos | Mann | Pogemiller | Valan |
| Byrne | Heap | Marsh | Redalen | Valento |
| Carlson, D. | Heinitz | McCarron | Reding | Vanasek |
| Carlson, L. | Himle | McDonald | Rees | Vellenga |
| Clark, J. | Hoberg | McEachern | Reif | Voss |
| Clawson | Hokanson | Mehrkens | Rice | Weaver |
| Dahlvang | Hokr | Metzen | Rodriguez, C. | Welch |
| Dean | Jacobs | Minne | Rodriguez, F. | Welker |
| Dempsey | Jennings | Munger | Rose | Wenzel |
| Den Ouden | Johnson, C. | Murphy | Rothenberg | Wieser |
| Drew | Johnson, D. | Nelsen, B. | Sarna | Wigley |
| Eken | Jude | Nelson, K. | Schafer | Wynia |
| Elioff | Kahn | Niehaus | Schoenfeld | Zubay |
| Ellingson | Kaley | Norton | Schreiber | Spkr. Sieben, H. |
| Erickson | Kalis | Novak | Searles | |

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, I., requested immediate consideration of H. F. Nos. 315, 1210 and 1357.

H. F. No. 315, A bill for an act relating to taxation; real property; decreasing the classification ratio on apartments; amending Minnesota Statutes 1980, Section 273.13, Subdivision 19.

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 95 yeas and 26 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Ellingson | Kostohryz | Olsen | Sherman |
| Anderson, B. | Evans | Kvam | Onnen | Sherwood |
| Anderson, G. | Greenfield | Lehto | Osthoff | Sieben, M. |
| Anderson, I. | Gruenes | Lemen | Otis | Simoneau |
| Anderson, R. | Gustafson | Levi | Peterson, B. | Skoglund |
| Battaglia | Hanson | Long | Peterson, D. | Staten |
| Begich | Hauge | Mann | Piepho | Swanson |
| Berkelman | Heap | Marsh | Pogemiller | Valan |
| Blatz | Heinitz | McEachern | Redalen | Valento |
| Brandl | Himle | Mehrkens | Reding | Vanasek |
| Brinkman | Hokanson | Metzen | Rees | Vellenga |
| Carlson, L. | Hokr | Minne | Reif | Voss |
| Clark, J. | Jacobs | Munger | Rice | Weaver |
| Clawson | Johnson, C. | Murphy | Rodriguez, C. | Welch |
| Dahlvang | Jude | Nelson, K. | Rodriguez, F. | Wenzel |
| Dean | Kahn | Norton | Rothenberg | Wieser |
| Dempsey | Kaley | Novak | Sarna | Wynia |
| Eken | Kalis | O'Connor | Searles | Zubay |
| Elioff | Kelly | Ogren | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|---------------|------------|------------|--------|
| Ainley | Friedrich | Laidig | Rose | Welker |
| Den Ouden | Halberg | Ludeman | Schafer | Wigley |
| Drew | Haukoos | McDonald | Schoenfeld | |
| Erickson | Jennings | Nelsen, B. | Schreiber | |
| Esau | Johnson, D. | Niehaus | Stadum | |
| Fjoslien | Knickerbocker | Nysether | Stowell | |

The bill was passed and its title agreed to.

H. F. No. 1210, A bill for an act relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.974; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 290.971; 290.972; and 290.975.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-----------|-------------|
| Aasness | Byrne | Eken | Gruenes | Hokr |
| Anderson, B. | Carlson, D. | Elioff | Gustafson | Jacobs |
| Anderson, G. | Carlson, L. | Ellingson | Halberg | Jennings |
| Anderson, I. | Clark, J. | Erickson | Hanson | Johnson, C. |
| Battaglia | Clawson | Esau | Hauge | Johnson, D. |
| Begich | Dahlvang | Evans | Haukoos | Jude |
| Berkelman | Dean | Fjoslien | Heap | Kahn |
| Blatz | Dempsey | Forsythe | Himle | Kaley |
| Brandl | Den Ouden | Friedrich | Hoberg | Kalis |
| Brinkman | Drew | Greenfield | Hokanson | Kelly |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Knickerbocker | Minne | Peterson, B. | Schafer | Vanasek |
| Kostohryz | Munger | Peterson, D. | Schoenfeld | Vellenga |
| Kvam | Murphy | Piepho | Schreiber | Voss |
| Laidig | Nelsen, B. | Pogemiller | Sherman | Weaver |
| Lehto | Nelson, K. | Redalen | Sherwood | Welch |
| Lemen | Niehaus | Reding | Sieben, M. | Welker |
| Long | Norton | Rees | Simoneau | Wenzel |
| Luknic | Novak | Reif | Skoglund | Wieser |
| Mann | Nysether | Rice | Stadum | Wigley |
| Marsh | O'Connor | Rodriguez, C. | Staten | Wynia |
| McCarron | Ogren | Rodriguez, F. | Stowell | Zubay |
| McDonald | Olsen | Rose | Sviggum | Spkr. Sieben, H. |
| McEachern | Onnen | Rothenberg | Swanson | |
| Mehrkens | Osthoff | Samuelson | Valan | |
| Metzen | Otis | Sarna | Valento | |

The bill was passed and its title agreed to.

H. F. No. 1357, A bill for an act relating to the Mountain Iron joint recreation board; regulating its tax levy.

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 121 yeas and 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Fjoslien | Knickerbocker | Olsen | Sieben, M. |
| Anderson, B. | Forsythe | Kostohryz | Onnen | Simoneau |
| Anderson, G. | Friedrich | Kvam | Osthoff | Skoglund |
| Anderson, I. | Greenfield | Laidig | Otis | Stadum |
| Battaglia | Gruenes | Lehto | Peterson, B. | Staten |
| Begich | Gustafson | Lemen | Peterson, D. | Stowell |
| Berkelman | Halberg | Levi | Piepho | Sviggum |
| Blatz | Hanson | Long | Pogemiller | Swanson |
| Brandl | Harens | Luknic | Redalen | Valan |
| Brinkman | Hauge | Mann | Reding | Valento |
| Byrne | Haukoos | Marsh | Rees | Vanasek |
| Carlson, D. | Heap | McCarron | Reif | Vellenga |
| Carlson, L. | Heinitz | McDonald | Rice | Voss |
| Clark, J. | Himle | Mehrkens | Rodriguez, C. | Weaver |
| Clawson | Hoberg | Metzen | Rodriguez, F. | Welch |
| Dahlvang | Hokanson | Minne | Rose | Wenzel |
| Dean | Hokr | Munger | Rothenberg | Wieser |
| Dempsey | Jacobs | Murphy | Samuelson | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Sarna | Wynia |
| Eken | Johnson, D. | Nelson, K. | Schafer | Zubay |
| Elioff | Jude | Norton | Schoenfeld | Spkr. Sieben, H. |
| Ellingson | Kahn | Novak | Schreiber | |
| Esau | Kaley | Nysether | Searles | |
| Evans | Kalis | O'Connor | Sherman | |
| Ewald | Kelly | Ogren | Sherwood | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|---------|---------|--------|
| Den Ouden | Jennings | Ludeman | Niehaus | Welker |
| Erickson | | | | |

The bill was passed and its title agreed to.

CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Sieben, M., requested immediate consideration of S. F. No. 315.

S. F. No. 315 was reported to the House.

Osthoff moved to amend S. F. No. 315 as follows:

Delete everything after the enacting clause and insert:

“Section 1. [ADVISORY TASK FORCE ON EPILEPSY.]

Subdivision 1. [CREATION.] There is created in the legislative branch an advisory task force to study and report on the status of programs, services, and facilities for epileptic persons in Minnesota.

Subd. 2. [MEMBERSHIP.] The task force shall consist of three members of the house of representatives appointed by the speaker; three members of the senate appointed by the subcommittee on committees of the senate rules and administration committee; one member appointed by the council for the handicapped; and eight citizens appointed by the governor. The commissioners of education, health, public welfare, economic security, and insurance, or their designees shall act as ex-officio members. The persons appointed by the governor shall have an interest in the problems of epileptics and shall include representatives of medicine, law, education, organized labor, business, and social services organizations. At least five persons appointed by the governor shall have epilepsy or be the parent of a person with epilepsy. Members shall serve until the expiration date of this section or until the expiration of their legislative terms. The compensation of non-legislator members, their removal from office, and the filling of vacancies shall be as provided in Minnesota Statutes, Section 15.059, Subdivisions 3 and 4. The task force may hold meetings and hearings to accomplish its purposes and shall select from among its members a chairperson and any other appropriate officers.

Subd. 3. [DUTIES.] The task force shall study all matters related to persons with epilepsy in Minnesota, including their needs for private and public facilities and services, the nature of laws and rules related to them, and the availability of adequate public and private epilepsy prevention and control programs. The task force shall analyze the findings and recommendations of the national commission for the control of epilepsy and its consequences and shall report to the governor and the legislature by January 15, 1983, with specific findings and recommendations for implementing the ideas of the national report that are ap-

licable to this state. The task force may also include findings and recommendations unrelated to the national report if they are related to encouraging the development of coordinated public and private programs, services, and facilities for persons with epilepsy.

Subd. 4. [SPACE; SERVICES.] The legislative coordinating commission shall supply the task force with staff support, office space and administrative services. Staff and administrative support for the commission shall be provided by existing legislative service offices. The task force shall have the right to call upon and receive from state departments, agencies, and institutions any technical advice and service which is reasonably necessary to fulfill the purposes of the task force, subject to the restrictions of the data privacy act.

Subd. 5. [ACCEPTANCE OF GIFTS.] When any person, corporation, the United States government or any other entity offers funds to the task force by way of gift, grant or loan, for the purpose of assisting the task force to carry out its duties, the task force may accept the offer by majority vote and, upon acceptance, the chairperson shall receive the funds subject to the terms of the offer, but no money shall be accepted or received as a loan nor shall any indebtedness be incurred except in the manner and under the limitations otherwise provided by law.

Sec. 2. [REPEALER.]

Section 1 is repealed June 30, 1983.

Sec. 3. [APPROPRIATION.]

There is appropriated from the general fund to the legislative coordinating commission the sum of \$16,500 to pay expenses incurred by the task force. This appropriation is available until June 30, 1983."

The motion prevailed and the amendment was adopted.

Kahn and Osthoff moved to amend S. F. No. 315, as amended, as follows:

Page 3, after line 13, add:

"Upon the receipt of matching funds an additional sum of up to \$25,000 shall be appropriated from the general fund to pay expenses incurred by the task force. This appropriation is available until June 30, 1983."

The motion prevailed and the amendment was adopted.

S. F. No. 315, A bill for an act relating to health; establishing a state advisory task force on epilepsy; appropriating money.

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 10 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Evans | Kelly | Novak | Sherman |
| Anderson, G. | Ewald | Knickerbocker | Nysether | Sherwood |
| Anderson, I. | Fjoslien | Kostohryz | O'Connor | Sieben, M. |
| Anderson, R. | Forsythe | Kvam | Ogren | Simoneau |
| Battaglia | Greenfield | Laidig | Olsen | Skoglund |
| Begich | Gruenes | Lehto | Osthoff | Stadum |
| Berkelman | Gustafson | Lemen | Otis | Staten |
| Blatz | Halberg | Levi | Peterson, B. | Stowell |
| Brandt | Hanson | Long | Peterson, D. | Stumpf |
| Brinkman | Harens | Luknic | Piepho | Swanson |
| Byrne | Hauge | Mann | Pogemiller | Tomlinson |
| Carlson, D. | Haukoos | Marsh | Redalen | Valan |
| Carlson, L. | Heap | McCarron | Reding | Valento |
| Clark, J. | Heinitz | McDonald | Rees | Vanasek |
| Clark, K. | Himle | McEachern | Reif | Vellenga |
| Clawson | Hoberg | Mehrkens | Rice | Voss |
| Dahlvang | Hokanson | Metzen | Rodriguez, F. | Weaver |
| Dean | Hokr | Minne | Rose | Welch |
| Dempsey | Jacobs | Munger | Rothenberg | Wenzel |
| Drew | Johnson, C. | Murphy | Sarna | Wieser |
| Eken | Johnson, D. | Nelsen, B. | Schoenfeld | Wigley |
| Elioff | Jude | Nelson, K. | Schreiber | Wynia |
| Ellingson | Kahn | Niehaus | Searles | Zubay |
| Erickson | Kalis | Norton | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|---------|-----------|----------|-----------|---------|
| Aasness | Den Ouden | Jennings | Samuelson | Swiggum |
| Ainley | Esau | Ludeman | Schafer | Welker |

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

SPECIAL ORDERS

S. F. No. 17 was reported to the House.

Wynia moved to amend S. F. No. 17 as follows:

Page 3, line 15, after "*family*" insert "*living in the same household*"

The motion prevailed and the amendment was adopted.

S. F. No. 17, A bill for an act relating to witnesses; exempting parents and minors from testifying with respect to confidential

communications made by the minor to parent; amending Minnesota Statutes 1980, Section 595.02.

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 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Esau | Kostohryz | O'Connor | Sherman |
| Ainley | Evans | Kvam | Ogren | Sherwood |
| Anderson, B. | Fjoslien | Laidig | Olsen | Sieben, M. |
| Anderson, G. | Forsythe | Lehto | Onnen | Simoneau |
| Anderson, I. | Friedrich | Lemen | Osthoff | Skoglund |
| Anderson, R. | Greenfield | Levi | Otis | Stadum |
| Battaglia | Gruenes | Long | Peterson, D. | Staten |
| Begich | Halberg | Ludeman | Piepho | Stowell |
| Berkelman | Hanson | Luknic | Pogemiller | Stumpf |
| Blatz | Harens | Mann | Redalen | Sviggen |
| Brandl | Hauge | Marsh | Reding | Swanson |
| Brinkman | Haukoos | McCarron | Rees | Tomlinson |
| Byrne | Heap | McDonald | Reif | Valan |
| Carlson, D. | Heinitz | McEachern | Rice | Valento |
| Carlson, L. | Himle | Mehrkens | Rodriguez, C. | Vanasek |
| Clark, J. | Hoberg | Metzen | Rodriguez, F. | Vellenga |
| Clawson | Hokanson | Minne | Rose | Voss |
| Dahlvang | Jacobs | Munger | Rothenberg | Weaver |
| Dean | Jennings | Murphy | Samuelson | Welch |
| Dempsey | Johnson, C. | Nelsen, B. | Sarna | Welker |
| Den Ouden | Johnson, D. | Nelson, K. | Schafer | Wenzel |
| Drew | Jude | Niehaus | Schoenfeld | Wieser |
| Elioff | Kahn | Norton | Schreiber | Wynia |
| Ellingson | Kalis | Novak | Searles | Zubay |
| Erickson | Knickerbocker | Nysether | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

Kelly

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

H. F. No. 18 was reported to the House.

There being no objection H. F. No. 18 was continued one day.

S. F. No. 1126 was reported to the House.

Berkelman moved to amend S. F. No. 1126 as follows:

Page 2, line 10, delete "required under" and insert "of a qualified plan as prescribed by"

Page 2, line 10, before the comma insert "and the option of a number three qualified plan, a number two qualified plan, a

number one qualified plan as provided by section 62E.06, subdivisions 1 to 3"

Page 2, line 13, after the period insert "A policy providing reduced benefits at a reduced premium rate may be accepted by the former spouse in lieu of the optional coverage otherwise required by this subdivision. The individual policy shall be renewable at the option of the former spouse as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual policy shall apply to the former spouse's original age at entry, and shall apply equally to all similar policies issued by the insurer."

The motion prevailed and the amendment was adopted.

S. F. No. 1126, A bill for an act relating to insurance; providing for continued health and accident coverage for former spouses and children after dissolution of the marriage in certain circumstances; amending Minnesota Statutes 1980, Section 62A.21, Subdivision 3, and by adding subdivisions; repealing Minnesota Statutes 1980, Section 62A.21, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Aasness | Elioff | Jennings | Metzen | Reif |
| Ainley | Ellingson | Johnson, C. | Minne | Rice |
| Anderson, B. | Erickson | Johnson, D. | Munger | Rodriguez, C. |
| Anderson, G. | Esau | Jude | Murphy | Rodriguez, F. |
| Anderson, I. | Evans | Kahn | Nelsen, B. | Rose |
| Battaglia | Ewald | Kaley | Nelson, K. | Rothenberg |
| Begich | Fjoslien | Kalis | Niehaus | Sarna |
| Berkelman | Forsythe | Kelly | Norton | Schafer |
| Blatz | Friedrich | Knickerbocker | Novak | Schoenfeld |
| Brandl | Greenfield | Kostohryz | Nysether | Schreiber |
| Brinkman | Gruenes | Kvam | O'Connor | Searles |
| Byrne | Gustafson | Laidig | Ogren | Shea |
| Carlson, D. | Halberg | Lehto | Olsen | Sherman |
| Carlson, L. | Hanson | Lemen | Onnen | Sherwood |
| Clark, J. | Hauge | Long | Osthoff | Staten |
| Clark, K. | Haukoos | Ludeman | Otis | Simoneau |
| Clawson | Heap | Luknic | Peterson, B. | Skoglund |
| Dahlvang | Heinitz | Mann | Peterson, D. | Staten |
| Dean | Himle | Marsh | Piepho | Stowell |
| Dempsey | Hoberg | McCarron | Pogemiller | Stumpf |
| Den Ouden | Hokanson | McDonald | Redalen | Sviggum |
| Drew | Hokr | McEachern | Reding | Swanson |
| Eken | Jacobs | Mehrkens | Rees | Tomlinson |

Valan
Valento
Vanasek

Vellenga
Voss
Weaver

Welch
Welker
Wenzel

Wieser
Wynia
Zubay

Spkr. Sieben, H.

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

S. F. No. 830 was reported to the House.

Ellingson moved to amend S. F. No. 830, as follows:

Delete everything after the enacting clause and insert:

Section 1. Minnesota Statutes 1980, Section 550.37, Subdivision 4, is amended to read:

Subd. 4. (a) All wearing apparel, one watch, (HOUSEHOLD FURNITURE,) utensils, (HOUSEHOLD APPLIANCES, PHONOGRAPHS, RADIO AND TELEVISION RECEIVERS,) and foodstuffs of the debtor and his family (,); and (b) *household furniture, household appliances, phonographs, radio and television receivers of the debtor and his family, not exceeding (\$3,000) \$6,000* in value. The exemption provided by this subdivision may not be waived except with regard to purchase money security interests. Except for a pawnbroker's possessory lien, a nonpurchase money security interest in the property exempt under this subdivision is void.

Provided however, if a debtor has property of the type which would qualify for the exemption under *clause (b)* of this subdivision, of a value in excess of (\$3,000) \$6,000, an itemized list of the exempt property, together with the value of each item listed, shall be attached to the security agreement at the time a security interest is taken, and a creditor may take a nonpurchase money security interest in the excess over (\$3,000) \$6,000 by requiring the debtor to select his exemption in writing at the time the loan is made."

The motion prevailed and the amendment was adopted.

Ellingson moved to amend S. F. No. 830, as amended, as follows:

Page 1, lines 15 and 22, delete "\$6,000" and reinstate "\$3,000"

Page 2, line 1, reinstate "\$3,000"

Page 2, line 2, delete "\$6,000"

The motion prevailed and the amendment was adopted.

S. F. No. 830, A bill for an act relating to creditor's remedies; providing for an increase in the amount of household goods exemption; amending Minnesota Statutes 1980, Section 550.37, 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 94 yeas and 29 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Ellingson | Kelly | Ogren | Sieben, M. |
| Anderson, G. | Erickson | Knickerbocker | Olsen | Simoneau |
| Anderson, I. | Ewald | Kostohryz | Onnen | Skoglund |
| Battaglia | Fjoslien | Laidig | Osthoff | Staten |
| Begich | Forsythe | Lehto | Otis | Stowell |
| Berkelman | Greenfield | Lemen | Peterson, B. | Stumpf |
| Blatz | Halberg | Long | Peterson, D. | Swanson |
| Brandl | Hanson | Luknic | Pogemiller | Tomlinson |
| Byrne | Harens | Mann | Reding | Vanasek |
| Carlson, D. | Hauge | Marsh | Rees | Vellenga |
| Carlson, L. | Heinitz | McCarron | Rice | Voss |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Weaver |
| Clark, K. | Hoberg | Metzen | Rodriguez, F. | Welch |
| Clawson | Hokanson | Munger | Rothenberg | Wenzel |
| Dahlvang | Jacobs | Murphy | Samuelson | Wigley |
| Dean | Johnson, C. | Nelson, K. | Sarna | Wynia |
| Dempsey | Jude | Norton | Searles | Zubay |
| Eken | Kahn | Novak | Shea | Spkr. Sieben, H. |
| Elioff | Kaley | O'Connor | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|------------|------------|---------|
| Aasness | Esau | Kalis | Nysether | Stadum |
| Ainley | Evans | Ludeman | Piepho | Sviggum |
| Anderson, R. | Friedrich | McDonald | Redalen | Valento |
| Brinkman | Gruenes | Mehrkens | Reif | Welker |
| Den Ouden | Haukoos | Nelsen, B. | Schafer | Wieser |
| Drew | Jennings | Niehaus | Schoenfeld | |

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

S. F. No. 74, A bill for an act relating to trade regulations; prescribing a penalty for the sale of imitation Indian-made goods without a brand; amending Minnesota Statutes 1980, Section 325F.46.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kelly | O'Connor | Simoneau |
| Ainley | Esau | Knickerbocker | Ogren | Skoglund |
| Anderson, B. | Evans | Kostohryz | Olsen | Stadum |
| Anderson, G. | Fjoslien | Kvam | Onnen | Staten |
| Anderson, I. | Forsythe | Laidig | Osthoff | Stowell |
| Anderson, R. | Friedrich | Lehto | Otis | Stumpf |
| Battaglia | Greenfield | Lemen | Peterson, D. | Sviggum |
| Begich | Gruenes | Levi | Piepho | Swanson |
| Berkelman | Halberg | Long | Pogemiller | Tomlinson |
| Blatz | Hanson | Luknic | Redalen | Valan |
| Brandl | Hauge | Mann | Reding | Valento |
| Brinkman | Haukoos | Marsh | Rees | Vanasek |
| Byrne | Heap | McCarron | Reif | Vellenga |
| Carlson, D. | Heinitz | McDonald | Rice | Voss |
| Carlson, L. | Himle | McEachern | Rodriguez, C. | Weaver |
| Clark, J. | Hoberg | Mehrkens | Rodriguez, F. | Weich |
| Clark, K. | Hokanson | Metzen | Rose | Welker |
| Clawson | Hokr | Minne | Rothenberg | Wenzel |
| Dahlvang | Jacobs | Munger | Samuelson | Wieser |
| Dean | Jennings | Murphy | Sarna | Wigley |
| Dempsey | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Den Ouden | Johnson, D. | Nelson, K. | Schoenfeld | Zubay |
| Drew | Jude | Niehaus | Searles | Sprk. Sieben, H. |
| Eken | Kahn | Norton | Shea | |
| Elioff | Kaley | Novak | Sherman | |
| Ellingson | Kalis | Nysether | Sieben, M. | |

Those who voted in the negative were:

Ludeman

The bill was passed and its title agreed to.

S. F. No. 915 was reported to the House.

Valento moved to amend S. F. No. 915 as follows:

Page 2, after line 31, insert a new section to read:

“Sec. 4. [REPEALER.]

Laws 1978, Chapter 743, Section 12 is repealed.”

Amend the title as follows:

Page 1, line 5, after the period insert “repealing Laws 1978, Chapter 743, Section 12”

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

S. F. No. 915, A bill for an act relating to sheriff fees; prescribing fees to be charged by the sheriff; amending Minnesota

Statutes 1980, Section 357.09, Subdivisions 1 and 2, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | Ogren | Simoneau |
| Ainley | Evans | Knickerbocker | Olsen | Skoglund |
| Anderson, B. | Ewald | Kostohryz | Onnen | Staten |
| Anderson, G. | Fjoslien | Laidig | Osthoff | Stowell |
| Anderson, I. | Forsythe | Lehto | Otis | Stumpf |
| Battaglia | Friedrich | Lemen | Peterson, B. | Sviggum |
| Begich | Greenfield | Levi | Peterson, D. | Swanson |
| Berkelman | Gruenes | Long | Piepho | Tomlinson |
| Blatz | Gustafson | Ludeman | Pogemiller | Valan |
| Brandl | Halberg | Luknic | Redalen | Valento |
| Brinkman | Hanson | Mann | Rees | Vanasek |
| Byrne | Hauge | Marsh | Reif | Vellenga |
| Carlson, D. | Haukoos | McCarron | Rice | Voss |
| Carlson, L. | Heap | McDonald | Rodriguez, F. | Weaver |
| Clark, J. | Heinitz | McEachern | Rose | Welch |
| Clark, K. | Himle | Mehrkens | Rothenberg | Welker |
| Clawson | Hoberg | Metzen | Samuelson | Wenzel |
| Dahlvang | Hokanson | Minne | Sarna | Wieser |
| Dean | Hokr | Munger | Schafer | Wigley |
| Dempsey | Jacobs | Murphy | Schoenfeld | Wynia |
| Den Ouden | Jennings | Nelsen, B. | Schreiber | Zubay |
| Drew | Johnson, C. | Nelson, K. | Searles | Spkr. Sieben, H. |
| Eken | Johnson, D. | Niehaus | Shea | |
| Elioff | Jude | Norton | Sherman | |
| Ellingson | Kahn | Novak | Sherwood | |
| Erickson | Kaley | Nysether | Sieben, M. | |

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

S. F. No. 470 was reported to the House.

Ellingson moved that S. F. No. 470 be temporarily laid over. The motion prevailed.

S. F. No. 1005 was reported to the House.

Kaley moved to amend S. F. No. 1005 as follows:

Page 2, line 36, after "available" insert "on a 24 hour basis"

The motion prevailed and the amendment was adopted.

S. F. No. 1005, A bill for an act relating to local housing programs; authorizing certain combined multifamily housing and health care facility developments; providing an exemption from the limits on aggregate amount of bonds that may be issued;

amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1, 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 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Knickerbocker | O'Connor | Sherwood |
| Ainley | Evans | Kostohryz | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kvam | Olsen | Simoneau |
| Anderson, G. | Forsythe | Lajdig | Onnen | Skoglund |
| Anderson, I. | Friedrich | Lehto | Osthoff | Stadum |
| Anderson, R. | Greenfield | Lemen | Otis | Staten |
| Battaglia | Gruenes | Levi | Peterson, B. | Stowell |
| Begich | Gustafson | Long | Peterson, D. | Stumpf |
| Berkelman | Halberg | Ludeman | Piepho | Svigum |
| Blatz | Hanson | Luknic | Pogemiller | Swanson |
| Brandl | Hauge | Mann | Redalen | Tomlinson |
| Brinkman | Haukoos | Marsh | Reding | Valan |
| Byrne | Heap | McCarron | Rees | Valento |
| Carlson, D. | Himle | McDonald | Reif | Vanasek |
| Carlson, L. | Hoberg | McEachern | Rodriguez, C. | Vellenga |
| Clark, J. | Hokanson | Mehrkens | Rodriguez, F. | Voss |
| Clark, K. | Hokr | Metzen | Rose | Weaver |
| Clawson | Jacobs | Minne | Rothenberg | Welch |
| Dahlvang | Jennings | Munger | Samuelson | Wenzel |
| Dempsey | Johnson, C. | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, D. | Nelsen, B. | Schafer | Wynia |
| Drew | Jude | Nelson, K. | Schoenfeld | Zubay |
| Eken | Kahn | Niehaus | Schreiber | Spkr. Sieben, H. |
| Elioff | Kaley | Norton | Searles | |
| Ellingson | Kalis | Novak | Shea | |
| Erickson | Kelly | Nysether | Sherman | |

Those who voted in the negative were:

Welker

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

S. F. No. 674, A resolution memorializing the President and Congress to seek a settlement of the White Earth Indian Reservation controversy.

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 | Anderson, B. | Anderson, I. | Battaglia | Berkelman |
| Ainley | Anderson, G. | Anderson, R. | Begich | Blatz |

| | | | | |
|-------------|---------------|------------|---------------|------------|
| Brinkman | Hauge | Lemen | Otis | Sieben, M. |
| Byrne | Haukoos | Levi | Peterson, B. | Simoneau |
| Carlson, D. | Heap | Long | Peterson, D. | Skoglund |
| Carlson, L. | Heinitz | Ludeman | Piepho | Stadum |
| Clawson | Himle | Luknic | Pogemiller | Staten |
| Dean | Hoberg | Mann | Redalen | Stowell |
| Dempsey | Hokanson | Marsh | Rees | Stumpf |
| Den Ouden | Hokr | McCarron | Reif | Sviggum |
| Drew | Jacobs | McDonald | Rice | Swanson |
| Elioff | Jennings | McEachern | Rodriguez, C. | Tomlinson |
| Ellingson | Johnson, C. | Metzen | Rodriguez, F. | Valan |
| Erickson | Johnson, D. | Minne | Rose | Valento |
| Esau | Jude | Munger | Rothenberg | Vanasek |
| Evans | Kahn | Nelsen, B. | Samuelson | Vellenga |
| Fjoslien | Kaley | Norton | Sarna | Voss |
| Forsythe | Kalis | Novak | Schafer | Weaver |
| Friedrich | Kelly | Nysether | Schoenfeld | Welch |
| Greenfield | Knickerbocker | O'Connor | Schreiber | Welker |
| Gruenes | Kostohryz | Ogren | Searles | Wenzel |
| Gustafson | Kvam | Olsen | Shea | Wigley |
| Halberg | Laidig | Onnen | Sherman | Wynia |
| Hanson | Lehto | Osthoff | Sherwood | Zubay |

The bill was passed and its title agreed to.

S. F. No. 533 was reported to the House.

Harens offered an amendment to S. F. No. 533.

POINT OF ORDER

Vanasek 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.

S. F. No. 533, A bill for an act relating to crimes; authorizing law enforcement agencies in municipalities with more than 2,500 inhabitants to seize property unlawfully used in connection with controlled substance violations; amending Minnesota Statutes 1980, Section 152.01, Subdivision 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 122 yeas and 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|-------------|-----------|-----------|
| Aasness | Battaglia | Carlson, D. | Dean | Ellingson |
| Ainley | Begich | Carlson, L. | Dempsey | Erickson |
| Anderson, B. | Berkelman | Clark, J. | Den Ouden | Esau |
| Anderson, G. | Blatz | Clark, K. | Drew | Evans |
| Anderson, I. | Brinkman | Clawson | Eken | Ewald |
| Anderson, R. | Byrne | Dahlvang | Elioff | Fjoslien |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Forsythe | Johnson, D. | Metzen | Reding | Stowell |
| Friedrich | Jude | Minne | Rees | Stumpf |
| Greenfield | Kalis | Munger | Reif | Sviggum |
| Gruenes | Kelly | Murphy | Rice | Swanson |
| Gustafson | Knickerbocker | Nelsen, B. | Rodriguez, F. | Tomlinson |
| Halberg | Kostohryz | Niehaus | Rose | Valan |
| Hanson | Kvam | Norton | Rothenberg | Valento |
| Harens | Laidig | Novak | Sarna | Vanasek |
| Hauge | Lehto | Nysether | Schafer | Weaver |
| Haukoos | Lemen | O'Connor | Schoenfeld | Welch |
| Heap | Levi | Ogren | Schreiber | Welker |
| Heinitz | Long | Olsen | Searles | Wenzel |
| Himle | Ludeman | Onnen | Shea | Wieser |
| Hoberg | Luknic | Osthoff | Sherman | Wigley |
| Hokanson | Mann | Otis | Sherwood | Zubay |
| Hokr | Marsh | Peterson, B. | Sieben, M. | Spkr. Sieben, H. |
| Jacobs | McDonald | Peterson, D. | Simoneau | |
| Jennings | McEachern | Piepho | Skoglund | |
| Johnson, C. | Mehrkens | Redalen | Stadum | |

Those who voted in the negative were:

Kahn McCarron Pogemiller

The bill was passed and its title agreed to.

Eken 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

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 802, A bill for an act relating to health; providing for home health services through the community health services act; changing certain funding formulas; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.913, by adding a subdivision; 145.914, Subdivision 2; 145.915, by adding a subdivision; 145.918, by adding a subdivision; 145.919; 145.921; and 145.95, Subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 144A.51, is amended by adding a subdivision to read:

Subd. 7. "Home health agency" means any agency certified pursuant to Public Law 89-97, Titles XVIII and XIX.

Sec. 2. Minnesota Statutes 1980, Section 144A.52, Subdivision 3, is amended to read:

Subd. 3. The director may delegate to members of his staff any of his authority or duties except the duty of formally making recommendations to the legislature, administrative agencies, health facilities, health care providers, *home health agencies*, and the state commissioner of health.

Sec. 3. Minnesota Statutes 1980, Section 144A.53, is amended to read:

144A.53 [DIRECTOR; POWERS AND DUTIES.]

Subdivision 1. [POWERS.] The director may:

(a) Promulgate by rule, pursuant to chapter 15, and within the limits set forth in subdivision 2, the methods by which complaints against health facilities, health care providers, *home health agencies*, or administrative agencies are to be made, reviewed, investigated, and acted upon; provided, however, that he may not charge a fee for filing a complaint;

(b) Recommend legislation and changes in rules to the state commissioner of health, legislature, governor, administrative agencies or the federal government;

(c) Investigate, upon a complaint or upon his own initiative, any action or failure to act by a health care provider, *home health agency*, or a health facility;

(d) Request and receive access to relevant information, records, or documents in the possession of an administrative agency, a health care provider, a *home health agency*, or a health facility which he deems necessary for the discharge of his responsibilities;

(e) Enter and inspect, at any time, a health facility; provided that the director shall not unduly interfere with or disturb the activities of a resident unless the resident consents;

(f) Issue a correction order pursuant to section 144.653 or any other law which provides for the issuance of correction orders to health care facilities;

(g) Recommend the certification or decertification of health facilities *and home health agencies* pursuant to Title XVIII or Title XIX of the United States Social Security Act;

(h) Assist residents of health facilities in the enforcement of their rights under Minnesota law; and

(i) Work with administrative agencies, health facilities, *home health agencies*, and health care providers and organizations representing consumers on programs designed to provide information about health facilities to the public and to health facility residents.

Subd. 2. [COMPLAINTS.] The director may receive a complaint from any source concerning an action of an administrative agency, a health care provider, *a home health agency*, or a health facility. He may require a complainant to pursue other remedies or channels of complaint open to the complainant before accepting or investigating the complaint.

The director shall keep written records of all complaints and his action upon them. After completing his investigation of a complaint, he shall inform the complainant, the administrative agency having jurisdiction over the subject matter, the health care provider, *the home health agency*, and the health facility of the action taken.

Subd. 3. [RECOMMENDATIONS.] If, after duly considering a complaint and whatever material he deems pertinent, the director determines that the complaint is valid, he may recommend that an administrative agency, a health care provider, *a home health agency*, or a health facility should:

(a) Modify or cancel the actions which gave rise to the complaint;

(b) Alter the practice, rule or decision which gave rise to the complaint;

(c) Provide more information about the action under investigation; or

(d) Take any other step which the director considers appropriate.

If the director requests, the administrative agency, a health care provider, *a home health agency*, or health facility shall, within the time specified, inform the director about the action taken on his recommendation.

Subd. 4. [REFERRAL OF COMPLAINTS.] If a complaint received by the director relates to a matter more properly within

the jurisdiction of an occupational licensing board, the office of consumer services or any other governmental agency, the director shall forward the complaint to that agency and shall inform the complaining party of the forwarding. The agency shall promptly act in respect to the complaint, and shall inform the complaining party and the director of its disposition. If a governmental agency receives a complaint which is more properly within the jurisdiction of the director, it shall promptly forward the complaint to the director, and shall inform the complaining party of the forwarding. If the director has reason to believe that any official or employee of an administrative agency, a *home health agency*, or health facility has acted in a manner warranting criminal or disciplinary proceedings, he shall refer the matter to the state commissioner of health, the commissioner of public welfare, an appropriate prosecuting authority, or any other appropriate agency.

Sec. 4. Minnesota Statutes 1980, Section 144A.54, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided by this section, the director may determine the form, frequency, and distribution of his conclusions and recommendations. The director shall transmit his conclusions and recommendations to the state commissioner of health and the legislature. Before announcing a conclusion or recommendation that expressly or by implication criticizes an administrative agency, a health care provider, a *home health agency*, or a health facility, the director shall consult with that agency, health care provider, *home health agency*, or facility. When publishing an opinion adverse to an administrative agency, a health care provider, a *home health agency*, or a health facility, he shall include in the publication any statement of reasonable length made to him by that agency, health care provider, *home health agency*, or health facility in defense or explanation of the action.

Sec. 5. Minnesota Statutes 1980, Section 145.913, is amended by adding a subdivision to read:

Subd. 1a. [MULTI-COUNTY BOARDS.] A county that elects to implement the provisions of the community health services act by organizing a multi-county board of health jointly with another county or counties under the provisions of section 471.59 may reserve and assign to a single county board of health organized under the provisions of subdivision 1, any powers and duties previously assigned by law to boards of health pursuant to section 145.01, and sections 145.47 to 145.55, any powers and duties previously assigned by law to public health nursing and home health services agencies pursuant to sections 145.08 to 145.125, and any discretionary authority of a board of health as provided in section 145.914.

Sec. 6. Minnesota Statutes 1980, Section 145.914, Subdivision 2, is amended to read:

Subd. 2. [POWERS.] In addition to any other powers assigned to a board of health by sections 145.911 to 145.921, the board of health for a county shall possess all the powers and duties now assigned by law to local boards of health pursuant to section 145.01, and to public health nursing and home health services agencies pursuant to sections 145.08 to 145.125, provided however that this subdivision shall not supersede or otherwise change the powers and duties of any city or township eligible for the subsidy under the provisions of section 145.917, or of any city of the first or second class with an existing program of community health services located within a county with a population of 300,000 or more persons until the city council of said city shall take action to allow the county to preempt the powers and duties of said city. Not later than 365 days after the approval of the community health services plan by the state commissioner of health, any (COUNTY OR CITY BOARD, COMMITTEE OR COMMISSION HAVING AUTHORITIES OR DUTIES IN ANY AREA DESIGNATED IN SECTIONS 145.911 TO 145.921 OTHER THAN THE BOARD OF HEALTH DESIGNATED AND ACTING PURSUANT TO SECTION 145.911 TO 145.921) township, city, or county board of health organized under the provisions of section 145.01 and any public health nursing committee organized under the provisions of sections 145.08 to 145.125, shall cease (ITS) operation and no per diem or reimbursement of expenses shall be paid to any member of the board, committee, or commission; provided, however, that any city or township eligible for the subsidy under the provisions of section 145.917, and any city of the first or second class with an existing program of community health services located in a county with a population of 300,000 or more persons may continue operations and the payment of per diem and reimbursement of expenses.

Sec. 7. Minnesota Statutes 1980, Section 145.915, is amended by adding a subdivision to read:

Subd. 3. (a) A county board of any county having a board of health organized under sections 145.911 to 145.922 may by ordinance adopt and enforce minimum standards and regulations relating to home health services within the county in order to promote the development and delivery of an appropriate range of quality home health services.

(b) Local ordinances relating to home health services shall be for the following purposes:

(i) Assuring that quality home health services are available; and,

(ii) Assuring that available home health services are provided at reasonable public cost.

(c) Local ordinances relating to home health services shall be submitted by a county board to the commissioner of health for review and approval. The local ordinance shall not become effective without the approval of the commissioner.

Sec. 8. Minnesota Statutes 1980, Section 145.918, is amended by adding a subdivision to read:

Subd. 3. The commissioner of health shall, after consulting with the department of public welfare, other public agencies, private agencies, associations, providers, and other interested persons, promulgate rules pursuant to chapter 15 to:

(a) Coordinate the development of home health services and ensure the availability of a range of quality home health services at reasonable public cost;

(b) Require providers of publicly funded home health services to disclose information necessary to assess the quality and public cost of home health services on forms provided by the commissioner of health. Using that information, the commissioner shall periodically prepare a report which shall be public information; and

(c) Develop a model home health ordinance to assist boards of health and county boards in development of local home health ordinances. All proposed local home health ordinances shall be submitted to the commissioner of health. Within 60 days of receipt the commissioner of health shall review and approve or disapprove all proposed local home health ordinances. The commissioner shall approve variances from the model ordinance when the board of health demonstrates that local circumstances require modifications to assure quality home health services in the community at a reasonable public cost but shall not approve local ordinances that:

(i) conflict with state or federal law,

(ii) fail to protect the health or safety of patients, or

(iii) fail to ensure disclosure of information on quality and public costs.

Sec. 9. Minnesota Statutes 1980, Section 145.919, is amended to read:

145.919 [COMMUNITY HEALTH SERVICES ADVISORY COMMITTEE.]

An advisory committee is established to advise, consult with, and make recommendations to the state commissioner of health

on matters relating to the development, maintenance, funding and evaluation of community health services. Each board of health meeting the eligibility requirements of section 145.917 may appoint a (MEMBER) *person* to serve on the committee. The terms shall be two years and no member shall serve more than three consecutive terms. Continuity of membership shall be assured by having an approximately equal number of terms expire each year. Members may receive a per diem and shall be reimbursed for travel and other necessary expenses while engaged in their official duties. The committee shall meet at least quarterly and special meetings may be called by the chairman or a majority of the members.

Sec. 10. Minnesota Statutes 1980, Section 145.95, Subdivision 5, is amended to read:

Subd. 5. This section expires July 1, (1981) 1983.

Sec. 11. [APPROPRIATION.]

Subdivision 1. [COMMUNITY HEALTH SERVICES.] The sum of \$500,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1983, for the purposes of funding community health services. Payment for each county shall be based upon the formula in effect in fiscal year 1981, using the most recent factors. No county, city, group of cities or group of counties shall receive less than the amount received in 1981. This appropriation shall be prorated if the amount is insufficient.

Subd. 2. [HOME HEALTH GRANTS.] The sum of \$500,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1983, for the purpose of funding special grants for home based services for elderly and adult physically impaired persons in accordance with the provisions of Minnesota Statutes 1980, Section 145.95. The commissioner shall require the recipient of a special grant for home based services for elderly and adult physically impaired persons to provide 25 percent of the cost of the services.

Sec. 12. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.913, by adding a subdivision; 145.-

914, Subdivision 2; 145.915, by adding a subdivision; 145.918, by adding a subdivision; 145.919; and 145.95, Subdivision 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 802 was read for the second time.

SPECIAL ORDERS, Continued

S. F. No. 470 which was temporarily laid over earlier today was again reported to the House.

Ellingson moved to amend S. F. No. 470 as follows:

Page 1, delete lines 22 to 30

Page 2, delete lines 1 to 3

Renumber the sections in sequence

Page 2, line 7, strike ": (a)"

Page 2, line 9, strike "; or"

Page 2, strike lines 10 to 14

Page 2, line 16, strike "The"

Page 2, strike lines 17 to 22

Page 7, delete lines 11 to 19

Page 7, line 27, reinstate "and" and delete "*and land acquisition*"

Page 7, line 28, delete the first "*information*"

Page 8, line 8, after "is" insert "*selected to be*"

Page 9, line 21, delete "*to be*"

Page 9, after line 25, insert:

"(d) *To the extent that the release of program data would reveal the identity of an informant or adversely affect the integrity of the fund, financial records of a program which pays rewards to informants shall be protected nonpublic data in the case*

of data not on individuals or confidential data in the case of data on individuals.

Page 10, line 17, delete everything after "persons"

Page 10, delete lines 18, and 19, and line 20 before the period

Page 10, line 22, to 23, delete "2, clause (a)" and insert "2a"

Page 11, line 12, delete "NOT ON INDIVIDUALS"

Page 11, line 24, after "5d" insert "*in the case of data not on individuals and confidential pursuant to section 15.162, subdivision 2a in the case of data on individuals*"

Page 11, delete lines 34 to 36

Page 12, delete lines 1 to 36

Page 13, delete lines 1 to 36

Page 14, delete lines 1 to 3

Renumber the sections in sequence

Page 15, after line 29, insert:

"Subd. 7. [COURT REVIEW.] Any person may petition the district court located in the county where medical examiner data is being maintained to authorize disclosure of private or confidential medical examiner data. The petitioner shall notify the medical examiner or coroner. The court may notify other interested persons and require their presence at a hearing. A hearing may be held immediately if the parties agree, and in any event shall be held as soon as practicable. After examining the data in camera, the court may order disclosure of the data if it determines that disclosure would be in the public interest.

Subd. 8. [ACCESS TO PRIVATE DATA.] The data made private by this section shall be accessible to the legal representative of the decedent's estate or to the decedent's surviving spouse or next of kin or their legal representative. If there is no surviving spouse or next of kin the private data shall be public."

Page 15, delete lines 30 to 36

Page 16, delete lines 1 to 13

Renumber the sections in sequence

Page 16, line 24, after "is" insert "not"

Page 17, line 36, delete "*the individual may become*" and insert "*an individual seeks information about becoming*"

Page 18, delete lines 15 to 36

Page 19, delete lines 1 to 6

Renumber the sections in sequence

Page 19, line 32, after "*data*" insert "*on individual patients*"

Page 19, line 33, after "*diseases*" insert "*, except that the data may be made public to diminish a threat to the public health*"

Page 21, line 13, after "*data*" insert "*on individuals*"

Page 22, line 4, after "*grievance*" insert "*or interest*"

Page 22, line 10, delete "PUBLIC ATTORNEY'S" and insert "ATTORNEY GENERAL"

Page 22, delete lines 11 to 13

Page 22, line 14, delete "2" and insert "1"

Page 22, line 15, delete "*a public attorney*" and insert "*the attorney general*"

Page 22, line 32, delete "*a public attorney*" and insert "*the attorney general*"

Page 22, line 35, delete "*public attorney's*" and insert "*attorney general's*"

Page 23, after line 4, insert:

"Sec. 36. [LAW ENFORCEMENT DATA.]

Subdivision 1. [APPLICATION.] This section shall apply to agencies which carry on a law enforcement function, including but not limited to municipal police departments, county sheriff departments, fire departments, the bureau of criminal apprehension, the Minnesota state patrol and the securities and real estate division of the department of commerce.

Subd. 2. [ARREST DATA.] The following data created or collected by law enforcement agencies which documents any actions taken by them to cite, arrest, incarcerate or otherwise substantially deprive an adult individual of his liberty shall be public at all times in the originating agency:

- (a) *Time, date and place of the action;*
- (b) *Any resistance encountered by the agency;*
- (c) *Any pursuit engaged in by the agency;*
- (d) *Whether any weapons were used by the agency or other individual;*
- (e) *The charge, arrest or search warrants, or other legal basis for the action;*
- (f) *The identities of the agencies, units within the agencies and individual persons taking the action;*
- (g) *Whether and where the individual is being held in custody or is being incarcerated by the agency;*
- (h) *The date, time and legal basis for any transfer of custody and the identity of the agency or person who received custody;*
- (i) *The date, time and legal basis for any release from custody or incarceration;*
- (j) *The name, age, sex and last known address of an adult person or the age and sex of any juvenile person cited, arrested, incarcerated or otherwise substantially deprived of his liberty;*
- (k) *Whether the agency employed wiretaps or other eavesdropping techniques, unless the release of this specific data would jeopardize an ongoing investigation;*
- (l) *The manner in which the agencies received the information that led to the arrest and the names of individuals who supplied the information unless the identities of those individuals qualify for protection under subdivision 9; and*
- (m) *Response or incident report number.*

Subd. 3. [REQUEST FOR SERVICE DATA.] *The following data created or collected by law enforcement agencies which documents requests by the public for law enforcement services shall be public government data:*

- (a) *The nature of the request or the activity complained of;*
- (b) *The name and address of the individual making the request unless the identity of the individual qualifies for protection under subdivision 9;*
- (c) *The time and date of the request or complaint; and*

(d) *The response initiated and the response or incident report number.*

Subd. 4. [RESPONSE OR INCIDENT DATA.] The following data created or collected by law enforcement agencies which documents the agency's response to a request for service or which describes actions taken by the agency on its own initiative shall be public government data:

(a) *Date, time and place of the action;*

(b) *Agencies, units of agencies and individual agency personnel participating in the action unless the identities of agency personnel qualify for protection under subdivision 9;*

(c) *Any resistance encountered by the agency;*

(d) *Any pursuit engaged in by the agency;*

(e) *Whether any weapons were used by the agency or other individuals;*

(f) *A brief factual reconstruction of events associated with the action;*

(g) *Names and addresses of witnesses to the agency action or the incident unless the identity of any witness qualifies for protection under subdivision 9;*

(h) *Names and addresses of any victims or casualties unless the identities of those individuals qualify for protection under subdivision 9;*

(i) *The name and location of the health care facility to which victims or casualties were taken; and*

(j) *Response or incident report number.*

Subd. 5. [DATA COLLECTION.] Except for the data defined in subdivisions 2, 3 and 4, investigative data collected or created by a law enforcement agency in order to prepare a case against a person, whether known or unknown, for the commission of a crime or civil wrong is confidential while the investigation is active. Inactive investigative data is public unless the release of the data would jeopardize another ongoing investigation or would reveal the identity of individuals protected under subdivision 9. Photographs which are part of inactive investigative files and which are clearly offensive to common sensibilities are classified as private data, provided that the existence of the photographs shall be disclosed to any person requesting access to the inactive investigative file. An investigation becomes inactive upon the occurrence of any of the following events:

(a) A decision by the agency or appropriate prosecutorial authority not to pursue the case;

(b) Expiration of the time to bring a charge or file a complaint under the applicable statute of limitations; or

(c) Exhaustion of or expiration of all rights of appeal by an individual convicted on the basis of the investigative data.

Any investigative data presented as evidence in court shall be public. Data determined to be inactive under clause (a) of this subdivision may become active if the agency or appropriate prosecutorial authority decides to renew the investigation.

During the time when an investigation is active, any person may bring an action in the district court located in the county where the data is being maintained to authorize disclosure of investigative data. The court may order that all or part of the data relating to a particular investigation be released to the public or to the person bringing the action. In making the determination as to whether investigative data shall be disclosed, the court shall consider whether the benefit to the person bringing the action or to the public outweighs any harm to the public, to the agency or to any person identified in the data. The data in dispute shall be examined by the court in camera.

Subd. 6. [WITHHOLDING PUBLIC DATA.] A law enforcement agency may temporarily withhold response or incident data from public access if the agency reasonably believes that public access would be likely to endanger the physical safety of an individual or cause a perpetrator to flee, evade detection or destroy evidence. In such instances, the agency shall, upon the request of any person, provide a statement which explains the necessity for its action. Any person may apply to a district court for an order requiring the agency to release the data being withheld. If the court determines that the agency's action is not reasonable, it shall order the release of the data and may award costs and attorney's fees to the person who sought the order. The data in dispute shall be examined by the court in camera.

Subd. 7. [PUBLIC BENEFIT DATA.] Any law enforcement agency may make any data classified as confidential pursuant to subdivision 5 accessible to any person, agency or the public if the agency determines that the access will aid the law enforcement process, promote public safety or dispel widespread rumor or unrest.

Subd. 8. [PUBLIC ACCESS.] When data is classified as public under this section, a law enforcement agency shall not be required to make the actual physical data available to the public if it is not administratively feasible to segregate the public data from the confidential. However, the agency must make the information described as public data available to the public in a

reasonable manner. When investigative data becomes inactive, as described in subdivision 5, the actual physical data associated with that investigation, including the public data, shall be available for public access.

Subd. 9. [PROTECTION OF IDENTITIES.] A law enforcement agency may withhold public access to data on individuals to protect the identity of individuals in the following circumstances:

(a) When access to the data would reveal the identity of an undercover law enforcement officer;

(b) When access to the data would reveal the identity of a victim of criminal sexual conduct;

(c) When access to the data would reveal the identity of a paid or unpaid informant being used by the agency if the agency reasonably determines that revealing the identity of the informant would threaten the personal safety of the informant; or

(d) When access to the data would reveal the identity of a victim of or witness to a crime if the victim or witness specifically requests that his identity not be revealed, and the agency reasonably determines that revealing the identity of the victim or witness would threaten the personal safety or property of the individual.

Subd. 10. [DATA RETENTION.] Nothing in this section shall require law enforcement agencies to create, collect or maintain data which is not required to be created, collected or maintained by any other applicable rule or statute."

Renumber the sections in sequence

Page 23, after line 9, insert:

Sec. 38. [AUTHORITY DATA.]

Data maintained by the civic center authority of the city of St. Paul which consists of trade secret information as defined by section 15.1673, subdivision 1, clause (b), sales information, or any other information which, if public, would tend to adversely affect the competitive position of the subject of the data or of the authority, shall be classified as private or non-public data as defined in section 15.162, subdivisions 5a and 5c. Provided that the subject of the data or the chief executive officer of the authority must certify that the data qualifies as non-public or private under this section, and the governing body of the authority must approve the classification. Data classified as private or non-public by this section may be disclosed pursuant

to section 15.163, pursuant to a valid court order, or with the authorization of the subject of the data.

Sec. 39. [EXTENSION OF CERTAIN TEMPORARY CLASSIFICATIONS.]

Court services data, criminal history data, and corrections and detention data classified by temporary classifications granted prior to January 1, 1981, pursuant to Minnesota Statutes, Section 15.1642, shall retain their temporary classification until July 1, 1982."

Renumber the sections in sequence

Page 23, after line 16, insert:

"Sec. 41. [REPEALER.]

Minnesota Statutes 1980, Section 15.162, Subdivision 1a is repealed."

Renumber the sections in sequence

Page 23, line 18, delete "43" and insert "41"

Amend the title as follows:

Page 1, line 15, before the period, insert "; repealing Minnesota Statutes 1980, Section 15.162, Subdivision 1a"

Anderson, G., moved to amend the Ellingson amendment to S. F. No. 470, as follows:

In the Ellingson amendment, page 2, line 28, delete "If there is no"

Page 2, delete lines 29 and 30

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

Hokanson moved to amend the Ellingson amendment, as amended, to S. F. No. 470 as follows:

Page 8, line 23, after the period insert "This section shall terminate and cease to have force and effect on July 31, 1982."

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

Olsen moved to amend the Ellingson amendment, as amended, to S. F. No. 470, as follows:

Reinstate the language deleted by the Anderson, G., amendment on lines 28, 29 and 30 and on line 29 after "*in*" insert "*and the person dies in a health care facility*"

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

Swanson moved to amend the Ellingson amendment, as amended, to S. F. No. 470, as follows:

Page 8, delete section 38, as amended

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

The question recurred on the Ellingson amendment, as amended by the Anderson, G.; Hokanson and Swanson amendments.

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

S. F. No. 470, A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, confidential nonpublic and protected nonpublic; making certain changes in laws relating to the collection and dissemination of data; amending Minnesota Statutes 1980, Sections 15.1611, Subdivision 2; 15.162, Subdivisions 1a, 2a, 5a, 5b, 5c, and 8; 15.163, Subdivision 4; 15.1642, Subdivision 2a; 15.165, Subdivision 3; 15.1672; 15.1673; 15.1692, Subdivision 3, and by adding a subdivision; 15.1693, by adding a subdivision; 15.1695, Subdivision 1; 15.1698, Subdivision 1; and 15.1699; providing for the recodification of Minnesota Statutes, Sections 15.1611 to 15.1699.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|------------|----------|
| Aasness | Brandl | Dempsey | Ewald | Hauge |
| Anderson, B. | Brinkman | Den Ouden | Fjoslien | Haukoos |
| Anderson, G. | Byrne | Drew | Forsythe | Heap |
| Anderson, I. | Carlson, D. | Eken | Friedrich | Heimitz |
| Anderson, R. | Carlson, L. | Elioff | Greenfield | Himle |
| Battaglia | Clark, J. | Ellingson | Gruenes | Hokanson |
| Begich | Clawson | Erickson | Gustafson | Hokr |
| Berkelman | Dahlvang | Esau | Halberg | Jacobs |
| Blatz | Dean | Evans | Hanson | Jennings |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Johnson, C. | Marsh | Olsen | Sarna | Valan |
| Johnson, D. | McCarron | Onnen | Schafer | Valento |
| Jude | McEachern | Osthoff | Schoenfeld | Vanasek |
| Kahn | Mehrkens | Otis | Schreiber | Vellenga |
| Kalis | Metzen | Peterson, B. | Searles | Voss |
| Kelly | Minne | Peterson, D. | Shea | Weaver |
| Knickerbocker | Munger | Piepho | Sherman | Welch |
| Kostohryz | Murphy | Pogemiller | Sherwood | Welker |
| Kvam | Nelsen, B. | Redalen | Sieben, M. | Wenzel |
| Laidig | Nelson, K. | Reding | Simoneau | Wieser |
| Lehto | Niehaus | Rees | Skoglund | Wigley |
| Lemen | Norton | Reif | Stowell | Wynia |
| Levi | Novak | Rice | Stumpf | Spkr. Sieben, H. |
| Long | Nysether | Rodriguez, F. | Sviggum | |
| Luknic | O'Connor | Rose | Swanson | |
| Mann | Ogren | Samuelson | Tomlinson | |

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. 1446

A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 246.151; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 13; 256D.05, Subdivision 3, and by adding a subdivision; 256D.06, Subdivision 1, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.11, Subdivisions 1, 8 and 9, and by adding a subdivision; 260.311, Subdivision 5; 393.07, Subdivision 10; 401.04; and 401.12; proposing new law coded in Minnesota Statutes, Chapters 144; 245; 256D and 257; repealing Minnesota Statutes, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1446, 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. 1446 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [WELFARE, CORRECTIONS, HEALTH; 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 "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder shall be available for the year ending June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

| | 1982 | 1983 | TOTAL |
|----------------|---------------|---------------|-----------------|
| General | \$774,431,500 | \$780,626,900 | \$1,555,058,400 |
| Trk. Hwy. | \$ 308,100 | \$ 313,800 | \$ 621,900 |

APPROPRIATIONS Available for the Year Ending June 30,

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Sec. 2. COMMISSIONER OF PUBLIC WELFARE

| | | |
|--|-------------|-------------|
| Subdivision 1. Total Department Appropriation | 656,349,200 | 667,036,500 |
|--|-------------|-------------|

The amounts that may be expended from this appropriation for each program and activity are more specifically described in the following subdivisions of this section.

The amounts shown in the program totals are reduced by \$3,324,300 the first year and \$3,956,700 the second year.

Positions and administrative money may be transferred within the department of public welfare as deemed neces-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

sary by the commissioner, upon the advance approval of the commissioner of finance, but no transfer may be made to the executive office.

| | | |
|-------------------------------------|------------|------------|
| Subd. 2. Welfare Management | 15,275,200 | 15,324,300 |
|-------------------------------------|------------|------------|

The amounts that may be expended from this appropriation for each activity are as follows:

Special County Aids

| 1982 | 1983 |
|-------------|-------------|
| \$3,158,900 | \$3,158,900 |

Reimbursements for general relief—Indians and the Red Lake Band of Chippewa Indians shall be prorated if the appropriation made in this subdivision is insufficient to provide full reimbursement.

Administrative Support

| | |
|--------------|--------------|
| \$12,116,300 | \$12,165,400 |
|--------------|--------------|

Estimated federal money to be deposited in the general fund that is earned by the various accounts of the department of public welfare is detailed on the worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance. If federal money anticipated is less than shown on the official worksheets, the commissioner of finance shall reduce the amount available from the specific appropriation by a like amount. The reductions shall be noted in the budget document submitted to the 73rd legislature in addition to an estimate of similar federal money anticipated for the 1983-1985 biennium.

If the block grant proposed for federal money becomes law, the commis-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

sioner of public welfare shall not distribute any of those moneys until he develops a plan and submits that plan pursuant to Minnesota Statutes, Section 3.30.

| | | |
|--------------------------------|------------|------------|
| Subd. 3. Social Services | 60,939,000 | 61,348,000 |
|--------------------------------|------------|------------|

The amounts that may be expended from this appropriation for each activity are as follows:

Community Social Services Act

| | |
|--------------|--------------|
| \$43,077,700 | \$43,398,000 |
|--------------|--------------|

Effective January 1, 1983, the commissioner of public welfare shall include the remainder of the appropriations for the cost of care for mentally retarded, cost of care for emotionally disturbed, sharing life in the community, and mentally ill deinstitutionalization in the community social services act. The commissioner may transfer money between the fiscal years of the biennium for the purposes of funding the formula.

Notwithstanding the provisions of Minnesota Statutes, Chapter 256E, a county board may delegate to a county welfare board established pursuant to Minnesota Statutes, 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 the 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.

Day Care

| | |
|-----------|-----------|
| \$974,900 | \$974,900 |
|-----------|-----------|

| | 1982 | 1983 |
|-----------------------------------|-------------|------|
| | \$ | \$ |
| Cost of Care— | | |
| Emotionally Disturbed | | |
| \$2,464,500 | \$2,464,500 | |
| Cost of Care— | | |
| Mentally Retarded | | |
| \$6,265,600 | \$6,265,600 | |
| Children under State Guardianship | | |
| \$1,092,300 | \$1,092,300 | |

State funds which would have been expended through the Aid to Families with Dependent Children-Foster Care or Children under State Guardianship accounts may be transferred to the subsidized adoption account, for those children entering the subsidized adoption program, if it can be shown on a case by case review basis that total state dollars will be reduced.

Aging, Blind, and Deaf Services

\$5,894,600 \$5,977,900

Social Services Support

\$1,169,400 \$1,174,800

Subd. 4. Income Maintenance 436,604,300 448,163,600

The amounts that may be expended from this appropriation for each activity are as follows:

Aid to Families with Dependent Children, Medical Assistance, Minnesota Supplemental Assistance

\$375,270,700 \$385,395,900

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

The commissioner of public welfare shall provide supplementary grants, not to exceed \$150,000 per year, for aid to families with dependent children and shall include the following costs in determining the amount of the supplementary grants: major home repairs, repair of major home appliances, utility recaps, supplementary dietary needs not covered by medical assistance, and replacement of essential household furnishings and essential major appliances.

Medical assistance may include personal care services in a recipient's home rendered by an individual, not a member of the family, who is qualified to provide the services, when the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse.

In determining the amount of the aid to families with dependent children and general assistance grants, the commissioner of public welfare shall effect a seven percent increase on July 1, 1981 and a seven percent increase on July 1, 1982, unless federal statute or regulation require otherwise.

The moneys received under the state and local fiscal assistance act, known as general revenue sharing, shall be deposited in the medical assistance account and the state appropriation shall be reduced by a like amount.

The monthly payment for attendant care shall be adjusted to \$1,000 per month effective July 1, 1981, and shall be adjusted annually by the same percentage granted to other providers.

Upon executive order of the governor pursuant to section 15.0593, there is created a governor's advisory task force to explore means of providing publicly funded health services within the limits of funds authorized in the biennial bud-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

get for fiscal years 1982 and 1983. The task force chairperson and members shall be appointed by the governor. Insofar as possible, cooperation of the appropriate federal agencies shall be obtained. Existing staff resources of the department of public welfare shall provide support to the task force.

The task force shall conduct a study of publicly funded health care programs and make specific recommendations to the governor regarding changes which are needed to limit expenditures to the amount authorized by the biennial budget for fiscal years 1982 and 1983. The report and subsequent recommendations of the governor shall be submitted to the legislature no later than January 15, 1982.

Before calculating any repayment due to the commissioner for rates effected for the biennium ending June 30, 1983, the commissioner shall allow the provider to reallocate costs for patient care allowed pursuant to Department of Public Welfare Rules 49 and 52. Expenditures for investment allowances, interest, depreciation, leases, and top management compensation shall not exceed the amount specified by the commissioner in the rate determination. Adjustments shall be made within the percentage limit set in this act.

General Assistance and General
Assistance Medical Care

| | |
|--------------|--------------|
| \$49,385,200 | \$50,554,900 |
|--------------|--------------|

Income Maintenance Support

| | |
|--------------|--------------|
| \$11,948,400 | \$12,212,800 |
|--------------|--------------|

If the appropriation for aid to families with dependent children, medical assistance, Minnesota supplemental assistance, general assistance and general

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

assistance medical care is insufficient for either year, the appropriation for the other year shall be available by direction of the governor after consulting with the legislative advisory commission.

| | | |
|------------------------------|-------------|-------------|
| Subd. 5. Mental Health | 146,855,000 | 146,157,300 |
|------------------------------|-------------|-------------|

The commissioner of public welfare may fill up to 120 human services technician positions in the state hospitals in addition to the approved complement specified in this subdivision for the purpose of alleviating recruitment delays in direct patient care, as salary savings become available to fund the positions.

The commissioner of public welfare shall not reduce the number of human services technician positions in the state hospital system.

As the hospital population decreases, the supportive staff complement shall be reduced in direct proportion.

The amounts that may be expended from this appropriation for each activity are as follows:

Program Offices

Mentally Ill

| | |
|-------------|-------------|
| \$5,117,000 | \$7,836,800 |
|-------------|-------------|

Mentally Retarded

| | |
|-------------|-------------|
| \$1,733,400 | \$2,512,700 |
|-------------|-------------|

The commissioner of public welfare may fund up to 200 families for the mentally retarded family subsidy program.

This appropriation contains \$12,000 each year for the brain-injured persons

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

program. 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, 1982, 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.

Chemically Dependent

| | |
|-------------|-------------|
| \$1,922,500 | \$1,929,600 |
|-------------|-------------|

Any federal money received in excess of the estimates shown in the 1981 budget document shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

State Hospitals

Approved Complement—

By June 30, 1983—5485

Current Expense

| | |
|--------------|--------------|
| \$14,449,000 | \$15,450,300 |
|--------------|--------------|

Salaries

| | |
|---------------|---------------|
| \$107,955,500 | \$104,662,100 |
|---------------|---------------|

Repairs and Betterments

| | |
|-------------|--|
| \$1,400,100 | |
|-------------|--|

| | 1982 | 1983 |
|-------------------|------|------|
| | \$ | \$ |
| Special Equipment | | |
| \$521,700 | | |

Notwithstanding the provisions of Minnesota Statutes 1980, Sections 246.50 to 246.53, the commissioner of public welfare shall determine what part of the cost of care for state hospital treatment a patient or his relatives are able to pay. In no case, shall a patient or his relatives, unless they reside outside the state, be ordered to pay more than ten percent of the cost of care.

By July 1, 1981, the chemical dependency and surgical units at Rochester state hospital shall be closed. The remaining units at Rochester state hospital shall be closed no later than June 30, 1982. Best efforts shall be made by the department of administration to sell the buildings and adjoining land within one year from the date of closure, after the commissioner of public welfare has certified to the commissioner of administration pursuant to provisions of Minnesota Statutes, Section 94.09, Subdivision 2, that the state hospital campus is no longer needed by the department of public welfare. Notwithstanding any other law to the contrary, a portion or all of the buildings and the adjacent lands can be sold to anyone.

Prior to the closure date for each unit, the commissioner of public welfare shall arrange for the orderly transfer of all affected patients. The commissioner shall, to the extent possible, provide at least 60 days notice of transfer and allow patients and their parents, spouse or guardian, and the appropriate county agency input regarding the institution or community placement to which the patient is to be transferred.

Effective immediately, the commissioner of employee relations shall monitor the orderly reassignment of affected

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

employees of the state hospital pursuant to authority vested in him by Minnesota Statutes, Section 246.60. The commissioners of public welfare and employee relations shall provide training or other assistance as necessary for employees to aid in this transition. Direct care positions shall be transferred to other state hospitals in the same proportion as patients are transferred. Early retirement shall be encouraged where possible, with full protection for retirement benefits. Notwithstanding any other law an employee who waives his right to transfer to a hospital other than Rochester state hospital or other state employment shall be entitled to severance pay in the amount equal to five percent of the employee's base salary or wage, not to exceed \$500, multiplied by the number of years of state service, but in no case shall the total amount exceed \$5,000.

Quarterly progress reports must be submitted by the commissioner of public welfare to the legislative advisory commission and must include information with respect to the following:

- (a) Employee negotiations;
- (b) Community placement of affected patients;
- (c) Admissions figures; and
- (d) Any other activities affecting closure.

Any savings in excess of the \$7,000,000 projected to result from the closure of the hospital may be directed by the commissioner of public welfare into funding for community facilities for mentally ill, chemically dependent, and mentally retarded persons.

Nursing Homes

| | 1982 | 1983 |
|-------------------------|--------------|------|
| | \$ | \$ |
| Approved Complement— | | |
| By June 30, 1983—617 | | |
| Current Expense | | |
| \$1,710,700 | \$1,888,200 | |
| Salaries | | |
| \$11,238,300 | \$11,298,000 | |
| Repairs and Betterments | | |
| \$146,500 | | |
| Special Equipment | | |
| \$68,300 | | |
| Mental Health Support | | |
| \$592,000 | \$579,600 | |

Any unexpended balance remaining in the first year for special equipment and repairs and betterments does not cancel but is available for the second year of the biennium.

The information for the budgets for the nursing homes and hospitals shall be submitted to the 1983 legislature on an individual institution basis.

Positions and administrative money may be transferred between the various activities within each subdivision in this section.

Work activity centers in state hospitals shall make available up to 25 percent of their capacity for community referrals. The community referrals will be funded by the division of vocational rehabilitation, will provide sheltered work and work activity, and will be

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

certified under Minnesota Statutes, Chapter 129A.

Sec. 3. COMMISSIONER OF ECONOMIC SECURITY

| | | |
|--|------------|------------|
| Total Department Appropriation | 27,145,600 | 23,535,100 |
|--|------------|------------|

The amounts that may be expended from this appropriation for each program are as follows:

The amounts shown in the program totals are reduced by \$300,300 the first year and \$312,000 the second year.

Job Service

| | |
|-------------|-------------|
| \$3,924,100 | \$3,924,100 |
|-------------|-------------|

The appropriation in job service for the summer youth program is available immediately to provide the same level of program for each summer of the biennium as was provided during the summer of 1980. If the appropriation for either year is insufficient, the appropriation from the other year is available for it.

Vocational Rehabilitation Services

| | |
|--------------|--------------|
| \$11,764,300 | \$12,819,500 |
|--------------|--------------|

Money received from workers' compensation carriers for services provided by the division of vocational rehabilitation for the benefit of injured workers shall be deposited in the accounts of the division of vocational rehabilitation and reported in the same ratio to state and federal money expended. If the deposits of the state's share exceed the amount shown on worksheets of the conferees of the senate and house of representatives, the commissioner of finance shall reduce the amounts available from the general appropriation for the division of vocational rehabilitation by the amount of the excess. The federal share

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

of these recoupments shall be deposited as required by federal law, regulation, and guideline.

The commissioner of economic security may expend money received from school districts, governmental subdivisions, mental health authorities, and private nonprofit organizations for the purpose of conducting joint or cooperative vocational rehabilitation programs, and this money is appropriated for these purposes.

Any federal money received in excess of the estimates shown in the 1981 budget document shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

Training and Community Services

| | |
|--------------|--------------|
| \$11,757,500 | \$ 7,103,500 |
|--------------|--------------|

Local delivery agencies for the weatherization program shall use a minimum of \$25,000 for administrative expenses. However, no more than 7.5 percent of the total state allocation shall be expended for administration of the weatherization program. The department shall provide supplemental administrative funds to compensate for administrative expense associated with the weatherization of rental property. Unexpended administrative funds, and all other state weatherization funds, may be used for labor, materials or repair of equipment, as necessary.

If federal funds are not made available for the Weatherization program, the appropriation for this program in the second year shall be available in the first year. This program is sunsetted when this appropriation expires.

1982

1983

\$

\$

Money appropriated for community action agencies shall be allocated annually under either clause (a) or (b), whichever is more advantageous to the agency.

If the appropriation is insufficient to fully fund each agency, the insufficiency shall be prorated annually among the agencies.

(a) In proportion to the size of the poverty level population served by the agency when compared to the size of the poverty level population in the state; or

(b) If the appropriation of funds for community action agencies shall be equal to or more than that available in fiscal years 1979 and 1980, there shall be in place a "hold-harmless" provision for the allocation of funds among community action agencies. "Hold-harmless" is the amount of funding received by a community action program under the Economic Opportunity Grant Program in the previous fiscal year.

"Poverty level population" means the number of people whose household income is below the poverty line established by the United States Department of Commerce, Bureau of the Census.

The appropriation for the displaced homemaker program includes funds for the purpose of making grants to programs to provide employment and support services to displaced homemakers.

This appropriation contains \$3,050,000 in fiscal year 1982 for fuel assistance, but it is not available unless it is required to match federal fuel assistance money. Any unexpended balance remaining in the first year from the \$3,050,000 shall not cancel, but shall be available for the second year.

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

Sec. 4. COMMISSIONER OF CORRECTIONS

| | | |
|--|------------|------------|
| Subdivision 1. Total Department Appropriation | 64,165,500 | 63,736,500 |
|--|------------|------------|

The amounts that may be expended from the appropriation for each program and activity are more specifically described in the following subdivisions of this section.

The amounts shown in the program totals are reduced by \$754,800 the first year and \$854,200 the second year.

Positions and administrative money may be transferred within the department of corrections as deemed necessary by the commissioner, upon the advance approval of the commissioner of finance.

| | | |
|----------------------------------|-----------|-----------|
| Subd. 2. Management Services ... | 3,750,300 | 3,766,200 |
|----------------------------------|-----------|-----------|

The amounts that may be expended from this appropriation for each activity are as follows:

Subsidy Programs

| | |
|--------------|--------------|
| \$ 1,920,100 | \$ 2,064,800 |
|--------------|--------------|

No new positions eligible for county probation reimbursement under this activity shall be added by any county without the written approval of the commissioner of corrections.

When new positions are approved, the commissioner shall include the cost of those positions in calculating each county's share.

On or before July 1 of each even numbered year, each county or group of counties shall submit to the commissioner of corrections an estimate of

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

the cost for county probation reimbursement. Reimbursement shall be made on the basis of the estimate submitted or the actual expenditure, whichever is less.

Support

| | |
|-------------|-------------|
| \$1,830,200 | \$1,701,400 |
|-------------|-------------|

The Minnesota Corrections Board is abolished effective June 30, 1982.

\$100,000 is available for fiscal year 1983 to the commissioner of corrections to perform the responsibilities formerly assigned to the Minnesota Corrections Board.

| | | |
|------------------------------|------------|------------|
| Subd. 3. Policy and Planning | 1,278,600 | 1,246,100 |
| Subd. 4. Community Services | 17,969,800 | 18,763,100 |

The amounts that may be expended from this appropriation for each activity are as follows:

Support

| | |
|-------------|-------------|
| \$4,110,600 | \$4,218,800 |
|-------------|-------------|

Community Corrections Act

| | |
|--------------|--------------|
| \$11,339,500 | \$12,176,000 |
|--------------|--------------|

In the Arrowhead region, no less than \$50,000 of the community corrections act subsidy shall be provided annually to the restitution program for women offenders by the counties participating in the act. These subsidy moneys shall be prorated among the participating counties on the basis of need or use as determined by the rules of the commissioner.

In Ramsey and Hennepin counties, no less than \$72,000 of the community cor-

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

rections act subsidy shall be provided annually to Genesis II. These subsidy moneys shall be prorated among Hennepin and Ramsey counties on the basis of need or use as determined by the rules of the commissioner.

Notwithstanding the provisions of Minnesota Statutes, Chapter 401, no county or group of counties participating in the community corrections act shall be charged any per diem costs of confinement for adults sentenced to the commissioner of corrections for crimes committed on or after January 1, 1981.

Victim Services

| | |
|-------------|-------------|
| \$2,519,700 | \$2,368,300 |
|-------------|-------------|

The battered women task force is continued to June 30, 1983.

The commissioner of corrections may authorize the use of a percentage of a grant for the operation of an emergency shelter or make a separate grant for the rehabilitation of any facility owned by the grantee and used as a shelter to bring the facility into compliance with state and local laws pertaining to health, fire and safety and to provide security.

| | | |
|---|------------|------------|
| Subd. 5. Correctional Institutions | 41,921,600 | 40,815,300 |
|---|------------|------------|

Current Expense

| | |
|-------------|-------------|
| \$8,216,300 | \$8,367,400 |
|-------------|-------------|

Salaries

| | |
|--------------|--------------|
| \$28,549,700 | \$29,027,400 |
|--------------|--------------|

Special Equipment

| | |
|-----------|-----------|
| \$593,000 | \$182,400 |
|-----------|-----------|

| | 1982 | 1983 |
|-------------------------|-----------|-----------|
| | \$ | \$ |
| Repairs and Betterments | | |
| | \$537,700 | \$577,500 |

Industry

\$1,500,000

Any unexpended balances in special equipment, repairs and betterments, and industry remaining in the first year does not cancel but is available for the second year of the biennium.

The industries equipment purchased for Oak Park Heights Correctional Facility may be used in Stillwater Correctional Facility. The commissioner of corrections may transfer between facilities for this purpose. The commissioner of corrections is directed to phase down the farm machinery industry and redirect the industry program into light industry operations, and \$1,500,000 of this appropriation is available for that purpose. It is the intention of the legislature that lay-offs are to be avoided during this transition period.

The commissioner of corrections is authorized to enter into an agreement with the appropriate Wisconsin officials for services for Wisconsin corrections purposes. The contract shall be designed to prevent Minnesota from sustaining an operating cost loss. The governor shall submit the plan and contract to the appropriate chairpersons of the house and senate money committees prior to contract execution. Money received from Wisconsin pursuant to the contract is appropriated to the commissioner of corrections for the above purpose.

Health Care

| | | |
|--|-------------|-------------|
| | \$2,187,500 | \$2,301,500 |
|--|-------------|-------------|

| | 1982 | 1983 |
|-----------|-----------|-----------|
| | \$ | \$ |
| Education | | |
| | \$337,400 | \$359,100 |

The commissioner of corrections is directed to open the Minnesota correctional facility—Oak Park Heights, by February 1, 1982. Forty new positions are provided, and \$300,000 is appropriated, for fiscal year 1982, and \$800,000 for the positions for fiscal year 1983. The commissioner may transfer the departmental personnel and available fiscal resources necessary to open the Oak Park Heights facility. \$500,000 for purchase of medical and security supplies and equipment is appropriated to be available November 1, 1981.

Up to \$400,000 is available from the state institutions contingent account for supply and equipment items overlooked in the budget.

Supplies and equipment such as bedding, inmate clothing and other personal items are to be transferred from other institutions.

Sec. 5. SENTENCING GUIDELINES COMMISSION

| | | |
|--|---------|---------|
| Salaries, Supplies and Expense | 191,000 | 119,600 |
|--|---------|---------|

Sec. 6. CORRECTIONS OMBUDSMAN

| | | |
|--|---------|---------|
| Salaries, Supplies and Expense | 229,900 | 232,500 |
|--|---------|---------|

Sec. 7. COMMISSIONER OF HEALTH

| | | |
|--|------------|------------|
| Total Department Appropriation | 24,076,700 | 24,390,400 |
|--|------------|------------|

The amounts that may be expended from this appropriation for each program are as follows:

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

The amounts shown in the program totals are reduced by \$256,900 the first year and \$270,200 the second year.

Positions and administrative money may be transferred within the department of health as deemed necessary by the commissioner, upon the advance approval of the commissioner of finance.

Preventive and Personal Health Services

| | |
|-------------|-------------|
| \$8,240,300 | \$8,465,700 |
|-------------|-------------|

Of the above appropriation, up to \$25,000 shall be used to eliminate the threat to public health from arsenic contamination in an underground disposal site that has resulted in an incident of human poisoning within the last ten years. Such appropriation does not constitute acceptance of any liability on the part of the state.

Any unexpended balance appropriated by Laws 1979, Chapter 336, Section 7 in the program of preventive and personal health services for the purpose of wells, soil and chemical analysis, does not cancel, but is available until June 30, 1982.

Notwithstanding any law to the contrary, the fee the commissioner of health charges for medical laboratory services may increase up to \$3.

Health Systems Quality Assurance

| | |
|-------------|-------------|
| \$1,864,200 | \$1,888,600 |
|-------------|-------------|

Of this appropriation \$308,100 for fiscal year 1982 and \$313,800 for fiscal year 1983 are appropriated from the trunk highway fund for emergency medical services activities.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Notwithstanding the provisions of Minnesota Statutes, Sections 144A.10 and 144.653, the commissioner of health shall conduct inspections and reinspections of health facilities with a frequency and in a manner calculated to produce the greatest benefit to residents within the limits of the resources available to the commissioner. In performing this function, the commissioner may devote proportionately more resources to the inspection of those facilities in which conditions present the most serious concerns with respect to resident health, treatment, comfort, safety and well-being.

These conditions include but are not limited to: change in ownership; frequent change in administration in excess of normal turnover rates; complaints about care, safety, or rights; where previous inspections or reinspections have resulted in correction orders related to care, safety, or rights; and, where persons involved in ownership or administration of the facility have been indicted for alleged criminal activity. Any facility that has none of the above conditions or any other condition established by the commissioner that poses a risk to resident care, safety, or rights shall be inspected once every two years.

The commissioner of health shall require a fee of \$500 prior to undertaking a study of a human service occupation under the authority of Minnesota Statutes, Section 214.13. The fee shall be imposed on an applicant group at the time the application is filed with the commissioner. The fee shall be deposited to the general fund and if the application is accepted it is not refundable.

Health Support Services

| | |
|--------------|--------------|
| \$14,229,100 | \$14,306,300 |
|--------------|--------------|

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

For the purposes of the community health services act, the commissioner of finance may authorize the transfer of money to the community health services activity from the other programs in this section.

The payments for the community health services act for each county shall be based upon the formula in effect in fiscal year 1981, using the most recent factors. No county, city, group of cities or group of counties shall receive less than the amount received in 1981; however, this appropriation shall be prorated if the amount is insufficient.

If the appropriation for community health services or services to children with handicaps is insufficient for either year, the appropriation for the other year shall be available by direction of the governor after consulting with the legislative advisory commission.

Sec. 8. HEALTH RELATED BOARDS

| | | |
|--|---------|---------|
| Subdivision 1. Board of Chiropractic Examiners | 51,800 | 53,300 |
| Subd. 2. Board of Dentistry | 220,600 | 228,800 |
| Subd. 3. Board of Medical Examiners | 325,500 | 338,700 |
| Subd. 4. Board of Nursing | 685,600 | 704,800 |
| Subd. 5. Board of Examiners for Nursing Home Administrators | 89,200 | 91,800 |

Notwithstanding the provision of Minnesota Statutes, Section 144A.04, Subdivision 5, for the biennium ending June 30, 1983, a nonproprietary retirement home having less than 15 licensed nursing home beds may share the services of a licensed administrator with a nonproprietary nursing home having less than 150 licensed nursing home beds

| | 1982 | 1983 |
|--|---------|---------|
| | \$ | \$ |
| which is located within 25 miles of the retirement home. | | |
| Subd. 6. Board of Optometry | 40,200 | 42,200 |
| Subd. 7. Board of Pharmacy | 266,200 | 271,500 |
| Subd. 8. Board of Podiatry | 5,600 | 5,600 |
| Subd. 9. Board of Psychology | 89,100 | 94,400 |
| Subd. 10. Board of Veterinary Medicine | 57,900 | 59,000 |

Subd. 11. The commissioner of finance shall not permit the allotment, encumbrance, or expenditure of any money appropriated in this section in excess of the anticipated biennial revenues.

Neither this provision nor Minnesota Statutes, Section 214.06 shall apply to transfers from the general contingent account; provided the amount transferred does not exceed the amount of surplus revenue accumulated during the previous five years.

Sec. 9. CONTINGENT FOR
STATE INSTITUTIONS 750,000

This appropriation shall be used for emergency purposes and for the purchase of food, clothing, drugs, utilities, and fuel for any of the institutions for which an appropriation is made in this act. No expenditure shall be made from this appropriation without the direction of the governor after consultation with the legislative advisory commission.

Any unexpended balance remaining in the first year does not cancel but is available for the second year of the biennium.

The allowance for food may be adjusted annually according to the United

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

States department of labor, bureau of labor statistics publication wholesale price index, upon the approval of the governor. Adjustments shall be based on the June, 1981, wholesale food price index, but the adjustment shall be prorated if the wholesale food price index adjustment would require money in excess of this appropriation.

Sec. 10. [RECEIPTS.]

For the biennium ending June 30, 1983, all funds, sums of money, or other resources provided or to be received as shown in the biennial budget document or in working papers of the two appropriations committees, including all receipts, collections, legislative allocations, transfers, and other income and receipts properly belonging to and to be used for financing activities, programs, and other projects other than the institutions now or hereafter under the supervision and jurisdiction of the commissioner of public welfare not otherwise specifically designated as income or credits to other state departments or funds by law, shall be accredited to and become a part of the appropriations provided for in section 2, subdivisions 2, 3, and 4. Receipts in excess of those shown in the biennial budget are not available without the approval of the governor, after consultation with the legislative advisory commission.

Sec. 11. [PROVISIONS.]

For the biennium ending June 30, 1983, money appropriated under this act for the purchase of provisions within the item "current expense" shall be used solely for that purpose. The amounts appropriated for provisions are shown on the worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the offices of the commissioner of finance. Any money so provided and not used for purchase of provisions shall be cancelled into the fund from which appropriated, except that money so provided and not used for the purchase of provisions because of population decreases may be transferred and used for the purchase of medical and hospital supplies with the approval of the governor after consultation with the legislative advisory commission.

Sec. 12. [TRANSFERS.]

Subdivision 1. For the biennium ending June 30, 1983, the commissioner of public welfare, the commissioner of corrections, the commissioner of economic security and the commissioner of health shall not transfer any money to or from personal services,

or claims and grants, as shown on the official worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance, except for those transfers that have the written approval of the governor, who shall consult with the legislative advisory commission.

Subd. 2. For the biennium ending June 30, 1983, the commissioners of public welfare, corrections, and health by direction of the governor after consulting with the legislative advisory commission may transfer unobligated appropriation balances and positions among all programs.

Sec. 13. [APPROVED COMPLEMENT.]

For the biennium ending June 30, 1983, the approved complements indicated in this act are fulltime equivalent positions and apply only to positions paid for with money appropriated by this act.

Additional employees over the number of the approved complement may be employed on the basis of public necessity or emergency with the written approval of the governor, but the governor shall not approve the additional personnel until he has consulted with the legislative advisory commission. Any requests for increases in the approved complement shall be forwarded to the appropriate committees on finance of the legislature not less than 30 days prior to the legislative advisory commission meeting.

Sec. 14. [RULE PROMULGATION.]

For the biennium ending June 30, 1983, the commissioner of public welfare, the commissioner of economic security, the commissioner of corrections, the commissioner of health and the various health-related boards shall not promulgate nor implement any rules which will increase state expenditures by more than \$50,000 during the biennium without the review by, and approval of the governor, after consultation with the legislative advisory committee.

Sec. 15. [144.0742] [CONTRACTS FOR PROVISION OF PUBLIC HEALTH SERVICES.]

The commissioner of health is authorized to enter into contractual agreements with any public or private entity for the provision of statutorily prescribed public health services by the department. The contracts shall specify the services to be provided and the amount and method of reimbursement therefor. Funds generated in a contractual agreement made pursuant to this section are appropriated to the department for purposes of providing the services specified in the contracts. All such contractual

agreements shall be processed in accordance with the provisions of Minnesota Statutes, Section 16.098.

Sec. 16. Minnesota Statutes 1980, Section 241.021, is amended by adding subdivisions to read:

Subd. 4. [HEALTH CARE.] The commissioner of corrections shall provide professional health care to persons confined in institutions under the control of the commissioner of corrections and pay the costs of their care in hospitals and other medical facilities not under the control of the commissioner of corrections, including the secure treatment unit operated by the St. Paul-Ramsey Hospital. All reimbursements for these health care services shall be deposited in the general fund.

Subd. 5. [SALES TO DEPARTMENT OF ADMINISTRATION.] July 1 of each year and quarterly thereafter, the commissioner of corrections shall notify the commissioner of administration of the articles, supplies, and services available from industrial activities conducted at state correctional institutions, and the commissioner of administration shall purchase from the state correctional institutions those articles, supplies, and services needed by state departments and agencies, unless the commissioner of corrections certifies that the correctional institutions cannot provide them at a price within five percent of the fair market price for comparable level of quality and within a reasonable delivery time. In determining the fair market price the commissioner of administration shall use competitive bidding or consider open market bid prices in previous years for similar products and services, plus inflationary increases.

Sec. 17. Minnesota Statutes 1980, Section 241.13, is amended to read:

241.13 [CONTINGENT (FUNDS) ACCOUNT; DAMAGE DEPOSITS; CORRECTIONAL INSTITUTIONS.]

Subdivision 1. [CONTINGENT (FUNDS) ACCOUNT.] The commissioner of corrections may permit a contingent (FUND) account to remain in the hands of the accounting officer of any such institution from which expenditures may be made in case of actual emergency requiring immediate payment to prevent loss or danger to the institution or its inmates and for the purpose of paying freight, purchasing produce, livestock and other commodities requiring a cash settlement, and for the purpose of discounting bills incurred, but in all cases subject to revision by the commissioner of corrections. An itemized statement of every expenditure made during the month from such (FUND) account shall be submitted to the commissioner under rules established by him. If necessary, the commissioner shall make proper requisition upon the commissioner of finance for a warrant upon the state treasurer to secure the contingent (FUND) account for each institution.

Subd. 2. [DAMAGE DEPOSITS.] The commissioner of corrections shall collect a damage deposit from all staff who reside in housing on the grounds of the Thistledeew Corrections Camp at Togo, Minnesota and deposit the moneys in a savings account in a bank at interest. Withdrawals therefrom may be made to defray the cost of any damage to the residence caused by the tenant or to return the deposit to the tenant with accrued interest if the residence is vacated without damage. The commissioner shall keep accurate records in the name of each tenant so that the interest may be credited to the proper account.

Sec. 18. Minnesota Statutes 1980, Section 241.69, Subdivision 4, is amended to read :

Subd. 4. [COMMITMENT.] If the examining physician or psychologist finds the person to be mentally ill and in need of long term care in a hospital, or if an inmate transferred pursuant to subdivision 3 refuses to voluntarily participate in the treatment program at the psychiatric unit, the chief executive officer of the institution or other person in charge shall initiate proceedings for judicial commitment as provided in section 253A.07. Upon the recommendation of the physician or psychologist and upon completion of the hearing and consideration of the record, the court may commit the person to the psychiatric unit established in subdivision 1 or to another hospital. A person confined in a state correctional institution for adults who has been adjudicated to be mentally ill and in need of treatment may be committed to the commissioner of corrections and placed in the psychiatric unit established in subdivision 1.

Sec. 19. [245.74] [EQUALIZATION AID TO COUNTIES; OTHER AIDS.]

Subdivision 1. [FORMULA.] The commissioner of public welfare shall pay equalization aid to counties based upon the appropriation and a formula that includes four factors: recipient rate, per capita income, per capita taxable value, and per capita expenditures for welfare.

Subd. 2. [EXPENDITURES FOR WELFARE.] (a) For the purposes of equalization aid, "expenditures for welfare" include all forms of public assistance and the administrative costs thereof, to-wit: medical assistance, aid to families with dependent children, Minnesota supplemental aid, payments to the commissioner of public welfare for care and treatment of patients in state institutions, medical relief, hospital charges, maintenance of children not under state guardianship, general assistance, and all administrative costs except university hospitals care, care of children under state guardianships, and poor burials.

(b) Salary expenditures for computation of equalization aid shall not be included in county expenditures for welfare or for

purposes of computing county per capita expenditures for welfare.

Subd. 3. [PAYMENT.] Initial payments for equalization aid to counties shall be made on or before October 1 each fiscal year. Final payments shall be made before January 1 of the following fiscal year.

Subd. 4. [TRANSFERS.] The commissioner shall not pay equalization aid to a county if it has transferred any money available for welfare purposes to any other county funds, except that where money is otherwise unavailable, a county may transfer money to the general revenue fund of the county for payment of rent of office space for the county welfare board. The county shall make the transfer only with the approval of the governor after consultation with the legislative advisory commission. Transfer of money to pay rent shall not be considered an expenditure for welfare for purposes of equalization aid reimbursement. Any federal money received in lieu of taxes because of federal grants shall be available for welfare purposes.

Subd. 5. [LIMIT.] A county shall not receive from state money paid for equalization aid an amount in excess of 75 percent of its expenditures for welfare as defined in subdivision 2.

Sec. 20. Minnesota Statutes 1980, Section 245.765, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of public welfare, to the extent that state and federal money is available therefor, shall reimburse any county for all welfare costs expended by the county to any Indian who is an enrolled member of the Red Lake Band of Chippewa Indians and resides upon the Red Lake Indian Reservation. The commissioner may advance payments to a county on an estimated basis subject to audit and adjustment at the end of each state fiscal year. *Reimbursements shall be prorated if the state appropriation for this purpose is insufficient to provide full reimbursement.*

Sec. 21. Minnesota Statutes 1980, Section 246.151, is amended to read:

246.151 [COMPENSATION PAID TO PATIENT.]

Subdivision 1. [COMPENSATION.] Notwithstanding any law to the contrary, the commissioner of public welfare is authorized to provide for the payment to patients or residents of state institutions under his management and control of such pecuniary compensation as he may deem proper, the amount of compensation to depend upon the quality and character of the work performed as determined by the commissioner and the

chief executive officer, but in no case less than 25 percent of the minimum wage established pursuant to section 177.24.

Subd. 2. [IMPREST CASH FUND.] The commissioner of public welfare may establish an imprest cash fund at each of the state operated residential facilities to be utilized for payment to residents participating in on-campus work programs.

Sec. 22. Minnesota Statutes 1980, Section 256B.15, is amended to read:

256B.15 [CLAIMS AGAINST ESTATES.]

If a person receives any medical assistance hereunder, on his death, if he is single, or on the death of (SUCH) *the* person and his surviving spouse, if he is married, and only at a time when he has no surviving child who is under 21 or is blind or totally disabled, the total amount paid for medical assistance rendered for (SUCH) *the* person, after age 65, without interest, shall be filed as a claim against the estate of (SUCH) *the* person in the court having jurisdiction to probate the estate. (SUCH) *The* claim shall be considered an expense of last illness for the purpose of Minnesota Statutes 1965, Section 525.44. Any statute of limitations that purports to limit any county agency or the state agency, or both, to recover for medical assistance granted hereunder shall not apply to any claim made hereunder for reimbursement for any medical assistance granted hereunder. *Counties may retain one half of the non-federal share of medical assistance collections from estates that are directly attributable to county effort.*

Sec. 23. [256D.42] [SUPPLEMENTAL AID; ADJUSTMENTS.]

Subdivision 1. [PERSONAL NEEDS ALLOWANCE.] Recipients of Minnesota supplemental aid living in nonmedical congregate care or foster care shall receive the same personal needs allowance as recipients of medical assistance residing in intermediate care facilities.

Subd. 2. [COST OF LIVING.] The commissioner of public welfare shall adjust the benefits payable to the aged, blind and disabled recipients pursuant to sections 256D.36 and 256D.37 who do not reside in congregate care or foster care facilities in an amount equivalent to the cost of living adjustments in the federal supplemental security income program.

Sec. 24. Minnesota Statutes 1980, Section 393.07, Subdivision 10, is amended to read:

Subd. 10. [FEDERAL FOOD STAMP PROGRAM.] The county welfare board shall establish and administer the food

stamp program pursuant to rules of the commissioner of public welfare and federal regulations. *The county welfare board shall participate in a food stamp quality control system subject to the supervision of the commissioner of public welfare and pursuant to federal regulations.*

Any person who commits any of the following acts is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses (1), (2), and (5):

(a) Obtains or attempts to obtain, or aids or abets any person to obtain by means of a wilfully false statement or representation, or intentional concealment of a material fact, food stamps to which he is not entitled or in an amount greater than that to which he is entitled; or

(b) Presents or causes to be presented, coupons for payment or redemption knowing them to have been received, transferred or used in a manner contrary to existing state or federal law; or

(c) Wilfully uses or transfers food stamp coupons or authorization to purchase cards in any manner contrary to existing state or federal law.

The amount of food stamps incorrectly issued shall be the difference between the amount of food stamps actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts. The amount of any food stamps determined to have been incorrectly issued, used, transferred or presented shall, unless otherwise determined by the county welfare board in order to prevent undue hardship, be recoverable from the recipient, or user, or his estate by the county as a debt due the county.

Sec. 25. Minnesota Statutes 1980, Section 401.04, is amended to read:

401.04 [ACQUISITION OF PROPERTY; SELECTION OF ADMINISTRATIVE STRUCTURE; EMPLOYEES.]

Any county or group of counties electing to come within the provisions of sections 401.01 to 401.16 may (a) acquire by any lawful means, including purchase, lease or transfer of custodial control, the lands, buildings and equipment necessary and incident to the accomplishment of the purposes of sections 401.01 to 401.16, (b) determine and establish the administrative structure best suited to the efficient administration and delivery of the correctional services described in section 401.01, and (c) employ a director and other officers, employees and agents as deemed necessary to carry out the provisions of sections 401.01

to 401.16. To the extent that participating counties shall assume and take over state correctional services presently provided in counties, employment shall be given to those state officers, employees and agents thus displaced; if hired by a county, employment shall, to the extent possible and notwithstanding the provisions of any other law or ordinance to the contrary, be deemed a transfer in grade with all of the benefits enjoyed by such officer, employee or agent while in the service of the state.

State employees displaced by county participation in the subsidy program provided by this chapter are on layoff status and, if not hired by a participating county as provided herein, may exercise their rights under layoff procedures established by law or union agreement whichever is applicable.

State officers and employees displaced by a county's participation in the community corrections act and hired by the participating county shall retain all fringe benefits and recall from layoff benefits accrued by seniority and enjoyed by them while in the service of the state.

Sec. 26. Minnesota Statutes 1980, Section 401.12, is amended to read:

401.12 [CONTINUATION OF CURRENT SPENDING LEVEL BY COUNTIES.]

Participating counties shall not diminish their current level of spending for correctional expenses as defined in section 401.01, to the extent of any subsidy received pursuant to sections 401.01 to 401.16; rather the subsidy herein provided is for the expenditure for correctional purposes in excess of those funds currently being expended. Should a participating county be unable to expend the full amount of the subsidy to which it would be entitled in any one year under the provisions of sections 401.01 to 401.16, the commissioner shall retain the surplus, subject to disbursement in the following year wherein such county can demonstrate a need for and ability to expend same for the purposes provided in section 401.01. *If in any biennium the subsidy is increased by an inflationary adjustment which results in the county receiving more actual subsidy than it did in the previous calendar year, the county shall be eligible for that increase only if the current level of spending is increased by a percentage equal to that increase within the same biennium.*

ARTICLE II

INCOME MAINTENANCE PROGRAMS, REDUCTIONS AND COST CONTROLS

Section 1. [ALLOWABLE INCREASE IN COST PER SERVICE UNIT.]

For the biennium ending June 30, 1983, the annual increase in the cost per service unit paid to any vendor under medical assistance and general assistance medical care shall not exceed eight percent. The period for measuring growth shall be the state fiscal year.

Sec. 2. [LIMITATIONS ON FEES.]

Subdivision 1. All payments for vendors of medical care under medical assistance and general assistance medical care shall be limited to the 50th percentile of usual and customary fees based upon billings during calendar year 1978 for physician services, dental care, vision care, podiatric services, chiropractic care, mental health centers, psychologists, public health clinics, and independent laboratory and x-ray services.

Subd. 2. [GENERAL ASSISTANCE MEDICAL CARE.]

(a) Notwithstanding the provisions of Minnesota Statutes, Sections 256D.01 to 256D.21 and 261.23, or any other law to the contrary, for the biennium ending June 30, 1983, state aid shall be paid to local agencies or counties for 90 percent of general assistance medical care paid by the local agency or county on behalf of persons eligible for general assistance or persons meeting the income and resource criteria established in the program for aid to families with dependent children. Nothing in this provision shall be construed to modify the spenddown required in appropriate cases for general assistance medical care. Reimbursement for medical care provided under Minnesota Statutes, Sections 256D.01 to 256D.21 or 261.23 shall be limited to the following categories of service only: inpatient hospital care, outpatient hospital care, prescription drugs, physician's services, medical transportation, and dental care. In addition, payments of state aid shall be made for medications prescribed for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) At the option of the county board and with the approval of the commissioner of public welfare, reimbursement for inpatient hospital care, outpatient hospital care, and prescription drugs may be limited to designated medical care providers.

(c) The commissioner of public welfare may reduce payments provided under Minnesota Statutes, Sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions. Reductions below the cost per service unit allowable under medical assistance pursuant to chapter 256B shall be permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 45 percent; payments for all other inpatient hospital care may be reduced no more than 35 percent; and payments for the remaining general assistance medical care services allow-

able under this provision may be reduced no more than 25 per cent.

(d) *If the commissioner or county refuses to pay all or part of the charge for a health service, they shall not be liable for the unpaid portion of the charge. Any county may, from its own resources, provide medical payments for which state payments are not made.*

Sec. 3. [LIMITATION ON INPATIENT CHEMICAL DEPENDENCY TREATMENT.]

The commissioner of public welfare shall limit medical assistance and general assistance medical care reimbursement for treatment of alcoholism, chemical dependency or drug addiction which is rendered in a licensed hospital or certified nursing home to 10 days unless need for extended care is certified by the attending physician.

Sec. 4. Minnesota Statutes 1980, Section 16.851, is amended by adding a subdivision to read :

Subd. 3. Nothing in the state building code shall require that each door entering a sleeping room from a corridor in a nursing home with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

Sec. 5. Minnesota Statutes 1980, Section 144A.08, is amended by adding a subdivision to read :

Subd. 1a. [CORRIDOR DOORS.] Nothing in the rules of the commissioner of health shall require that each door entering a sleeping room from a corridor in a nursing home with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

Sec. 6. Minnesota Statutes 1980, Section 145.913, is amended by adding a subdivision to read :

Subd. 1a. [MULTI-COUNTY BOARDS.] A county that elects to implement the provisions of the community health services act by organizing a multi-county board of health jointly with another county or counties under the provisions of section 471.59 may reserve and assign to a single county board of health organized under the provisions of section 145.913, subdivision 1, any powers and duties previously assigned by law to boards of health pursuant to section 145.01, and sections 145.47 to 145.55, any powers and duties previously assigned by law to public health nursing and home health services agencies

pursuant to sections 145.08 to 145.125, and any discretionary authority of a board of health as provided in section 145.914.

Sec. 7. Minnesota Statutes 1980, Section 145.914, Subdivision 2, is amended to read:

Subd. 2. [POWERS.] In addition to any other powers assigned to a board of health by sections 145.911 to 145.921, the board of health for a county or city eligible for a subsidy under section 145.917 shall possess all the powers and duties now assigned by law to local boards of health pursuant to section 145.01, and to public health nursing and home health services agencies pursuant to sections 145.08 to 145.125, provided however that this subdivision shall not supersede or otherwise change the powers and duties of any city or township eligible for the subsidy under the provisions of section 145.917, or of any city of the first or second class with an existing program of community health services located within a county with a population of 300,000 or more persons until the city council of said city shall take action to allow the county to preempt the powers and duties of said city. Not later than 365 days after the approval of the community health services plan by the state commissioner of health, any (COUNTY OR CITY BOARD, COMMITTEE OR COMMISSION HAVING AUTHORITIES OR DUTIES IN ANY AREA DESIGNATED IN SECTIONS 145.911 to 145.921 OTHER THAN THE BOARD OF HEALTH DESIGNATED AND ACTING PURSUANT TO SECTIONS 145.911 to 145.921) township, city, or county board of health organized under the provisions of section 145.01 and any public health nursing committee organized under the provisions of sections 145.08 to 145.125, shall cease (ITS) operation and no per diem or reimbursement of expenses shall be paid to any member of the board, committee, or commission; provided, however, that any city or township eligible for the subsidy under the provisions of section 145.917, and any city of the first or second class with an existing program of community health services located in a county with a population of 300,000 or more persons may continue operations and the payment of per diem and reimbursement of expenses.

Sec. 8. [145.97] [HILL-BURTON PROGRAM; RULES.]

The commissioner of health may promulgate temporary rules under section 15.0412, subdivision 5 to implement and enforce the provisions of 42 United States Code, Sections 291c(e), 291e(b)(3), 300s(3), 300s-1(b)(1)(K), or 300s-6, and the provisions of regulations promulgated by the United States secretary of health and human services pursuant to 42 United States Code, Sections 291c(e) or 300s(3), known as the Hill-Burton program. The commissioner shall maintain records on the number and nature of complaints received and any actions taken to implement or enforce the Hill-Burton laws and rules.

Sec. 9. [241.70] [PROGRAMS FOR WOMEN OFFENDERS.]

Subdivision 1. [TYPE OF PROGRAMS.] Adult women charged with or convicted of crimes shall be provided a range and quality of programming substantially equivalent to programming offered male persons charged with or convicted of crimes. Programs for women offenders shall be based upon the special needs of women offenders.

Subd. 2. [MODEL PROGRAMS.] Within the limits of money appropriated, the commissioner of corrections shall provide model programs for women offenders which respond to statewide needs and geographical areas and shall award grants for the programs. Listed in the order of importance, the programs shall:

(a) Respond in a rehabilitative way to the type of offenses women offenders generally commit;

(b) Respond to the problems of women offenders with dependent children;

(c) Respond to the importance of developing independent living skills;

(d) Assist women offenders to overcome their own extreme degree of dependency;

(e) Prepare to offer technical assistance and training toward the implementation of other similar programs when requested by local communities.

Subd. 3. [COUNTY PLANS.] Counties shall annually submit a plan to the commissioner of corrections for approval which provides for services to women offenders in their area and which incorporates criteria for model programs established by the commissioner. Counties may agree to cooperate in preparing a joint plan and may submit and administer their plan jointly.

Sec. 10. [241.71] [CREATION OF ADVISORY TASK FORCE.]

Within 60 days after the effective date of sections 9 to 12, the commissioner of corrections shall appoint an advisory task force on the woman offender in corrections. The task force shall have at least ten but no more than 20 members and shall reflect a statewide geographical representation. The provisions of Minnesota Statutes, Section 15.059, Subdivision 6, shall govern the terms, expenses, and removal of members of the advisory task force.

Sec. 11. [241.72] [PROGRAM FUNDING.]

Subdivision 1. [GRANTS IN AID.] To assist those counties that have existing programs for the woman offender, and to

encourage counties to develop and implement programs, the commissioner of corrections, from funds appropriated for the purposes of sections 9 to 12, shall make grants in aid not to exceed 40 percent of the costs of the programs in those counties electing to participate in the grant program established by sections 9 to 12.

Subd. 2. [APPLICATIONS.] To qualify for the grants in aid provided under this section, those counties with existing programs and those counties that want to participate shall, by resolution of the county board, request that they be allowed to participate and submit a plan in accordance with the provisions of section 9, subdivision 3, and the rules of the commissioner.

Subd. 3. [MULTI-COUNTY PROGRAMS; LOCAL MATCHING FUNDS.] Where several counties combine to provide one or more of the programs under sections 9 to 12, the 60 percent local matching funds shall be borne proportionately by the participating counties on the basis of need or use as determined by the rules of the commissioner.

Sec. 12. [241.73] [DUTIES OF COMMISSIONER.]

The commissioner of corrections shall:

- (a) Review all county plans for model programs for women offenders;*
- (b) Choose model programs and award grants for programs;*
- (c) Appoint the members of the advisory task force created under section 10 and provide staff and other administrative services to the advisory task force;*
- (d) Consult with the state advisory task force on the woman offender in corrections before making a choice of the programs eligible for funding;*
- (e) Monitor the delivery of services sought under this act; and*
- (f) Establish by rule a method of determining the amount of contribution to be made by each county where two or more counties combine to provide one or more programs under sections 9 to 12.*

Sec. 13. Minnesota Statutes 1980, Section 245.0313, is amended to read:

245.0313 [AID TO THE DISABLED; MENTALLY RETARDED.]

Notwithstanding any provision of law to the contrary, the cost of care not met by federal funds for any mentally retarded patient eligible for the medical assistance program or the supplemental security income for the aged, blind and disabled program in institutions under the control of the commissioner of public welfare shall be paid (FOR FROM STATE FUNDS) by the state and county in the same proportion as provided in section 256B.19 for division of costs.

Sec. 14. [245.73] [GRANTS FOR RESIDENTIAL SERVICES FOR ADULT MENTALLY ILL PERSONS.]

Subdivision 1. [COMMISSIONER'S DUTY.] The commissioner shall establish a statewide program to assist counties in ensuring provision of services to adult mentally ill persons. The commissioner shall make grants to county boards to provide community based services to mentally ill persons through facilities licensed under sections 245.781 to 245.813.

Subd. 2. [APPLICATION; CRITERIA.] County boards may submit an application and budget for use of the money in the form specified by the commissioner. The commissioner shall make grants only to counties whose applications and budgets are approved by the commissioner. The commissioner shall give first priority to residential facilities for adult mentally ill persons operating as of July 1, 1980, to meet licensing requirements of the commissioner pursuant to sections 245.781 to 245.813. Funds shall not be used to supplant or reduce local, state, or federal expenditure levels supporting existing resources unless the reduction in available moneys is the result of a state or federal decision not to refund an existing program. State funds received by a county pursuant to this section shall be used only for direct service costs. Both direct service and other costs, including but not limited to renovation, construction or rent of buildings, purchase or lease of vehicles or equipment as required for licensure as a facility for adult mentally ill persons under sections 245.781 to 245.812, may be paid out of the matching funds required under subdivision 3 of this section. Neither the state funds nor the matching funds shall be used for room and board costs.

Subd. 3. [FORMULA.] Grants made pursuant to this section shall finance 75 percent of the county's costs of expanding or providing services for adult mentally ill persons in residential facilities as provided in subdivision 2.

Subd. 4. [RULES; REPORTS.] The commissioner shall promulgate a temporary and permanent rule to govern grant applications, approval of applications, allocation of grants, and maintenance of service and financial records by grant recipients. The commissioner shall require collection of data for compliance, monitoring and evaluation purposes and shall require periodic reports to demonstrate the effectiveness of the services in helping adult mentally ill persons remain and function in their own

communities. The commissioner shall report to the legislature no later than December 31 of each even-numbered year as to the effectiveness of this program and recommendations regarding continued funding.

Sec. 15. Minnesota Statutes 1980, Section 245.802, is amended by adding a subdivision to read:

Subd. 3. A residential facility that is federally certified as an intermediate care facility serving adult mentally ill persons on the effective date of this section shall not be denied a program license on the basis of any rule that requires physical plant specifications regarding the alteration of a certain number of beds and a certain number or size of living areas per treatment unit which would require the facility to alter its total number of beds.

Sec. 16. Minnesota Statutes 1980, Section 245.812, is amended by adding a subdivision to read:

Subd. 7. Residential facilities for adult mentally ill persons established on or before July 1, 1980, are exempt from the requirements of this section until July 1, 1984. The commissioner shall develop a mechanism for ensuring full compliance with this section by residential facilities for adult mentally ill persons by July 1, 1984.

Sec. 17. Minnesota Statutes 1980, Section 246.54, is amended to read:

246.54 [LIABILITY OF COUNTY; REIMBURSEMENT.]

The patient's county shall pay (ANNUALLY) to the state of Minnesota (\$10 FOR EACH MONTH OR PORTION THEREOF THE PATIENT SPENDS AT A STATE HOSPITAL. ANY PORTION OF SAID AMOUNT ACTUALLY RECEIVED BY THE STATE OF MINNESOTA FROM THE PATIENT AND HIS RELATIVES SHALL BE CREDITED TO SAID COUNTY) a portion of the cost of care provided in a state hospital to a patient legally settled in that county. A county's payment shall be made from the county's own sources of revenue and payments shall be paid as follows: payments to the state from the county shall equal ten percent of the per capita rate, as determined by the commissioner, for each day, or the portion thereof, that the patient spends at a state hospital. If payments received by the state under sections 246.50 to 246.53 exceed 90 percent of the per capita rate, the county shall be responsible for paying the state only the remaining amount. The county shall not be entitled to reimbursement (THEREFOR) from the patient, (HIS) the patient's estate, or (HIS) from the patient's relatives, except as provided in section 246.53. No such payments shall be made for any patient who was last committed prior to July 1, 1947.

Sec. 18. Minnesota Statutes 1980, Section 254A.03, is amended by adding a subdivision to read:

Subd. 3. The commissioner of public welfare shall establish criteria to be used in determining the appropriate level of chemical dependency care, whether outpatient, inpatient or short-term treatment programs, for each recipient of public assistance seeking treatment for alcohol or other drug dependency and abuse problems. The criteria shall address, at least, the family relationship, past treatment history, medical or physical problems, arrest record, and employment situation.

Sec. 19. Minnesota Statutes 1980, 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) Real property other than the homestead, except as described in clause (3). *For the purposes of this section "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or the smallest parcel allowed under applicable zoning regulations in unplatted land; or*

(2) Personal property of a reasonable market value in excess of (\$600) \$400 for a one child recipient or (\$1,000) \$600 for more than one child recipient, exclusive of personal property used as the home, one automobile, 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 of the commissioner of public welfare, and such property that produces a net income applicable to the family's needs.

(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, or the sale of which would net an insignificant amount of income applicable to the families or would cause undue hardship, as determined by the commissioner, 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. 20. Minnesota Statutes 1980, Section 256.76, Subdivision 1, is amended to read:

Subdivision 1. Upon the completion of such investigation the county agency shall decide whether the child is eligible for assistance under the provisions of sections 256.72 to 256.87, determine the amount of such assistance, and the date on which such assistance shall begin. *The first month's grant shall be based upon that portion of the month from the date of application, or from the date that the applicant meets all eligibility factors, whichever occurs later, provided that on the date that assistance is first requested, the local agency shall inquire and determine whether the person requesting assistance is in immediate need of food, shelter, clothing, or other emergency assistance. If an emergency need is found to exist, the applicant shall be granted assistance pursuant to section 256.871 within a reasonable period of time.* It shall make a grant of assistance which shall be binding upon the county and be complied with by the county until such grant is modified or vacated. The county agency shall notify the applicant of its decision in writing. Such assistance shall be paid monthly to the applicant or to the vendor of medical care upon order of the county agency from funds appropriated to the county agency for this purpose. The county agency shall, upon the granting of assistance under these sections, file an order on the form to be approved by the state agency with the auditor of the county and thereafter warrants shall be drawn and payments made only in accordance with this order to or for recipients of this assistance or in accordance with any subsequent order.

Sec. 21. Minnesota Statutes 1980, Section 256.87, is amended to read:

256.87 [CONTRIBUTION BY PARENTS; AMENDMENTS; REPEALS.]

Subdivision 1. [ACTIONS AGAINST PARENTS FOR ASSISTANCE FURNISHED.] (IF) At any time during the continuance of (ANY) assistance to a child granted under sections 256.72 to 256.87 (THE STATE AGENCY OR COUNTY AGENCY FINDS THAT ANY PARENT OF ANY CHILD RECEIVING ASSISTANCE IS REASONABLY ABLE TO CONTRIBUTE TO THE NECESSARY CARE AND SUPPORT OF THE RECIPIENT WITHOUT UNDUE HARDSHIP TO HIMSELF OR HIS IMMEDIATE FAMILY AND THE PERSON SO ABLE TO CONTRIBUTE TO THE CARE AND SUPPORT OF THE RECIPIENT FAILS OR REFUSES TO CONTRIBUTE ACCORDING TO HIS ABILITY TO THE CARE AND SUPPORT OF THE RECIPIENT, THEN, AFTER NOTICE TO THE PERSON, THERE SHALL EXIST A CAUSE OF AC-

TION AGAINST THIS PERSON) *a parent of a child is liable for the amount of assistance furnished (UNDER SECTIONS 256.72 TO 256.87 SUBSEQUENT TO THE NOTICE, OR ANY PART THEREOF AS THE PERSON) during the two years immediately preceding the commencement of the action which the parent is reasonably able to pay. The action may be ordered by the state agency or county agency and shall be brought in the name of the county by the county attorney of the county in which the assistance was granted, or by the state agency against (THIS PERSON) the parent for the recovery of the amount of assistance granted (AFTER THE NOTICE, AS HEREINBEFORE PROVIDED), together with the costs and disbursements of the action.*

Subd. 1a. [CONTINUING CONTRIBUTIONS.] In addition to granting the county or state agency a money judgment, the court may, upon a motion or order to show cause, order continuing contributions by a (PERSON) parent found able to reimburse the county or state agency. The order shall be effective only for the period of time during which the recipient receives public assistance from the county or state agency. An order for continuing contributions is reinstated without further hearing upon notice to the parent by the county or state agency that assistance is again being provided for the child of the parent under sections 256.72 to 256.87. The notice shall be in writing and shall indicate that the parent may request a hearing for modification of the amount of support or maintenance, the amount required to be paid, and the conditions under which income withholding can occur. In any order modifying the amount of support or maintenance, the court may, if appropriate, make the modification retroactive to the date of automatic reinstatement.

Subd. 2. [NOT TO BE VESTED RIGHT.] All assistance granted under those sections shall be deemed to be granted and to be held subject to the provisions of any amending or repealing act that may hereafter be passed (AND). No recipient shall have any claim for compensation, or otherwise, by reason of his assistance being affected in any way by any amending or repealing act.

Sec. 22. Minneota Statutes 1980, Section 256.872, is amended to read:

256.872. [PERSONS OBLIGATED TO PAY FOR SUPPORT OF SPOUSE OR DEPENDENT CHILD, ORDER TO EMPLOYER TO WITHHOLD.]

Subdivision 1. [WITHHOLDING ORDER.] Whenever an obligation for support of a dependent child or maintenance of a spouse, or both, has been determined and ordered by a court of this state, the public agency responsible for child support enforcement may (PETITION) move and the district or county court (FOR) shall grant an order providing for the withholding of the

amount of child support or maintenance as determined by court order, from the (WAGES) income, regardless of source of the person obligated to pay (SAID) the support or maintenance. (THIS ORDER MAY BE GRANTED UPON A SHOWING TO THE COURT THAT SAID REQUIRED PAYMENTS OF SUPPORT ARE NOT LIKELY TO BE MADE TO THE PERSONS ENTITLED THERETO WHEN DUE.) "Income" means any form of periodic payments to an individual, including, but not limited to, wages, salary, income as an independent contractor, workers' compensation, unemployment compensation, annuity, military and naval retirement, pension and disability payment.

Subd. 2. [CONDITIONS.] Each order for withholding shall provide for a conspicuous notice to the obligor that withholding may result if the obligor fails to make the maintenance or support payments, and that no withholding shall be made until the following conditions are met:

(a) The public agency responsible for child support enforcement determines that the obligor is at least 30 days in arrears;

(b) The agency serves written notice of its determination on the obligor at least 15 days before service of the determination and a copy of the court's order for withholding on the payor of funds;

(c) Within the 15 day period, the obligor has failed either to pay all arrearages or to move the court, under section 518.64, to modify the order respecting the amount of maintenance or support and, ex parte, to stay service on the payor of funds until the motion to modify is heard; and

(d) The agency serves a copy of its determination of delinquency and a copy of the court's withholding order on the payor of funds.

Subd. 3. [MODIFICATION ORDERS.] An order modifying the amount of maintenance or support, issued after the hearing on the motion to modify, shall provide that payments be made by withholding.

Sec. 23. Minnesota Statutes 1980, Section 256.873, is amended to read:

256.873. [(EMPLOYER'S) PAYOR'S DUTY; REMITTANCE OF AMOUNT WITHHELD.]

The court's order for withholding is binding on the payor of funds upon service of a copy of the agency's determination of delinquency and a copy of the court's order on the payor of funds.

The support or maintenance money shall be withheld by the (EMPLOYER) payor of funds of (SAID) the person obligated to pay the support (AND) or maintenance. The amount withheld shall be remitted monthly or more frequently to the public agency responsible for child support enforcement. Any amount (SO) received in excess of the amount of public assistance expended (FOR SAID CHILD) shall be (FURTHER) remitted to the person entitled (THERETO) to it. No employer may discharge, suspend or otherwise penalize (ANY) an employee (BY REASON OF THE FACT THAT) because the employer must withhold (THE) support or maintenance money.

Sec. 24. Minnesota Statutes 1980, Section 256.875, is amended to read:

256.875 [INCLUSION IN DIVORCE DECREE.]

Nothing in sections 256.872 to 256.878 shall be construed to prevent the (PETITION) motion for withholding to be presented, and the order for withholding of support to be included in a final order or decree of (DIVORCE) dissolution or legal separation or in a judgment or order determining parentage.

Sec. 25. Minnesota Statutes 1980, Section 256.877, is amended to read:

256.877 [MODIFICATION OR TERMINATION OF ORDER.]

When it (SHALL APPEAR) appears that the circumstances of the parties have changed to an extent affecting the operation of this order, or it appears that the order is no longer needed or desirable, any interested party may (PETITION) move the court having granted (SAID) the order for an order modifying or terminating (THE SAME) it.

Sec. 26. Minnesota Statutes 1980, Section 256B.02, Subdivision 8, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

(1) Inpatient hospital services.

(2) Skilled nursing home services and services of intermediate care facilities. Payment shall be made only for days on which the eligible individual is in the nursing home or facility.

(3) Physicians' services.

- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.

(7) (PHYSICAL THERAPY AND RELATED SERVICES) *No payments shall be made pursuant to this chapter directly to physical therapists, occupational therapists, speech pathologists and audiologists. Prescribed restorative therapy and specialized maintenance therapy which must be provided by physical therapists, occupational therapists, speech pathologists and audiologists in a nursing home, boarding care home or supervised living facility shall be included in the per diem rate of the facility. Specialized maintenance therapy which must be provided by a therapist shall not include ambulation, passive range of motion, transfer and activities of daily living, and teaching and follow-up which are considered nursing care services. Payments to medicare-certified rehabilitation agencies shall be limited to payments for physician services and prescribed restorative therapy provided by physical therapists, occupational therapists, speech pathologists and audiologists.*

(8) Dental services, excluding cast metal restorations.

(9) Laboratory and x-ray services.

(10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. *The commissioner shall prescribe a drug formulary. Payments for prescribed drugs shall be limited as follows, unless prior authorization for exceptions is received from the commissioner: (a) One prescription per maintenance drug per month; and (b) Three prescriptions per month per recipient. "Drug formulary" means the list of drugs approved by the commissioner upon the advice of the drug formulary committee that are reimbursable under the state medical assistance program. Promulgation and publication of the formulary shall be exempt from the requirements of chapter 15. The formulary shall not include: (a) Drugs lacking FDA approval for safety and efficacy; (b) Over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under age 7; (c) Nutritional products; (d) Anorectics; and (e) Drugs for which medical value has not been established. The drug formulary committee shall review all drugs and advise the commissioner as to their inclusion or exclusion from the drug formulary. The formulary committee shall be comprised of one representative each of: the university of Minnesota's school of dentistry, school of medicine and college of pharmacy; the Minnesota medical association; the Minnesota state pharmaceutical association; the department of health, and the department of public welfare. The commissioner or his agent shall serve as secretary to the committee.*

(11) Diagnostic, screening, and preventive services.

(12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

(13) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion.

(14) Transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory.

(15) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care.

(16) Any other medical or remedial care licensed and recognized under state law *unless otherwise prohibited by law*.

Sec. 27. Minnesota Statutes 1980, Section 256B.03, is amended to read:

256B.03 [PAYMENTS TO VENDORS.]

Subdivision 1. [GENERAL LIMIT.] All payments for medical assistance hereunder must be made to the vendor.

Subd. 2. [LIMIT ON ANNUAL INCREASE TO LONG-TERM CARE PROVIDERS.] Notwithstanding the provisions of sections 256B.42 to 256B.48 and rules promulgated under those sections, rates paid to a skilled nursing facility or an intermediate care facility, including boarding care facilities and supervised living facilities, except state owned and operated facilities, for the first rate year beginning during the biennium ending June 30, 1983, shall not exceed by more than eight percent the final rate allowed to the facility for the preceding rate year.

Notwithstanding provisions of Minnesota Statutes, Section 256B.45, Subdivision 1, the commissioner shall not increase the percentage for investment allowances.

Sec. 28. Minnesota Statutes 1980, Section 256B.06, Subdivision 1, is amended to read:

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 relative 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. *For the purposes of this section, "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or the smallest parcel allowed under applicable zoning regulations in unplatted land.*

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 or *unless sale of the real estate would net an insignificant amount of income applicable to the family's needs, or unless the commissioner determines that sale of the real estate would cause undue hardship*; and

(8) Who (, IF SINGLE,) *individually* does not (HAVE) own 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,) or *if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$4,000 in cash or liquid assets, plus \$200 for each additional legal dependent, except that the value of the following shall not be included:*

(a) the homestead, and (b) one (AUTOMOBILE) motor vehicle licensed pursuant to Minnesota Statutes, Chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, Subdivision 1e (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) husband 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 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, and shall disregard income of disabled persons that is also disregarded in determining eligibility for supplemental aid under section 256D.37, subdivision 1, *unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver.* 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; and

(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. 29. Minnesota Statutes 1980, Section 256B.091, is amended by adding a subdivision to read:

Subd. 8. [ALTERNATIVE CARE GRANTS.] The commissioner shall provide grants to counties participating in the program to pay costs of providing alternative care to individuals screened under subdivision 4. Payment is available under this subdivision only for individuals (1) for whom the screening team would recommend nursing home admission if alternative care were not available; (2) who are receiving medical assistance or who would be eligible for medical assistance within 90 days of admission to a nursing home; and (3) who need services that are not available at that time in the county through other public assistance.

Grants may be used for payment of costs of providing services such as, but not limited to, foster care for elderly persons, day care whether or not offered through a nursing home, nutritional counseling, or medical social services, which services are provided by a licensed health care provider, a home health service eligible for reimbursement under Titles XVIII and XIX of the federal Social Security Act, or by persons employed by or contracted with by the county board or the local welfare agency. The county agency shall ensure that a plan of care is established for each individual in accordance with subdivision 8, clause (e)(2). The plan shall include any services prescribed by the individual's attending physician as necessary and follow up services as necessary. The county agency shall provide docu-

mentation to the commissioner verifying that the individual's alternative care is not available at that time through any other public assistance or service program. Grants to counties under this subdivision are subject to audit by the commissioner for fiscal and utilization control.

The commissioner shall apply for a waiver for federal financial participation to expand the availability of services under this subdivision. The commissioner shall provide grants to counties from the non-federal share, unless the commissioner obtains a federal waiver for medical assistance payments, of medical assistance appropriations. The state expenditures for this section shall not exceed \$1,800,000 for the biennium ending June 30, 1983. A county agency may use grant money to supplement but not supplant services available through other public assistance or service programs and shall not use grant money to establish new programs for which public money is available through sources other than grants provided under this subdivision. Total payment of the costs of providing care under this subdivision shall not exceed 75 percent of the per diem payment for which each individual served would have been eligible if the individual had been admitted to a nursing home. The non-federal share may be used to pay up to 90 percent of the start-up and service delivery costs of providing care under this subdivision. Each county agency that receives a grant shall pay 10 percent of the costs.

The commissioner shall promulgate temporary rules in accordance with section 15.0412, subdivision 5, to establish required documentation and reporting of care delivered.

Sec. 30. Minnesota Statutes 1980, Section 256B.17, is amended to read:

256B.17 [TRANSFERS OF PROPERTY.]

(ANY PERSON WHO HAS TRANSFERRED ANY REAL OR PERSONAL PROPERTY WITHIN THREE YEARS IMMEDIATELY PRECEDING THE DATE OF APPLICATION FOR MEDICAL ASSISTANCE HEREUNDER OR WHO TRANSFERS ANY SUCH PROPERTY WHILE RECEIVING MEDICAL ASSISTANCE HEREUNDER WITHOUT RECEIVING A REASONABLE CONSIDERATION THEREFOR SHALL BE PRESUMED TO HAVE DONE SO IN ORDER TO BECOME OR REMAIN ELIGIBLE FOR MEDICAL ASSISTANCE HEREUNDER OR TO HAVE DEPRIVED HIMSELF OR HIS SPOUSE OF A RESOURCE THAT MIGHT OTHERWISE HAVE BEEN USED TO MEET HIS OR THEIR CURRENT NEEDS. SUCH PERSON SHALL HAVE THE BURDEN OF OVERCOMING SUCH PRESUMPTION TO THE SATISFACTION OF THE COUNTY AGENCY.)

Subdivision 1. [TRANSFERS FOR LESS THAN MARKET VALUE.] In determining the resources of an individual and an eligible spouse, there shall be included any resource or interest therein which was given away or sold for less than fair market value within the 24 months preceding application for medical assistance or during the period of eligibility.

Subd. 2 [PRESUMPTION OF PURPOSE.] Any transaction described in subdivision 1 shall be presumed to have been for the purpose of establishing eligibility for benefits or assistance under this chapter unless the individual or eligible spouse furnishes convincing evidence to establish that the transaction was exclusively for another purpose.

Subd. 3. [RESOURCE VALUE.] For purposes of subdivision 1, the value of the resource or interest shall be the fair market value at the time it was sold or given away, less the amount of compensation received.

Subd. 4. [PERIOD OF INELIGIBILITY.] In any case where the uncompensated value of transferred resources exceeds \$12,000, the commissioner shall require a period of ineligibility which exceeds 24 months, provided that the period of ineligibility bears a reasonable relationship to the excess uncompensated value of the transferred asset.

Sec. 31. Minnesota Statutes 1980, Section 256D.01, Subdivision 1, is amended to read:

Subdivision 1. The objectives of sections 256D.01 to 256D.21 are to provide a sound administrative structure for public assistance programs; to maximize the use of federal funds for public assistance purposes; and to provide an integrated public assistance program for (ALL) those persons in the state (WITHOUT ADEQUATE INCOME OR RESOURCES TO MAINTAIN A SUBSISTENCE REASONABLY COMPATIBLE WITH DECENCY AND HEALTH) meeting the eligibility criteria contained in this chapter.

It is hereby declared to be the policy of this state that persons unable to provide for themselves and not otherwise provided for by law and who meet the eligibility requirements of sections 256D.01 to 256D.21 shall be entitled to receive such grants of general assistance (AND SUCH SERVICES), within the time limits set forth in this chapter as may be necessary to maintain a subsistence reasonably compatible with decency and health. The furnishing of such assistance and services is a matter of public concern and a necessity in promoting the public health and welfare.

A principal objective in providing general assistance (AND SERVICES) shall be to (AID THOSE PERSONS WHO CAN BE HELPED TO BECOME SELF-SUPPORTING OR TO AT-

TAIN SELF-CARE) *provide for persons ineligible for federal programs who are unable to provide for themselves. To achieve (THIS) these aims, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard for cash payments to recipients shall be: as to shelter and utilities, 100 percent of the actual need or state standards therefor, subject to the maximum established for shelter in the aid to the blind, aid to the disabled, and old age assistance programs in December, 1973; and as to other budgetary items, 50 percent, of those established for said items in the aid to the blind, aid to the disabled, and old age assistance programs in December, 1973. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. In order to maximize the use of federal funds, the commissioner shall promulgate regulations, to the extent permitted by federal law for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require the use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall provide by regulation for the eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient. (THE STRENGTHENING AND PRESERVATION OF THE FAMILY UNIT SHALL BE A PRINCIPAL CONSIDERATION IN THE ADMINISTRATION OF SECTIONS 256D.01 TO 256D.21 AND ALL GENERAL ASSISTANCE POLICIES SHALL BE FORMULATED AND ADMINISTERED SO AS TO FURTHER THIS OBJECTIVE.)*

Sec. 32. Minnesota Statutes 1980, Section 256D.02, Subdivision 4, is amended to read:

Subd. 4. "General assistance" means cash payments to persons unable to provide themselves with a reasonable subsistence compatible with decency and health and who are not otherwise provided for under the laws of this state or the United States. It shall include cash payments for goods, shelter, fuel, food, clothing, light, necessary household supplies, and personal need items. General assistance shall not include payments for foster care, child welfare services, or other social services. Vendor payments may be made only as provided for in (SECTIONS) *section 256D.09 (AND 256D.11).*

Sec. 33. Minnesota Statutes 1980, Section 256D.02, Subdivision 8, is amended to read:

Subd. 8. "Income" means (EARNED AND UNEARNED INCOME REDUCED BY) *any form of income, including remuneration for services performed as an employee and net earnings from self-employment, reduced by the amount attributable to employment expenses as defined by the commissioner. The*

amount attributable to employment expenses shall include amounts paid or withheld for federal and state personal income taxes and federal social security taxes.

"Income" includes any payments received as an annuity, retirement, or disability benefit, including veteran's or workers' compensation; old age, survivors, and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or other assistance program; rents, dividends, interest and royalties; and support and maintenance payments except that such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless that person is under a legal duty to support another family member. Goods and services provided in lieu of cash payment shall be excluded from the definition of income.

Sec. 34. Minnesota Statutes 1980, Section 256D.03, Subdivision 2, is amended to read:

Subd. 2. After December 31, (1979) 1980, (AND BEFORE JANUARY 1, 1981,) state aid shall be paid to local agencies (FOR 60 PERCENT AND, AFTER DECEMBER 31, 1980,) for 75 percent of all general assistance grants up to the standards of section 256D.01, subdivision 1, and according to procedures established by the commissioner. Any local agency may, from its own resources, make payments of general assistance: (a) at a standard higher than that established by the commissioner without reference to the standards of section 256D.01, subdivision 1; or, (b) to persons not meeting the eligibility standards set forth in section 256D.05, subdivision 2, but for whom the aid would further the purposes established in the general assistance program in accordance with rules promulgated by the commissioner pursuant to the administrative procedure act.

Sec. 35. Minnesota Statutes 1980, Section 256D.04, is amended to read:

256D.04 [DUTIES OF THE COMMISSIONER.]

In addition to any other duties imposed by law, the commissioner shall:

(1) Supervise the administration of general assistance and general assistance medical care by local agencies as provided in sections 256D.01 to 256D.21;

(2) Promulgate uniform rules consistent with law for carrying out and enforcing the provisions of sections 256D.01 to 256D.21 to the end that general assistance may be administered as uniformly as possible throughout the state; rules shall be

furnished immediately to all local agencies and other interested persons; in promulgating rules, the provisions of sections 15.041 to 15.052, shall apply;

(3) Allocate moneys appropriated for general assistance and general assistance medical care to local agencies as provided in section 256D.03, subdivisions 2 and 3;

(4) Accept and supervise the disbursement of any funds that may be provided by the federal government or from other sources for use in this state for general assistance and general assistance medical care;

(5) Cooperate with other agencies including any agency of the United States or of another state in all matters concerning the powers and duties of the commissioner under sections 256D.01 to 256D.21;

(6) Cooperate to the fullest extent with other public agencies empowered by law to provide vocational training, rehabilitation, or similar services; *and*

(7) Gather and study current information and report at least annually to the governor and legislature on the nature and need for general assistance and general assistance medical care, the amounts expended under the supervision of each local agency, and the activities of each local agency and publish such reports for the information of the public (;).

((8) REPORT AT LEAST ANNUALLY TO THE GOVERNOR AND LEGISLATURE THE COST OF LIVING IN THE VARIOUS COUNTIES AND METROPOLITAN AREAS AS RELATED TO THE STANDARDS OF ASSISTANCE AND THE AMOUNTS EXPENDED FOR ASSISTANCE, AND MAKE THIS INFORMATION AVAILABLE TO THE PUBLIC; AND)

((9) ISSUE EMERGENCY RULES NECESSARY TO IMPLEMENT THE WORK EQUITY PROGRAM AND PROMULGATE ALL RULES PURSUANT TO CHAPTER 15 NECESSARY TO CARRY OUT THE PROGRAM SO THAT ITS DEMONSTRATIONAL PROJECT MAY BE ADMINISTERED UNIFORMLY THROUGHOUT PARTICIPATING COUNTIES. RULES SHALL BE FURNISHED IMMEDIATELY TO ALL LOCAL AGENCIES AND OTHER INTERESTED PERSONS.)

Sec. 36. Minnesota Statutes 1980, Section 256D.05, Subdivision 1, is amended to read:

Subdivision 1. [STANDARDS.] Each person or family whose income and resources are less than the standard of assistance established by the commissioner, *and who is not*

eligible for the federally aided assistance programs of emergency assistance or aid to families with dependent children, or any successor to those programs, shall be eligible for and entitled to general assistance (; PROVIDED THAT NO INDIVIDUAL SHALL BE ELIGIBLE FOR GENERAL ASSISTANCE IF HE IS ELIGIBLE FOR ANY OF THE FOLLOWING FEDERALLY AIDED ASSISTANCE PROGRAMS: EMERGENCY ASSISTANCE, AID TO FAMILIES WITH DEPENDENT CHILDREN, OR ANY SUCCESSOR TO THE ABOVE) if the person or family is:

(a) A person suffering from an illness, injury, or incapacity which is both medically certified and prevents the individual from engaging in suitable employment, if a plan for rehabilitation approved by the local agency through its director or designated representative is being followed when the situation is certified as temporary;

(b) A person whose presence in the home on a substantially continuous basis is required because of the certified illness or incapacity of another member of the household;

(c) A person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, if the placement is based on illness or incapacity, and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) A person who resides in a shelter facility described in subdivision 3;

(e) A person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40. In determining eligibility of the person for general assistance, income received as a stipend shall be disregarded as provided in section 4.40;

(f) A person who is unable to secure suitable employment due to inability to communicate in the English language, and who, if assigned to a language skills program by the local agency, is participating in that program;

(g) A person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally ill; or

(h) A person who is unable to secure suitable employment due to a lack of marketable skills as determined by the local agency, and who, if assigned to a vocational counseling, vocational rehabilitation, or work training program by the local agency, is participating in that program. Eligibility for general assistance under clause (h) of this paragraph is limited to five weeks per calendar year.

Sec. 37. Minnesota Statutes 1980, Section 256D.06, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of subdivision 1, a grant of general assistance shall be made to an eligible individual or family for an emergency need, as defined in rules promulgated by the commissioner, where the (APPLICANT OR) recipient requests temporary assistance not exceeding 30 days if an emergency situation appears to exist and the individual is ineligible for the (FEDERALLY AIDED) program of emergency assistance *under aid to families with dependent children and is not a recipient of aid to families with dependent children at the time of application hereunder.* If (AN APPLICANT OR) a recipient relates facts to the local agency which may be sufficient to constitute an emergency situation, the local agency shall advise the (APPLICANT OR) recipient of the procedure for applying for assistance pursuant to this subdivision.

Sec. 38. Minnesota Statutes 1980, Section 256D.06, is amended by adding subdivisions to read:

Subd. 4. When a general assistance grant is used to pay a negotiated rate for a recipient living in a licensed or certified facility, the rate payable hereunder to that facility shall be no more than that paid by an individual not receiving general assistance.

Subd. 5. [INTERIM ASSISTANCE.] Any applicant, other wise eligible for general assistance and possibly eligible for maintenance benefits from any other source shall be obligated to (a) make application for those benefits within 30 days of the general assistance application; and (b) execute an interim assistance authorization agreement on a form as directed by the commissioner. If found eligible for benefits from other sources, and a payment received from another source relates to the period during which general assistance was also being received, the recipient shall be required to reimburse the local agency for the interim assistance paid. Reimbursement shall not exceed the amount of general assistance paid during the time period to which the other maintenance benefits apply and shall not exceed the state standard applicable to that time period. This provision shall not require repayment of per diem payments made to shelters for battered women pursuant to section 256D.05, subdivision 3.

Sec. 39. Minnesota Statutes 1980, Section 256D.14, is amended to read:

256D.14 [VIOLATIONS.]

Whoever obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, *or by the intentional withholding or concealment*

of a material fact, or by impersonation, or other fraudulent device:

- (1) Assistance to which he is not entitled; or
- (2) Assistance greater than that to which he is reasonably entitled;

Shall be considered to have violated section 256.98, and shall be subject to *both* the criminal and civil penalties provided therein.

Sec. 40. [257.021] [DUTY OF STEPPARENT TO SUPPORT STEPCHILD.]

Subdivision 1. [IN GENERAL.] Notwithstanding section 257.02, a stepparent shall be legally obligated to support a stepchild living in the same household to the same extent that a natural or adoptive parent is required to support a child, unless, in a particular case, a court of competent jurisdiction determines that undue hardship would result because the stepparent is bound by court order to support children of a previous union. The natural or adoptive parent shall retain the primary support obligation.

Subd. 2. [MARRIAGE TERMINATION.] Termination of marriage between the stepparent and the stepchild's natural or adoptive parent shall terminate the support obligation described in subdivision 1.

Subd. 3. [SUPPORT ENFORCEMENT.] A stepparent may recover support for a stepchild from the natural or adoptive parent under the same conditions as any other obligee.

Subd. 4. [DEFINITIONS.] "Stepparent" means a person ceremonially married to a child's natural or adoptive parent who is not the child's natural or adoptive parent, or a person who is living with a natural or adoptive parent as a common law spouse, whose common law marriage was entered into in a state which recognizes the validity of common law marriages.

"Stepchild" means a child with a stepparent.

Subd. 5. [LIMITATIONS.] This section shall not be construed to affect custody determinations or any parental duty other than the duty to support the stepchild.

Sec. 41. Minnesota Statutes 1980, Section 357.021, Subdivision 2, is amended to read:

Subd. 2. The fees to be charged and collected by the clerk of district court shall be as follows:

(1) In every civil action or proceeding in said court, the plaintiff, petitioner, or other moving party shall pay, when the first paper on his part is filed in said action, a fee of \$20, *except that in an action for marriage dissolution, a fee of \$35.*

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper on his or their part is filed in said action, a fee of \$15.

The party requesting a trial by jury shall pay \$15.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 106, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding \$5 and \$3.50 for an uncertified copy.

(3) Issuing a subpoena \$1 for each name.

(4) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$5.

(5) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$5.

(6) Filing and entering a satisfaction of judgment, partial satisfaction or assignment of judgment, \$5.

(7) Certificate as to existence or non-existence of judgments docketed, \$1 for each name certified to and \$1 for each judgment certified to.

(8) Filing and indexing trade name; or recording notary commission; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians or optometrists, \$5.

(9) For the filing of each partial, final, or annual account in all trusteeships, \$10.

(10) All other services required by law for which no fee is provided such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

Sec. 42. Minnesota Statutes 1980, Section 357.021, is amended by adding a subdivision to read:

Subd. 2a. Of the marriage dissolution fee collected pursuant to subdivision 1, the clerk shall pay \$15 to the state treasurer to be deposited in the general fund for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 43. Minnesota Statutes 1980, Section 517.08, Subdivision 1b, is amended to read:

Subd. 1b. The clerk shall examine upon oath the party applying for a license relative to the legality of the contemplated marriage. If at the expiration of a five-day period, he is satisfied that there is no legal impediment to it, he shall issue the license, containing the full names of the parties before and after marriage, and county and state of residence, with the district court seal attached, and make a record of the date of issuance. The license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, a judge of the county court or a judge of the district court of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The clerk shall collect from the applicant a fee of (\$15) \$30 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If the license should not be used within the period of six months due to illness or other extenuating circumstances, it may be surrendered to the clerk for cancellation, and in that case a new license shall issue upon request of the parties of the original license without fee. A clerk who knowingly issues or signs a marriage license in any manner other than as provided in this section shall pay to the parties aggrieved an amount not to exceed \$1,000.

Sec. 44. Minnesota Statutes 1980, Section 517.08, is amended by adding a subdivision to read:

Subd. 1c. [DISPOSITION OF LICENSE FEE.] Of the marriage license fee collected pursuant to subdivision 1b, the clerk shall pay \$15 to the state treasurer to be deposited in the general fund for the purposes of funding grant programs for emergency shelter services and support services to battered women under sections 241.61 to 241.66 and for administering displaced homemaker programs established under section 4.40. The state treasurer shall identify and report to the commissioner

of finance all amounts deposited in the general fund under this section.

Sec. 45. Minnesota Statutes 1980, Section 518.54, is amended by adding subdivisions to read:

Subd. 6. [INCOME.] "Income" means any form of periodic payment to an individual including, but not limited to, wages, salaries, payments to an independent contractor, workers' compensation, unemployment compensation, annuity, military and naval retirement, pension and disability payments.

Subd. 7. [OBLIGEE.] "Obligee" means a person to whom payments for maintenance or support are owed.

Subd. 8. [OBLIGOR.] "Obligor" means a person obligated to pay maintenance or support.

Subd. 9. [PUBLIC AUTHORITY.] "Public authority" means the public authority responsible for child support enforcement.

Sec. 46. Minnesota Statutes 1980, Section 518.551, is amended to read:

518.551 [MAINTENANCE AND SUPPORT PAYMENTS MADE TO WELFARE AGENCIES.]

Subdivision 1. [ORDER.] A court having jurisdiction over proceedings for dissolution (OR), legal separation or determination of parentage shall direct that all payments ordered for maintenance and support shall be made to the (AGENCY RESPONSIBLE FOR THE WELFARE PAYMENTS, WHEN IT APPEARS THAT THE PARTY WHO IS TO RECEIVE THE MAINTENANCE AND SUPPORT PAYMENTS WILL RECEIVE) public authority so long as the obligee is receiving or has applied for public assistance. Amounts received by the (AGENCY) public authority greater than the amount granted to the (PARTY RECEIVING PUBLIC ASSISTANCE) obligee shall be remitted to (THAT PARTY) the obligee.

Each order shall provide that the obligor's employer, trustee, or other payor of funds shall withhold from the obligor's income, regardless of source, an amount equal to the court's order for support or maintenance.

Subd. 2. [NOTICE OF CONDITIONS.] Each order for withholding shall provide for a conspicuous notice to the obligor that withholding may result if the obligor fails to make maintenance or support payments, and that no withholding shall be made until the following conditions are met:

(a) *The public authority determines that the obligor is at least 30 days in arrears;*

(b) *The public authority serves written notice of its determination of arrearage on the obligor at least 15 days before service of the determination and a copy of the court's order for withholding on the payor of funds;*

(c) *Within the 15 day period, the obligor has failed either to pay all arrearages or to move the court, under section 518.64, to modify the order respecting the amount of maintenance or support and, ex parte, to stay service on the payor of funds until the motion to modify is heard; and*

(d) *The public authority serves a copy of its determination of arrearage and a copy of the court's withholding order on the payor of funds.*

Subd. 3. [MODIFICATION ORDERS.] An order modifying the amount of maintenance or support, issued after the hearing on the motion to modify, shall provide that payments be made by withholding.

Subd. 4. [ORDER BECOMES BINDING.] The order is binding on the employer, trustee or other payor of funds upon service upon him of a copy of the determination of arrearage and a copy of the court withholding order.

Subd. 5. [NOTICE TO PUBLIC AUTHORITY.] The petitioner shall notify the (AGENCY RESPONSIBLE FOR THE WELFARE PAYMENTS) public authority of all proceedings for dissolution, legal separation, determination of parentage or for the custody of a child, if either party is receiving aid to families of dependent children or applies for (SUCH AID) it subsequent to the commencement of the proceeding. After receipt of the notice, the (AGENCY) public authority shall recommend to the court the support that is proper and adequate for the care and support of the child or children before the issuance of the order for judgment and decree in the proceeding.

Subd. 6. [FAILURE OF NOTICE.] If the court (FINDS) in a dissolution (OR), legal separation or determination of parentage proceeding, finds before issuing the order for judgment and decree, that notification has not been given to the (AGENCY RESPONSIBLE FOR THE WELFARE PAYMENTS) public authority, the court shall order that notification be made and shall not issue its order for judgment and decree until the (AGENCY) public authority has made its recommendations. In those proceedings in which no notification has been made pursuant to this section and in which the (AGENCY) public authority determines that the judgment is not proper and adequate for the care and support of the child or

children, it may (PETITION) *move* the court for a redetermination of the support payments ordered.

Sec. 47. Minnesota Statutes 1980, Section 518.611, is amended to read:

518.611 [ASSIGNMENTS.]

Subdivision 1. [ORDER TO WITHHOLD INCOME.] (IF THE PERSON OBLIGATED TO PAY SUPPORT OR MAINTENANCE FAILS TO MAKE A REQUIRED PAYMENT, AND IS GIVEN A REASONABLE OPPORTUNITY BY THE COURT TO ALLEGE HARDSHIP OR THAT THE PAYMENT HAS BEEN MADE, THE OTHER PARTY) The obligee or the public authority (RESPONSIBLE FOR SUPPORT ENFORCEMENT) may (, AFTER 30 DAYS,) at any time move the court to order, and the court (, UNLESS HARDSHIP IS SHOWN,) shall order the employer (OR), trustee or other payor of funds to withhold from the obligor's (PERIODIC EARNINGS OR TRUST) income, regardless of source, an amount equal to the court's order for support or maintenance.

Subd. 2. [NOTICE TO OBLIGOR OF CONDITIONS.] Each order for withholding shall provide for a conspicuous notice to the obligor that withholding may result if the obligor fails to make the maintenance or support payments, and that no withholding shall be made until the following conditions are met:

(a) The obligee or the public authority determines that the obligor is at least 30 days in arrears;

(b) The obligee or the public authority serves written notice of its determination of arrearage on the obligor at least 15 days before service of the determination and a copy of the court's order for withholding on the payor of funds;

(c) Within the 15 day period, the obligor has either failed to pay all arrearages or to move the court, under section 518.64, to modify the order respecting the amount of maintenance or support and, ex parte, to stay service on the payor of funds until the motion to modify is heard; and

(d) The obligee or the public authority serves a copy of the determination of arrearage and a copy of the court's withholding order on the payor of funds.

(e) The obligee shall also serve on the public authority a copy of the determination of arrearage, a copy of the court's withholding order and an application to use the public authority's collection services.

Subd. 3. [MODIFICATION ORDERS.] An order modifying the amount of maintenance or support, issued after the hearing on the motion to modify, shall provide that payments be made by withholding.

Subd. 4. [EFFECT OF ORDER.] The (ASSIGNMENT) order is binding on the employer, trustee, or other payor of the funds upon service upon him of notice that it has been made. The payor shall withhold from the (EARNINGS OR TRUST) income payable to the (PERSON OBLIGATED TO PAY SUPPORT OR MAINTENANCE) obligor the amount specified in the (ASSIGNMENT) order and shall monthly or more frequently remit the amounts withheld (TO THE OTHER PARTY OR, IN THE CASE OF A PUBLIC ASSISTANCE RECIPIENT,) to the public (AGENCY RESPONSIBLE FOR SUPPORT ENFORCEMENT) authority. Amounts received by the public authority (RESPONSIBLE FOR SUPPORT ENFORCEMENT) which are in excess of public assistance expended for the party or for a child shall be remitted to the party. An employer shall not discharge or otherwise discipline an employee as a result of a wage or salary assignment authorized by this section.

Sec. 48. Minnesota Statutes 1980, Section 518.64, Subdivision 1, is amended to read:

Subdivision 1. After an order for maintenance or support money, temporary or permanent, or for the appointment of trustees to receive property awarded as maintenance or support money, the court may from time to time, on petition of either of the parties or on petition of the public authority responsible for support enforcement (WHERE THE PARTY ENTITLED TO SUPPORT OR MAINTENANCE RECEIVES OR HAS APPLIED FOR PUBLIC ASSISTANCE), modify the order respecting the amount of maintenance or support money, and the payment of it, and also respecting the appropriation and payment of the principal and income of property held in trust, and may make an order respecting these matters which it might have made in the original proceeding, except as herein otherwise provided.

Sec. 49. Minnesota Statutes 1980, Section 518.64, is amended by adding a subdivision to read:

Subd. 5. [FORM.] The department of public welfare shall prepare and make available to courts and obligors a form to be submitted by the obligor in support of a motion for a modification of an order pursuant to this section or section 256.87. The rule-making provisions of chapter 15 shall not apply to the preparation of the form.

Sec. 50. [609.101] [SURCHARGE ON FINES, ASSESSMENTS.]

When a court sentences a person convicted of a felony, gross misdemeanor, or misdemeanor, other than a traffic or parking violation, and if the sentence does not include payment of a fine, the court shall impose an assessment of not less than \$20 nor more than \$40. If the sentence includes payment of a fine, the court shall impose a surcharge on the fine of ten percent of the fine. This section applies whether or not the person is sentenced to imprisonment and when the sentence is suspended. The court may, upon a showing of indigency or undue hardship upon the convicted person or his immediate family, waive payment or authorize payment of the assessment or surcharge in installments.

The court shall collect and forward the amount of the assessment or surcharge to the state treasurer to be deposited in the general fund for the purposes of providing services, assistance, or reparations or a combination, to victims of crimes through programs established under sections 241.51 to 241.66, under chapter 256D, and chapter 299B. If the convicted person is sentenced to imprisonment, the chief executive officer of the correctional facility in which the convicted person is incarcerated may collect the assessment or surcharge from any earnings the inmate accrues for work performed in the correctional facility and forward the amount to the state treasurer. The state treasurer shall identify and report to the commissioner of finance all amounts deposited in the general fund under this section.

Sec. 51. [INSTRUCTIONS TO REVISOR.]

In accordance with section 648.36, in the next edition of Minnesota Statutes the revisor of statutes shall change the headnote of section 4.40 from "displaced worker programs" to "displaced homemaker programs".

Sec. 52. [REPEALER.]

Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.11, are repealed.

Sec. 53. [EFFECTIVE DATE.]

Section 30 of this article is effective with respect to applications for benefits made the day after final enactment and thereafter.

Sec. 54. [SUNSET PROVISION.]

Sections 26, 27, 31 and 36 are repealed effective June 30, 1983."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 16.851, by adding a subdivision; 144A.08, by adding a subdivision; 145.913, by adding a subdivision; 145.914, Subdivision 2; 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 245.802, by adding a subdivision; 245.812, by adding a subdivision; 246.151; 246.54; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256.87; 256.872; 256.873; 256.875; 256.877; 256B.02, Subdivision 8; 256B.03; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 8; 256D.03, Subdivision 2; 256D.04; 256D.05, Subdivision 1; 256D.06, Subdivision 2, and by adding subdivisions; 256D.14; 357.021, Subdivision 2, and by adding a subdivision; 393.07, Subdivision 10; 401.04; 401.12; 517.08, Subdivision 1b, and by adding a subdivision; 518.54, by adding subdivisions; 518.551; 518.611; 518.64, Subdivision 1 and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 144; 145; 241; 245; 256D; 257 and 609; repealing Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.11."

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

House Conferees: DON SAMUELSON, SHIRLEY A. HOKANSON, JAMES I. RICE, BOB ANDERSON and MARY M. FORSYTHE.

Senate Conferees: GERRY SIKORSKI, ALLAN H. SPEAR, SAM G. SOLON and ROBERT J. TENNESSEN.

Zubay moved that the House refuse to adopt the Conference Committee report on H. F. No. 1446, that the bill be returned to the Conference Committee, that the House Conference Committee be instructed to delay the July 1, 1981, closing of the chemical dependency and surgical units at the Rochester State Hospital, and that the House Conference Committee be further instructed to require an interim study by the Department of Health and Welfare to determine which state hospital is the most appropriate to close and to set forth a plan to accomplish the task.

A roll call was requested and properly seconded.

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 | Esau | Kelly | Ogren | Sherman |
| Ainley | Evans | Knickerbocker | Olsen | Sherwood |
| Anderson, B. | Ewald | Kostohryz | Onnen | Sieben, M. |
| Anderson, I. | Fjoslien | Kvam | Osthoff | Skoglund |
| Battaglia | Forsythe | Laidig | Otis | Staten |
| Begich | Friedrich | Lehto | Peterson, B. | Stowell |
| Berkelman | Greenfield | Lemen | Peterson, D. | Stumpf |
| Blatz | Gruenes | Levi | Piepho | Sviggum |
| Brandl | Gustafson | Long | Pogemiller | Swanson |
| Brinkman | Halberg | Luknic | Redalen | Valan |
| Byrne | Hanson | Mann | Rees | Valento |
| Carlson, D. | Harens | Marsh | Reif | Vanasek |
| Carlson, L. | Hauge | McDonald | Rice | Vellenga |
| Clark, J. | Haukoos | McEachern | Rodriguez, C. | Voss |
| Clawson | Heinitz | Metzen | Rose | Weaver |
| Dahlvang | Himle | Minne | Rothenberg | Welch |
| Dean | Hoberg | Munger | Samuelson | Welker |
| Dempsey | Hokanson | Murphy | Sarna | Wenzel |
| Den Ouden | Hokr | Nelsen, B. | Schafer | Wieser |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wigley |
| Elioff | Jude | Niehaus | Schreiber | Wynia |
| Ellingson | Kahn | Nysether | Searles | Spkr. Sieben, H. |
| Erickson | Kalis | O'Connor | Shea | |

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 Zubay motion and the roll was called.

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

There were 62 yeas and 69 nays as follows:

Those who voted in the affirmative were:

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|-------------|---------------|------------|--------------|---------|
| Aasness | Gruenes | Laidig | Peterson, B. | Stowell |
| Ainley | Halberg | Lemen | Piepho | Sviggum |
| Blatz | Haukoos | Levi | Redalen | Valan |
| Carlson, D. | Heap | Ludeman | Rees | Valento |
| Dean | Heinitz | Luknic | Reif | Voss |
| Dempsey | Himle | Marsh | Rothenberg | Weaver |
| Den Ouden | Hoberg | McDonald | Schafer | Welker |
| Drew | Hokr | Mehrkens | Schreiber | Wieser |
| Erickson | Jennings | Nelsen, B. | Searles | Wigley |
| Esau | Johnson, D. | Niehaus | Shea | Zubay |
| Ewald | Kaley | Nysether | Sherman | |
| Fjoslien | Knickerbocker | Olsen | Sherwood | |
| Friedrich | Kvam | Onnen | Stadum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|------------|-------------|
| Anderson, B. | Brandl | Clawson | Greenfield | Jacobs |
| Anderson, G. | Brinkman | Dahlvang | Gustafson | Johnson, C. |
| Anderson, I. | Byrne | Eken | Hanson | Jude |
| Battaglia | Carlson, L. | Elioff | Harens | Kahn |
| Begich | Clark, J. | Ellingson | Hauge | Kalis |
| Berkelman | Clark, K. | Evans | Hokanson | Kelly |

| | | | | |
|-----------|------------|---------------|------------|------------------|
| Kostohryz | Munger | Otis | Samuelson | Tomlinson |
| Lehto | Murphy | Peterson, D. | Sarna | Vanasek |
| Long | Nelson, K. | Pogemiller | Schoenfeld | Vellenga |
| Mann | Norton | Reding | Sieben, M. | Welch |
| McCarron | Novak | Rice | Skoglund | Wenzel |
| McEachern | O'Connor | Rodriguez, C. | Staten | Wynia |
| Metzen | Ogren | Rodriguez, F. | Stumpf | Spkr. Sieben, H. |
| Minne | Osthoff | Rose | Swanson | |

The motion did not prevail.

Samuelson moved that the report of the Conference Committee on H. F. No. 1446 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

The Speaker called Wynia to the Chair.

H. F. No. 1446, A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 246.151; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256B.02, Subdivision 8; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 13; 256D.05, Subdivision 3, and by adding a subdivision; 256D.06, Subdivision 1, and by adding a subdivision; 256D.08, Subdivision 2; 256D.09, Subdivision 1; 256D.11, Subdivisions 1, 8 and 9, and by adding a subdivision; 260.311, Subdivision 5; 393.07, Subdivision 10; 401.04; and 401.12; proposing new law coded in Minnesota Statutes, Chapters 144; 245; 256D and 257; repealing Minnesota Statutes, Sections 256D.06, Subdivisions 1a and 2; 256D.09, Subdivision 2; and 256D.11, Subdivisions 1a, 2a, and 3a.

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.

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

There were 93 yeas and 39 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|-----------|-------------|-------------|
| Anderson, B. | Anderson, R. | Berkelman | Brinkman | Carlson, L. |
| Anderson, G. | Battaglia | Blatz | Byrne | Clark, J. |
| Anderson, I. | Begich | Brandl | Carlson, D. | Clark, K. |

| | | | | |
|------------|-------------|------------|---------------|------------------|
| Clawson | Haukoos | Luknic | Onnen | Sieben, M. |
| Dahlvang | Himle | Mann | Osthoff | Simoneau |
| Drew | Hoberg | McCarron | Otis | Skoglund |
| Eken | Hokanson | McDonald | Peterson, D. | Stumpf |
| Elioff | Jacobs | McEachern | Pogemiller | Swanson |
| Ellingson | Johnson, C. | Metzen | Reding | Tomlinson |
| Erickson | Johnson, D. | Minne | Rees | Valan |
| Evans | Jude | Munger | Reif | Vanasek |
| Ewald | Kahn | Murphy | Rice | Vellenga |
| Forsythe | Kalis | Nelsen, B. | Rodriguez, C. | Weaver |
| Greenfield | Kelly | Nelson, K. | Rodriguez, F. | Welch |
| Gustafson | Kostohryz | Niehaus | Rose | Wenzel |
| Halberg | Laidig | Norton | Samuelson | Wynia |
| Hanson | Lehto | Novak | Sarna | Spkr. Sieben, H. |
| Harens | Levi | O'Connor | Schoenfeld | |
| Hauge | Long | Ogren | Schreiber | |

Those who voted in the negative were:

| | | | | |
|-----------|---------------|--------------|------------|---------|
| Aasness | Heap | Ludeman | Rothenberg | Sviggum |
| Ainley | Heinitz | Marsh | Schafer | Valento |
| Dempsey | Hokr | Mehrkens | Searles | Voss |
| Den Ouden | Jennings | Nysether | Shea | Welker |
| Esau | Kaley | Olsen | Sherman | Wieser |
| Fjoslien | Knickerbocker | Peterson, B. | Sherwood | Wigley |
| Friedrich | Kvam | Piepho | Stadum | Zubay |
| Gruenes | Lemen | Redalen | Stowell | |

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

Brinkman was excused at 11:25 p.m.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 70

A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a legislative study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivi-

sions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision; 124.247, Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 70, 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. 70 be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

FOUNDATION AID

Section 1. Minnesota Statutes 1980, Section 120.17, Subdivision 9, is amended to read:

Subd. 9. [SPECIAL INSTRUCTION.] No resident of a district who is eligible for special instruction and services pursuant to this section shall be denied provision of this instruction and service on a shared time basis because of attendance at a nonpublic school defined in section 123.932, subdivision 3. If a resident handicapped pupil attends a nonpublic school located within his district of residence, the district shall provide necessary transportation for that pupil within the district between the nonpublic school and the educational facility where special instruction and services are provided on a shared time basis. If a resident handicapped pupil attends a nonpublic school located in a district contiguous to his district of residence and if no agreement exists pursuant to section (124.212) 26, subdivision (9A) 1, clause (c) or (d) of this article, for the provision of special instruction and services on a shared time basis to that pupil by the district of attendance, the district of residence shall provide necessary transportation for that pupil between the boundary of the district of residence and the educational facility where the special instruction and services are provided within the district of residence. The district of residence may provide necessary transportation for that pupil between its boundary and the nonpublic school attended, but the nonpublic school shall pay the cost of transportation provided outside the district boundary.

Sec. 2. Minnesota Statutes 1980, Section 121.904, Subdivision 7, is amended to read:

Subd. 7. Summer school aids *and the proceeds of the summer school levy for any summer school session* shall be recognized as revenues and recorded as receivables in proportion to the total number of summer school days in each fiscal year in which (A) *the summer school session occurs*; provided that nothing in this subdivision shall be construed to provide for a different rate of aid than that provided in section 124.20.

Sec. 3. Minnesota Statutes 1980, Section 122.531, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] *For purposes of this section, the terms defined in section 124.01, sections 20 to 24 of this article, and section 275.125 shall have the meanings ascribed to them in those sections.*

Subd. 1a. [INVOLUNTARY DISSOLUTION REFERENDUM LEVIES.] As of the effective date of the involuntary

dissolution of a district and its attachment to one or more existing districts pursuant to sections 122.32, or 122.41 to 122.52, the authorization for any referendum levy previously approved by the voters of the dissolved district in that district pursuant to section 275.125, subdivision (2a, CLAUSE (4)) 2d, or its predecessor or successor provisions, is cancelled. The authorization for any referendum levy previously approved by the voters of a district to which all or part of the dissolved district is attached shall not be affected by the attachment and shall apply to the entire area of the district as enlarged by the attachment.

Sec. 4. Minnesota Statutes 1980, Section 122.531, Subdivision 2, is amended to read:

Subd. 2. [CONSOLIDATION AND VOLUNTARY DISSOLUTION: REFERENDUM LEVIES.] As of the effective date of a consolidation pursuant to section 122.23 or the voluntary dissolution of a district and its attachment to one or more existing districts pursuant to section 122.22, the authorization for all referendum levies previously approved by the voters of all affected districts for those districts pursuant to section 275.125, subdivision (2A, CLAUSE (4)) 2d, or its predecessor or successor provision, is cancelled. However, if all of the territory of any independent district is included in the newly created district, and if the adjusted assessed valuation of taxable property in that territory comprises 90 percent or more of the adjusted assessed valuation of all taxable property in a newly created or enlarged district, the board of the newly created or enlarged district may levy the increased amount previously approved by a referendum in the pre-existing independent district upon all taxable property in the newly created or enlarged district. Any new referendum levy shall be certified only after approval is granted by the voters of the entire newly created or enlarged district in an election pursuant to section 275.125, subdivision (2A, CLAUSE (4)) 2d, or its successor referendum provision.

Sec. 5. Minnesota Statutes 1980, Section 122.531, Subdivision 3a, is amended to read:

Subd. 3a. [GRANDFATHER LEVY AND AID.] (1) *The amounts specified in this subdivision shall be used for purposes of computing the grandfather levy limitation under section 275.125, subdivision 6b, and the (FOUNDATION) grandfather aid under section (124.212) 22 of this article, 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 grandfather guarantee of the newly created or enlarged district shall equal 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) *grandfather guarantee* for the component district, times

(b) the quotient obtained by dividing the number of *actual* 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) *entire* number of *actual* 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 grandfather allowance of the newly created or enlarged district shall equal the quotient obtained by dividing:*

(a) the (SUM DERIVED IN CLAUSE (2) OF THIS SUBDIVISION) *grandfather guarantee of the newly created or enlarged district*, by

(b) the sum of the amounts derived by performing the following computation for each component district:

(i) the number of *actual* 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. 6. Minnesota Statutes 1980, Section 122.531, Subdivision 5, is amended to read:

Subd. 5. [REPLACEMENT LEVY AND AID.] ((1)) For purposes of computing the *replacement* levy limitation under

section 275.125, subdivision 6c, and replacement aid under section 23 of this article, the replacement entitlement 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),) equal the quotient obtained by dividing:

((A)) (1) the sum of the amounts derived by performing the following multiplication for each component district:

((I)) (a) 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) replacement entitlement of the component district, times

((II)) (b) the number of actual and AFDC 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)) (2) the total number of actual and AFDC 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. 7. Minnesota Statutes 1980, Section 122.531, Subdivision 6, is amended to read:

Subd. 6. [AID DEDUCTIONS.] (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),) determining deductions from basic foundation, grandfather, replacement, and discretionary aid pursuant to section 27, subdivision 1, of this article, 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) *the* applicable (, PURSUANT TO SECTION 275.125, SUBDIVISIONS 6B OR 6C, AS APPLICABLE) *year*, 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. 8. Minnesota Statutes 1980, Section 124.11, Subdivision 4, is amended to read:

Subd. 4. Estimated elementary and secondary foundation aids shall be paid out on the basis of the latest available information. (EXCEPT AS PROVIDED IN SECTION 124.212, ESTIMATED ELEMENTARY AND SECONDARY FOUNDATION AIDS SHALL BE COMPUTED ON THE BASIS OF ALL PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1.) An October enrollment count shall be obtained from all school districts. Adjustment for final elementary and secondary pupil unit figures shall be made in the final foundation aid distribution in October of the following school year.

Sec. 9. Minnesota Statutes 1980, Section 124.01, Subdivision 1, is amended to read:

Subdivision 1. For purposes of this chapter, the words defined in section 120.02 have the same meaning and the terms defined in (THIS SECTION) *section 17 and sections 20 to 24 of this article* have the meanings attributed to them in (THIS SECTION) *those sections*.

Sec. 10. Minnesota Statutes 1980, Section 124.11, Subdivision 1, is amended to read:

Subdivision 1. [PAYMENT SCHEDULE THROUGH 1982.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program (AND EXCEPT AS PROVIDED IN SUBDIVISION 5,) *for fiscal years through 1982*, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each of the months

other than October from August through May based upon information available and the final distribution shall be made in October of the following school year.

Sec. 11. Minnesota Statutes 1980, Section 124.11, is amended by adding a subdivision to read:

Subd. 1a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in fiscal year 1983, based upon information available, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each month from August through April, except October, and five percent shall be paid in May. The final distribution shall be made in October of the following fiscal year.

Sec. 12. Minnesota Statutes 1980, Section 124.11, Subdivision 5, is amended to read:

Subd. 5. Each year, based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall determine the distribution to each school district of the amount of revenue lost as a result of the reduction in property taxes provided in section 273.132. On or before July 15 of each year, the commissioner of revenue shall certify the amounts so determined to the department of education. The department of education shall pay each school district its distribution as part of the foundation aid payment to each district in accordance with the payment dates in subdivision 1 or section 11 of this article, as applicable.

Sec. 13. Minnesota Statutes 1980, Section 124.17, Subdivision 1, is amended to read:

Subdivision 1. [PUPIL UNITS.] Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school:

(a) For each handicapped pre-kindergarten pupil and each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For other elementary pupils, one pupil unit.

(2) In secondary schools, one and four-tenths pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

((4) TO MEET THE PROBLEMS OF EDUCATIONAL OVERBURDEN CAUSED BY BROKEN HOMES, POVERTY AND LOW INCOME, EACH PUPIL IN CLAUSES (1) AND (2) FROM FAMILIES RECEIVING AID TO FAMILIES WITH DEPENDENT CHILDREN OR ITS SUCCESSOR PROGRAM WHO IS ENROLLED IN THE SCHOOL DISTRICT ON OCTOBER 1 SHALL BE COUNTED AS AN ADDITIONAL FIVE-TENTHS PUPIL UNIT. BY MARCH 1 OF EACH YEAR THE DEPARTMENT OF PUBLIC WELFARE SHALL CERTIFY TO THE DEPARTMENT OF EDUCATION, AND TO EACH SCHOOL DISTRICT TO THE EXTENT THE INFORMATION PERTAINS TO IT, THAT INFORMATION CONCERNING CHILDREN FROM FAMILIES WITH DEPENDENT CHILDREN WHO WERE ENROLLED IN THE SCHOOL DISTRICT ON THE PRECEDING OCTOBER 1 WHICH IS NECESSARY TO CALCULATE PUPIL UNITS. ADDITIONAL AID TO A DISTRICT FOR SUCH PUPILS MAY BE DISTRIBUTED ON A DELAYED BASIS UNTIL THE DEPARTMENT OF EDUCATION PUBLICLY CERTIFIES THAT THE INFORMATION NEEDED FOR PAYING SUCH AID IS AVAILABLE ON SUCH A TIMELY BASIS THAT SUCH AID MAY BE PAID CONCURRENTLY WITH OTHER FOUNDATION AID.)

((5) IN EVERY DISTRICT WHERE THE NUMBER OF PUPILS FROM FAMILIES RECEIVING AID TO FAMILIES WITH DEPENDENT CHILDREN OR ITS SUCCESSOR PROGRAM EXCEEDS FIVE PERCENT OF THE TOTAL ACTUAL PUPIL UNITS IN THE DISTRICT FOR THE SAME YEAR, AS COMPUTED IN CLAUSES (1) AND (2), EACH SUCH PUPIL SHALL BE COUNTED AS AN ADDITIONAL ONE-TENTH OF A PUPIL UNIT FOR EACH PERCENT OF CONCENTRATION OVER FIVE PERCENT OF SUCH PUPILS IN THE DISTRICT. THE PERCENT OF CONCENTRATION SHALL BE ROUNDED DOWN TO THE NEAREST WHOLE PERCENT FOR PURPOSES OF THIS CLAUSE, PROVIDED THAT IN DISTRICTS WHERE THE PERCENT OF CONCENTRATION IS LESS THAN SIX, NO ADDITIONAL PUPIL UNITS SHALL BE COUNTED UNDER THIS CLAUSE FOR PUPILS FROM FAMILIES RECEIVING AID TO DEPENDENT CHILDREN OR ITS SUCCESSOR PROGRAM AND PROVIDED FURTHER THAT NO SUCH PUPIL SHALL BE COUNTED AS MORE THAN ONE AND ONE-TENTH ADDITIONAL PUPIL UNITS PURSUANT TO CLAUSES (4) AND (5). SUCH WEIGHTING SHALL BE IN ADDITION TO THE WEIGHTING PROVIDED IN CLAUSES (1), (2) AND (4). SCHOOL DISTRICTS ARE ENCOURAGED

TO ALLOCATE A MAJOR PORTION OF THE AIDS THAT THEY RECEIVE ON ACCOUNT OF CLAUSES (4) AND (5) TO PRIMARY GRADE PROGRAMS AND SERVICES, PARTICULARLY TO PROGRAMS AND SERVICES THAT INVOLVE PARTICIPATION OF PARENTS.)

((6)) (Expired)

((7)) (Expired)

((8) ONLY PUPIL UNITS IN CLAUSES (1) AND (2) SHALL BE USED IN COMPUTING ADJUSTED MAINTENANCE COST PER PUPIL UNIT.)

Sec. 14. Minnesota Statutes 1980, Section 124.17, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in grades kindergarten through twelve and for handicapped pre-kindergarten pupils shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused (; PROVIDED THAT ANY). *However, a pupil, regardless of age, who has been absent from school for 15 consecutive school days during the regular school year or for five consecutive school days during summer school or inter-session classes of flexible school year programs without receiving instruction in the home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this section shall be construed as waiving the compulsory attendance provisions cited in section 120.10. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days (SAID) the schools are in session.*

Sec. 15. Minnesota Statutes 1980, Section 124.17, Subdivision 2c, is amended to read:

Subd. 2c. Notwithstanding (THE PROVISIONS OF) subdivision 2, in (ANY CASE WHERE) *cases when school is in session but pupils are prevented from attending for more than 15 consecutive school days during the regular school year or five consecutive school days during summer school or inter-session classes of flexible school year programs, because of epidemic, calamity, weather, fuel shortage, or other justifiable cause, the state board, upon application, may allow the district to continue to count these pupils in average daily membership. A lawful employees' strike is not a justifiable cause for purposes of this subdivision.*

Sec. 16. Minnesota Statutes 1980, Section 124.17, is amended by adding a subdivision to read:

Subd. 2d. [SUMMER SCHOOL.] In summer school or inter-session classes of flexible school year programs, membership for pupils shall mean the number of full-time equivalent pupils in the program. This number shall equal the sum for all pupils of the number of classroom hours in the programs for which each pupil is enrolled divided by 1050. Membership in summer school or inter-session classes of flexible school year programs shall not include a handicapped pupil whose district of residence has been determined by section 120.17, subdivision 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment.

Sec. 17. Minnesota Statutes 1980, Section 124.20, is amended to read:

124.20 [EDUCATION; STATE AIDS; SUMMER SCHOOL AND FLEXIBLE SCHOOL YEAR CLASSES.]

Subdivision 1. [PROGRAMS.] 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) under the provisions of this section.

Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for summer school and inter-session classes of flexible school year programs, the following phrases shall have the meanings given them.

(1) "Summer school pupil units" means full-time equivalent pupil units for summer school classes and inter-session classes

of flexible school year programs computed under the provisions of section 124.17.

(2) "Summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times the foundation aid formula allowance as defined in section 21 of this article for the preceding regular school year.

(3) For summer programs in 1982, "summer school revenue allowance" means an amount equal to the product of the number of summer school pupil units in a district, times 89 percent of the foundation aid formula allowance as defined in section 21 of this article for the preceding regular school year.

(4) "Summer school aid" means aid for summer school and inter-session classes of flexible school year programs.

Subd. 3. [SUMMER SCHOOL AID.] Each year a district shall receive summer school aid equal to the difference between

(1) the product of

(a) the ratio of the district's actual levy to its permitted levy pursuant to section 34 of this article certified in the calendar year when the summer school program is offered; times

(b) the district's summer school revenue allowance; and

(2) the levy certified by the district pursuant to section 34 of this article in the calendar year when the summer school program is offered.

Sec. 18. Minnesota Statutes 1980, Section 124.212, Subdivision 1, is amended to read:

Subdivision 1. [COMPONENTS.] (THE) Foundation aid (PROGRAM) for each school (DISTRICTS) district for each school (YEARS 1979-1980 AND 1980-1981 SHALL BE GOVERNED BY THE TERMS AND PROVISIONS OF THIS SECTION.) year shall equal the sum of the following:

(a) Basic foundation aid;

(b) Grandfather aid;

(c) Replacement aid;

(d) Discretionary aid;

(e) State school agricultural tax credit aid;

- (f) *Minimum aid; and*
- (g) *Foundation aid for shared time pupils.*

Sec. 19. Minnesota Statutes 1980, Section 124.212, is amended by adding a subdivision to read:

Subd. 11b. In determining adjusted assessed valuation, property which qualifies for the reimbursement specified in section 273.139, 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. 20. [124.2121.] [FOUNDATION AID DEFINITIONS.]

Subdivision 1. [ADJUSTED MAINTENANCE COST.] "Adjusted maintenance cost" 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 extracurricular activities when the school board has assumed direction and control of these activities.

Subd. 2. [ADJUSTED ASSESSED VALUATION.] "Adjusted assessed valuation" or "EARC valuation" means 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. The adjusted assessed valuation for any given calendar year shall be used to compute levy limitations for levies certified in the succeeding calendar year and aid for the school year beginning in the second succeeding calendar year.

Subd. 3. [PUPIL UNITS.] (a) "Actual pupil units" means pupil units identified in section 124.17, subdivision 1, clauses (1) and (2).

(b) "AFDC pupil units" means 98.5 percent of the pupil units identified in Minnesota Statutes 1980, Section 124.17, Subdivision 1, Clauses (4) and (5) in the 1980-1981 school year.

(c) "Total pupil units" means actual pupil units plus AFDC pupil units.

(d) "Declining enrollment pupil units" means pupil units identified in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (6).

(e) "Growing enrollment pupil units" means pupil units identified in Minnesota Statutes, 1979 Supplement, Section 124.17, Subdivision 1, Clause (7).

Subd. 4. [EQUALIZING FACTOR.] "Equalizing factor" means a number equal to the minimum EARC valuation per actual and AFDC pupil unit which disqualifies a district from earning any basic foundation aid. The equalizing factor for each school year and for levies for use in that school year equals the ratio, rounded to the nearest dollar, of the foundation aid formula allowance for that school year to the basic maintenance mill rate for that school year.

Subd. 5. [LEVY USE.] A levy "for use in a particular school year," "attributable to a particular school year," or "recognized as revenue in a particular school year," means the levy certified in the calendar year ending in the school year preceding that particular school year, and payable in the calendar year in which that school year begins.

Sec. 21. [124.2122.] [BASIC FOUNDATION AID.]

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,318 for 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year. The formula allowance shall be \$1,400 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .021 for the 1980 payable 1981 levy and for foundation aid for the 1981-1982 school year. The basic maintenance mill rate shall be .023 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Subd. 3. [BASIC FOUNDATION REVENUE.] A district's basic foundation revenue for each school year shall equal the formula allowance times its total pupil units for that school year.

Subd. 4. [BASIC FOUNDATION AID.] A district's basic foundation aid for each school year shall equal its basic foundation revenue for that school year, minus the basic maintenance mill rate times the applicable adjusted assessed valuation of the district.

Sec. 22. [124.2123.] [GRANDFATHER FOUNDATION AID.] *Subdivision 1. [GRANDFATHER GUARANTEE AND ALLOWANCE.] (a) A district's "basic grandfather amount" shall equal the amount per pupil unit which the district was permitted to levy in 1978 pursuant to Minnesota Statutes 1978, Section 275.125, Subdivisions 6 and 7.*

(b) A district's "grandfather guarantee" shall equal its basic grandfather amount times its 1979-1980 actual, declining enrollment and growing enrollment pupil units.

(c) A district's "grandfather allowance" shall equal its grandfather guarantee divided by its 1979-1980 actual pupil units.

(d) A district's "grandfather levy limitation" means its levy limitation computed pursuant to section 275.125, subdivision 6b.

Subd. 2. [GRANDFATHER REVENUE.] A district's grandfather revenue for any school year shall equal the greater of (a) its grandfather guarantee, or (b) its grandfather allowance times its actual pupil units for the preceding school year.

Subd. 3. [GRANDFATHER AID.] A district's grandfather aid for any school year shall equal its grandfather revenue for that school year minus its grandfather levy limitation for the levy for use in that school year.

Sec. 23. [124.2124.] [REPLACEMENT FOUNDATION AID.]

Subdivision 1. [REPLACEMENT COMPONENTS.] (a) A district's "fluctuating enrollment replacement component" shall equal the amount of additional foundation aid or basic maintenance levy revenue the district would have received for the 1980-1981 school year if declining or growing enrollment pupil units had been used in the computation of basic foundation aid for 1980-1981 pursuant to Minnesota Statutes 1980, Section 124.212, Subdivision 7c, Clause (1) or of the 1979 basic maintenance levy limitation pursuant to Minnesota Statutes, 1979 Supplement, Section 275.125, Subdivision 2b or 2c.

(b) A district's "sparsity replacement component" shall equal the amount of additional aid the district would have received for the 1980-1981 school year if Minnesota Statutes, 1979 Supplement, Section 124.224 had been effective for 1980-1981.

(c) A district's "basic replacement entitlement" shall equal the sum of its fluctuating enrollment replacement component and its sparsity replacement component, divided by its total pupil units in 1980-1981.

(d) "Replacement inflator" for any school year means the ratio of the foundation aid formula allowance for that school year to \$1,265. For the 1981-1982 school year, however, the replacement inflator shall equal 107 percent.

(e) A district's "replacement allowance" for each school year shall equal its basic replacement entitlement times the replacement inflator for that school year.

(f) A district's "replacement levy limitation" means its levy limitation computed pursuant to section 275.125, subdivision 6c.

Subd. 2. [REPLACEMENT REVENUE.] A district's replacement revenue for any school year shall equal its replacement allowance for that school year times its total pupil units for that school year.

Subd. 3. [REPLACEMENT AID.] A district's replacement aid for any school year shall equal its replacement revenue for that school year minus its replacement levy limitation for the levy for use in that school year.

Sec. 24. [124.2125.] [DISCRETIONARY AID.]

Subdivision 1. [DISCRETIONARY ALLOWANCE; DEFINITION.] "Discretionary allowance" means the amount of revenue per pupil unit used to compute discretionary aid for a particular school year and the discretionary levy for use in that school year. The discretionary allowance shall equal the formula allowance for the school year times the ratio of the discretionary mill rate to the basic maintenance mill rate for levies for use in that school year, rounded to the nearest cent. The discretionary allowance for 1981-1982, however, shall equal \$64.48.

Subd. 2. [DISCRETIONARY MILL RATE.] "Discretionary mill rate" means the mill rate used to compute the discretionary levy, the discretionary allowance, and discretionary aid for use in a particular school year. The discretionary mill rate shall equal .001 for 1981-1982 aid. For the 1981 payable 1982 levy and 1982-1983 aid, and for the levy and aid for succeeding years, the discretionary mill rate shall equal .00225 in districts which levy pursuant to section 275.125, subdivision 7a, clause (2), and .001 in districts which levy pursuant to section 275.125, subdivision 7a, clause (3).

Subd. 3. [DISCRETIONARY REVENUE.] A district's discretionary revenue for each school year shall equal its discretionary allowance for that school year times its total pupil units for the preceding school year.

Subd. 4. [DISCRETIONARY AID.] A district's discretionary aid for each school year shall equal its discretionary reve-

nue for that year, minus the discretionary mill rate times the applicable adjusted assessed valuation of the district.

Sec. 25. [124.2126.] [MINIMUM AID.] *Subdivision 1. [QUALIFICATION.] A 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 qualify for minimum aid.*

Subd. 2. [GUARANTEE.] A qualifying district's "minimum guarantee" for each school year shall equal \$800 times its total pupil units for that school year, minus its basic foundation aid for that school year.

Subd. 3. [MINIMUM AID.] A qualifying district's minimum aid for each year shall equal its minimum guarantee for that school year, minus the sum of:

(1) The amount of the district's state school agricultural tax credit aid for that school year;

(2) The amount by which property taxes of the district for use in that school year are reduced by the homestead credit provisions in section 273.13, subdivisions 6, 7, and 14a;

(3) The amount by which property taxes of the district for use in that school year are reduced by the taconite homestead credit provisions in section 273.135; and

(4) The amount by which property taxes of the district for use in that school year are reduced by the attached machinery provisions in section 273.138, subdivision 6.

Sec. 26. [124.2127.] [SHARED TIME PUPILS.]

Subdivision 1. [DEFINITION; FOUNDATION AID.] Shared time pupils are defined as those pupils who attend public school programs for part of the regular school day and who otherwise fulfill the requirements of section 120.10 by attendance at a nonpublic school.

(a) The average daily membership of a pupil enrolled on a shared time basis shall equal the ratio of the total minutes for which the pupil is enrolled and the minimum minutes required during the year for a regularly enrolled public school pupil.

(b) Foundation aid for shared time pupils shall equal the amount which would accrue if shared time pupil units, counted pursuant to section 124.17, subdivision 1, clauses (1) and (2), were added to the district's total pupil units used in determining its foundation aid. Foundation aid for shared time pupils shall be in addition to any other aid to which the district is otherwise

entitled and shared time average daily membership shall not be used in the computation of pupil units under section 124.17, subdivision 1, for any purpose other than the computation of shared time foundation aid pursuant to this subdivision.

(c) Foundation aid for shared time pupils shall be paid to the district of the pupil's residence. If a pupil attends shared time classes in another district, the resident district shall pay to the district of attendance an amount of tuition equal to the ratio in clause (a) times the amount of tuition which would be charged and paid for a nonresident public school pupil in a similar circumstance. The district of residence shall not be obligated for tuition except by previous agreement.

(d) Notwithstanding the provisions of clause (c), the resident district of a shared time pupil attending shared time classes in another district may grant the district of attendance, upon its request, permission to claim the pupil as a resident for state aid purposes. In this case, state aid shall be paid to the district of attendance and, upon agreement, the district of attendance may bill the resident district for any unreimbursed education costs, but not for unreimbursed transportation costs. The agreement may, however, provide for the resident district to pay the cost of any of the particular transportation categories specified in section 124.225, subdivision 1, and in this case, aid for those categories shall be paid to the district of residence rather than to the district of attendance.

(e) Minutes of enrollment in a public school during which a nonpublic school pupil receives services pursuant to section 123.935 shall not be used in the computation of shared time foundation aid pursuant to this subdivision.

Subd. 2. [LOCATION OF SERVICES.] Public school programs may be provided to shared time pupils only at a public school building; provided, however, that special instruction and services for handicapped children required pursuant to section 120.17 may also be provided at a neutral site as defined in section 123.932, and diagnostic and health services required pursuant to section 120.17 may also be provided at a nonpublic school building. As used in this subdivision, "diagnostic services" means speech, hearing, vision, psychological, medical and dental diagnostic services and "health services" means physician, nursing or optometric services provided to pupils in the field of physical and mental health.

Sec. 27. [124.2128.] [DEDUCTIONS FROM FOUNDATION AID.]

Subdivision 1. [UNDERLEVIES.] A district's basic foundation, grandfather, replacement or discretionary aid, as applicable, for any school year when the actual amount of the corresponding

levy for use in that year is less than the permitted amount, shall be reduced by a percentage equal to the difference between the actual amount and the permitted amount, divided by the permitted amount. This provision shall apply to basic foundation aid only for a school year when the actual amount of the basic maintenance levy for use in that year is less than 95 percent of the permitted amount.

Subd. 2. [PERMANENT SCHOOL FUND.] *The amount of money received by a school district as income from the permanent school fund for any year, shall be deducted from the foundation aid earned by the district for the same year or from aid earned from other state sources.*

Subd. 3. [MINIMUM.] *In no event shall the amount payable to any district from state sources for any one year be reduced below the amount payable as apportionment of the school endowment fund pursuant to sections 124.08 to 124.10.*

Subd. 4. [COUNTY APPORTIONMENT DEDUCTION.]
(1) *The amount of money apportioned to a school district for each school year pursuant to section 124.10, subdivision 2, which exceeds the amount apportioned to that district pursuant to section 124.10, subdivision 2 for the 1976-1977 school year, shall be deducted from the foundation aid earned by that district for the same year.*

(2) *In addition to the deduction in clause (1), five-sixths of the amount apportioned pursuant to section 124.10, subdivision 2, shall be deducted from foundation aid for the 1981-1982 school year, but this deduction shall not exceed five-sixths of the amount apportioned for the 1976-1977 school year.*

(3) *In the 1982-1983 school year and each school year thereafter, the entire amount of money apportioned to a school district for that year pursuant to section 124.10, subdivision 2, shall be deducted from the foundation aid earned by that district for the same year.*

Subd. 5. [TACONITE DEDUCTIONS.] (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.*

(2) *For districts which received payments under sections 294.21 to 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties or recognized revenue pursuant to section 477A.15; 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, or revenue recognized pursuant to section 477A.15 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.

Subd. 6. [DISCRETIONARY AID FUND BALANCE REDUCTION.] A district's discretionary aid for any school year shall be reduced by the amount specified in section 38 of this article.

Sec. 28. [124.2129.] [FOUNDATION AID; RESIDENT AND NONRESIDENT DISTRICTS.]

Subdivision 1. [AID TO DISTRICT OF RESIDENCE.] Foundation aids shall be paid to the district of residence unless otherwise specifically provided by law.

Subd. 2. [DISTRICT WITHOUT SCHOOLS.] Any district not maintaining classified elementary or secondary schools shall pay the tuition required in order to enable resident pupils to attend school in another district when necessary, and shall receive foundation aid pursuant to this section on the same basis as other districts. The aid shall be computed as if the pupils were enrolled in the district of residence.

Subd. 3. [NOTIFICATION OF RESIDENT DISTRICT.] Any school district educating children who are residents of another school district shall notify the district of residence within 60 days of the date the child is determined by the district to be a nonresident, but not later than October 1 following the end of the school year in which the child is educated. If the district of residence does not receive a notification from the providing district pursuant to this subdivision, it shall not be liable to that district for any tuition billing received after October 1 of the next school year.

Subd. 4. [STATE AGENCY AND COURT PLACEMENTS.] If a state agency or a court of the state desires to place a child in a school district which is not the child's district of residence, that agency or court shall, prior to placement, allow the district

of residence an opportunity to participate in the placement decision and notify the district of residence, the district of attendance and the commissioner of education of the placement decision. When a state agency or court determines that an immediate emergency placement is necessary and that time does not permit district participation in the placement decision or notice to the districts and the commissioner of education of the placement decision prior to the placement, the agency or court may make the decision and placement without that participation or prior notice. The agency or court shall notify the district of residence, the district of attendance and the commissioner of education of an emergency placement within 15 days of the placement.

Sec. 29. Minnesota Statutes 1980, Section 124.213, is amended to read:

124.213 [STATE SCHOOL AGRICULTURAL CREDIT.]

Subdivision 1. [TAX REDUCTIONS.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of 17 mills on the property. The county auditor shall reduce the tax for school purposes on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

(IN 1977, PAYMENT SHALL BE MADE ACCORDING TO THE PROCEDURE PROVIDED IN SECTION 273.13, SUBDIVISION 15A, FOR THE PURPOSE OF REPLACING REVENUE LOST AS A RESULT OF THE REDUCTION OF PROPERTY TAXES PROVIDED IN THIS SECTION. IN 1978, PAYMENT SHALL BE MADE PURSUANT TO SECTIONS 124.212, SUBDIVISION 7B AND 124.11, FOR THE PURPOSE OF REPLACING REVENUE LOST AS A RESULT OF THE REDUCTION IN PROPERTY TAXES PROVIDED IN THIS SECTION. THERE IS APPROPRIATED FROM THE GENERAL FUND IN THE STATE TREASURY TO THE COMMISSIONER OF REVENUE THE AMOUNT NECESSARY TO MAKE THESE PAYMENTS IN FISCAL YEAR 1978.)

Subd. 2. [STATE AID.] A school district's state school agricultural tax credit aid for each school year shall equal the amount by which property taxes certified in the district for collection in the calendar year ending in that school year are reduced pursuant to subdivision 1.

Subd. 3. [APPROPRIATION.] There is appropriated from the general fund in the state treasury to the department of education the amount necessary to make these payments in fiscal year 1979 and thereafter.

Sec. 30. Minnesota Statutes 1980, 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, 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, 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 subdivisions 5, 6c, and 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. 31. Minnesota Statutes 1980, Section 275.125, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] Except as may otherwise be provided in this section, the words and phrases defined in sections 124.01 (AND), 124.212, section 17 of this article and sections 20 to 24 of this article when used in this section shall have the meanings ascribed to them in those sections.

Sec. 32. Minnesota Statutes 1980, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. [BASIC MAINTENANCE LEVY.] (1) (IN 1979) *Each year, a school district may levy for all general and special school purposes, an amount (EQUAL TO) not to exceed the amount raised by (23 MILLS) the basic maintenance mill rate times the (1978) adjusted assessed valuation of the district for the preceding year.*

(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), THE FOUNDATION AID TO THE DISTRICT FOR THE SCHOOL YEAR 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.) *For purposes of this subdivision, the term "basic maintenance mill rate" shall have the meaning given it in section 21 of this article.*

((4) (A)) Subd. 2d. [REFERENDUM LEVY.] (1) The levy authorized by (CLAUSES (1) OR (2)) *subdivision 2a* may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held to approve a levy increase which will commence in a specific school year. The question on the ballot shall state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the refer-

endum 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)) (2) A referendum on the question of revoking the increased levy amount authorized pursuant to clause (A) (1) of this (CLAUSE) *subdivision* 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) A *levy* approved by the voters of the district pursuant to clause (A) (1) of this (CLAUSE) *subdivision* must be (LEVIED) *made* 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)) (3) A petition authorized by clauses (A) (1) or ((B) OF THIS CLAUSE) (2) shall be effective if signed by a number of qualified voters in excess of 15 percent, or ten 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)) (4) 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)) (5) 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. 33. Minnesota Statutes 1980, Section 275.125, Subdivision 2c, is amended to read:

Subd. (2C) 2e. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA.] (1) (BEGINNING IN 1979,) In any year when the amount of the maximum levy limitation under subdivision 2a (, CLAUSE (1) OR (2),) for any district (WITH FEWER THAN 950 PUPIL UNITS UNDER SECTION 124.17, SUBDIVISION 1, CLAUSES (1) AND (2)), exceeds the product of the district's foundation aid formula allowance for the year in which the levy is recognized as revenue times the estimated number of *actual and AFDC* pupil units for that district (IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5),) for that school year, the levy limitation for that district under 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 Minnesota Stat-

utes 1978, Section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 2a (, CLAUSE (1) or (2)):

(a) the product of the district's foundation aid formula allowance (UNDER SECTION 124.212) for the school year in which the levy is recognized as revenue, times the estimated number of *actual and AFDC* pupil units for that district (IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5),) for that school year, less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section (124.212) 27, subdivision (5A) 4 of *this article* in the school year in which the levy is recognized as revenue.

(2) A levy made by a district pursuant to this subdivision shall be construed to be the levy made by that district pursuant to subdivision 2a, (CLAUSE (1) OR (2),) for purposes of statutory cross-reference.

Sec. 34. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 2f. [SUMMER SCHOOL LEVY.] A district may levy for summer school programs an amount equal to the following product:

(1) *The district's summer school revenue allowance as defined in section 124.20 for the calendar year when the levy is certified, times*

(2) *the lesser of*

(a) *one or*

(b) *the ratio of*

(i) *the quotient derived by dividing the adjusted assessed valuation of the district in the third preceding year, by the number of actual and AFDC pupil units in the district in the preceding regular school year, to*

(ii) *the equalizing factor for the preceding regular school year.*

Sec. 35. Minnesota Statutes 1980, Section 275.125, Subdivision 6b, is amended to read:

Subd. 6b. [GRANDFATHER LEVY.] (1) (IN 1979 ANY DISTRICT WHICH QUALIFIED IN 1978 FOR AN EXCESS LEVY UNDER MINNESOTA STATUTES 1978, SECTION 275.125, SUBDIVISION 6 OR 7, MAY LEVY AN AMOUNT EQUAL TO THE PRODUCT OBTAINED BY MULTIPLYING)

((A) THE LESSER OF)

((I) ONE OR)

((II) THE RATIO OF THE DISTRICT'S 1978 ADJUSTED ASSESSED VALUATION PER PUPIL UNIT IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5), IN THE DISTRICT IN 1979-1980, TO THE STATE AVERAGE 1978 ADJUSTED ASSESSED VALUATION PER PUPIL UNIT IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5), IN THE STATE IN 1979-1980, TIMES)

((B) THE PRODUCT OBTAINED BY MULTIPLYING)

((I) THE AMOUNT PER PUPIL UNIT WHICH THE DISTRICT WAS PERMITTED TO LEVY IN 1978 UNDER MINNESOTA STATUTES 1978, SECTION 275.125, SUBDIVISIONS 6 AND 7, TIMES)

((II) THE NUMBER OF PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (6), AND (7), IN THE DISTRICT IN 1979-1980.) *For purposes of this subdivision, the terms "grandfather guarantee" and "grandfather allowance" shall have the meanings given them in section 22 of this article.*

(2) (IN 1980 AND) Each year (THEREAFTER), any district which qualified in 1979 for an excess levy under (CLAUSE (1)) *this subdivision*, shall be allowed to levy an amount equal to the product obtained by multiplying

(a) the lesser of

(i) one or

(ii) the ratio of the district's adjusted assessed valuation in the preceding year per *actual and AFDC* pupil unit (IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5),) in the school year when the levy is certified, to the state average adjusted assessed valuation in the preceding year per *actual and AFDC* pupil unit (IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4), AND (5),) in the school year when the levy is certified, times

(b) the greater of

(i) (THE AMOUNT DERIVED IN CLAUSE (1), PART (B)) *the district's grandfather guarantee*, or

(ii) the product obtained by multiplying

(A) the number of *actual* pupil units (IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1) AND (2)) in the district in the school year when the levy is certified, times

(THE QUOTIENT OBTAINED BY DIVIDING THE AMOUNT DERIVED IN CLAUSE (1), PART (B), BY THE NUMBER OF PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1) AND (2), IN THE DISTRICT IN 1979-1980) (B) *the district's grandfather allowance*.

(3) *For purposes of computing levy limitations pursuant to this subdivision and the matching grandfather aid, the department shall use and shall not be required to subsequently adjust the state average adjusted assessed valuation per pupil unit determined as of September 1 before the levy is certified.*

Sec. 36. Minnesota Statutes 1980, Section 275.125, Subdivision 6c, is amended to read:

Subd. 6c. [REPLACEMENT LEVY.] (1) (IN 1979 ANY DISTRICT MAY LEVY AN AMOUNT EQUAL TO THE LESSER OF)

((A) THE PRODUCT OBTAINED BY MULTIPLYING)

((I) THE RATIO OF)

((A) THE QUOTIENT OBTAINED BY DIVIDING THE SUM OF THE ADDITIONAL AMOUNTS OF AID THE DISTRICT WOULD RECEIVE IF PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (6) AND (7) WERE USED IN ADDITION TO THE PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5), IN THE COMPUTATION PURSUANT TO SECTION 124.212, SUBDIVISION 7C, CLAUSE (1), AND IF SECTION 124.224 WERE EFFECTIVE IN THE 1980-1981 SCHOOL YEAR, 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, TO)

((B) \$55,500, TIMES)

((II) THE DISTRICT'S 1978 ADJUSTED ASSESSED VALUATION, OR)

((B) THE ADDITIONAL AMOUNTS OF AID THE DISTRICT WOULD RECEIVE IF PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (6) AND (7) WERE USED IN ADDITION TO THE PUPIL UNITS IDENTIFIED IN SECTION 124.17, SUBDIVISION 1, CLAUSES (1), (2), (4) AND (5), IN THE COMPUTATION PURSUANT TO SECTION 124.212, SUBDIVISION 7C, CLAUSE (1), AND IF SECTION 124.224 WERE EFFECTIVE IN THE 1980-1981 SCHOOL YEAR.) *For purposes of this subdivision, the term "replacement revenue" shall have the meaning given it in section 23 of this article.*

(2) (IN 1980 AND) Each year (THEREAFTER), any district which qualified for a levy under (CLAUSE (1)) *this subdivision in 1979* may levy an amount equal to

(a) the product obtained by multiplying

(i) the (RATIO OF THE FOUNDATION AID FORMULA ALLOWANCE) *district's replacement revenue* for the school year to which the levy is attributable (PURSUANT TO SECTION 121.904, SUBDIVISION 4, TO \$1,265), times

((II) THE RATIO OF THE AMOUNT DERIVED IN CLAUSE (1), PART (A) (I) (A), TO THE EQUALIZING FACTOR FOR THE SCHOOL YEAR TO WHICH THE LEVY IS ATTRIBUTABLE, TIMES)

((III)) (ii) *the lesser of*

(A) *one or*

(B) *the ratio of the district's adjusted assessed valuation for the preceding year (, OR)*

((B) 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 THE SCHOOL YEAR TO WHICH THE LEVY IS ATTRIBUTABLE PURSUANT TO SECTION 121.904, SUBDIVISION 4, TIMES)

((II) THE RATIO OF THE FOUNDATION AID FORMULA ALLOWANCE FOR THE YEAR TO WHICH THE LEVY IS ATTRIBUTABLE PURSUANT TO SECTION 121.904, SUBDIVISION 4, TO \$1,265, TIMES)

((III) THE AMOUNT DERIVED IN CLAUSE (1), PART (A) (I) (A).) *per actual and AFDC pupil unit in the school*

year to which the levy is attributable, to the equalizing factor for the school year to which the levy is attributable.

Sec. 37. Minnesota Statutes 1980, Section 275.125, Subdivision 7a, is amended to read:

Subd. 7a. [DISCRETIONARY LEVY.] (1) (IN 1980 EACH DISTRICT WHICH LEVIES THE MAXIMUM PERMISSIBLE AMOUNT PURSUANT TO SUBDIVISION 2A, CLAUSE (1) OR (2) AND SUBDIVISION 6B, MAY LEVY AN ADDITIONAL AMOUNT WHICH SHALL NOT EXCEED THE LESSER OF (A) AN AMOUNT EQUAL TO ONE MILL TIMES THE DISTRICT'S 1979 ADJUSTED ASSESSED VALUATION OR (B) THE PRODUCT OBTAINED BY MULTIPLYING \$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 THE 1980-1981 SCHOOL YEAR.) *For purposes of this subdivision, the terms "discretionary allowance" and "discretionary mill rate" shall have the meanings given them in section 24 of this article.*

(2) In 1981 and each year thereafter, (EACH) a district which levies the maximum permissible amount pursuant to subdivision 2a (, CLAUSE (1) OR (2)) and subdivision 6b may levy an additional amount which shall not exceed the lesser of (a) an amount equal to (1-1/2 MILLS) *the discretionary mill rate* times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying ((I) 1-1/2 TIMES (II) THE RATIO OF THE EQUALIZING FACTOR TO 1,000) *the applicable discretionary allowance* times ((III) the (NUMBER OF) *actual and AFDC* 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) *In 1981 and each year thereafter, a district which levies the maximum permissible amount pursuant to subdivision 2a and subdivision 6b, and where the net unappropriated balance in all operating funds as of the preceding June 30 is less than \$165 per actual and AFDC pupil unit in the district in the school year when the levy is certified, may levy an amount which shall not exceed the lesser of (a) one mill times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying the applicable discretionary allowance times the total number of pupil units in the district in the school year when the levy is certified, without holding a public hearing or conducting a referendum pursuant to clause (5).*

(4) *The board is not required to hold a public hearing or conduct a referendum on the levy authorized by this subdivision in any year when it levies pursuant to clause (3) or when the board proposes to levy an amount not to exceed an amount equal*

to the preceding year's adjusted assessed valuation times the largest number of EARC mills previously levied by the district pursuant to this subdivision.

(5)(a) *Except as provided in clause (3), the provisions of clause (5) shall apply to the levy authorization in this subdivision in any year when the board either proposes to levy pursuant to this subdivision for the first time or proposes to increase the number of mills which it levies against its adjusted assessed valuation pursuant to this subdivision to a number of mills greater than the largest number of mills previously levied against its adjusted assessed valuation pursuant to this subdivision.*

(b) **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) July 15 in any year when clause (5) applies, the board of the district shall hold a public hearing on the need for the proposed levy (PURSUANT TO THIS SUBDIVISION) or increase. At least three weeks published notice of the hearing in 10 point type or 5.0 agate 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 or increase in dollars, in EARC mills and in auditor's mills (,) and the estimated net unappropriated fund balance in the district's operating funds as of the June 30 before the levy or increase is certified (, AND THE TAX IMPACT OF THE PROPOSED LEVY ON HOMESTEADS WITH MARKET VALUES OF \$30,000 AND \$50,000).**

(c) *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 or increase is certified, and the estimated amount in dollars, in EARC mills and in auditor's mills of any reduction of the proposed levy which may be required by section 38 of this article. At the hearing, (AND) the board shall also hear all parties requesting to give testimony for and against the proposed levy or increase. Upon receipt of a petition within (20) 30 days after the hearing (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 (A REDUCTION OF) the proposed levy or increase. (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.) *A petition shall be effective if signed by a number of qualified voters in the district equal to the greater of 50 voters or 15 percent of the number of voters who voted in the district at the most recent regular school board election.*

(d) The referendum shall be held on a date set by the school board, but no later than the (AUGUST 20) *September 20* before the levy is certified. (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 ballot shall state substantially the following, as appropriate:

The board of _____ School District No. _____ has proposed (a discretionary levy in a maximum amount of _____ EARC mills which would raise) (to increase a discretionary levy from _____ EARC mills to _____ EARC mills. This increase would provide an additional) \$ _____ in the first year levied.

— Yes Shall the (increase in the) discretionary levy proposed by the Board of _____ School
— No District No. _____ be approved?

(e) *The approval of a majority of those voting on the question is required to pass the referendum.*

(f) *If a petition is not received or if the proposed levy or increase is approved at a referendum, the district may levy the amount provided by the number of mills proposed by the school board, in the year when the hearing or referendum is held and in succeeding years. If a proposed first time levy is not approved, except as provided in clause (3), the district may not levy pursuant to this subdivision in the year when the referendum is held and shall be required to comply with the provisions of clause (5) before levying pursuant to this subdivision in a subsequent year. If a proposed increase is not approved, the district may levy an amount not to exceed 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) largest number of EARC mills previously levied by the district pursuant to this sub-*

division, 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 WHICH SUCCEEDS A YEAR IN WHICH A LEVY IS CERTIFIED PURSUANT TO THIS SUBDIVISION).

Sec. 38. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 7c. [DISCRETIONARY LEVY FUND BALANCE PROVISION.] Beginning with the 1981 levy, for a district where the net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds \$500 per actual and AFDC pupil unit in the year when the levy is certified, the discretionary levy limitation shall be reduced by the amount of the excess times the lesser of one or the ratio of the district's EARC valuation for the preceding year per actual and AFDC pupil unit in the school year when the levy is certified, to the equalizing factor. Beginning with the 1982-1983 school year, the discretionary aid for the year when that levy is used shall be reduced by any amount of the excess which is not subtracted from the levy.

Sec. 39. Minnesota Statutes 1980, Section 275.125, Subdivision 9, is amended to read:

Subd. 9. [LEVY REDUCTIONS; TACONITE.] (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 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; 477A.15; 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, or recognized revenue pursuant to section 477A.15; 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 *or revenue recognized pursuant to section 477A.15* in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections *or revenue recognized pursuant to section 477A.15* in the previous fiscal year less the product of the same dollar amount of payments *or revenue* 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 ten 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)) *2d* 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 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 294.26; 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) 27, subdivision (8A) 5, clause (2), of *this article* 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) 27, subdivision (8A) 5, of *this article* 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. 40. Minnesota Statutes 1980, Section 275.125, Subdivision 9a, is amended to read:

Subd. 9a. [STATUTORY OPERATING DEBT LEVY.] (1) In 1978 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. When the cumulative levies made pursuant to this subdivision equal an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account in the general fund which shall be designated "appropriated fund balance reserve account for purposes of reducing statutory operating debt" on its books and records. This account shall reflect the levy authorized pursuant to this subdivision. The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under subdivision 2a (, CLAUSE (1) or (2)) in that same year.

(4) Each district shall make permanent fund balance transfers so that the total statutory operating debt of the district is reflected in the general fund as of June 30, 1977.

Sec. 41. Minnesota Statutes 1980, Section 275.125, Subdivision 19, is amended to read:

Subd. 19. [LEVY REDUCTION; MINIMUM AID.] (BEGINNING WITH THE 1979 PAYABLE 1980 LEVY,) Any district which it is estimated will receive an amount of minimum foundation aid pursuant to section (124.212, SUBDIVISION 7C, CLAUSE (6)) 25 of this article or its successor pro-

vision in the year to which the levy is attributable, shall reduce its levy limitation pursuant to subdivision 2a (, CLAUSE (1) OR (2),) by the amount of minimum foundation aid which it is estimated that the district will receive in the year to which the levy is attributable.

Sec. 42. Minnesota Statutes 1980, Section 275.125, Subdivision 20, is amended to read :

Subd. 20. [ESTIMATES.] The computation of levy limitations pursuant to (SUBDIVISIONS 2B, 2C, 6C AND 19) *this section* 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. 43. Minnesota Statutes 1980, Section 298.23, Subdivision 1, is amended to read :

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 *plus the increase provided in paragraph (c) to qualifying school districts to be distributed as follows:*

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part ((C)) (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 (**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) 2d**).

(c) *On July 15, 1982 and on July 15 in subsequent years, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by referendum, according to the following formula. Each district shall receive the product of:*

(i) *\$150 times the pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times*

(ii) *the lesser of:*

(A) *one, or*

(B) *the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.*

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to section 124.212 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection fund as provided in section 298.28, subdivision 1, clause 10.

(C) (d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 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) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years 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 distribution in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection 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.

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 dis-

trict and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 44. [DULUTH AIR BASE CLOSING; AID.]

Subdivision 1. [DETERMINING PUPIL UNIT REDUCTION.] In the 1981-1982 school year, Independent School Districts No. 700, No. 704, and No. 709 shall determine the reduction in number of pupil units from the 1980-1981 school year because of the closing of the Duluth air base.

Subd. 2. [1981-1982 ADJUSTMENT.] In the 1981-1982 school year, Independent School Districts No. 700, No. 704, and No. 709 shall receive 50 percent of the foundation aid lost because of the reduction in pupil units pursuant to subdivision 1.

Sec. 45. [LEVY ADJUSTMENTS.]

In 1981, the maximum levy limitation under Minnesota Statutes, Section 275.125, Subdivision 2a or 2e, as applicable, for each district shall be reduced by any difference between the amount of the basic maintenance levy certified by the district in 1980 and the amount of the 1980 basic maintenance levy limitation which would have been computed for the district using a formula allowance of \$1,318.

Sec. 46. [USE OF RESTORATION FUNDS.]

Moneys paid to a school district pursuant to Session Laws 1981, Chapter 1, may be deposited in the school district's general fund and may be used for any expenditure for which general fund moneys may be used, notwithstanding any provision in the law restricting the use of moneys to the specific purpose for which the moneys were appropriated.

Sec. 47. [EVALUATION OF GRANDFATHER AND REPLACEMENT LEVY.]

The state department of education shall study and evaluate the effects of the grandfather and replacement levy limitations and grandfather and replacement aid and report the findings of this study to the education committees of the legislature before February 15, 1982. The reports shall include recent data on patterns of revenue, expenditures, unit costs, and fund balances of school districts.

Sec. 48. [INSTRUCTIONS TO REVISOR.]

In accordance with section 648.34, in the next edition of Minnesota Statutes, the revisor of statutes shall transfer Minnesota Statutes, Section 124.212, Subdivisions 10 to 18, including any 1981 amendments to these subdivisions, into a new section coded as [124.2131.] with a headnote entitled [EQUALIZATION AID REVIEW COMMITTEE.], and shall alter the references to those subdivisions in the statutes so as to conform to the transfer.

Sec. 49. [REPEALER.]

Minnesota Statutes 1980, Sections 122.531, Subdivision 7; 124.01, Subdivisions 2, 3, and 4; 124.212, Subdivisions 2, 4, 5, 5a, 6c, 7c, 7d, 8a, 9, 9a, 9b, 20, 20a, and 21; and 275.125, Subdivisions 2b and 7b, are repealed.

Sec. 50. [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. [FOUNDATION AID.] For foundation aid there is appropriated:

\$724,700,000 1982,

\$614,000,000 1983.

The appropriation for 1982 includes \$68,500,000 for aid for fiscal year 1981 payable in fiscal year 1982, and \$656,200,000 for aid for fiscal year 1982 payable in fiscal year 1982.

The appropriation for 1983 includes \$65,200,000 for aid for fiscal year 1982 payable in fiscal year 1983, and \$548,800,000 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [SUMMER SCHOOL.] For state aid for summer school there is appropriated:

\$11,470,400 1982,

\$11,930,400 1983.

The appropriation for 1982 is for 1981 summer school programs.

The appropriation for 1983 is for 1982 summer school programs.

If the appropriation amounts for this purpose are insufficient, the aid shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this subdivision for this purpose.

Subd. 4 [CANCELLATION.] Any unexpended balance remaining from the appropriations in this section for 1982 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.

Sec. 51. [EFFECTIVE DATE.]

Subdivision 1. Sections 2, 14, 15, 16, 17, and 37 of this article are effective the day following final enactment.

Subd. 2. Section 43 of this article is effective for taxes payable in 1982 for iron ore concentrate produced in any year beginning after December 31, 1980.

ARTICLE II

TRANSPORTATION AID

Section 1. Minnesota Statutes 1980, Section 123.39, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL PROVISIONS.] The board may provide for the free transportation of pupils to and from school, and to schools (,) in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year, as it may deem advisable, and subject to its rules. Every driver

shall possess all the qualifications required by the rules of the state board of education. In any (SPECIAL OR INDEPENDENT) school district, the board shall arrange for the attendance of all pupils living two miles or more from the school (,) through suitable provision for transportation or (FOR) through the boarding and rooming of (SUCH) the pupils (AS) who may be more economically and conveniently provided for by (SUCH) that means. When transportation is provided, scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of school children and any other matter relating thereto shall be within the sole discretion, control and management of the school board. The district (IS AUTHORIZED TO) may provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by (SUCH) that means or who attend school in a building rented or leased by a district within the confines of an adjacent district.

Sec. 2. Minnesota Statutes 1980, 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) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] Transportation or board of resident *elementary* pupils who reside one mile or more from the public schools which they could attend (, OR); transportation or board of resident *secondary* pupils who reside two miles or more from the public schools which they could attend; transportation to, from, or between the schools (THEY) the resident pupils attend pursuant to a program approved by the commissioner of education (, OR); transportation of resident *elementary* pupils who reside one mile or more from a (PRIVATE) nonpublic school actually attended (,); transportation of resident *secondary* pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.-76 to 123.79 (WITH RESPECT TO PRIVATE SCHOOL PUPILS);

(2) [OUTSIDE DISTRICT.] 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) [SECONDARY VOCATIONAL CENTERS.] 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) [HANDICAPPED.] 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 *from home or from school* (DURING THE SCHOOL DAY) to other buildings, *including hospitals and treatment centers where special instruction or services required by section 120.17 are provided*, 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) [BOARD AND LODGING: NONRESIDENT HANDICAPPED.] When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) [SHARED TIME.] 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) [FARIBAULT STATE SCHOOLS.] Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) [SUMMER SCHOOL.] Services described in clauses (1) to (7) and clauses (9) and (10) when provided in conjunction with a state board approved summer school program;

(9) [COOPERATIVE ACADEMIC AND VOCATIONAL.] 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 of any of these districts; and

(10) [NONPUBLIC SUPPORT SERVICES.] 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. 3. Minnesota Statutes 1980, Section 124.225, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] 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 for 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.

(d) "Total authorized predicted cost" means the total authorized cost predicted by a multiple regression formula determined by the department of education.

((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)) (e) "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)) (f) "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)) (g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(1) (h) "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.

Sec. 4. Minnesota Statutes 1980, Section 124.225, Subdivision 1a, is amended to read:

Subd. 1a. [WEIGHTING FACTORS.] For (THE 1980-1981) *each* 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.

Sec. 5. Minnesota Statutes 1980, Section 124.225, Subdivision 3, is amended to read:

Subd. 3. [FORMULA.] For (THE 1980-1981) *each* 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 multiple regression formula shall be determined through stepwise multiple regression analysis for each region by the department of education, using the terms specified in subdivision 4a, to maximize the amount of variance accounted for between the total actual authorized cost per weighted FTE for the (1978-1979) *second preceding* school year and the total authorized predicted cost per weighted FTE for the (1978-1979) *second preceding* 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) *second preceding* 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 7a.

Sec. 6. Minnesota Statutes 1980, Section 124.225, Subdivision 4a, is amended to read:

Subd. 4a. [FORMULA TERMS.] To predict the total authorized cost per weighted FTE for each district (BEGINNING IN THE 1980-1981 SCHOOL YEAR) *pursuant to subdivision 3*, 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 (.);

(17) *The percentage of the district's square mile area which is classified by the state planning agency as extractive.*

Sec. 7. Minnesota Statutes 1980, Section 124.225, Subdivision 6, is amended to read:

Subd. 6. [INFLATION FACTORS.] *The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for 1979-1980 shall be increased by 28 percent. The total authorized predicted cost per weighted FTE determined for a district under subdivision 3 for (1978-1979) 1980-1981 shall be increased by (29) 25 percent.*

Sec. 8. Minnesota Statutes 1980, Section 124.225, Subdivision 7a, is amended to read:

Subd. 7a. [SOFTENING FORMULA.] (1) Each district's adjusted total authorized predicted cost per weighted FTE determined for (THE 1980-1981) *each* 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 adjusted 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.

Sec. 9. Minnesota Statutes 1980, Section 124.225, Subdivision 8a, is amended to read:

Subd. 8a. [AID COMPUTATION.] A district's aid pursuant to this section for (THE 1980-1981 SCHOOL YEAR AND) each *school* 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.

Sec. 10. Minnesota Statutes 1980, Section 124.225, Subdivision 8b, is amended to read:

Subd. 8b. [EXCESS HANDICAPPED AID.] (a) In addition to the amount authorized in subdivision 8a, for (THE 1980-1981) *each* 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 *district's* actual authorized (EXPENDITURE PER WEIGHTED) *expenditure for transporting* handicapped and board and lodging (FTE) *FTE's* and

(2) 140 percent of the *district's* aid entitlement (PER WEIGHTED) *for transportation of* handicapped and board and lodging (FTE) *FTE's*.

(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.

Sec. 11. Minnesota Statutes 1980, Section 124.225, Subdivision 9, is amended to read:

Subd. 9. [DISTRICT REPORTS.] 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, 1980, EACH DISTRICT SHALL PROVIDE THE DEPARTMENT WITH THE INFORMATION FOR THE 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) *year*, 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 the school year shall be based on these computations.

Sec. 12 Minnesota Statutes 1980, Section 124.225, Subdivision 11, is amended to read:

Subd. 11. [PAYMENT SCHEDULE THROUGH 1982.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, *for fiscal years through 1982*, 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. 13. Minnesota Statutes 1980, Section 124.225, is amended by adding a subdivision to read:

Subd. 11a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in fiscal year 1983, the state shall pay each school district its estimated school transportation aid entitlement for the fiscal year according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following fiscal year.

Sec. 14. [REPEALER.] *Minnesota Statutes 1980, Section 124.225, Subdivisions 2, 4, 5, 7 and 8, are repealed.*

Sec. 15. [APPROPRIATIONS.]

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:

\$121,096,032 1982,

\$126,068,514 1983.

(a) (1) The appropriation for 1982 includes \$10,553,000 for aid for fiscal year 1981 payable in fiscal year 1982 and \$110,193,032 for aid for fiscal year 1982 payable in fiscal year 1982.

(2) The appropriation for 1983 includes \$12,243,448 for aid for fiscal year 1982 payable in fiscal year 1983 and \$113,475,066 for aid for fiscal year 1983 payable in fiscal year 1983.

(b) (1) The appropriation for fiscal year 1982 includes an amount not to exceed \$350,000, payable in fiscal year 1982, for excess handicapped aid for fiscal year 1981, pursuant to Minnesota Statutes 1980, Section 124.225, Subdivision 8b.

(2) The appropriation for fiscal year 1983 includes an amount not to exceed \$350,000, payable in fiscal year 1983, for excess handicapped aid for fiscal year 1982, pursuant to Minnesota Statutes 1980, Section 124.225, Subdivision 8b.

Subd. 3. [CANCELLATION.] Any unexpended balance remaining from the appropriation in this section for 1982 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 appropriation amount attributable to either year for any

purposes indicated is insufficient, the aid for that year shall be prorated among all qualifying districts. The state shall not be obligated for any amounts in excess of the total appropriations in this section.

Sec. 16. [EFFECTIVE DATE.]

The amendment in section 2, clause (1), of this article is effective August 15, 1981.

ARTICLE III

SPECIAL EDUCATION

Section 1. Minnesota Statutes 1980, Section 120.03, is amended by adding a subdivision to read:

Subd. 5. A child with a short-term or temporary physical or emotional illness or disability, as determined by the standards of the state board, is not a handicapped child.

Sec. 2. Minnesota Statutes 1980, Section 120.17, Subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of: (1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child; (2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or (3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian; provided the refusal of a parent or guardian to provide this consent may be overridden by the decision in a hearing held pursuant to clause (d) at the district's initiative after at least one attempt to obtain this consent through a conciliation conference held pursuant to clause (c);

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a);

(d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if after at least one conciliation conference the parent or guardian continues to object to: (1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child; (2) the proposed placement of their child in, or transfer of their child to a special education program; (3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program; (4) the proposed provision or addition of special education services for their child; or (5) the proposed denial or removal of special education services for their child. *At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.*

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with his objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(e) The decision of the hearing officer pursuant to clause (d) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45 day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the commissioner by the parent, guardian, or the school board of the district where the child resides pursuant to clause (f).

The local decision shall:

(1) be in writing;

(2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the commissioner of the basis and reason for the decision;

(3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;

(4) state the amount and source of any additional district expenditure necessary to implement the decision; and

(5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(f) Any local decision issued pursuant to clauses (d) and (e) may be appealed to the commissioner within 15 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district where the child resides.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The commissioner shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The commissioner shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 15. The commissioner may grant specific extensions of time beyond the 30 day period at the request of any party.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(g) The decision of the commissioner shall be final unless appealed by the parent or guardian or school board to the district court of the county in which the school district in whole or in part is located. The scope of judicial review shall be as provided in chapter 15.

(h) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in his current educational placement and shall not be denied initial admission to school.

(i) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

((J) THIS SUBDIVISION SHALL EXPIRE ON JUNE 30, 1981. THE DEPARTMENT OF EDUCATION SHALL REPORT TO THE EDUCATION COMMITTEES OF THE LEGISLATURE ON OR BEFORE JANUARY 1, 1981, ON THE IMPACT OF THE AMENDMENTS MADE IN THIS SUBDIVISION BY LAWS 1979, CHAPTER 334 AND ON THE ADVISABILITY OF AMENDING THIS SUBDIVISION TO READ AS IT READS IN MINNESOTA STATUTES 1978.)

Sec. 3. Minnesota Statutes 1980, Section 120.17, Subdivision 4, is amended to read:

Subd. 4. [SPECIAL INSTRUCTIONS FOR NON-RESIDENT CHILDREN.] When a school district provides instruction and services outside the district of residence, board and lodging, and any tuition to be paid, shall be paid by the district of residence. (TRANSPORTATION COSTS SHALL BE PAID BY THE DISTRICT PROVIDING THE TRANSPORTATION, AND THE STATE SHALL REIMBURSE THE DISTRICT WITHIN THE LIMITS PROVIDED BY LAW.) The tuition rate to be charged for any handicapped child shall be the actual cost of providing special instruction and services to the child including a proportionate amount for capital outlay and debt service but not including any amount for transportation, minus the amount of special aid for handicapped children received on behalf of that child. If the boards involved do not agree upon the tuition rate, either board may apply to the commissioner to fix the rate. The commissioner shall then set a date for a hearing, giving each board at least ten days' notice, and after the hearing the commissioner shall make his order fixing the tuition rate, which shall be binding on both school districts.

When a district provides instruction and services in a day program outside the district of residence, the district of residence shall be responsible for providing transportation. When a district provides instruction and services requiring board and lodging or placement in a residential program outside the district of residence, the nonresident district in which the child is placed shall be responsible for providing transportation. Transportation costs shall be paid by the district responsible for providing transportation and the state shall pay transportation aid to that district.

For the purposes (HEREIN) of this section, any school district may enter into an agreement, upon (SUCH) terms and conditions (AS MAY BE) which are mutually agreed upon, to provide special instruction and services for handicapped children. In that event, one of the participating units may employ and contract

with necessary qualified personnel to offer services in the several districts (, AND). Each participating unit shall reimburse the employing unit a proportionate amount of the actual cost of providing the special instruction and services, less the amount of state special education aid, which shall be claimed in full by the employing district.

Sec. 4. Minnesota Statutes 1980, Section 120.17, Subdivision 5a, is amended to read:

Subd. 5a. [SUMMER PROGRAMS.] (EVERY) A district may provide summer programs for handicapped children living within the district (, INCLUDING) and nonresident children temporarily placed in the district pursuant to subdivisions 6 or 7. Prior to March 31 or 30 days after the handicapped child is placed in the district, whichever is later, the providing district shall give notice to the district of residence of any nonresident children temporarily placed in the district pursuant to subdivisions 6 or 7, of its intention to provide these programs. Notwithstanding any contrary provisions in subdivisions 6 and 7, the school district providing the special instruction and services shall apply for (ALL STATE AID FOR THE SUMMER PROGRAM, INCLUDING) special (STATE) education aid (PURSUANT TO SECTION 124.32, FOUNDATION AID AND TRANSPORTATION AID) for the summer program. For the purposes of computing (FOUNDATION AID FOR THESE PROGRAMS, ALL) the summer school revenue allowance as provided in Article I, Section 17, pupils enrolled in these programs shall be (CONSTRUED TO BE RESIDENTS OF) counted by the district of residence and not by the district providing the programs. The unreimbursed actual cost of providing the program for nonresident handicapped children, including the cost of board and lodging, may be billed to the district of the child's residence and shall be paid by the resident district. Transportation costs shall be paid by the district responsible for providing transportation pursuant to subdivision 6 or 7 and transportation aid shall be paid to that district.

Sec. 5. Minnesota Statutes 1980, Section 120.17, Subdivision 6, is amended to read:

Subd. 6. [PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.] The responsibility for special instruction and services for a handicapped child temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The school district of residence of (SUCH) a child shall be the district in which his parent resides, if living, or his guardian, or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) When a child is temporarily placed for care and treatment in a day program located in another district and the child

continues to live within the district of residence during the care and treatment, the district of residence is responsible for providing transportation and an appropriate educational program for the child. The district may provide the educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district.

((B)) (c) When a child is temporarily placed in a residential program for care and treatment, the nonresident district in which the child is placed is responsible for providing (THE INSTRUCTION SHALL MAINTAIN) transportation and an appropriate educational program for (SUCH A) the child and shall bill the district of the child's residence for the actual cost of providing the program, as outlined in subdivision 4, except that the board, lodging, and treatment costs incurred in behalf of a handicapped child placed outside of the school district of his residence by the commissioner of public welfare or the commissioner of corrections or their agents, for reasons other than for making provision for his special educational needs shall not become the responsibility of either the district providing the instruction or the district of the child's residence.

((C)) (d) The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. The district of residence may claim foundation aid for the child as provided by law. (SPECIAL) Transportation costs shall be paid by the district responsible for providing the transportation and the state shall (REIMBURSE THE) pay transportation aid to that district (FOR SUCH COSTS WITHIN THE LIMITS PROVIDED BY LAW).

Sec. 6. Minnesota Statutes 1980, Section 120.17, Subdivision 7, is amended to read:

Subd. 7. [PLACEMENT IN STATE INSTITUTION; RESPONSIBILITY.] Responsibility for special instruction and services for a handicapped child placed in a state institution on a temporary basis shall be determined in the following manner:

(a) The legal residence of such child shall be the school district in which his parent resides, if living, or his guardian;

(b) When the educational needs of such child can be met through the institutional program, the costs for such instruction shall be paid by the department to which the institution is assigned;

(c) When it is determined that such child can benefit from public school enrollment, provision for such instruction shall be made in the following manner:

(1) Determination of eligibility for special instruction and services shall be made by the commissioner of education and the commissioner of the department responsible for the institution;

(2) The school district where the institution is located shall (PROVIDE) *be responsible for providing transportation and an appropriate educational program for the child and shall make a tuition charge to the child's district of residence for the actual cost of providing the program;*

(3) The district of the child's residence shall pay the tuition and other program costs (INCLUDING THE UNREIMBURSED) *excluding transportation costs and may claim foundation aid for the child. (SPECIAL) Transportation (SHALL BE PROVIDED BY THE DISTRICT PROVIDING THE EDUCATION PROGRAM) costs shall be paid by the district where the institution is located and the state shall (REIMBURSE SUCH) pay transportation aid to that district (WITHIN THE LIMITS PROVIDED BY LAW).*

Sec. 7. Minnesota Statutes 1980, Section 120.17, is amended by adding a subdivision to read:

Subd. 11. [TRANSPORTATION AID AGREEMENTS.] Notwithstanding the provisions of subdivisions 4, 5a, and 6, when a child receives special instruction and services in a day program outside the resident district, the resident district and the nonresident district where the child is placed may enter into an agreement providing for the nonresident district to pay the cost of any particular transportation categories specified in section 124.225, subdivision 1, and claim transportation aid for those categories. In this case, the nonresident district may not obtain any payment from the resident district for the categories covered by the agreement.

Sec. 8. [120.172] [LEGISLATIVE COMMITMENT TO CONCILIATION.]

Subdivision 1. [POLICY STATEMENT.] The legislature finds that conciliation conferences pursuant to section 120.17 serve better than formal hearings to promote communications between parents and school staff and to reach prompt, shared decisions about educational programs for handicapped children. Further the legislature urges the United States department of education and the United States office of civil rights to acknowledge that the conciliation conference process violates no federal statute or regulation.

Subd. 2. [STATE PLAN.] The state board of education shall not adopt any provision in the state plan for special education which reduces the opportunities for parents and school districts to resolve their differences through conciliation.

Subd. 3. [REPORT.] The Minnesota commissioner of education shall report to the education committees of the legislature before January 1, 1983, on the effect of the procedures required in section 120.17, Subdivision 3b, and on any changes in federal statutes or regulations which would contribute to greater flexibility in the procedures for decisions about educational programs for handicapped children.

Sec. 9. [121.201] [HEARING IMPAIRED EDUCATIONAL SUPPORT SERVICES.]

Subdivision 1. [RESPONSIBILITY OF BOARD.] The state board of education shall coordinate and may pay for support services for hearing impaired persons to assure access to educational opportunities. Services may be provided to adult students who are hearing impaired and (a) have been denied access to educational opportunities because of the lack of support services or (b) are presently enrolled or (c) are contemplating enrollment in an educational program and would benefit from support services. The state board shall also be responsible for conducting inservice training for public and private agencies regarding the needs of hearing impaired persons in the adult education system.

Subd. 2. [SUPPORT SERVICES.] The state board may pay school districts or public or private community agencies for the following support services:

(a) Interpreter services to provide translation for an individual or a group of students; or

(b) Notetaker services to convert spoken language to written language when the student must maintain visual contact with other persons such as an interpreter or instructor.

Subd. 3. [PROGRAMS INCLUDED.] Support services may be provided for:

(a) Local school district adult education programs;

(b) Adult vocational school programs; and

(c) Avocational education programs sponsored by public or private community agencies.

Sec. 10. [124.273] [LIMITED ENGLISH PROFICIENCY PROGRAMS AID.]

Subdivision 1. [TEACHERS SALARIES.] (a) For the 1981-1982 school year, the department shall pay a school district 70 percent of the salary, calculated from the date of hire, of one full time equivalent teacher for each 45 pupils of limited English

proficiency enrolled in the district, or a pro rata amount thereof for increments of fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay 70 percent of the salary, calculated from the date of hire, of one-half of a full time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled.

(b) Beginning in the 1982-1983 school year, and each year thereafter, the department shall pay a school district 65 percent of the salary, calculated from the date of hire, of one full time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district, or a pro rata amount thereof for increments of fewer than 45 pupils. Notwithstanding the foregoing, the department shall pay 65 percent of the salary, calculated from the date of hire, of one-half of a full time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled.

Subd. 2. [PROHIBITION.] *(a) For the 1981-1982 school year, the department of education shall not pay a school district an amount exceeding 70 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.*

(b) Beginning in the 1982-1983 school year, and each year thereafter, the department of education shall not pay a school district an amount exceeding 65 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.

Subd. 3. [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 pupils of limited English proficiency shall be counted for average daily membership pursuant to Article I, Section 26 of this act.*

Subd. 4. [APPLICATION DATES.] *(a) A district wishing to receive aid pursuant to this section shall submit an application by October 15, February 15, and June 15 of each year. Aid paid pursuant to this section shall be based on the number of pupils of limited English proficiency enrolled in the district at the time the district submits its first application or the number of additional such pupils enrolled at the time subsequent applications are submitted.*

(b) All applications shall be submitted to the department in the manner prescribed by the commissioner. Each application shall include (1) the number of pupils or additional pupils enrolled who meet the criteria in section 126.262, subdivision 2; (2) the number, dates of hire, full time equivalency, and salaries of essential licensed personnel or additional essential licensed personnel employed in the district's educational program for pupils of limited English proficiency who meet the criteria in section 126.262, subdivision 3; and (3) 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 may share essential instructional personnel employed in educational programs for pupils of limited English proficiency.

Subd. 5. [NOTIFICATION; AID PAYMENTS.] The department shall inform each applicant district of the amount of aid it will receive pursuant to this section within a month after the application deadline, and the department shall pay the aid within 15 days after notifying the district that it will receive aid. Beginning with the 1982-1983 school year, 85 percent of the aid shall be paid within 15 days after the aid notification and the remaining aid to each district shall be paid on or before October 31 of the following school year.

Subd. 6. [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 to ensure that an educational program for pupils of limited English proficiency is implemented and operated in accordance with sections 126.261 to 126.269.

Subd. 7. [MONEY FROM OTHER SOURCES.] A school district providing a program for pupils of limited English proficiency shall be eligible to receive moneys for these programs from other government agencies and from private sources when these moneys are available.

Sec. 11. Minnesota Statutes 1980, Section 124.32, Subdivision 1, is amended to read:

Subdivision 1. (a) For the 1981-1982 and 1982-1983 school years, the state shall pay to any district for the employment in its educational program for handicapped children (THE GREATER OF:)

((1) (A) 69 PERCENT OF THE SALARY OF ESSENTIAL PERSONNEL, BUT THIS AMOUNT SHALL NOT EXCEED \$12,000 FOR THE NORMAL SCHOOL YEAR FOR EACH FULL TIME PERSON EMPLOYED, OR A PRO RATA

AMOUNT FOR A PART TIME PERSON OR A PERSON EMPLOYED FOR A LIMITED TIME, WHETHER THE ESSENTIAL PERSONNEL ARE EMPLOYED BY A DISTRICT ALONE OR JOINTLY WITH ANOTHER DISTRICT; PLUS)

((B) FIVE PERCENT OF THE SALARIES OF ESSENTIAL PERSONNEL EMPLOYED IN ITS EDUCATIONAL PROGRAM FOR HANDICAPPED CHILDREN, FOR THE PURPOSE OF RECOGNIZING ADDITIONAL SUPPORT COSTS OF EDUCATIONAL PROGRAMS FOR HANDICAPPED CHILDREN; OR)

((2) 70) 65 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

((3) A DISTRICT SHALL RECEIVE AID PURSUANT TO ONLY ONE CLAUSE OF CLAUSES (1) AND (2) FOR A SCHOOL YEAR.)

(b) Beginning in the 1983-1984 school year and in each year thereafter, the state shall pay to any district for the employment in its educational program for handicapped children 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

Sec. 12. Minnesota Statutes 1980, Section 124.32, Subdivision 1a, is amended to read:

Subd. 1a. [FOUNDATION AID FORMULA ALLOWANCE.] For purposes of this section, (THE) "foundation aid formula allowance" (PER PUPIL UNIT) shall (BE \$1,182 FOR THE 1979-1980 SCHOOL YEAR, AND \$1,265 FOR THE 1980-1981 SCHOOL YEAR) *have the meaning attributed to it in Article I, Section 21, Subdivision 1 of this act, and "summer school revenue allowance" shall have the meaning attributed to it in Article I, Section 17 of this act.* For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17, subdivision 1, clause (1) or (2).

Sec. 13. Minnesota Statutes 1980, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. [CONTRACT SERVICES.] (1) For special instruction or training and services provided for any pupil

pursuant to section 120.17, subdivision 2, clause (h), by contract with public, private or voluntary agencies other than Minnesota school districts, the state shall pay each district 60 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis.

(2) For special instruction or training and services provided for a pupil by such a contract as part of a summer school program, the state shall pay each district 60 percent of the difference between the amount of the contract and the (FOUNDATION AID RECEIVED BY) *summer school revenue allowance* of the district (FOR) *attributable to that pupil* (PURSUANT TO SECTION 124.20, OR A PRO RATA PORTION OF THAT FOUNDATION AID FOR A PUPIL WHO RECEIVES SERVICES BY SUCH A CONTRACT ON LESS THAN A FULL TIME SUMMER SCHOOL BASIS. THIS CLAUSE SHALL BE EFFECTIVE FOR THE 1977 SUMMER SCHOOL AND THEREAFTER).

Sec. 14. Minnesota Statutes 1980, Section 124.32, Subdivision 5, is amended to read:

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay *aid* to the resident district *under the provisions of this subdivision. For the regular school year, the aid shall be an amount not to exceed 60 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance (IN THE RESIDENT DISTRICT), for each handicapped child placed in a residential facility. For summer school programs, the aid for each handicapped child placed in a residential facility shall be an amount not to exceed 60 percent of the difference between the instructional costs charged to the resident district and the summer school revenue allowance in the resident district attributable to that child.* No aid shall be paid pursuant to this subdivision for tuition charged a resident district pursuant to section 120.17, subdivision 7a, for a child placed at the Minnesota school for the deaf or the Minnesota braille and sight-saving school.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by the state or public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children within the state.

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children within the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Sec. 15. Minnesota Statutes 1980, Section 124.32, Subdivision 6, is amended to read:

Subd. 6. [FULL STATE PAYMENT.] The state shall pay each district the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by section 120.17, subdivision 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following (SUCH) *the* procedure (AS REQUESTED) *specified* by the commissioner of education (A), *the* district (PROVIDING INSTRUCTION AND SERVICES FOR SUCH HANDICAPPED CHILD) may bill the state the actual cost incurred in providing (SAID) *the* services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of the foundation aid formula allowance for the child and the special education aid, transportation aid, and any other aid earned in behalf of (SUCH) *the* child (, SUCH ACTION PURSUANT TO LIMITS). *The limit set forth in subdivision 4 shall apply to aid paid pursuant to this subdivision.*

To the extent possible, the commissioner shall obtain reimbursement from another state for the cost of serving any child whose parent or guardian resides in that state. The commissioner may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasury and placed in the general fund.

Sec. 16. Minnesota Statutes 1980, Section 124.32, Subdivision 9, is amended to read:

Subd. 9. Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, *for school years through 1981-1982*, the state shall pay to each school district 30 percent of its estimated special education aid for the school year on or before each of the following dates: September 30, December 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following year.

Sec. 17. Minnesota Statutes 1980, Section 124.32, is amended by adding a subdivision to read:

Subd. 9a. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, starting in school year 1982-1983, the state shall pay each school district its estimated special education aid for the school year according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following school year.

Sec. 18. Minnesota Statutes 1980, Section 126.262, Subdivision 8, is amended to read:

Subd. 8. "Educational program for *pupils of limited English (PROFICIENT STUDENTS) proficiency*" 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. 19. Minnesota Statutes 1980, Section 126.54, Subdivision 1, is amended to read:

Subdivision 1. [GRANTS; PROCEDURES.] For fiscal (YEAR 1981) *years 1982 and 1983*, 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 non-sectarian 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. 20. [REPEALER.]

Minnesota Statutes 1980, Sections 120.17, Subdivision 3c; 126.263; 126.268, Subdivision 1; and 126.52, Subdivision 12, are repealed.

Sec. 21. [APPROPRIATIONS.]

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. [SPECIAL EDUCATION AID.] For special education aid, there is appropriated:

\$95,602,130 1982,

\$98,719,770 1983.

The appropriation for 1982 includes \$8,670,700 for aid for fiscal year 1981 payable in fiscal year 1982, and \$86,931,430 for aid for fiscal year 1982 payable in fiscal year 1982.

The appropriation for 1983 includes \$9,659,050 for aid for fiscal year 1982 payable in fiscal year 1983 and \$89,060,720 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [SUMMER SCHOOL SPECIAL EDUCATION AID.] For special education aid for summer school programs there is appropriated:

\$4,500,000 1982,

\$4,887,000 1983.

Subd. 4. [RESIDENTIAL FACILITIES AID.] For aid pursuant to section 124.32, subdivision 5, there is appropriated:

\$578,000 1982,

\$630,600 1983.

Subd. 5. [LIMITED ENGLISH PROFICIENCY PUPILS PROGRAM AID.] For aid to educational programs for pupils of limited English proficiency there is appropriated:

\$3,025,200 1982,

\$3,354,880 1983.

Subd. 6. [AMERICAN INDIAN LANGUAGE AND CULTURE PROGRAM AID.] For grants to American Indian language and culture education programs pursuant to section 126.54, subdivision 1, there is appropriated:

\$525,000 1982,

\$446,250 1983.

The appropriation for 1982 is 100 percent of grant aid for fiscal year 1982, payable in fiscal year 1982.

The appropriation for 1983 is 85 percent of grant aid for fiscal year 1983, payable in fiscal year 1983.

Subd. 7. [HEARING IMPAIRED SUPPORT SERVICES AID.] *For payment of support services for hearing impaired persons pursuant to section 9 of this article, there is appropriated:*

\$30,000 1982,

\$40,000 1983.

Subd. 8. [CANCELLATION.] *Any unexpended balances remaining from the appropriations in this section for 1982 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.*

Subd. 9. [PRORATION.] *If the appropriation amount in subdivisions 2, 3, 4, or 5 of this section attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.*

Sec. 22. [EFFECTIVE DATE.]

Sections 2, 4, 8, 13, and 14 of this article are effective the day following final enactment.

ARTICLE IV

COMMUNITY AND ADULT EDUCATION

Section 1. Minnesota Statutes 1980, Section 124.26, Subdivision 1, is amended to read:

Subdivision 1. For evening schools and continuing education programs for adults established for persons over 16 years of age and not in attendance upon regular day schools, the state shall compensate any district maintaining such programs in accordance with requirements established by the state board from funds appropriated for that purpose, or such funds combined with federal funds insofar as federal funds are available. The state shall pay these aids on a current funding basis. The portion of such compensation from state appropriation shall be 90 percent of the compensation paid each teacher for his services in such programs up to \$8,000 per year based on the costs in that current year. All classes shall be tuition free when taught by teachers subsidized under this section and there shall be no charge for registration, materials and supplies (, OR G.E.D.

TESTS). Evening school and continuing education programs are defined as those public day or evening school programs which are established for persons over 16 years of age not in attendance at the full time elementary or secondary schools and which qualify such persons for the high school diploma, the high school equivalency certificate or for academic achievement at the secondary level.

Sec. 2. Minnesota Statutes 1980, Section 124.26, Subdivision 4, is amended to read:

Subd. 4. [PAYMENT SCHEDULE THROUGH 1982.] *For fiscal years through 1982, the state shall pay to each school district 30 percent of its estimated adult education 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) by October 31 of the following fiscal year.*

Sec. 3. Minnesota Statutes 1980, Section 124.26, is amended by adding a subdivision to read:

Subd. 5. [PAYMENT SCHEDULE.] *Starting in fiscal year 1983, the state shall pay to each school district its estimated adult education aid entitlement according to the following schedule: 30 percent by August 31; 30 percent by December 31; and 25 percent by March 31. The final aid distribution to each district shall be made by October 31 of the following fiscal year.*

Sec. 4. Minnesota Statutes 1980, Section 124.26, is amended by adding a subdivision to read:

Subd. 6. [APPLICATIONS; PRORATION.] *By August 1 of each fiscal year, the commissioner shall approve or disapprove all applications for funding for that year pursuant to subdivision 1 that were received by the preceding June 1, and shall notify the applicant districts of the decision. In any fiscal year when the total amount requested by districts for approved programs exceeds the amount appropriated, the commissioner shall, to the extent possible, fully fund the programs which were approved by August 1, and shall prorate any remaining funds among programs which are approved after August 1.*

Sec. 5. Minnesota Statutes 1980, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. (IN FISCAL YEAR 1981 AND EACH YEAR THEREAFTER,) *In fiscal years 1982 and 1983 the state shall pay the greater of (75) 65 cents per capita or (\$7,000) \$6,100 to each school district which is operating a community education program in compliance with the rules promulgated by the*

state board and which has levied at least the lesser of \$1 per capita or \$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. 6. Minnesota Statutes 1980, Section 124.271, is amended by adding a subdivision to read:

Subd. 2a. Beginning in fiscal year 1984, each district which is operating a community education program in compliance with the rules promulgated by the state board and which has levied pursuant to section 275.125, subdivision 8, shall receive in state aid the greater of the following:

(a) \$5 per capita minus the amount raised by .9 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year; or

(b) 75 cents per capita; or

(c) \$7,000.

However the amount of aid shall not exceed the amount certified pursuant to section 275.125, subdivision 8. For purposes of computing the aid limitation pursuant to this subdivision, the amount certified pursuant to section 275.125, subdivision 8, shall not reflect reductions pursuant to section 275.125, subdivision 9.

Sec. 7. Minnesota Statutes 1980, Section 124.271, Subdivision 4, is amended to read:

Subd. 4. Each district providing community education programs pursuant to sections 121.85 to 121.88 shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these community education programs. All funds received pursuant to this section and to the levy authorized in section 275.125, subdivision 8, shall be utilized solely for the purposes of community education programs. These funds may be used to reimburse G.E.D. testing centers for each battery of G.E.D. tests or each individual test administered by that center.

Sec. 8. Minnesota Statutes 1980, Section 124.271, Subdivision 5, is amended to read:

Subd. 5. [PAYMENT SCHEDULE THROUGH 1982.] All community education (PROGRAMS) program aid shall be distributed by the state aids (, STATISTICS AND RESEARCH) section of the (STATE) department of education. For fiscal

years through 1982 aid shall be distributed prior to November 1 each year.

Sec. 9. Minnesota Statutes 1980, Section 124.271, is amended by adding a subdivision to read:

Subd. 6. [PAYMENT SCHEDULE.] Starting in fiscal year 1983, the state shall pay to each school district 85 percent of its community education program aid for the current fiscal year by November 1. The final aid distribution to each district shall be made by November 1 of the following fiscal year.

Sec. 10. Minnesota Statutes 1980, Section 275.125, Subdivision 8, is amended to read:

Subd. 8. (1) *In 1981 a district which has established a community education advisory council pursuant to section 121.88, may levy an amount of money raised by the greater of (A) (\$2.50) \$3.40 per capita, or (B) 110 percent of the amount certified pursuant to this subdivision in (1976) 1980. 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) 1980 shall not reflect reductions pursuant to subdivision 9.*

(2) *Except as provided in clauses (3) and (4), in 1982, and each year thereafter, a district which has established a community education advisory council pursuant to section 121.88, may levy the amount raised by .9 mill times the most recent adjusted assessed valuation of the district, but no more than \$5 times the population of the district. This amount shall be reduced to \$4.25 per capita for districts which will qualify for aid in fiscal year 1984 equal to 75 cents per capita pursuant to section 124.271, subdivision 2a, clause (b).*

(3) *Districts which received total revenue in fiscal year 1983 from community education aid and levy in excess of \$5 times the population of the district, may levy the amount of the fiscal year 1983 revenue less \$5 times the population of the district in addition to the amount in clause (2).*

(4) *Districts which will qualify for aid pursuant to section 124.271, subdivision 2a, clause (c) may levy the amount of their fiscal year 1983 revenue from community education aid and levy minus \$7,000.*

((2)) (5) A school district (SHALL BE AUTHORIZED TO MAKE A) *may 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 county, 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) (6) 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. 11. [REPEALER.]

Minnesota Statutes 1980, Sections 124.26, Subdivision 3, and 124.271, Subdivision 1a, are repealed.

Sec. 12. [APPROPRIATIONS.]

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. [ADULT EDUCATION AID.] For adult education aid pursuant to section 124.26, there is appropriated:

\$1,128,200 1982,

\$1,242,400 1983.

The amount appropriated for fiscal year 1982 includes \$97,800 for aid for fiscal year 1981 payable in fiscal year 1982, and \$1,030,400 for aid for fiscal year 1982 payable in fiscal year 1982.

The amount appropriated for fiscal year 1983 includes \$114,500 for aid for fiscal year 1982 payable in fiscal year 1983, and \$1,127,900 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [COMMUNITY EDUCATION AID.] For community education aid, there is appropriated:

\$3,530,000 1982,

\$3,200,000 1983.

Subd. 4. [CANCELLATION AND PRORATION.] Any unexpended balance remaining from the appropriations in this section for 1982 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 appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts, and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

ARTICLE V

VOCATIONAL AID

Section 1. Minnesota Statutes 1980, Section 121.902, is amended by adding a subdivision to read:

Subd. 1a. By July 1, 1982, the council shall recommend to the state board uniform property accounting and reporting standards for area vocational-technical institutes. The state board shall adopt and maintain uniform property accounting and reporting standards for area vocational-technical institutes to account and report individual property records for fixed assets. These standards shall include provisions for date of acquisition, historical cost, depreciated value, expected useful life, and replacement cost.

Sec. 2. Minnesota Statutes 1980, Section 121.931, Subdivision 6, is amended to read:

Subd. 6. [DATA STANDARDS.] The state board shall adopt rules containing standards for financial, *property*, student and (PAYROLL/PERSONNEL) *personnel/payroll* 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, *subdivision 1*, shall satisfy the requirement of this subdivision. *For property data, the uniform property accounting and reporting standards adopted pursuant to section 1 of this article 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) *personnel/payroll* reporting and the ESV computer council in adopting the standards for student data and (PAYROLL/PERSONNEL) *personnel/payroll* 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.

Sec. 3. Minnesota Statutes 1980, Section 121.934, Subdivision 7, is amended to read:

Subd. 7. [ADVISORY DUTIES.] (a) Pursuant to section 121.931, 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, *property*, 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 121.932, the council shall advise the department in the development and operation of SDE-IS.

Sec. 4. Minnesota Statutes 1980, Section 121.935, Subdivision 2, is amended to read:

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) *121.917*;

(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;

(f) (BEGINNING IN 1981,) Comply with the requirement in section 121.908, subdivision 2, on behalf of districts affiliated with it; *and*

(g) *Operate fixed assets property management information systems consistent with the uniform property accounting and reporting standards for Minnesota area vocational-technical institutes adopted by the state board pursuant to section 1 of this article.*

Sec. 5. Minnesota Statutes 1980, Section 121.935, subdivision 6, is amended to read:

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 121.936, subdivision 1, or which uses an approved alternative (FINANCIAL) management information system pursuant to section 121.936, 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. 6. Minnesota Statutes 1980, Section 121.936, is amended by adding a subdivision to read:

Subd. 1a. [MANDATORY AVTI PARTICIPATION.] (a) By July 1, 1983, every area vocational-technical institute shall perform property accounting and reporting operations on a fixed assets property management accounting and reporting system utilizing fixed assets categories defined in accordance with the uniform property accounting and reporting standards adopted by the state board pursuant to section 1 of this article.

(b) Every area vocational-technical institute shall use the ESV-IS fixed assets property subsystem through the regional management information center to perform property accounting and reporting operations required by clause (a), and to provide data to the center pursuant to the data acquisition calendar.

Sec. 7. Minnesota Statutes 1980, Section 121.936, Subdivision 2, is amended to read:

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. *A district may be exempted from the requirement in section 6, clause (b) of this article if it receives the approval of the state board to use an alternative fixed assets property management information system.* Any district desiring to use an alternative management information 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.

Sec. 8. Minnesota Statutes 1980, Section 121.936, Subdivision 3, is amended to read:

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 121.937, 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 ACCOUNTING AND REPORTING STANDARDS ADOPTED BY THE STATE BOARD PURSUANT TO SECTIONS 121.90 TO 121.92) according to the approval criteria in section 121.937, subdivision 1, clauses (a), (b), and (d). 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.

Sec. 9. Minnesota Statutes 1980, Section 121.937, Subdivision 1, is amended to read:

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 121.931, 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 121.935, or the effect of a transfer on a center's ability to comply with section 121.935, or

(ii) The ability of a proposed alternative *financial* management information system to comply with section 121.936, subdivision 1, clauses (a) and (b) (1), or

(iii) The ability of a proposed alternative *fixed assets property* management information system to comply with section

121.936, subdivision 1, clause (b) (1), and section 6, clause (a) of this article.

Sec. 10. Minnesota Statutes 1980, Section 121.938, subdivision 2, is amended to read:

Subd. 2. Each task force shall report to the legislature, by (JANUARY 1) *September 1, 1981*, recommendations for broad policy standards for school district reporting of student data or (PAYROLL/PERSONNEL) *personnel/payroll* 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 *and the uniform property accounting and reporting standards* adopted by the state board pursuant to sections 121.90 to (121.92) 121.917.

Sec. 11. Minnesota Statutes 1980, Section 124.11, Subdivision 2a, is amended to read:

Subd. 2a. (a) *Through the 1981-1982 school year*, 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. BEGINNING WITH THE 1980-1981 SCHOOL YEAR, 90 PERCENT OF) The estimated (POST-SECONDARY VOCATIONAL INSTRUCTIONAL) aid *payments* shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted *for the latest available information* in (SEPTEMBER, DECEMBER, MARCH AND JUNE) *November, February and May* (TO REFLECT ANY INCREASES OR DECREASES IN ENROLLMENT). *The ten percent final payment, adjusted to reflect the actual average daily membership, shall be made to each district in September of the following fiscal year.*

(b) *Beginning in the 1982-1983 school year, eighty-five 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. The estimated aid payments shall be*

paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The 15 percent final payment, adjusted to reflect the actual average daily membership, shall be made to each district in September of the following fiscal year.

Sec. 12. Minnesota Statutes 1980, Section 124.11, Subdivision 2b, is amended to read:

Subd. 2b. (a) *Through the 1981-1982 school year, post-secondary vocational supply aid and support services aid shall be paid to districts in equal installments on or before August 1, November 1, February 1, and May 1 of each year. Eighty percent of post-secondary vocational (CAPITAL EXPENDITURE) equipment aid and repair and betterment aid shall be paid to districts on or before August 1 of each year. The remaining 20 percent of post-secondary vocational (CAPITAL EXPENDITURE) equipment aid and repair and betterment aid shall be paid to districts on or before May 1 of each year.*

(b) *Beginning in the 1982-1983 school year, the state shall pay to districts 25 percent of post-secondary vocational supply aid and support services aid by August 1, 20 percent by November 1, 20 percent by February 1, and 20 percent by May 1 of each school year. Eighty-five percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts by August 1 of each year. The 15 percent final aid distribution shall be paid to districts by October 31 of the following school year.*

Sec. 13. Minnesota Statutes 1980, Section 124.11, Subdivision 2c, is amended to read:

Subd. 2c. *Additional post-secondary vocational supply aid, support services aid (AND CAPITAL EXPENDITURE), equipment aid, and repair and betterment 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. 14. Minnesota Statutes 1980, Section 124.561, Subdivision 2a, is amended to read:

Subd. 2a. [BUDGETS; ALLOCATIONS.] *Before (JANUARY 1, 1980 AND) January 1 of each year (THEREAFTER), each post-secondary vocational technical school shall submit to the state board for vocational education budgets for supplies, support services, (AND CAPITAL EXPENDITURES) equipment, and repair and betterment for the following fiscal year as prescribed in sections 124.5622, 124.5623, (AND) 124.5624, and section 30 of this article. The state board for vocational education shall authorize the allocations of post-secondary vocational*

supply aid, support services aid, (AND CAPITAL EXPENDITURE) *equipment aid, and repair and betterment aid* for each district prior to June 1 of each year after a consolidated public hearing held pursuant to subdivision 3a. No district shall increase its operating deficit for post-secondary vocational education during any fiscal year. The state board for vocational education shall promulgate rules which establish the criteria for allocations of post-secondary vocational supply aid, support services aid, (AND CAPITAL EXPENDITURE) *equipment aid, and repair and betterment aid*. (BY OCTOBER 15, 1979,) The commissioner, in cooperation with the department of finance, shall establish standards by which post-secondary vocational-technical schools shall submit separate financial requests for post-secondary vocational supply aid, support services aid, (AND CAPITAL EXPENDITURE) *equipment aid, and repair and betterment aid*.

Sec. 15. Minnesota Statutes 1980, Section 124.561 is amended by adding a subdivision to read:

Subd. 2b. [COMPONENT ACTIVITIES.] For the purposes of post-secondary vocational aid allocations "component activities" shall include: regular instruction; related instruction; special needs instruction; research; instructional administration; media/library; pupil personnel services; health services; director's office; institutional services; fixed costs; work study; physical plant; and repair and betterment.

Sec. 16. Minnesota Statutes 1980, Section 124.561, Subdivision 3a, is amended to read:

*Subd. 3a. [HEARING.] The consolidated public hearing held by the state board pursuant to subdivision 2a 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), *equipment aid, and repair and betterment 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 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 allocations of aids. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the final proposed 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 allocating aids. Any district which is adversely affected by the final proposed allocations of aids may demand and shall be given an opportunity to be heard in support of modification of the proposed allocations of aids at the meeting at which the state board takes final action allocating aids; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.

Sec. 17. Minnesota Statutes 1980, Section 124.561, is amended by adding a subdivision to read:

Subd. 5. [DISTRIBUTION OF MONEYS.] All 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 section of the state department of education. State board approval shall not be required for the adjustment of average daily membership, pursuant to section 124.11, subdivision 2a.

Sec. 18. Minnesota Statutes 1980, Section 124.561, is amended by adding a subdivision to read:

Subd. 6. [ACCOUNTING.] 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 related to these post-secondary vocational-technical education programs within funds separate from all other district funds. All post-secondary vocational aids and all tuition authorized by section 124.565 shall be utilized solely for the purposes of post-secondary vocational-technical education programs.

Sec. 19. Minnesota Statutes 1980, Section 124.5621, Subdivision 2, is amended to read:

Subd. 2. "Post-secondary vocational instructional aid" means state funds exclusive of post-secondary vocational (CAPITAL EXPENDITURE) equipment aid, repair and betterment aid, supply aid, support services aid and debt service aid paid by the state board for vocational education to local school districts for instructional programs. Post-secondary vocational instructional

aid shall be utilized solely for the purposes of post-secondary vocational education and shall not be utilized for equipment or other capital expenditures.

Sec. 20. Minnesota Statutes 1980, Section 124.5621, Subdivision 5, is amended to read:

Subd. 5. [INSTRUCTIONAL PROGRAM.] "Instructional program" means a post-secondary vocational-technical occupational program as classified with a six-digit number by the (FEDERAL OFFICE) *United States department* of education, excluding special needs programs and related instruction.

Sec. 21. Minnesota Statutes 1980, Section 124.5621, Subdivision 6, is amended to read:

Subd. 6. [INSTRUCTIONAL PROGRAM COSTS.] "Instructional program costs" means the actual expenditures in the base year for an instructional program at an AVTI. These actual expenditures shall be computed as follows:

- (1) instructional salaries; plus
- (2) instructional employee fringe benefits, excluding teachers' retirement and teachers' social security; plus
- (3) expenditures for instructional staff travel for instructional and professional development purposes; plus
- (4) expenditures for purchased services for instructional purposes; plus
- (5) *instructional* expenditures for student activities; plus
- (6) other instructional expenditures detailed according to the uniform financial accounting and reporting system, not including any expenditures for supplies and equipment; minus
- (7) other instructional revenues detailed according to the uniform financial accounting and reporting system, including student activity fees but not including any revenues from the sale of supplies and equipment.

These actual expenditures shall not include any expenditures or revenues which are included in the AVTI's budgets for post-secondary vocational supply aid, support services aid (OR CAPITAL EXPENDITURE), *equipment aid*, or *repair and betterment aid*.

Sec. 22. Minnesota Statutes 1980, Section 124.5621, Subdivision 12, is amended to read:

Subd. 12. [INSTRUCTIONAL AID FORMULA.] In (THE 1981 FISCAL YEAR AND) each fiscal year (THEREAFTER), each district which operates an AVTI shall receive post-secondary vocational instructional aid computed according to the following formula:

(a) The instructional program allowance for that AVTI in the base year, multiplied by

(b) The AVTI staff compensation weighting for that AVTI, multiplied by

(c) (117) 119 percent, multiplied by

(d) The student growth or decline factor for the AVTI.

Sec. 23. Minnesota Statutes 1980, Section 124.5622, Subdivision 3, is amended to read:

Subd. 3. [POST-SECONDARY VOCATIONAL SUPPLY AID.] "Post-secondary vocational supply aid" means state funds, exclusive of post-secondary vocational (CAPITAL EXPENDITURE) *equipment aid, repair and betterment aid, instructional aid, support services aid and debt service aid*, apportioned by the state board for vocational education to local districts for the costs of (RENTS AND LEASES,):

(a) supplies and materials (, AND);

(b) supplies for resale (,); *and*

(c) *rents and leases, excluding those of buildings for school purposes, computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment*, for all instructional programs and support services including related instruction and special needs programs. Post-secondary vocational supply aid shall be utilized solely for the purposes of post-secondary vocational education and shall not be utilized for equipment or other capital expenditures.

Sec. 24. Minnesota Statutes 1980, Section 124.5622, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; SUPPLY AID ALLOCATION.] Each AVTI shall submit a budget (BEFORE JANUARY 1, 1980 AND) before January 1 of each year (THEREAFTER) detailing estimated costs for the following fiscal year *in each applicable component activity of the AVTI's operations* for each of the following expenditure categories: rents and leases, supplies and materials, and supplies for resale, for all instructional programs and support services including related instruction and

special needs programs. Each budget shall also include anticipated revenues from the sales of supplies and services. A budget submitted pursuant to this section shall not include any expenditures or revenues which are included in the computation of the AVTI's budgets for post-secondary vocational support services aid (OR CAPITAL EXPENDITURE), *equipment aid, or repair and betterment aid*. The department of education shall recommend an allocation of supply aid *in each component activity* for each of the expenditure categories and a total allocation of supply aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department for the distribution of supply aid, authorize an allocation of supply aid for each AVTI, and detail recommended levels of spending *in each component activity* for each expenditure category through the consolidated public hearing process prescribed in section 124.561, subdivision 3a.

Sec. 25. Minnesota Statutes 1980, Section 124.5622, Subdivision 5, is amended to read:

Subd. 5. [REPORT.] Before (AUGUST 1, 1980, AND BEFORE) August 1 of each (SUBSEQUENT) year, the commissioner shall issue a report on the supply aid allocation to each AVTI. This report shall include recommended aid allocations *in each component activity* for each expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. This report shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 26. Minnesota Statutes 1980, Section 124.5623, Subdivision 3, is amended to read:

Subd. 3. "Post-secondary vocational support (SERVICE) services aid" means state and federal funds, exclusive of post-secondary vocational (CAPITAL EXPENDITURE) *equipment aid, repair and betterment aid, supply aid, instructional aid and debt service aid*, apportioned by the state board for vocational education to local school districts for the costs of support services, including related instruction and special needs programs, enumerated in subdivision 4. Post-secondary vocational support services aid shall be utilized solely for the purposes of post-secondary vocational education and shall not be utilized for equipment or other capital expenditures.

Sec. 27. Minnesota Statutes 1980, Section 124.5623, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; SUPPORT SERVICES ALLOCATION.] Each AVTI shall submit a budget before (JANUARY 1, 1980, AND BEFORE) January 1 of each year (THEREAFTER) detailing the estimated costs for the following fiscal year (FOR ALL SUPPORT SERVICES, INCLUDING RE-

LATED INSTRUCTION AND SPECIAL NEEDS PROGRAMS. THESE COSTS SHALL INCLUDE) *in each applicable component activity of the AVTI's operations for each of the following expenditure categories: expenditures for support services personnel salaries, travel and fringe benefits, excluding teachers' retirement and teachers' social security; expenditures for other purchased services; and other support (SERVICE) services expenditures, for all support services, including related instruction and special needs programs.* Each budget shall also include all other anticipated support (SERVICE) services revenues. A budget submitted pursuant to this section shall not include any expenditures for or revenue from the sale of supplies and equipment. A budget submitted pursuant to this section shall not include any expenditures or revenues which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational supply aid (OR CAPITAL EXPENDITURE), *equipment aid, or repair and betterment aid.* The department of education shall recommend an allocation of support services aid *in each component activity* for each of the expenditure categories and a total allocation of support services aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of support services aid for each AVTI, and detail recommended levels of spending *in each component activity* for each expenditure category, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. No aid shall be allocated for any special vocational systemwide support service project or program, excluding regional special needs programs. The estimated amount of each AVTI's net positive unappropriated general fund balance, as of June 30 of the fiscal year during which allocations are made, which exceeds 15 percent of the AVTI's operating expenditures, as defined by the uniform financial accounting and reporting system, for the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations. *The estimated amount of each AVTI's tuition revenues for the year in which the aid is paid may be taken into account by the state board in making these allocations.*

Sec. 28. Minnesota Statutes 1980, Section 124.5623, Subdivision 5, is amended to read:

Subd. 5. Before (AUGUST 1, 1980 AND BEFORE) August 1 of each (SUBSEQUENT) year, the commissioner shall issue a report on the support services aid allocation to each AVTI. This report shall include the recommended aid allocation *in each component activity* for each support services expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. The fund balances *and estimated tuition revenues* used by the state board in determining the support services aid allocations shall be included. This report shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 29. Minnesota Statutes 1980, Section 124.5624, is amended to read:

124.5624 [POST-SECONDARY VOCATIONAL (CAPITAL EXPENDITURE) *EQUIPMENT AID.*]

Subdivision 1. For the purposes of this section, the words, terms and phrases defined in subdivisions 2 and 3 have the meanings ascribed to them.

Subd. 2. "AVTI" means a post-secondary area vocational-technical institute.

Subd. 3. "Post-secondary vocational (CAPITAL EXPENDITURE) *equipment aid*" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid (AND), debt service aid, and *repair and betterment aid* apportioned by the state board for vocational education to local school districts for the purpose of (IMPROVING OR REPAIRING SCHOOL SITES OR EQUIPPING, RE-EQUIPPING, REPAIRING OR IMPROVING BUILDINGS AND PERMANENT ATTACHED FIXTURES,)

(a) *acquisition or purchase of equipment or machinery;*

(b) *betterment as defined in section 475.51 of equipment or machinery; and*

(c) *paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment,*

as necessary for the conduct of post-secondary vocational-technical training. Post-secondary vocational (CAPITAL EXPENDITURE) *repair and betterment aid* shall be utilized solely for the purposes enumerated in this section.

Subd. 4. [BUDGETS; *EQUIPMENT AID ALLOCATION.*] Each AVTI shall submit a budget before January 1, (1980) 1982, and before January 1 of each year thereafter detailing estimated costs for the following fiscal year (FOR EQUIPMENT AND OTHER CAPITAL EXPENDITURES) *in each applicable component activity of the AVTI's operations for each of the following expenditure categories: acquisition of equipment or machinery, betterment of equipment or machinery and rents and leases,* for all instructional programs and support services, including special needs programs and related instruction. Each budget shall also include anticipated revenues from the sale of equipment and other capital goods. A budget submitted pursuant to this section shall not include any revenues or expenditures which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary voca-

tional support services aid (OR), supply aid, or repair and betterment aid. The department of education shall recommend an allocation of (CAPITAL EXPENDITURE) *equipment aid in each applicable component activity of the AVTI's operations* for each of the expenditure categories and a total allocation of (CAPITAL EXPENDITURE) *equipment aid* for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of (CAPITAL EXPENDITURE) *equipment aid* for each AVTI, and detail recommended levels of spending *in each component activity* for each expenditure category, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. (THE AMOUNT OF EACH AVTI'S ESTIMATED NET POSITIVE UNAPPROPRIATED CAPITAL EXPENDITURE FUND BALANCE, AS OF JUNE 30 OF THE FISCAL YEAR DURING WHICH ALLOCATIONS ARE MADE, SHALL BE TAKEN INTO ACCOUNT BY THE STATE BOARD IN MAKING THESE ALLOCATIONS.)

Subd. 5. [APPROVAL.] All (CAPITAL) *equipment* expenditures for AVTI's in excess of \$4,000 shall receive prior approval by the commissioner. This approval shall be sought and given separately from the budget hearing and aid allocation process.

Subd. 6. [REPORT.] Before August 1, (1980) 1982, and before August 1 of each subsequent year, the commissioner shall issue a report on the (CAPITAL EXPENDITURE) *equipment* aid allocation to each AVTI. This report shall include recommended aid allocations *in each component activity* for each (CAPITAL) expenditure category and an explanation comparing the amount of the authorized (CAPITAL EXPENDITURE) *equipment* 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) *October 1, 1984*, and before (AUGUST 1) *October 1* of each subsequent year, the commissioner shall (ALSO) report (ON THE EQUIPMENT INVENTORY OF EACH AVTI, INCLUDING ORIGINAL COST, CURRENT VALUE AND ESTIMATED REMAINING USEFUL LIFE) *a five year projection of the replacement needs of fixed assets property for each of the AVTI's.*

These reports shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 30. [124.5627] [POST-SECONDARY VOCATIONAL REPAIR AND BETTERMENT AID.]

Subdivision 1. For the purposes of this section, the words, terms and phrases defined in subdivisions 2 and 3 have the meanings ascribed to them.

Subd. 2. "AVTI" means a post-secondary area vocational-technical institute.

Subd. 3. [REPAIR AND BETTERMENT AID.] (a) [DEFINITION.] "Post-secondary vocational repair and betterment aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid, debt service aid, and equipment aid, apportioned by the state board for vocational education to local school districts for the purpose of reconstruction, improvement, remodeling and repair of the existing AVTI buildings and grounds, and renting or leasing buildings for school purposes, as necessary for the conduct of post-secondary vocational-technical training.

(b) [PROHIBITION.] Post-secondary vocational repair and betterment aid shall be utilized solely for the purposes enumerated in this section. The use of post-secondary vocational repair and betterment aid shall be governed by the provisions of section 121.21, subdivision 4a. Post-secondary vocational repair and betterment aid shall not be utilized for the acquisition or betterment of equipment or machinery.

Subd. 4. [BUDGETS; AID ALLOCATION.] Each AVTI shall submit a budget before January 1, 1982 and before January 1 of each subsequent year detailing estimated costs for the following fiscal year for rents and leases and for each repair and betterment project proposed by the AVTI. A budget submitted pursuant to this section shall not include any revenues or expenditures which are included in the computation of an AVTI's instructional program cost or in the AVTI's budgets for post-secondary vocational support services aid, supply aid, or equipment aid. The department of education shall recommend an allocation of repair and betterment aid for rents and leases and for each project proposed by the AVTI as well as a total allocation of repair and betterment aid for each AVTI, after a review of each AVTI budget. The state board shall review the recommendations of the department, authorize an allocation of repair and betterment aid for each AVTI, and detail recommended levels of spending for rents and leases and for each project proposed by the AVTI, through the consolidated public hearing process prescribed in section 124.561, subdivision 3a. The amount of each AVTI's estimated net positive unappropriated capital fund balance, as of June 30 of the fiscal year during which allocations are made, shall be taken into account by the state board in making these allocations. The allocation of post-secondary vocational repair and betterment aid by the state board shall not constitute approval of a project by the state board for the purposes of section 121.21, subdivision 4a.

Subd. 5. [REPORT.] Before August 1, 1982 and before August 1 of each subsequent year, the commissioner shall issue a report on the repair and betterment aid allocation to each AVTI. This report shall include recommended aid allocations for rents and leases and for each repair and betterment project proposed by an AVTI and an explanation comparing the amount of the authorized repair and betterment aid allocation to the budget submitted for each AVTI. The fund balances used by the state board in determining the repair and betterment aid allocation shall be included.

These reports shall be transmitted to the education committees of the legislature and to the directors of the AVTI's.

Sec. 31. Minnesota Statutes 1980, 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) the amount per quarter set by the state board for vocational education for each quarter the pupil is enrolled. The state board for vocational education shall be exempt from the rulemaking requirements of chapter 15 for setting tuition charges. 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. 32. Minnesota Statutes 1980, Section 124.565, Subdivision 4, is amended to read:

Subd. 4. Unless covered by a higher education reciprocity agreement relating to nonresident tuition, entered into by the Minnesota higher education coordinating board and approved by the state board for vocational education, tuition at a post-secondary vocational-technical school for a pupil who is not a resident of Minnesota shall be (\$320) the amount per quarter (FOR EACH QUARTER THE PUPIL IS ENROLLED) set by the state board for vocational education. The state board for vocational education shall be exempt from the rulemaking requirements of chapter 15 for setting tuition charges. 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. 33. Minnesota Statutes 1980, Section 124.565, Subdivision 6, is amended to read:

Subd. 6. [LENGTH OF QUARTER.] For purposes of (THE) tuition charges (ESTABLISHED IN THIS SECTION), a quarter shall consist of 60 school days. The state board for vo-

cational education shall adopt rules providing for proportionate tuition charges for quarters which are shorter or longer than 60 days, for part time and extended day 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. 34. Minnesota Statutes 1980, Section 124.565, Subdivision 7, is amended to read:

Subd. 7. [VETERAN'S EXEMPTION.] 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) 440 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 JULY 1, 1980).

"Veteran" for the purpose of this subdivision means a person who (ENTERED) *served in the 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. 35. Minnesota Statutes 1980, Section 124.572, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved for funding by the (STATE DEPARTMENT) commissioner of education (AND). *Rules shall be adopted by the state board providing criteria to be applied by the commissioner in approving programs for funding pursuant to this section including: economic impact of the program, legislative mandate for the program, employment opportunities in the occupational area, and proven contribution of the program. All programs shall be operated in accordance with rules promulgated by the state board. These rules shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. Rules relating to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.*

Sec. 36. Minnesota Statutes 1980, Section 124.572, is amended by adding a subdivision to read:

Subd. 3a. In any fiscal year when moneys requested for programs approved for funding are more than the amount appropriated, the commissioner of education shall, to the extent possible, continue full funding for programs which are approved by July 1 for aid for even numbered years or by the preceding March 1 for aid for odd numbered years. The commissioner shall prorate any remaining moneys among programs which are approved for funding after these dates.

Sec. 37. Minnesota Statutes 1980, Section 124.572, Subdivision 8, is amended to read:

Subd. 8. [PAYMENT SCHEDULE THROUGH 1982.] *Through the 1981-1982 school year, the state shall pay to each school district 30 percent of its estimated adult vocational education aid for the school year on or before the following dates: August 31, December 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All adult vocational education aids shall be computed and distributed by the state aids, statistics, and research section of the state department of education.*

Sec. 38. Minnesota Statutes 1980, Section 124.572, is amended by adding a subdivision to read:

Subd. 8a. [PAYMENT SCHEDULE.] *Beginning in the 1982-1983 school year, the state shall pay to each school district its estimated adult vocational education aid in the following manner: 30 percent by August 31, 30 percent by December 31, and 25 percent by March 31. The final aid distribution shall be made by October 31 of the following school year. All adult vocational education aids shall be computed and distributed by the state aids section of the department of education.*

Sec. 39. Minnesota Statutes 1980, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. *In the (1978-1979) 1981-1982 school year and each year thereafter, the state shall pay to any district or cooperative center (50) 45 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay (50 PERCENT OF THE COSTS OF NECESSARY EQUIPMENT FOR THESE PROGRAMS, 50) 45 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, (AND 50) 45 percent of the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes, and 45 percent of the costs of necessary equipment for these programs. No secondary vocational equipment aid shall be paid beginning with the 1982-1983 school year. The commissioner may withhold all or any portion of this*

aid for a secondary vocational education program which receives funds from any other source, and in no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries, equipment and travel which exceeds 100 percent of the amount of its expenditures for salaries, equipment and travel in the program.

Sec. 40. Minnesota Statutes 1980, Section 124.573, Subdivision 3a, is amended to read:

Subd. 3a. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 and 3, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. (IN THE 1978-1979 SCHOOL YEAR AND THEREAFTER,) The state shall pay each district or cooperative center 40 percent of the amount of a contract entered into pursuant to this subdivision. The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.

Sec. 41. Minnesota Statutes 1980, Section 124.573, Subdivision 5, is amended to read:

Subd. 5. [PAYMENT SCHEDULE THROUGH 1982.] *Through the 1981-1982 school year, the state shall pay to each school district and center 30 percent of its estimated secondary vocational education aid for salaries and travel for the school year on or before the following dates: August 31, December 31 and March 31. The state shall pay 90 percent of a district's estimated secondary vocational education aid for equipment for the school year on or before August 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All secondary vocational education aids shall be computed and distributed by the state aids (, STATISTICS, AND RESEARCH) section of the state department of education.*

Sec. 42. Minnesota Statutes 1980, Section 124.573, is amended by adding a subdivision to read:

Subd. 5a. [PAYMENT SCHEDULE.] Beginning in the 1982-1983 school year, the state shall pay to each school district and cooperative center its estimated secondary vocational education aid for salaries and travel in the following manner: 30 percent by August 31, 30 percent by December 31, and 25 percent by March 31. The final aid distribution shall be made

by October 31 of the following school year. All secondary vocational education aids shall be computed and distributed by the state aids section of the department of education.

Sec. 43. Minnesota Statutes 1980, Section 124.574, Subdivision 2, is amended to read:

Subd. 2. (a) (IN THE 1979-1980) *For the 1981-1982 and 1982-1983 school (YEAR) years (AND THEREAFTER),* the state shall pay to any district or cooperative center (70) 65 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children.

(b) *Beginning in the 1983-1984 school year and each year thereafter, the state shall pay to any district or cooperative center 70 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children.*

Sec. 44. Minnesota Statutes 1980, Section 124.574, Subdivision 4, is amended to read:

Subd. 4. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 and 3, a school district may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education programs for handicapped children. The formula for payment of aids for these contracts (IN THE 1978-1979 SCHOOL YEAR AND THEREAFTER) shall be that provided in section 124.32, subdivision 1b. The state board shall promulgate rules relating to approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 6, the district or cooperative center contracting for these services shall be construed to be providing these services. For the purposes of subdivision 8, aid for these contracts shall be distributed on the same basis as aids for salaries, supplies and travel.

Sec. 45. Minnesota Statutes 1980, Section 124.574, Subdivision 8, is amended to read:

Subd. 8. All aid pursuant to this section shall be distributed at the same times and in the same manner as provided in section 124.573, (SUBDIVISION) *subdivisions 5 and 5a.* Aid for supplies shall be distributed at the *same* time as aid for salaries and travel.

Sec. 46. [INSTRUCTIONS TO REVISOR OF STATUTES.]

In accordance with Minnesota Statutes 1980, Section 648.36, in the next edition of Minnesota Statutes, the revisor of statutes shall retitle the headnote of section 124.562 to read "[POST-SECONDARY VOCATIONAL MEMBERSHIP.]".

Sec. 47. [REPEALER.]

Minnesota Statutes 1980, Sections 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; and 275.125, Subdivision 14, are repealed.

Sec. 48. [APPROPRIATIONS.]

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. [POST-SECONDARY VOCATIONAL INSTRUCTIONAL AID.] *For post-secondary vocational instructional aid there is appropriated:*

\$53,348,600 1982,

\$54,759,400 1983.

The appropriation for 1982 includes \$4,877,300 for aid for fiscal year 1981 payable in fiscal year 1982, and \$48,471,300 for aid for fiscal year 1982 payable in fiscal year 1982.

The appropriation for 1983 includes \$5,385,700 for aid for fiscal year 1982 payable in fiscal year 1983 and \$49,373,700 for aid for fiscal year 1983 payable in fiscal year 1983.

Subd. 3. [POST-SECONDARY VOCATIONAL SUPPLY AID.] *For post-secondary vocational supply aid there is appropriated:*

\$15,307,500 1982,

\$14,828,250 1983.

Subd. 4. [POST-SECONDARY VOCATIONAL SUPPORT SERVICES AID.] *(a) For post-secondary vocational support services aid there is appropriated:*

\$16,967,110 1982,

\$15,191,140 1983.

The appropriation for 1982 is based on the assumption that the state will spend for this purpose an amount at least equal

to \$6,251,400 in fiscal year 1982 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended. The appropriation for 1982 includes \$2,848,000 to be allocated by the state board for special needs instruction.

The appropriation for 1983 is based on the assumption that the state will spend for this purpose an amount at least equal to \$6,251,400 in fiscal year 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended. The appropriation for 1983 includes \$2,629,050 to be allocated by the state board for special needs instruction.

(b) For post-secondary support services aid to pay for implementation of the fixed assets property management accounting and reporting system there is appropriated:

\$140,000 1982.

Any amount remaining from this appropriation at the end of fiscal year 1982 shall not cancel and shall be available in the second year of the biennium.

The amounts appropriated in this subdivision shall not be used for any special vocational systemwide support service program or project.

Subd. 5. [POST-SECONDARY VOCATIONAL EQUIPMENT AID.] For post-secondary vocational equipment aid there is appropriated:

\$9,830,000 1982,

\$9,120,500 1983.

This appropriation is based on the assumption that the state will spend for the purposes for which post-secondary vocational equipment aid is paid an amount equal to \$500,000 in each fiscal year of the biennium ending June 30, 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 6. [POST-SECONDARY VOCATIONAL REPAIR AND BETTERMENT AID.] For post-secondary vocational repair and betterment aid there is appropriated:

\$1,400,000 1982,

\$1,190,000 1983.

Subd. 7. [APPROPRIATION FOR CONTINGENCY FUND.] For the post-secondary vocational contingency fund there is appropriated:

\$250,000 1982.

Any amount remaining from this appropriation at the end of fiscal year 1982 shall not cancel and shall be available in the second year of the biennium.

Subd. 8. [POST-SECONDARY VOCATIONAL DEBT SERVICE AID.] For post-secondary vocational debt service aid there is appropriated:

\$7,731,000 1982,

\$7,600,100 1983.

Subd. 9. [ADULT VOCATIONAL EDUCATION AID.] For adult vocational education aid there is appropriated:

\$6,851,900 1982,

\$7,102,000 1983.

The appropriation for 1982 includes \$707,600 for aid for fiscal year 1981 payable in fiscal year 1982 of which not to exceed \$20,000 is for necessary travel and of which not to exceed \$20,000 is for small business management programs. This amount also includes \$6,144,300 for aid for fiscal year 1982 payable in fiscal year 1982 of which not to exceed \$193,000 is for necessary travel.

The appropriation for 1983 includes \$682,700 for aid for fiscal year 1982 payable in fiscal year 1983 of which not to exceed \$22,000 is for necessary travel. This amount also includes \$6,419,300 for aid for fiscal year 1983 payable in fiscal year 1983 of which not to exceed \$212,500 is for necessary travel.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 10. [ENERGY MANAGEMENT FOR BUILDING OPERATORS.] For the establishment of adult vocational programs in energy management for building operators, there is appropriated:

\$50,000 1982,

\$50,000 1983.

This aid shall be paid in accordance with section 124.572. The entire amount of the appropriation for 1982 is for aid for fiscal year 1982. The appropriation for 1983 includes \$5,550 for aid for fiscal year 1982 payable in fiscal year 1983, and \$44,450 for aid for fiscal year 1983 payable in fiscal year 1983. The department of education may apply for moneys from other sources to fund programs in energy management for building operators.

Subd. 11. [VETERAN FARMER COOPERATIVE TRAINING PROGRAMS.] *For veteran farmer cooperative training programs there is appropriated:*

\$675,100 1982,

\$588,900 1983.

Subd. 12. [SECONDARY VOCATIONAL EDUCATION AID.] *For secondary vocational education aid pursuant to section 124.573 there is appropriated:*

\$21,979,340 1982,

\$20,165,060 1983.

The appropriation for 1982 includes \$2,287,700 for aid for fiscal year 1981 payable in fiscal year 1982 of which not to exceed \$181,600 is for equipment. This amount also includes \$19,691,640 for aid for fiscal year 1982 payable in fiscal year 1982 of which not to exceed \$1,547,100 is for equipment.

The appropriation for 1983 includes \$2,187,960 for aid for fiscal year 1982 payable in fiscal year 1983, of which not to exceed \$171,900 is for equipment. This amount also includes \$17,977,100 for aid for fiscal year 1983 payable in fiscal year 1983.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 13. [AID FOR SECONDARY VOCATIONAL EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN.] *For secondary vocational programs for handicapped children pursuant to section 124.574, subdivision 2, there is appropriated:*

\$2,303,000 1982,

\$2,360,310 1983.

The appropriation for 1982 includes \$226,900 for aid for fiscal year 1981 payable in fiscal year 1982. This amount also includes \$2,076,100 for aid for fiscal year 1982 payable in fiscal year

1982. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to \$300,000 in fiscal year 1982 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

The appropriation for 1983 includes \$230,750 for aid for fiscal year 1982 payable in fiscal year 1983. This amount also includes \$2,129,560 for aid for fiscal year 1983 payable in fiscal year 1983. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to \$300,000 in fiscal year 1983 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 14. [CANCELLATION; PRORATION.] Except as provided in subdivision 4, clause (b), and subdivision 7, any unexpended balance remaining from the appropriations in this section for 1982 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 appropriation amounts attributable to either year for any purpose indicated are insufficient, the aid for that year shall be prorated among all qualifying districts, and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

Sec. 49. [EFFECTIVE DATES.]

Subdivision 1. Sections 14, 15, 16, 21, 23, 24, 26, 27, 29, 30, 35, and 36 of this article shall be effective the day following final enactment.

Subd. 2. Repair and betterment aid pursuant to section 30 of this article shall be paid to AVTI's starting in fiscal year 1982.

ARTICLE VI

OTHER AIDS AND LEVIES

Section 1. [3.9251] [PROGRAMS FOR HANDICAPPED ADULTS.]

Programs funded by the council on quality education may include programs designed to benefit handicapped adults.

Sec. 2. Minnesota Statutes 1980, Section 3.9278, Subdivision 1, is amended to read:

Subdivision 1. As used in (LAWS 1979, CHAPTER 334, ARTICLE 7) sections 3.9276 to 3.9279, the terms defined in this section have the meanings given them.

Sec. 3. Minnesota Statutes 1980, Section 3.9279, Subdivision 8, is amended to read:

Subd. 8. [ADVISORY TASK FORCE ON EARLY CHILDHOOD AND FAMILY EDUCATION.] The council on quality education shall appoint an advisory task force on early childhood and family education programs. The advisory task force shall be composed of parents of young children and persons knowledgeable in the fields of health, education and welfare. A majority of the task force shall be parents of young children. The advisory task force shall advise the council in the administration of the early childhood and family education programs. The terms, compensation and removal of members shall be governed by the provisions of section 15.059, subdivision 6. The task force shall expire June 30, (1981) 1983.

Sec. 4. Minnesota Statutes 1980, Section 3.9279, Subdivision 10, is amended to read:

Subd. 10. [VOLUNTARY PARTICIPATION.] Participation by parents and children in early childhood and family education programs shall be voluntary and shall not preclude participation in other state or local programs. *To the extent possible, each school district providing early childhood and family education programs shall seek the participation of minority and economically disadvantaged persons in the same proportion as these groups are represented in the area served by the program. Upon request, the school district shall report on the success of these efforts to the council on quality education.* No school district shall discriminate in providing early childhood and family education programs on the basis of race, religion, sex or ethnic background, and no programs shall be used in whole or in part for religious worship or instruction.

Sec. 5. Minnesota Statutes 1980, Section 3.9279, Subdivision 12, is amended to read:

Subd. 12. [NEGOTIATED GRANTS.] For the (1979-1980) 1981-1982 and (1980-1981) 1982-1983 school years the council on quality education may fund up to 36 early childhood and family education programs according to the negotiated grants procedure in sections 3.924 to 3.927.

Sec. 6. [3.9290] [CITATION.]

Sections 6 to 12 of this article may be cited as the "Minnesota Improved Learning and Principal-Teacher, Counselor-Teacher, and Career Teacher Act".

Sec. 7. [3.9291] [PURPOSE.]

The legislature recognizes the unique and lifelong learning process of all human beings. The legislature is committed to the goal of maximizing the individual growth potential of all students through the secondary schools. The purposes of sections 6 to 12 of this article are:

(a) To offer improved learning programs which emphasize basic and applied learning skills and the liberal arts;

(b) To recognize and utilize the unique skills that teachers, students, family, and the community have in both the teaching process and the learning process; and

(c) To provide an opportunity for maximum use of principals and teachers.

Sec. 8. [3.9292] [PROGRAM SELECTION.]

Subdivision 1. [AUTHORIZATION.] A school district or group of districts that wish to receive moneys for improved learning programs may apply to the state board of education for approval. Programs may be approved for one portion of a school population, an entire school attendance area, several attendance areas, an entire school district, or a group of school districts.

Subd. 2. [APPLICATIONS.] The state board shall prescribe the form and manner of application for the program. The council on quality education may review and advise the state board on applications made for improved learning programs. Beginning in 1982, and each year thereafter, applications shall be submitted to the state board by January 15. If a district wishes to receive aid for the principal-teacher, career teacher or counselor-teacher component of an improved learning program, an application for state aid must be submitted to the state board by January 15. Estimates of salaries and fringe benefits for the next school year and for the additional time beyond the regular contract period for staff to be employed shall be itemized on the application for aid. The board shall notify all applicants of aid approved or denied by March 15 of each year. The board shall approve or deny applications in the order that they are received.

Subd. 3. [WAIVERS.] The state board may waive school district compliance with its rules which would prevent implementation of an improved learning program which receives approval from the state board. However, individuals participating in the principal-teacher, counselor-teacher, or career teacher program shall maintain their seniority date in the district and all rights under the applicable collective bargaining agreement.

Subd. 4. [ADDITIONAL FUNDING.] A school district providing an improved learning program may receive funds for

the program from private sources and governmental agencies, including state or federal funds.

Subd. 5. [REPORT.] The department shall submit a report to the legislature by February 1, 1983, and by February 1 each year thereafter. This report shall include the number and description of programs approved, implementation status of programs approved, waivers granted, and evaluation of programs approved.

Sec. 9. [3.9293] [ADVISORY COUNCIL.]

The school board of a district providing an improved learning program shall appoint an advisory council. Council members shall be selected from the school attendance area in which programs are provided. Members of the council may include students, teachers, principals, administrators and community members. A majority of the members shall be parents with children participating in the local program. The local advisory council shall advise the school board in the development, coordination, supervision, and review of the improved learning program. The council shall meet at least two times each year with any established community education advisory council in the district. Members of the council may be members of the community education advisory council. The council shall report to the school board.

Sec. 10. [3.9294] [PROGRAM CRITERIA.]

Subdivision 1. [MANDATORY COMPONENTS.] A plan for an improved learning program shall include:

(a) Curricula, instructional strategy and use of materials responsive to the individual educational needs and learning styles of each pupil to enable students to make continuous progress and learn at a rate appropriate to their abilities;

(b) A plan to develop student abilities for both learner and teacher in basic skills and applied learning skills and, when appropriate, arts, humanities, physical, natural, and social sciences; multicultural education; physical, emotional, and mental health; consumer economics, and career education;

(c) Plans to make use of community resources and communications media to pursue improved learning opportunities for pupils;

(d) A staff development program for teachers and other school personnel, such as that found in sections 11 and 12 of this article;

(e) A plan to improve the learning environment, including use of the community in general, to enhance the learning process;

(f) *A plan for annual and ongoing evaluation of program goals and objectives; and*

(g) *A plan to involve parents in planning an improved learning program for their children.*

Subd. 2. [OPTIONAL COMPONENTS.] A plan for an improved learning program may include:

(a) *A principal-teacher and career teacher program as defined in section 11 of this article;*

(b) *A counselor-teacher program as defined in section 12 of this article;*

(c) *Cooperative efforts with other agencies involved with human services or child development and development of alternative community based learning experiences;*

(d) *Apprenticeship post-secondary education components for students who are able to accelerate or programs for students with special abilities and interests who are given advanced learning opportunities within existing programs;*

(e) *Use of volunteers in the learning program;*

(f) *Flexible attendance schedules for students;*

(g) *Adult education component;*

(h) *Early childhood and family education component;*

(i) *Variable student/faculty ratios for special education students to provide for special programming;*

(j) *Inclusion of nonpublic students participating in an improved learning program as part of the ratio in the principal-teacher and career teacher component;*

(k) *Application of educational research findings;*

(l) *Summer learning experiences for students as recommended by the principal-teacher and career teacher;*

(m) *Use of educational assistants, teacher aides or para-professionals as part of the improved learning program;*

(n) *Establishment of alternative criteria for high school graduation; and*

(o) *Variable age and class size groupings of students.*

Sec. 11. [3.9295] [PRINCIPAL-TEACHER AND CAREER TEACHER COMPONENT.]

Subdivision 1. [STATUS.] An improved learning program may include a principal-teacher and career teacher component. The principal-teacher and career teacher shall not be the exclusive teacher for students assigned to him or her but shall serve the function of developing and implementing a student's overall learning program. The principal-teacher and career teacher may be responsible for regular classroom assignments as well as learning programs for other students assigned to him or her.

Subd. 2. [QUALIFICATIONS.] (a) An individual employed as a principal-teacher must be licensed as a principal by the state board of education and shall be considered a principal as defined in section 179.63, subdivision 14, for purposes of the Public Employment Labor Relations Act.

(b) An individual employed as a career teacher must be licensed as a teacher by the state board of teaching and shall be considered a teacher as defined in section 179.63, subdivision 13, for purposes of the Public Employment Labor Relations Act.

Subd. 3. [STAFF/STUDENT RATIO.] (a) Except as provided in clause (b), one principal-teacher or career teacher shall be assigned for every 125 students. For each special education student included in the assignment, the 1:125 ratio shall be reduced by one.

(b) One principal-teacher shall be assigned for every 50 students when the principal-teacher is also the principal of the school.

Subd. 4. [SELECTION; RENEWAL.] (a) The school board shall establish procedures for teachers and principals to apply for the position of principal-teacher and career teacher. The authority for selection of principal-teachers and career teachers shall be vested in the board and no individual shall have a right to employment as a principal-teacher or career teacher based on seniority or order of employment in the district.

(b) Employment of the principal-teacher and career teacher shall be on a 12 month basis with vacation time negotiated individually with the board. The annual contract of a principal-teacher or career teacher may not be renewed, as the board shall see fit; provided, however, the board shall give any such teacher whose contract as a principal-teacher or career teacher it declines to renew for the following year written notice to that effect before April 15. If the board fails to renew the contract of a principal-teacher or career teacher, that individual shall be reinstated to another position in the district if eligible pursuant to section 125.12 or 125.17.

Subd. 5. [DUTIES.] The principal-teacher and career teacher shall be responsible for:

(a) The overall education and learning plan of students assigned to him or her. This plan shall be designed by the principal-teacher and career teacher with the student, parents, and other faculty, and shall seek to maximize the learning potential and maturation level of each pupil;

(b) Measuring the proficiency of the students assigned to him or her and assisting other staff in identifying pupil needs and making appropriate educational and subject groupings;

(c) When part of the district's plan, taking responsibility for the parent and early childhood education of students assigned to him or her;

(d) Designing and being responsible for program components which meet special learning needs of high potential and talented students; and

(e) Coordinating the ongoing, year-to-year learning program for students assigned to him or her.

Sec. 12. [3.9296] [COUNSELOR-TEACHER COMPONENT.]

Subdivision 1. [STATUS.] An improved learning program may include a counselor-teacher component. The counselor-teacher shall not be the exclusive teacher with respect to the learning process of students assigned to him or her.

Subd. 2. [QUALIFICATIONS.] An individual employed as a counselor-teacher must be licensed as a counselor by the state board of education and shall be considered a teacher as defined in section 179.63, subdivision 13, for purposes of the Public Employment Labor Relations Act.

Subd. 3. [STAFF/STUDENT RATIO.] One counselor-teacher shall be assigned for every 125 students. For each special education student included in the assignment, the 1:125 ratio shall be reduced by one.

Subd. 4. [SELECTION; RENEWAL.] The annual contract of a counselor-teacher may not be renewed, as the board shall see fit; provided, however, the board shall give any such counselor whose contract for the counselor-teacher it declines to renew for the following year written notice to that effect before April 15. If the board fails to renew the contract of a counselor-teacher, that individual shall be reinstated to another position in the district if eligible pursuant to section 125.12 or 125.17.

Subd. 5. [DUTIES.] The counselor-teacher shall be responsible for providing guidance and counseling services to students assigned to him or her. This includes working with individual students, groups of students and families.

Sec. 13. Minnesota Statutes 1980, Section 123.36, Subdivision 13, is amended to read:

Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] 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 that percentage of the principal and interest payments for (ALL) outstanding bonds which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

(2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:

(a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;

(c) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to Chapter 299F; or

(d) to replace the building or property sold.

The amount of the proceeds used for the purposes specified in clauses (a), (b) and (c) shall be deducted from the levy limitation computed for the levy authorized in section 33 of this article in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

(3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application

of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.

(4) Any (REMAINING) proceeds of the sale or exchange remaining in (THESE) districts (OF THE SALE OR EXCHANGE) with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange 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.)

(5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the percentage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

(6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the time he prescribes on the disposition of the proceeds of the sale or exchange.

Sec. 14. Minnesota Statutes 1980, Section 123.702, Subdivision 1, is amended to read:

Subdivision 1. [SCREENING PROGRAM.] Every school board shall provide for a voluntary health and developmental screening program for children once before entering kindergarten. This screening program shall be established either by one board, by two or more boards acting in cooperation, by educational cooperative service units, by early childhood and family education programs, or by other existing programs. No school board may make this screening examination a mandatory prerequisite to enroll a student.

Subd. 1a. [COMPONENTS.] The screening programs shall include at least the following components to the extent the school board determines they are financially feasible: developmental assessments, hearing and vision screening, (DENTAL ASSESSMENTS,) the review of health history and immunization status (, LABORATORY TESTS) and nutritional and physical assessments. *The school board may also provide additional components, including laboratory tests or dental assessments, in the screening program.* All screening components shall be consistent with the standards of the state commissioner of health for early and periodic screening programs. No child shall be required to submit to any component of this screening program to be eligible for any other component. No screening program shall provide laboratory tests, a health history or a physical examination to any child who has been provided with those laboratory tests or a health history or physical examination within the previous 12 months. The school district shall request the results of any laboratory test, health history or physical examination within the 12 months preceding a scheduled screening clinic.

Sec. 15. Minnesota Statutes 1980, Section 123.703, Subdivision 3, is amended to read:

Subd. 3. [REPORT.] The state board of education, in cooperation with the state commissioner of health, shall report to the legislature by February 1 (, 1980,) *of each year* on the results of the screening programs in accomplishing the purposes specified in section 123.701. The report shall include information on the rates of children's participation in screening programs, on districts' costs for implementing the various components of the screening program, and on any exemptions granted from screening requirements because of financial infeasibility.

Sec. 16. Minnesota Statutes 1980, Section 123.705, is amended to read:

123.705 [STATE AID.]

The department of education shall pay each school district for the cost of screening services provided pursuant to sections 123.701 to 123.705. The payment shall not exceed (\$25) \$28 per child screened in fiscal year (1980) 1982 and (\$27) \$29 per child screened in fiscal year (1981) 1983. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 17. Minnesota Statutes 1980, Section 123.937, is amended to read:

123.937 [(APPROPRIATION) LIMIT ON DISTRICT OBLIGATIONS.]

(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) *the amount appropriated for purposes of sections 123.931 to 123.937 for any year is not sufficient to make the payments required pursuant to sections 123.931 to 123.937 for that year, (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) then no school district or intermediary service area is required to expend an amount pursuant to sections 123.931 to 123.937 for that year which exceeds the amount of the payments it receives pursuant to sections 123.931 to 123.937 for that year.*

Sec. 18. Minnesota Statutes 1980, Section 124.245, Subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] ((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 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)) (a) 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) *subdivision* 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.

(b) *In the 1982-1983 school year and each year thereafter, the aid under clause (a) for any district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program shall be computed using a dollar amount per pupil unit which is \$5 higher than the amount specified in clause (a).*

(c) *If the sum of a district's capital expenditure levy under section 275.125, subdivision 11a, attributable to any school year starting in 1982-1983 and its capital expenditure equalization aid, if any, under this subdivision for that school year exceeds \$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, the amount of the excess may be expended only for the purpose of capital expenditures for equipment for secondary vocational education programs or senior secondary industrial arts programs.*

Sec. 19. Minnesota Statutes 1980, Section 124.245, is amended by adding a subdivision to read:

Subd. 1a. [SPECIAL PURPOSE COMPUTATION.] In the 1982-1983 school year and each year thereafter, the state shall pay a school district the difference by which an amount equal to \$25 per pupil unit exceeds the amount raised by two 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 subdivision in any school year, a district must levy the maximum permissible amount pursuant to section 33 of this article for use in that year. Aid paid pursuant to this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 33 of this article may be used.

Sec. 20. Minnesota Statutes 1980, Section 124.245, Subdivision 2, is amended to read:

Subd. 2. [PUPIL UNITS.] 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) (,) and (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) and 98.5 percent of the units identified in Minnesota Statutes 1980, Section 124.17, Subdivision 1, Clauses (4) and (5) for 1980-1981.

Sec. 21. Minnesota Statutes 1980, Section 124.245, is amended by adding a subdivision to read:

Subd. 4. [PAYMENT SCHEDULE.] Starting in 1982-1983, eighty-five percent of a district's capital expenditure equalization aid for each school year shall be distributed prior to November 1 of that school year. The final aid distribution to each district shall be made prior to November 1 of the following school year.

Sec. 22. [124.246] [CHEMICAL USE PROGRAMS.]

Subdivision 1. [ELIGIBILITY AND PURPOSE.] Each school board which adopts a comprehensive policy and procedures to minimize chemical use problems among all pupils in the district, and which submits them to the department of education, shall be eligible for state aid for the following purposes:

- (a) inservice training for public and nonpublic school staff,*
- (b) prevention programs, including curriculum materials,*
- (c) community and parent awareness programs,*
- (d) problem identification programs,*
- (e) referral programs, and*
- (f) aftercare support programs.*

The programs shall be for pupils in public elementary, secondary and area vocational-technical schools and nonpublic elementary and secondary schools, and their parents, teachers and staff.

Subd. 2. [AID.] An eligible district shall receive \$1 for each pupil, in average daily membership, enrolled in a public elementary, secondary or area vocational-technical or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than \$1,000.

Subd. 3. [APPLICATIONS.] A district that is eligible for aid shall apply to the commissioner of education by October 1 of each school year on the form supplied by the commissioner.

Subd. 4. [ASSISTANCE TO DISTRICTS.] The department of education shall:

- (a) provide technical assistance to districts for maintenance and evaluation of prevention programs, for aftercare support*

programs and for improved relationships with community agencies,

(b) provide inservice programs emphasizing identified needs of the districts, and

(c) collect information from districts about prevention, awareness, identification, referral, and aftercare support programs.

Subd. 5. [PAYMENT SCHEDULE.] For the 1981-1982 school year, the state shall pay to each school district 100 percent of its chemical use program aid by November 1 of that school year. Beginning in the 1982-1983 school year, and each year thereafter, the state shall pay to each school district 85 percent of its chemical use program aid by November 1 of that school year. The final aid distribution to the district shall be made by November 1 of the following school year.

Sec. 23. Minnesota Statutes 1980, 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) \$16.25, in the 1981-1982 school year, and \$17.50 in the 1982-1983 school year, times the number of gifted and talented students in the district. No more than (2-1/2) 5 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 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. 24. [124.251] [STATE AID; IMPROVED LEARNING PROGRAMS.]

A district which establishes, pursuant to sections 6 to 12 of this article, a principal-teacher, counselor-teacher or career teacher component of an improved learning program approved by the state board of education, shall receive state aid for the purpose of this program in an amount equal to the salary and fringe benefits for the number of days each principal-teacher, counselor-teacher or career teacher works beyond the regular contract period. The daily rate paid shall be the contract rate including fringe benefits earned by the principal-teacher, counselor-teacher or career teacher during the year in which the application is submitted. The state board shall not approve applications or pay aids in excess of the state appropriation for this program. In addition, the board shall make an effort to distribute aid as equally as possible between rural, suburban and urban districts. In addition to other aids or moneys, a school district may

use summer school foundation revenue to fund an improved learning program.

Sec. 25. Minnesota Statutes 1980, Section 124.562 is amended by adding a subdivision to read:

Subd. 2a. [CHEMICAL TREATMENT PROGRAMS.] If a pupil is absent from school for the purpose of participating in a chemical abuse treatment program licensed by the state of Minnesota, he may request the school to keep him on the roll in the educational program in which he is enrolled. Upon the pupil's request the school shall keep him on the roll for the educational program in which he is enrolled and that pupil shall be counted in average daily membership, pursuant to section 124.562, subdivision 2, during the period in which he is participating in a treatment program; provided he shall be counted for a period not to exceed 30 consecutive school days. When this pupil returns to school, the school may count additional hours for membership, not to exceed the number of hours for which he was counted while participating in the treatment program or the number of hours per day the pupil is enrolled times 30, whichever is less, if additional hours are needed for the pupil to complete the educational program.

Sec. 26. Minnesota Statutes 1980, Section 124.646, Subdivision 1, is amended to read:

Subdivision 1. [AID COMPUTATION.] (a) For the (1979-1980) 1981-1982 school year, school districts participating in the national school lunch program shall be paid by the state in the amount of (4-9/10) 5.5 cents for each full paid student (TYPE "A") lunch served to students in the district. (b) For the (1980-1981) 1982-1983 school year, school districts participating in the national school lunch program shall be paid by the state in the amount of (5-3/10) 5.9 cents for each full paid student (TYPE "A") lunch served to students in the district.

Sec. 27. Minnesota Statutes 1980, Section 134.35, Subdivision 1, is amended to read:

Subdivision 1. [GRANT APPLICATION.] Any regional public library system which qualifies according to the provisions of section 134.34 may apply for an annual grant for regional library basic system support. The amount of each grant for (FISCAL YEAR 1980 AND) each fiscal year (THEREAFTER) shall be calculated as provided in this section.

Sec. 28. Minnesota Statutes 1980, Section 134.351, is amended by adding a subdivision to read:

Subd. 5. [PROPERTY.] All property given, granted, conveyed, donated, devised or bequeathed to, or otherwise acquired

by any multi-county multi-type library system board shall vest in, and be held in the name of, the multi-county multi-type library system board. Any conveyance, grant, donation, devise, bequest, or gift made to, or in the name of, any multi-county multi-type library system shall be deemed to have been made directly to the multi-county multi-type library system board.

Sec. 29. Minnesota Statutes 1980, Section 134.351 is amended by adding a subdivision to read:

Subd. 6. [RATIFICATION.] All property heretofore given, granted, conveyed, donated, devised, bequeathed to, or otherwise acquired by any multi-county multi-type library system board is hereby validated, ratified and confirmed as the property of the board.

Sec. 30. Minnesota Statutes 1980, Section 134.351, Subdivision 5, is amended to read:

Subd. (5) 7. [REPORTS.] Each multi-county, multi-type system receiving a grant pursuant to section 134.352 or 134.353 shall provide an annual progress report to the department of education. The department shall report before November 15 of each year to the legislature on all projects funded under sections 134.352 and 134.353.

Sec. 31. Minnesota Statutes 1980, Section 134.36, is amended to read:

134.36 [RULES.]

The state board of education shall promulgate rules as necessary for implementation of any provision of (LAWS 1978, CHAPTER 546) sections 134.30 to 134.353. (TEMPORARY RULES MAY BE ADOPTED TO IMPLEMENT LAWS 1978, CHAPTER 546 IN COMPLIANCE WITH THE PROVISIONS OF SECTION 15.0412, SUBDIVISION 5, EXCEPT THAT THESE RULES MAY BE EFFECTIVE FOR UP TO 300 DAYS.)

Sec. 32. Minnesota Statutes 1980, Section 275.125, Subdivision 11a, is amended to read:

Subd. 11a. [CAPITAL EXPENDITURE LEVY.] ((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 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)) (a) (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 (,) \$95 *per pupil unit* 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).

((C)) (b) The proceeds of the tax may be used only to acquire land, to equip and (REEQUIP) *re-equip* 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 section 123.36, subdivision 10.

((D)) (c) 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 ex-

isting facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

((E)) (d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

((F)) (e) The proceeds of the tax shall not be used for custodial or other maintenance services.

(f) *Each year, subject to the seven mill limitation of clause (a) of this subdivision, a school district which operates an approved secondary vocational education program or an approved senior secondary industrial arts program may levy an additional amount equal to \$5 per pupil unit for capital expenditures for equipment for these programs.*

(g) *For purposes of computing allowable levies under this subdivision and section 33 of this article, pupil units shall include those units identified in section 124.17, subdivision 1, clauses (1) and (2), and 98.5 percent of the units identified in Minnesota Statutes 1980, Section 124.17, Subdivision 1, Clauses (4) and (5) for 1980-1981.*

Sec. 33. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 11b. [SPECIAL PURPOSE CAPITAL EXPENDITURE LEVY.] In 1981 and each year thereafter, in addition to the levy authorized in subdivision 11a, a school district may levy an amount not to exceed the amount equal to \$25 per pupil unit. No levy under this clause shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for the following:

(a) *for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;*

(b) *for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;*

(c) *for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to Chapter 299F.*

Sec. 34. Minnesota Statutes 1980, Section 375.335 is amended by adding a subdivision to read:

Subd. 4. [PROPERTY.] All property given, granted, conveyed, donated, devised or bequeathed to, or otherwise acquired by any regional library board or any regional public library system board however created shall vest in, and be held in the name of, the regional library board or regional public library system board. Any conveyance, grant, donation, devise, bequest, or gift made to, or in the name of, any regional library or public library system shall be deemed to have been made directly to the regional public library system board.

Sec. 35. Minnesota Statutes 1980, Section 375.335 is amended by adding a subdivision to read:

Subd. 5. [RATIFICATION.] All property heretofore given, granted, conveyed, donated, devised, bequeathed to, or otherwise acquired by any regional library board or any regional public library system board however created is hereby validated, ratified and confirmed as the property of the board.

Sec. 36. Minnesota Statutes 1980, Section 375.335, Subdivision 4, is amended to read:

Subd. (4) 6. [RATIFICATION.] Any multicounty regional library heretofore created, and the agreements creating them, are hereby validated, ratified, and confirmed and the benefits of subdivisions 1 to (4) 6 shall hereafter apply to (SAID) these libraries.

Sec. 37. [INDEPENDENT SCHOOL DISTRICT NO. 256; MAINTENANCE LEVY ADJUSTMENT.]

In 1981 only, Independent School District No. 256, Red Wing, is authorized to levy for school maintenance purposes an amount not to exceed \$620,000 in addition to all other authorized levies. The purpose of this levy is to provide the district with an amount of funds equal to the aid entitlements which were included in the amount by which its 1978 payable 1979 permitted maintenance levy exceeded its actual maintenance levy in that year.

Sec. 38. [GRANTS FOR COOPERATIVE AGREEMENTS, ALTERNATIVE EDUCATIONAL DELIVERY SYSTEMS AND LOW-POWER TELEVISION.]

Subdivision 1. [POLICY.] The legislature finds that small rural secondary schools, because of fiscal constraints, are experiencing a decrease in course offerings, uneconomical class sizes, restricted student access to courses, and the necessity for teachers to teach in subject areas for which they are not licensed. There-

fore it is the intention of the legislature to encourage the use of available options by small rural districts in order to provide a more equitable balance in programs available to rural and urban secondary pupils. These options include consolidation, pairing and alternative educational delivery systems which utilize shared services, and applications of technology such as two-way, low-power television.

Subd. 2. [COOPERATIVE AGREEMENT GRANTS.] The council on quality education, in cooperation with the department of education, may make grants to school districts for the study, evaluation, and start-up costs of an agreement which provides for the discontinuance by a district of grades 7 through 12 or portions of those grades and the instruction in another district of the pupils in the discontinued grades or portions of grades. Application for a grant pursuant to this subdivision shall be made in a manner prescribed by the council and the agreements shall comply with the requirements set forth in Minnesota Statutes 1980, Section 122.85.

Subd. 3. [ALTERNATIVE EDUCATIONAL DELIVERY SYSTEM GRANTS.]

(a) The council on quality education shall make a grant to Independent School District No. 362, Littlefork, to serve as a demonstration model in the development and implementation of an alternative educational delivery system. The council shall provide supervision and coordination in the development and implementation of the demonstration model and in disseminating information about the model to other districts. Application for a grant pursuant to this subdivision shall be made in a manner prescribed by the council.

(b) Alternative educational delivery systems shall include but are not limited to:

- (1) computer-assisted instruction;
- (2) extension courses offered by correspondence;
- (3) videotape courses; and
- (4) audiovisual courses.

(c) The goals of alternative educational delivery systems shall include but not be limited to:

- (1) expansion of curriculum in areas not otherwise available;
- (2) elimination of traditional classes of uneconomic or insufficient size without a reduction of learning opportunities;

(3) *provision of remedial instruction in basic skills.*

(d) *A grant made pursuant to this subdivision is to be used solely for development, implementation, and evaluation of the model, and to disseminate information about the model to other school districts in the state. The legislature does not intend that this grant is to be used for start-up costs of alternative educational delivery systems in other districts, nor does it intend to fund such start-up costs in the future.*

Subd. 4. [LOW-POWER TELEVISION SYSTEM GRANT.]

(a) *The council on quality education shall make a grant to Independent School District No. 790, Eagle Bend, to serve as a demonstration model in the development and implementation of a two-way, low-power television transmission system. The council shall provide supervision and coordination in the development, implementation, and evaluation of the model and in disseminating information about the model to other districts. Applications for this grant shall be made in a manner prescribed by this council.*

(b) *This grant is to be used solely for the development, implementation, and evaluation of the model and for disseminating information about the model to other school districts in the state. The legislature does not intend that this grant is to be used for start-up costs of two-way, low-power television transmission systems in other school districts nor does the legislature intend to fund such start-up costs in the future.*

Subd. 5. [SOURCES OF FUNDS.] *Districts receiving grants pursuant to this section may receive funds from the federal government and from private organizations for the purposes of this section.*

Subd. 6. [SEPARATE FUND ACCOUNTS.] *A district which is awarded a grant pursuant to this section shall maintain separate revenue and expenditure accounts which accurately reflect all revenues and expenditures. The moneys shall be spent only for the purposes of subdivision 2, 3, or 4.*

Subd. 7. [LOW-POWER TRANSMISSION TELEVISION STUDY.] *The council on quality education shall award one or more contracts to qualified consultants or legal firms specializing in securing broadcast and telecast licenses from the federal communications commission. The consultant or firm shall: (a) survey the need for low-power television transmission sites in the state; (b) write a report which recommends placement of low-power television transmission sites to provide maximum educational benefits to small rural school districts and gives detailed estimates of costs for implementing the sites, including data concerning local personnel, training, and equipment; (c) evaluate*

the project in Independent School District No. 790, Communicating for Educational Purposes; and (d) prepare and submit all necessary license applications to the federal communications commission on behalf of local education agencies recommended as transmission sites.

Subd. 8. [REPORT.] The council on quality education shall report to the education committees of the house of representatives and the senate by January 15, 1983 on the use and effectiveness of grants made pursuant to this section.

Subd. 9. [CONSTRUCTION.] Although the legislature intends that the grants made pursuant to this section are to be used for development of secondary educational models, the provisions of this section shall not be construed to prohibit these programs from also being utilized for elementary and adult education purposes.

Sec. 39. Laws 1973, Chapter 683, Section 26, Subdivision 1, is amended to read:

Sec. 26. [EXPERIMENTAL SCHOOL.]

Subdivision 1. It is the intention of the legislature of the state of Minnesota to establish an experimental educational program for pupils in kindergarten through eighth grade, to be situated in Independent School District No. 309 on the land comprising former Independent School District No. 25, which was dissolved and attached to Independent School District No. 309 by an order of the county board of Becker county dated June 23, 1970, which is on file and of record in the office of the county auditor of Becker county. (SUCH) *This experimental school shall be established as set forth in this section.*

Sec. 40. Laws 1973, Chapter 683, Section 26, is amended by adding a subdivision to read:

Subd. 2a. [SCHOOL ADMINISTRATION; TRANSFER OF AUTHORITY.] The care, management, and control of the experimental school in Independent School District No. 309 is transferred from the Indian education committee as defined in subdivision 2, to the White Earth reservation business committee. The Indian education committee shall serve in an advisory capacity to the White Earth reservation business committee. For purposes of this section, "committee" means the White Earth reservation business committee. The White Earth reservation business committee is eligible to receive federal aid to Indians pursuant to section 124.64. Notwithstanding any law to the contrary, the experimental school shall be considered a public school.

Sec. 41. Laws 1973, Chapter 683, Section 26, is amended by adding a subdivision to read:

Subd. 13a. Any kindergarten through eighth grade pupil residing within the defined boundaries of the experimental school area as set out in subdivision 1 shall be considered a resident pupil of the experimental school area, as if the experimental school area were a school district, for purposes of Minnesota Statutes, Chapter 120.

Sec. 42. [EXPERIMENTAL SCHOOL EXPIRATION DATE.]

Laws 1973, Chapter 683, Section 26, Subdivision 17, as amended by Laws 1975, Chapter 432, Section 88, as amended by Laws 1977, Chapter 447, Article VII, Section 28, is amended to read:

Subd. 17. The provisions of this section shall expire July (1981) 1, 1985. At any time the experimental school may be terminated upon unanimous vote of the officers of the committee and 30 days notice to the board of District No. 309, whereupon the board of District No. 309 shall resume the care management and control of the entire district on July 1 following. Prior to December 1 of each year the committee shall submit to the legislature a report of the experimental school established by this section. Such report shall document the success or failure of the experimental school.

Sec. 43. [ELECTION.]

Subdivision 1. Sections 40, 41 and 42 are effective only upon their approval by a majority of the qualified voters who reside on the land comprising former Independent School District No. 25, as defined in Laws 1973, Chapter 683, Section 26, Subdivision 1, voting on the question at an election called for that purpose by the Indian education committee, as defined in Laws 1973, Chapter 683, Section 26, Subdivision 2, according to the procedures specified in Minnesota Statutes, Section 123.32, Subdivision 22.

Subd. 2. [BALLOT QUESTION.] *At the election on the question of approval of sections 40, 41 and 42, the question submitted to the voters shall be:*

"Shall care, management and operation of the Pine Point Experimental School be transferred from the Indian Education Committee to the White Earth Reservation Business Committee with all of the kindergarten through eighth grade residents of former Independent School District No. 25 (Pine Point) required to attend the experimental school?"

Yes —

No —"

The Indian education committee shall hold this election prior to June 25, 1981, at the Pine Point School. The Indian education committee shall inform the residents of former Independent School District No. 25 (Pine Point) of the election and of the options available. The Indian education committee shall also publish notice of the election in the legal newspapers in the county seats of Becker and Hubbard counties.

Sec. 44. [ARTS REPORT.]

The department of education shall submit a report on arts education to the education committees of the senate and house of representatives by January 1, 1983. The report shall include:

(1) The status and implementation of the Minnesota plan for arts in education, and

(2) The availability of learning opportunities in the arts for elementary and secondary students.

Sec. 45. [REPEALER.] *Minnesota Statutes 1980, Section 3.9279, Subdivision 13, and Laws 1973, Chapter 683, Section 26, Subdivision 13, are repealed.*

Sec. 46. [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. [HEALTH AND DEVELOPMENTAL SCREENING PROGRAMS.] *For health and development screening programs pursuant to sections 123.701 to 123.705, there is appropriated:*

\$1,191,600 1982,

\$1,075,000 1983.

Subd. 3. [ABATEMENT AID.] *For abatement aid pursuant to section 124.214, subdivision 2, there is appropriated:*

\$2,751,000 1982,

\$2,988,000 1983.

Subd. 4. [EMERGENCY AID.] *For emergency aid pursuant to section 124.24, there is appropriated:*

\$50,000 1982.

Any unexpended balance remaining from the appropriation in this subdivision shall not cancel but shall be available for the second year of the biennium.

Subd. 5. [CAPITAL EXPENDITURE EQUALIZATION AID.] *For capital expenditure equalization aid pursuant to section 124.245, subdivision 1, there is appropriated:*

\$734,500 1982,

\$376,000 1983.

Any unexpended balance remaining from the appropriation in this subdivision for 1983 may be expended for special purpose capital expenditure equalization aid pursuant to section 19 of this article.

Subd. 6. [SPECIAL PURPOSE CAPITAL EXPENDITURE EQUALIZATION AID.] *For special purpose capital expenditure equalization aid pursuant to section 19 of this article, there is appropriated:*

\$ 58,800 1983.

Any unexpended balance remaining from the appropriation in this subdivision may be expended in 1983 for capital expenditure equalization aid pursuant to section 124.245, subdivision 1.

Subd. 7. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] *For educational cooperative service units, there is appropriated:*

\$664,950 1982,

\$769,450 1983.

Funds from this appropriation shall be transmitted to ECSU boards of directors for general operations in the amount of \$60,450 per ECSU as defined in section 123.58 in fiscal year 1982 and \$69,950 per ECSU in fiscal year 1983; provided however that the ECSU whose boundaries coincide with the boundaries of development region 11 and the ECSU whose boundaries encompass development regions six and eight shall receive \$120,900 in fiscal year 1982 and \$139,900 in fiscal year 1983 for general operations.

Subd. 8. [SCHOOL LUNCH AID.] *For school lunch aid pursuant to section 124.646 there is appropriated:*

\$3,838,200 1982,

\$4,085,500 1983.

Any unexpended balance remaining from the appropriations in this subdivision may be expended, in addition to the amounts appropriated in subdivision 9 of this section, for food storage and transportation costs for U.S.D.A. donated commodities.

Subd. 9. [FOOD STORAGE AND TRANSPORTATION.] For food storage and transportation costs for U.S.D.A. donated commodities there is appropriated:

\$765,3001982,

\$880,1001983.

Subd. 10. [GIFTED AND TALENTED STUDENTS.] For programs for the gifted and talented pursuant to section 124-247, there is appropriated:

\$588,3001982,

\$543,6601983.

Subd. 11. [ALTERNATIVE GRANTS.] For grants made pursuant to subdivisions 2, 3, 4, and 7 of section 38 of this article, there is appropriated:

\$250,0001982,

\$150,0001983.

Any unexpended balance remaining from the appropriation in this subdivision shall not cancel and shall be available for the second year of the biennium.

Subd. 12. [COUNCIL ON QUALITY EDUCATION; VENTURE FUND GRANTS.] For the council on quality education venture fund grants pursuant to sections 3.925 and 3.926, there is appropriated:

\$600,0001982,

\$510,0001983.

Any unexpended balance remaining from the appropriations in this subdivision for 1982 shall not cancel and shall be available for the second year of the biennium.

Subd. 13. [EARLY CHILDHOOD AND FAMILY EDUCATION.] For early childhood and family education programs pursuant to section 3.9279, there is appropriated:

\$1,500,0001982,

\$1,275,000 1983.

Any unexpended balance remaining from the appropriations in this subdivision for 1982 shall not cancel and shall be available for the second year of the biennium.

Subd. 14. [BASIC SUPPORT GRANTS.] For grants pursuant to sections 134.32 to 134.35 and 134.36 for the provision of library services, there is appropriated:

\$3,943,200 1982,

\$3,639,955 1983.

Subd. 15. [MULTI-COUNTY LIBRARY SYSTEMS.] For grants pursuant to sections 134.352 and 134.353 to multi-county, multi-type library systems, there is appropriated:

\$182,500 1982,

\$155,125 1983.

Subd. 16. [NONPUBLIC AIDS.] For programs for non-public educational aid pursuant to sections 123.931 to 123.937, there is appropriated:

\$4,109,800 1982,

\$3,848,460 1983.

Subd. 17. [APPROPRIATION; INDIAN EDUCATION.] (a) For certain Indian education programs, there is appropriated:

\$150,000 1982,

\$150,000 1983.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision 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: \$47,110 to Independent School District No. 309-Pine Point School; \$3,290 to Independent School District No. 166; \$12,815 to Independent School District No. 432; \$12,060 to Independent School District No. 435; \$36,180

to Independent School District No. 707; and \$33,545 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 statewide requirements.

These appropriations are available August 15 of the applicable school year, but only if there will not be available for the districts enumerated in this subdivision for the applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law 73-167 or 25 Code of Federal Regulations 273.31, or equivalent money from the same or another source.

(b) Before a district can receive moneys pursuant to this subdivision, the district must submit to the commissioner of education evidence that it has:

(i) Complied with the uniform financial accounting and reporting standards act, sections 121.90 to 121.917. For each 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 this subdivision and one budget which does not include these moneys. The budget of that school district for the 1983-84 school year prepared according to section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1982-1983 budgets and shall not include any moneys appropriated in this subdivision;

(ii) 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

(iii) Compiled accurate daily pupil attendance records.

(c) Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clause (b) 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 of the previous school year shall be taken into consideration.

Subd. 18. [PINE POINT ELECTION.] For the purpose of reimbursing the Indian Education Committee's costs for holding the election required in section 43 of this article, there is appropriated:

\$1,500 1982.

The department shall pay to the Indian Education Committee an amount equal to the actual cost of holding the election pursuant to section 43 of this article, but in no event shall this payment exceed \$1,500.

Subd. 19. [IMPROVED LEARNING PROGRAMS.] For improved learning programs with principal-teacher, career teacher or counselor-teacher components, there is appropriated:

\$300,000 1982.

Any amount of the appropriation remaining at the end of fiscal year 1982 shall not cancel and shall be available in fiscal year 1983.

Subd. 20. [CHEMICAL USE PROGRAMS.] For aid for chemical dependency programs authorized pursuant to section 22 of this article there is appropriated:

\$988,400 1982,

\$826,965 1983.

Subd. 21. [CANCELLATION AND PRORATION.] Except as provided in subdivisions 4, 8, 11, 12, 13 and 19, any unexpended balance remaining from the appropriations in this section for 1982 shall cancel and shall not be available for the second year of the biennium. Except as provided in subdivisions 5 and 6, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

Subd. 22. [PAYMENT SCHEDULE.] One hundred percent of districts' aid entitlements for fiscal year 1982 under the programs for which funds are appropriated in subdivisions 2, 10, 12, 13, 14, 15 and 16, shall be paid in fiscal year 1982. Eighty-five percent of districts' aid entitlements for fiscal year 1983 under the programs for which funds are appropriated in subdivisions 2, 10, 12, 13, 14, 15 and 16, shall be paid in fiscal year 1983 and the remainder of districts' aid entitlements under these programs shall be paid before October 31, 1984.

Sec. 47. [EFFECTIVE DATES.]

Subdivision 1. Sections 13, 28, 29, 34, 35 and 43 of this article shall be effective the day following final enactment.

Subd. 2. Section 13, clause (5) shall apply to the proceeds of the sale of any building after June 30, 1980, and any district

affected by this provision which placed sale proceeds in its debt retirement fund may transfer the appropriate amount of the proceeds from the debt retirement fund to the capital expenditure fund.

Subd. 3. Sections 40, 41 and 42 shall be effective on the day the Indian education committee complies with Minnesota Statutes, Section 645.021, Subdivision 2.

ARTICLE VII

MISCELLANEOUS

Section 1. Minnesota Statutes 1980, Section 116H.126, Subdivision 2, is amended to read:

Subd. 2. [MINI-AUDITS AND MAXI-AUDITS.] On or before July 1, 1980, based upon the analysis of the building energy reports *which school districts were required by law to submit by December 31, 1979*, the director shall indicate to each school district those buildings upon which a mini-audit, maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the director and filed with the director by December 31, 1982.

Sec. 2. Minnesota Statutes 1980, Section 116H.126, Subdivision 4, is amended to read:

Subd. 4. [CERTIFICATION OF AUDITORS.] The director may certify persons to perform mini-audits and maxi-audits (**AND TO COMPLETE THE BUILDING ENERGY REPORTS**).

Sec. 3. Minnesota Statutes 1980, Section 116H.126, Subdivision 5, is amended to read:

Subd. 5. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEYS.] The director may accept the results of an equivalent energy survey in place of the (**BUILDING ENERGY REPORT AND**) audits required under this section.

Sec. 4. Minnesota Statutes 1980, Section 120.0751, Subdivision 5, is amended to read:

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 1980, Section 120.78, Subdivision 1, is amended to read:

120.78 [FUEL (CONSERVATION) CONSUMPTION REPORTS.]

Subdivision 1. (ON OR BEFORE DECEMBER 31) *By August 15* of each year each school district shall submit to the commissioner of education, in (SUCH) *the* manner and upon (SUCH) *the* forms (AS HE) *the commissioner* shall furnish, a comprehensive report of the energy consumed by the district during the previous school year ending June 30. The report shall include (: (1) A BUILDING ENERGY REPORT, AS DEFINED IN SECTION 116H.02, ON EACH BUILDING AND OTHER STRUCTURE MAINTAINED BY THE DISTRICT; (2)) the amount of fuel used to transport students to and from school and between schools (;) and ((3) SUCH) *any* other information (AS) the commissioner may require related to the consumption of energy. The report shall be developed by the commissioner in consultation with the director of the energy agency.

Sec. 6. Minnesota Statutes 1980, 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 STANDARDS FOR MINNESOTA SCHOOL DISTRICTS UNLESS OTHERWISE PROVIDED BY LAW.) *Unless the context clearly indicates otherwise, the words, terms and phrases used in sections 121.901 to 121.917 have the meanings given to them in the manual for the uniform financial accounting and reporting system for Minnesota.*

Sec. 7. Minnesota Statutes 1980, Section 121.904, is amended by adding a subdivision to read:

Subd. 11c. Payments received pursuant to section 477A.15 shall be recognized as revenue and recorded as a receivable in the fiscal year prior to receipt.

Sec. 8. Minnesota Statutes 1980, Section 121.906, Subdivision 2, is amended to read:

Subd. 2. [RECOGNITION OF EXPENDITURES AND LIABILITIES.] 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 standards for Minnesota school districts. *Encumbrances outstanding at the end of the fiscal year do not constitute expenditures or liabilities.*

Sec. 9. Minnesota Statutes 1980, Section 121.906, Subdivision 3, is amended to read:

Subd. 3. [PURCHASE ORDERS OTHER THAN INVENTORY.] Purchase orders, itemized in detail, for other than inventory supply items, which are issued to outside vendors and based on firm prices shall be recorded as expenditures in the fiscal year (DESIGNATED AT THE TIME OF THE ISSUANCE OF THE ORDER) *in which the liability is incurred.*

Sec. 10. Minnesota Statutes 1980, Section 121.912, Subdivision 1, is amended to read:

Subdivision 1. 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 *or a substantial portion of a 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. 11. Minnesota Statutes 1980, 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 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. 12. Minnesota Statutes 1980, Section 122.22, Subdivision 3, is amended to read:

Subd. 3. A resolution adopted pursuant to subdivision 2(a) shall contain findings of necessary jurisdictional facts and shall set a date for hearing. *The hearing shall be not less than (TEN) 20 nor more than 60 days from the date of the resolution.*

Sec. 13. Minnesota Statutes 1980, Section 122.22, Subdivision 4, is amended to read:

Subd. 4. A petition executed pursuant to subdivision 2(b) shall be filed with the auditor (AND). *It shall contain the following:*

(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 eligible voters, as defined in section 123.32, subdivision 1a, of the district (.);

(b) An identification of the district (.); *and*

(c) The reasons supporting the petition which may include recommendations as to disposition of territory to be dissolved. 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 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. *The hearing shall be not less than (TEN) 20 nor more than 60 days from the date of that meeting.*

Sec. 14. Minnesota Statutes 1980, Section 122.22, Subdivision 5, is amended to read:

Subd. 5. Certification executed pursuant to subdivision 2(c) shall be filed with the auditor (AND). *It shall contain the following:*

- (a) A copy of the resolution initiating the election (.);
- (b) A copy of the notice of election with an affidavit of publication or posting (.);
- (c) The question voted on (.);
- (d) The results of the election by number of votes cast for and number against the question (.); *and*
- (e) If an advisory ballot is taken on annexation, the question voted on and number of ballots cast for and against the proposal.

The auditor shall present the certification to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing. *The hearing shall be not less than (TEN) 20 nor more than 60 days from the date of that meeting.*

Sec. 15. Minnesota Statutes 1980, Section 122.22, is amended by adding a subdivision to read:

Subd. 7a. Before the day of a hearing ordered pursuant to this section, each district adjoining the district proposed for dissolution shall provide the following information and resolution to the county auditor of the county containing the greatest land area of the district proposed for dissolution:

- (a) *The outstanding bonded debt of the district;*
- (b) *The assessed valuation of the district;*
- (c) *The most current school tax rates for the district, including any referendum, discretionary, or other optional levies being assessed currently and the expected duration of the levies;*

(d) A resolution passed by the school board of the district stating that if taxable property of the dissolved district is attached to it, one of the following requirements is imposed: (1) the taxable property of the dissolving district which is attached to its district shall not be liable for the bonded debt of the district which existed as of the time of the attachment; (2) the taxable property of the dissolving district which is attached to its district shall be liable for the payment of the bonded debt of the district which existed as of the time of the attachment in the proportion which the assessed valuation of that part of the dissolving district which is included in the newly enlarged district bears to the assessed valuation of the entire district as of the time of attachment; or (3) the taxable property of the dissolving district which is attached to its district shall be liable for some specified portion of the amount that could be requested pursuant to subclause (2).

An apportionment pursuant to subclause (2) or (3) shall be made by the county auditor of the county containing the greatest land area of the district proposed for transfer.

An apportionment of bonded indebtedness pursuant to subclause (2) or (3) shall not relieve any property from any tax liability for payment of any bonded obligation, but taxable property in a district enlarged pursuant to this section becomes primarily liable for the payment of the bonded debt to the extent of the proportion stated.

Sec. 16. Minnesota Statutes 1980, Section 122.22, Subdivision 8, is amended to read:

Subd. 8. Within 90 days of the date set for the original hearing or within 30 days of the termination of a consolidation proceeding which stays the order under subdivision 7, the county board may issue its order:

(a) Dismissing the proceedings(.); or

(b) (INTERLOCUTORY IN CHARACTER, PROPOSING) Providing for the dissolution of the district and the annexation of the territory to adjoining districts, or the entire district as a unit may be attached to and become part of a district which maintains a secondary school located within the same high school area (, AND) if there is no intervening district maintaining a secondary school.

((C)) If no order is issued within the limited time, the proceedings are dismissed.

If an order is issued pursuant to clause (b) the order is a final order, unless an election on the order is required pursuant to subdivision 11.

Sec. 17. Minnesota Statutes 1980, Section 122.22, Subdivision 9, is amended to read:

Subd. 9. An (INTERLOCUTORY) order issued under subdivision 8, clause (b), shall contain *the following*:

(a) A statement that the (DISSOLUTION OF THE) district is (PROPOSED.) *dissolved unless the results of an election held pursuant to subdivision 11 provide otherwise;*

(b) A description (,) by words or plat or both showing (PROPOSED) *the* disposition of territory in the district to be dissolved (.);

(c) The outstanding bonded debt of the district to be dissolved (.);

(d) *A statement requiring the fulfillment of the requirements imposed by each adjoining district to which territory in the dissolving district is to be attached regarding the assumption of its outstanding pre-existing bonded indebtedness by any territory from the dissolving district which is attached to it;*

(e) (A PROPOSED) An effective date (OF) for the order. The effective date shall be at least three months after the date of the order, and shall be July 1 of an odd-numbered year (.); *and*

((E)) (f) (SUCH) Other information (AS) the county board may desire to include.

The auditor shall within ten days from its issuance serve a copy of the (INTERLOCUTORY) order by mail upon the clerk of the district (PROPOSED FOR DISSOLUTION) *to be dissolved* and upon the clerk of each district to which (IT IS PROPOSED TO ATTACH ANY TERRITORY BY) the order *attaches any territory of the district to be dissolved* and upon the auditor of each other county in which all or any part of the district (PROPOSED FOR DISSOLUTION) *to be dissolved* or any district to which (IT IS PROPOSED TO ATTACH) *the order attaches* territory lies, and upon the commissioner.

Sec. 18. Minnesota Statutes 1980, Section 122.22, Subdivision 11, is amended to read:

Subd. 11. If the proceedings were instituted by petition, under subdivision 2(b), or by election, under subdivision 2(c) and an advisory recommendation was made in the petition or an advisory ballot taken at the election, as to annexation requested, and if the (INTERLOCUTORY) order makes a different provision for annexation than requested, then the (INTERLOCU-

TORY) order must be approved by a majority of those voting on the question at an election to be called in the district to be dissolved, under subdivision 13 (.). The question voted on shall be:

"Shall the (INTERLOCUTORY) order of the county board of county, dated (PROPOSING) *providing for the dissolution of this school district be approved?*" Yes
No.

Sec. 19. Minnesota Statutes 1980, Section 122.22, Subdivision 13, is amended to read:

Subd. 13. If an election is required under subdivision 11 (OR 12), then (UPON) *before* the expiration of (THE) a 45 day period (ALLOWED IN SUBDIVISION 10 OR UPON RECEIPT OF A DEMAND FOR ELECTION ON THE QUESTION OF DEBT ASSUMPTION FROM EACH DISTRICT TO WHICH IT IS PROPOSED TO ATTACH TERRITORY, WHICHEVER IS SOONER) *after the date of the order for dissolution and attachment*, the auditor shall (FORTHWITH) set a date and call the election by filing a written order therefor (,) and serving a copy thereof personally or by mail on the clerk of the district in which the election is to be held (, WHICH). *The date shall be not less than 15 nor more than 30 days after the date of the order, upon which date a special election shall be held in the district proposed for dissolution. The auditor shall cause notice of (SUCH) the election to be posted and published according to law. Upon receipt of (SUCH) the notice, the board shall conduct the election.*

Sec. 20. Minnesota Statutes 1980, Section 122.22, Subdivision 14, is amended to read:

Subd. 14. The results of (EACH) *the* election shall be certified by the board to the auditor. If a majority of all votes cast on (EACH) *the* question at the election approve the (INTERLOCUTORY) order (AND FAVOR THE ASSUMPTION OF THE DEBT), the (INTERLOCUTORY) order becomes final and effective as of the date specified in the order. Each person served with the (INTERLOCUTORY) order shall be so notified. *If a majority of all votes cast on the question disapprove the order, the proceedings are dismissed; and the order becomes void.*

Sec. 21. Minnesota Statutes 1980, Section 122.22, Subdivision 20, is amended to read:

Subd. 20. If the dissolved district is not divided by the order of dissolution and attachment, all of its current assets and liabilities, real and personal, and all its legally valid and enforceable claims and contract obligations shall pass to the district to

which it is attached, except as provided in section 122.532. If the district to be dissolved is divided by the (INTERLOCUTORY) order of dissolution and attachment, the commissioner shall, within 30 days after the (INTERLOCUTORY) order is issued, issue (HIS) *an* order for the distribution of its current assets and liabilities, real and personal. If the commissioner's order provides for the transfer of an interest in real estate to a district, this order may also impose a dollar amount as a claim against that district in favor of other districts, and this claim shall be paid and enforced in the manner provided by law for the payment of judgments against a district. The obligations of districts to the teachers employed by the dissolved district shall be governed by the provisions of section 122.532.

Sec. 22. Minnesota Statutes 1980, Section 123.35, Subdivision 15, is amended to read:

Subd. 15. When payment of a claim cannot be deferred until the next board meeting without loss to the district of a discount privilege, *or when payment of a claim cannot be deferred until the next board meeting because of contract terms, purchase order terms, or a vendor's standard terms which are part of the contract*, the claim may be paid prior to board approval, providing that the board:

(a) Has delegated authority to the clerk or a designated business administrator to make a payment prior to board approval and

(b) Requires that payment made prior to board approval be acted upon at the next board meeting.

Payment prior to board approval shall not affect the right of the district or a taxpayer to challenge the validity of a claim.

Sec. 23. Minnesota Statutes 1980, Section 124.14, Subdivision 2, is amended to read:

Subd. 2. If the commissioner determines that the amount of state aid distributed to a school district is in error, he is authorized to adjust the amount of aid consistent with this subdivision. If the commissioner determines that the amount of aid is in excess of the school district's entitlement, he is authorized to recover the amount of the excess by any appropriate means. (**INCLUDING THE REDUCTION OF**) *Notwithstanding the fiscal years designated by the appropriation, the excess may be recovered by reducing future aid payments to the school district.* Notwithstanding any law to the contrary, if the aid reduced is not of the same type as that overpaid, the school district shall adjust all necessary financial accounts to properly reflect all revenues earned in accordance with the uniform financial accounting and reporting standards pursuant to sections 121.90

to 121.92. *Notwithstanding the fiscal years designated by the appropriation, if the commissioner determines that the amount of an aid paid is less than the school district's entitlement, he is authorized to increase such aid from the current appropriation.*

Sec. 24. Minnesota Statutes 1980, Section 124.14, Subdivision 3, is amended to read:

Subd. 3. The commissioner shall (REQUIRE THAT THE MEMBERSHIP AND PUPIL UNIT COUNT OF A MINIMUM OF 25 SCHOOL DISTRICTS BE AUDITED EACH FISCAL YEAR. THE AUDITS SHALL BE CONDUCTED AT RANDOM THROUGHOUT THE STATE WITH NO PRIOR NOTICE TO ANY DISTRICT. AT THE TIME OF EACH AUDIT, THE AUDITORS SHALL ALSO EXAMINE THE APPROPRIATE FACTORS THAT RELATED TO THE DETERMINATION OF THE AUTHORIZED TRANSPORTATION COSTS AND AIDS FOR THAT DISTRICT. IN DISTRICTS WHERE A POST-SECONDARY VOCATIONAL-TECHNICAL SCHOOL IS LOCATED, THE AUDIT SHALL INCLUDE AN AUDIT OF THE MEMBERSHIP OF THAT SCHOOL. DISPARITIES BETWEEN MEMBERSHIP AND PUPIL UNIT COUNTS OR TRANSPORTATION DATA REPORTED BY THE SCHOOL DISTRICTS AND THOSE FOUND BY THE AUDITORS SHALL BE REPORTED TO THE COMMISSIONER WHO SHALL ORDER AN INCREASE OR REDUCTION OF FOUNDATION OR TRANSPORTATION AIDS ACCORDINGLY.) *establish procedures for conducting and shall conduct audits of school district records and files for the purpose of verifying school district pupil counts, levy limitations, and aid entitlements. The commissioner shall establish procedures for selecting and shall select districts to be audited. Disparities, if any, between pupil counts, levy limitations, or aid entitlements determined by audit of school district records and files and data reported by school districts in reports, claims and other documents shall be reviewed by the commissioner who shall order increases or decreases accordingly. Whenever possible, the commissioner shall audit at least 25 districts each year pursuant to this subdivision.*

Sec. 25. Minnesota Statutes 1980, Section 124.14, is amended by adding a subdivision to read:

Subd. 3a. If the commissioner audits fewer than 25 school districts in a fiscal year pursuant to subdivision 3, the commissioner shall report the reasons for the number audited to the following legislative committees: house education, house appropriations, senate education, and senate finance.

Sec. 26. Minnesota Statutes 1980, Section 124.14, Subdivision 4, is amended to read:

Subd. 4. A reduction of aid under this section may be appealed to the state board of education and its decision shall be final. Public schools shall at all times be open to the inspection of the state board, and the accounts and records of any district (ARE) shall be open to inspection by the state auditor, (OR) the state board, or the commissioner for the purpose of audits conducted under this section.

Sec. 27. Laws 1967, Chapter 822, Section 1, as amended by Laws 1969, Chapter 945, Section 1; and Laws 1971, Chapter 145, Section 1, is amended to read:

Section 1. [HENNEPIN AND WRIGHT COUNTY SCHOOL DISTRICTS; SPECIAL EDUCATION AND DRIVER TRAINING.] Two or more of the independent school districts numbered 270, 271, 272, 273, (274, 275,) 276, 277, 278, 279, 280, 281, 282, 283, 284, and 286, Hennepin county, 879, Hennepin and Wright counties, and 883, Wright county, whether or not contiguous, may enter into agreements to accomplish jointly and cooperatively the acquisition, betterment, construction, maintenance, and operation of area vocational-technical schools and the provision of facilities for and instruction in special education, and driving of motor vehicles. Each school district which becomes a party to such an agreement is hereinafter referred to as a "participating school district." The agreement may provide for the exercise of such powers by the school board of one of the school districts on behalf of and for the benefit of other school districts, or by a joint school board created as set forth in this act. If the powers are to be carried out by one of the school districts, it shall in doing so have the same powers and duties and be subject to the same limitations as are herein provided for joint school boards.

Sec. 28. [APPLICABILITY.]

On its effective date, section 27 applies to Independent School District No. 270, Hopkins, and to the Joint School District No. 287, Suburban Hennepin, formed pursuant to Laws 1967, Chapter 822, as amended.

Sec. 29. [EXEMPTION FROM PUBLIC SALE.]

Notwithstanding Minnesota Statutes, Section 124.76, from the effective date of this section of this article until January 1, 1982, the requirements as to public sale of tax and aid anticipation certificates of indebtedness shall not apply to certificates which mature no later than six months after their date of issue. The interest rate on these certificates may be determined by direct negotiation.

Sec. 30. [DEFICIENCY REPORT.]

By January 1, 1982, the commissioner shall report to the education committees of the house of representatives and the senate on all program aid deficiencies in the biennium ending June 30, 1981, which were not funded. This report shall include the amount of deficiency for each aid, the rate at which the aid was prorated among qualifying districts, and any adverse effect on the education programs of the districts involved.

Sec. 31. [REPEALER.]

Minnesota Statutes 1980, Sections 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.78, Subdivision 2; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 122.22, Subdivisions 10, 12, 15, and 16; 123.40, Subdivision 5; and 124.247, Subdivision 5, are repealed.

Sec. 32. [EFFECTIVE DATE.]

Subdivision 1. Sections 10, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 29 of this article are effective the day following final enactment.

Subd. 2. Section 27 of this article is effective on the day of compliance with Minnesota Statutes 1980, Section 645.021, Subdivision 3.

ARTICLE VIII

TEACHER MOBILITY

Section 1. Minnesota Statutes 1980, Section 125.60, Subdivision 2a, is amended to read:

Subd. 2a. [REPORTS ON DENIALS.] Any school board which denies a request for an extended leave of absence pursuant to this section shall report this denial and the reasons therefor to the commissioner within 30 days. Prior to February 1 (, 1979 AND) each year (THEREAFTER), the commissioner shall file a written report with the education committees of the legislature on any denials reported pursuant to this subdivision.

Sec. 2. Minnesota Statutes 1980, Section 125.60, Subdivision 7, is amended to read:

Subd. 7. [APPLICATION PROCEDURES; LIMITS.] No school board shall grant an extended leave of absence pursuant to this section without applying for and receiving authorization from the commissioner of education. The commissioner of education shall establish (DEADLINES AND) 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 sec-

tions 354.094 and 354A.091. *Each application shall state whether or not the teacher requesting the extended leave of absence pursuant to this section intends to pay the employee contribution and request state payment of the employer contribution into the teacher's retirement fund pursuant to section 354.094 or 354A.091 in order to receive retirement service credit for years spent on leave. The commissioner shall approve no more than 300 applications for extended leaves beginning in the 1981-1982, 1982-1983 and 1983-1984 school years for teachers who intend to pay employee contributions and request state payment of employer contributions.*

If more than 300 applications for extended leaves beginning in any school year are received by March 15 of the preceding school year, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment or any combination of these methods. Applications received by the commissioner after March 15 shall be considered for approval according to the order of receipt within the limits prescribed by this subdivision.

The commissioner shall not approve any applications for extended leaves beginning in the 1984-1985 or any subsequent school year for teachers who intend to pay employee contributions and request state payment of employer contributions. There is no limit on the number of applications which may be approved for extended leaves for teachers who do not intend to pay employee contributions or who do not request state payment of employer contributions.

Sec. 3. Minnesota Statutes 1980, Section 125.611, Subdivision 1, is amended to read:

Subdivision 1. [CRITERIA.] For purposes of this section, "teacher" means a teacher as defined in section 125.03, subdivision 1, who:

(a) is employed in the public elementary, secondary or area vocational-technical schools in the state (, WHO) and

(b) either

(1)(i) has not less than 15 total years of full time teaching service in elementary, secondary and area vocational-technical schools, and

(ii) (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, or

(2) *has not less than 30 total years of full time teaching service in elementary, secondary and area vocational-technical schools.*

Sec. 4. Minnesota Statutes 1980, Section 125.611, Subdivision 3, is amended to read:

Subd. 3. [TEACHER APPLICATION.] 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) *February 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. *Any teacher who is granted an extended leave of absence pursuant to section 125.60 beginning in the 1981-1982 school year or any year thereafter is not eligible for an early retirement incentive until that teacher has been reemployed with a district for at least three years prior to making an application for an early retirement incentive.*

Sec. 5. Minnesota Statutes 1980, Section 125.611, Subdivision 5 is amended to read:

Subd. 5. [SCHOOL BOARD APPLICATION; LIMIT.] 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) *March 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. *The commissioner shall approve no more than 500 applications for early retirement incentives for teachers retiring at the end of each school year.*

If more applications are received than can be approved within this limit, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment or any combination of these methods.

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.

Sec. 6. Minnesota Statutes 1980, Section 125.611, Subdivision 8, is amended to read:

Subd. 8. [PAYMENT; REDUCTION.] 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.

Sec. 7. Minnesota Statutes 1980, Section 125.611, Subdivision 9, is amended to read:

Subd. 9. [DESEGREGATION DISTRICTS.] 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.

Sec. 8. Minnesota Statutes 1980, Section 125.611, Subdivision 10, is amended to read:

Subd. 10. [PAYMENT ARRANGEMENT.] 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) *pay the district 50 percent of the authorized early retirement incentive grant on or before the September 1 immediately following the commissioner's approval of the teacher's application. For those applications which were approved prior to July 1, 1981, the state shall pay the districts any remaining state obligation on those grants by September 1, 1981.* An early retirement incentive shall not be paid to any teacher who is discharged by a school district.

Sec. 9. Minnesota Statutes 1980, Section 354.094, Subdivision 1, is amended to read:

Subdivision 1. [SERVICE CREDIT CONTRIBUTIONS.] If a member is granted an extended leave of absence pursuant to section 125.60 or 136.88, *except as provided in section 10 of this article* 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. *Except as provided in section 10 of this article*, 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. 10. Minnesota Statutes 1980, Section 354.094, is amended by adding a subdivision to read:

Subd. 1a. [RESTRICTIONS.] *Notwithstanding subdivision 1, the following provisions apply to elementary, secondary and area vocational-technical school teachers whose extended leaves begin in the 1981-1982 school year and each year thereafter:*

(a) *Only a member whose application states the intention to pay employee contributions into the fund, requests state payment of employer contributions, and is approved by the commissioner within the limits of section 125.60, subdivision 7, qualifies for the payment of employee contributions and for state payment of employer contributions pursuant to subdivision 1;*

(b) *The state shall pay employer contributions for a member described in clause (a) for no more than the first three years of the leave;*

(c) *A member whose application is approved as to the member's eligibility under section 125.60, subdivisions 1 and 2 but whose application does not request state payment of employer contributions or is disapproved as to state payment of employer contributions, or who is in the fourth or fifth year of leave affected by clause (b) may pay employee contributions and receive allowable service credit as provided in subdivision 1 if the member and his employing school board make the required employer contribution, in any proportion which they may agree upon, by the payment date specified in subdivision 1.*

Sec. 11. Minnesota Statutes 1980, Section 354.094, Subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP; RETENTION.] Notwithstanding section 354.49, subdivision 4, clause (3), a member on extended leave (WHO PAYS) *whose employee and employer contributions are paid* into the fund pursuant to subdivision 1 and section 10 of this article shall retain membership in the association for as long as (HE CONTINUES TO PAY EMPLOYEE) *the contributions are paid*, 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. 12. Minnesota Statutes 1980, Section 354.094, Subdivision 3, is amended to read:

Subd. 3. [EFFECT OF NONPAYMENT.] A member on extended leave of absence pursuant to section 125.60 or 136.88 who does not pay employee contributions *or whose employer contribution is not paid* 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 *or employer* 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 member or his employer under section 125.60 or 136.88.

Sec. 13. Minnesota Statutes 1980, Section 354.66, Subdivision 9, is amended to read:

Subd. 9. [APPLICATIONS; LIMITS.] 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; *provided he shall not approve more than 55 total applications pursuant to this section and section 354A.094 for participation in the fund in any fiscal year. If more than 55 applications for any school year are received by the commissioner by March 15 of the preceding school year, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment or any combination of these methods. Applications received by the commissioner after March 15 shall be considered for approval according to the order of receipt within the limits prescribed by this subdivision.* 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 qualify-

ing 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. 14. Minnesota Statutes 1980, Section 354A.091, Subdivision 1, is amended to read:

Subdivision 1. [RETIREMENT CONTRIBUTIONS.] Notwithstanding any provision to the contrary of this chapter or the articles of incorporation or bylaws of an association relating to the salary figure to be used for the determination of contributions or the accrual of service credit, *except as provided in section 15 of this article* an elementary, secondary or area vocational-technical school teacher in the public schools of a city of the first class who is granted an extended leave of absence pursuant to section 125.60 shall be entitled to receive allowable service credit in the applicable association for each year of leave. To obtain the service credit, the teacher on extended leave shall make an employee contribution to the applicable association each year during the period of the leave. The extended leave period for which a teacher shall be entitled to receive allowable service credit pursuant to this section shall not exceed the leave duration maximum set forth in section 125.60, subdivision 2. If the teacher on extended leave makes the employee contribution pursuant to this section during a leave of absence year, *except as provided in section 15 of this article* the state shall make an employer contribution on behalf of the teacher to the applicable association for that year. 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 leave. Payment of the employee contribution authorized pursuant to this section shall be made by the teacher on or before June 30 of the fiscal year for which service credit is to be obtained, and payment of the employer contribution shall be made by the state within 30 days of notification by the association of receipt of the required employee contribution. No allowable service with respect to a year of extended leave of absence shall be credited to a teacher until payment of the required employee and employer contributions has been received by the association.

Sec. 15. Minnesota Statutes 1980, Section 354A.091, is amended by adding a subdivision to read:

Subd. 1a. [CONTRIBUTION RESTRICTIONS.] *Notwithstanding subdivision 1, the following provisions apply to elementary, secondary and area vocational-technical school teachers whose extended leaves begin in the 1981-1982 school year and each year thereafter:*

(a) *Only a member whose application states the intention to pay employee contributions to the applicable association, re-*

quests state payment of the employer contribution, and is approved by the commissioner within the limits of section 125.60, subdivision 7, qualifies for the payment of employee contributions and for state payment of employer contributions pursuant to subdivision 1;

(b) The state shall pay employer contributions for a member described in clause (a) for no more than the first three years of the leave;

(c) A member whose application is approved as to the member's eligibility under section 125.60, subdivisions 1 and 2 but whose application does not request state payment of employer contributions or is disapproved as to state payment of employer contributions, or who is in the fourth or fifth year of leave affected by clause (b) may pay employee contributions and receive allowable service credit as provided in subdivision 1 if the member and his employing school board make the required employer contribution, in any proportion which they may agree upon, by the payment date specified in subdivision 1.

Sec. 16. Minnesota Statutes 1980, Section 354A.091, Subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP RETENTION.] A teacher on extended leave pursuant to section 125.60 (WHO MAKES) whose employee and employer contributions are made to the applicable teachers retirement fund association pursuant to subdivision 1 and section 15 of this article shall retain membership in the association for each year during which the (TEACHER CONTINUES TO MAKE EMPLOYEE) contributions are made, under the same terms and conditions as if the teacher had continued to teach in the district.

Sec. 17. Minnesota Statutes 1980, Section 354A.091, Subdivision 3, is amended to read:

Subd. 3. [EFFECT OF NONPAYMENT.] A teacher on extended leave pursuant to section 125.60 who does not make employee contributions or whose employer contribution is not made to the applicable teachers retirement fund association in any year shall be deemed to have ceased to be an active member of the association and to have ceased to render teaching services beginning in that year for purposes of this chapter and the articles of incorporation and bylaws of the association, and may not pay employee or employer 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 or his employing school district under section 125.60.

Sec. 18. Minnesota Statutes 1980, Section 354A.094, Subdivision 9, is amended to read:

Subd. 9. [APPLICATION APPROVAL; LIMITS.] A district shall not assign a teacher to a part time teaching position qualifying for full membership in, accrual of service credit from an employee contributions to a teachers retirement fund association 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 amounts appropriated for the purpose of this section, the commissioner of education shall approve or disapprove the applications from districts for authorization to assign teachers to part time teaching positions qualifying for full membership in, accrual of service credit from and employee contributions to a teachers retirement fund association pursuant to this section; *provided he shall not approve more than 55 total applications pursuant to this section and section 354.66 for participation in the fund in any fiscal year. If more than 55 applications for any school year are received by the commissioner by March 15 of the preceding school year, the commissioner may decide which applications to approve according to the order of receipt, a method ensuring participation by teachers from the maximum possible number of districts, random allotment, or any combination of these methods. Applications received by the commissioner after March 15 shall be considered for approval according to the order of receipt within the limits prescribed by this subdivision.*

Sec. 19. [INSTRUCTIONS TO COMMISSIONER.] *The commissioner shall allow those teachers whose applications were approved prior to the effective date of sections 2, 10, and 15 of this article for extended leaves of absence beginning in the 1981-1982 school year to amend their applications in order to comply with sections 2, 10, and 15 of this article.*

Sec. 20. [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. [EXTENDED LEAVES OF ABSENCE.] *To meet the state's obligation prescribed in Minnesota Statutes 1980, Sections 354.094 and 354A.091, there is appropriated:*

\$1,025,200 1982,

\$1,574,300 1983.

Subd. 3. [PART-TIME TEACHING.] *To meet the state's obligation prescribed in Minnesota Statutes 1980, Sections 354.66 and 354A.094, there is appropriated:*

\$69,900 1982,

\$75,500 1983.

Subd. 4. [EARLY RETIREMENT INCENTIVES.] To meet the state's obligation prescribed in Minnesota Statutes 1980, Section 125.611, there is appropriated:

\$2,191,400 1982,

\$1,805,000 1983.

Subd. 5. [NON-CANCELLATION; FUNDING RESTRICTION.] Any unexpended balance remaining from the appropriations in this section for fiscal year 1982 shall not cancel but shall be available for the second year of the biennium. Notwithstanding the provisions of Minnesota Statutes 1980, Sections 354.43 and 354A.12, the state's obligations prescribed in Minnesota Statutes 1980, Sections 354.094, 354.66, 354A.091, and 354A.094 shall not be financed out of standing appropriations for the state's obligations pursuant to Minnesota Statutes 1980, Chapter 354 or 354A.

Subd. 6. [TRANSFER AUTHORITY.] If any appropriation for any year in subdivision 2, 3 or 4 exceeds the amount needed to pay the state's obligation for that year under that subdivision, then the excess amount may be used to make payments for that year pursuant to another subdivision.

Sec. 21. [EFFECTIVE DATE.]

Sections 2, 3, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 of this article shall be effective the day following final enactment. Section 5 of this article shall be effective the day following final enactment except that the amendment changing the application deadline from July 15 to March 15 shall be effective August 1, 1981.

ARTICLE IX

MAXIMUM EFFORT SCHOOL AID

Section 1. Minnesota Statutes 1980, Section 124.38, Subdivision 7 is amended to read:

Subd. 7. "Maximum effort debt service levy" means the lesser of:

(1) A levy in (A TOTAL DOLLAR AMOUNT COMPUTED AS 15 MILLS ON THE ADJUSTED ASSESSED VALUE; OR) whichever of the following amounts is applicable:

(a) *In any school district granted a debt service loan after July 31, 1981 or granted a capital loan which is approved after July 31, 1981, a levy in a total dollar amount computed as 16 mills on the adjusted assessed value;*

(b) *In any school district granted a debt service loan before August 1, 1981 or granted a capital loan which was approved before August 1, 1981, a levy in a total dollar amount computed as 15 mills on the adjusted assessed value, until and unless the district receives an additional loan; or*

(2) A levy in whichever of the following amounts is applicable:

(a) In any school district which received a debt service or capital loan from the state before January 1, 1965, a levy in a total dollar amount computed as 4.10 mills on the market value in each year, unless the district applies or has applied for an additional loan subsequent to January 1, 1965, or issues or has issued bonds on the public market, other than bonds refunding state loans, subsequent to January 1, 1967;

(b) In any school district granted a debt service or capital loan between January 1, 1965, and July 1, 1969, a levy in a total dollar amount computed as 5-1/2 mills on the market value in each year, until and unless the district receives an additional loan;

(c) In any school district granted a debt service or capital loan between July 1, 1969 and July 1, 1975, a levy in a total dollar amount computed as 6.3 mills on market value in each year until and unless the district has received an additional loan; (OR)

(d) In any school district *granted a (WHICH HAS AN OUTSTANDING) capital loan between July 1, 1977 and the effective date of this section of this article*, a levy in a total dollar amount equal to the sum of the amount of the required debt service levy and an amount which when levied annually will in the opinion of the commissioner be sufficient to retire the remaining interest and principal on any outstanding loans from the state within 30 years of the original date when the capital loan was granted; provided, that the school board in any district affected by the provisions of clause (2)(d) may elect instead to determine the amount of its levy according to the provisions of clause (1); provided further that if a district's capital loan is not paid within 30 years because it elects to determine the amount of its levy according to the provisions of clause (2)(d), the liability of the district for the amount of the difference between the amount it levied under clause (2)(d) and the amount it would have levied under clause (1), and for interest on the amount of that difference, shall not be satisfied and discharged pursuant to section 124.43, subdivision 4.

Sec. 2. Minnesota Statutes 1980, Section 124.39, Subdivision 5, is amended to read:

Subd. 5. All moneys deposited to the credit of the loan repayment account and not required for the payment of principal and interest and costs as prescribed in subdivision 4 shall be transferred to the credit of the debt service loan account on July 1 of each year, and (SUCH) *those* moneys are (HEREBY) annually appropriated (IN SUCH) *to that* account for the purposes prescribed by the maximum effort school aid law; except that the (COMMITTEE) *commissioner* may retain in the loan repayment account any amount which (IT) *the commissioner* estimates will not be needed for loans in the fiscal year commencing July 1. Moneys deposited to the credit of the loan repayment account and not required for (SUCH) *the* transfers or for the payment of principal and interest due on school loan bonds may be invested and reinvested in securities which are general obligations of the United States or the state of Minnesota. When all school loan bonds have been fully paid with interest accrued thereon, the balance remaining in (SAID) *the* account shall be transferred to the state bond fund.

Sec. 3. Minnesota Statutes 1980, Section 124.40, Subdivision 2, is amended to read:

Subd. 2. Any amounts remaining in the fund on July 1 of each year, including any unused portion of the appropriation made in subdivision 1, shall be available for use by the (COMMITTEE) *commissioner* in making further debt service loans and capital loans.

Sec. 4. Minnesota Statutes 1980, Section 124.41, is amended to read:

124.41 [SCHOOL LOANS.]

Subdivision 1. The (MEMBERS OF THE EQUALIZATION AID REVIEW COMMITTEE DEFINED IN SECTION 124.212, SUBDIVISION 10,) *commissioner* shall receive and consider applications for and grant or deny loans under sections 124.36 to 124.47.

Subd. 2. [APPLICATION FORMS; RULES.] The (COMMITTEE) *commissioner*, with the assistance of the attorney general or an assistant designated by him, shall prepare forms of applications for debt service loans and capital loans and instruments evidencing (SUCH) *the* loans (, AND). *The state board* shall promulgate (REGULATIONS) *rules* to facilitate (ITS) *the commissioner's* operations in compliance with sections 124.36 to 124.47 (, AND SUCH REGULATIONS). *The rules* shall be subject to the procedure set forth in sections 15.0411 to 15.0422.

Subd. 3. The (COMMITTEE) *commissioner* may employ a clerk (, WHO MAY BE DESIGNATED ASSISTANT SECRETARY, TO) *to administer the maximum effort school aid law. The clerk shall serve at (ITS) the commissioner's pleasure and (TO) shall be in the unclassified service of the state (, AND). The commissioner may fix (HIS) the clerk's compensation, which shall be paid out of the (ADMINISTRATION) loan repayment account of the fund.*

Sec. 5. Minnesota Statutes 1980, Section 124.42, Subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATION; APPLICATION; AWARD; INTEREST.] Any school district in which the required levy for debt service in any year will exceed its maximum effort debt service levy by ten percent or by \$5,000, whichever is less, is qualified for a debt service loan hereunder in an amount not exceeding the amount applied for, and not exceeding one percent of the net debt of the district, and not exceeding the difference between the required and the maximum effort debt service levy in (SUCH) *that year.* Applications shall be filed with the (COMMITTEE) *commissioner* in each calendar year up to and including September 15. The (COMMITTEE) *commissioner* shall determine whether the applicant is entitled to (SUCH) *a loan and the amount thereof, and on or before October 1 shall certify to each applicant district the amount granted and its due date. (A COPY OF EACH SUCH CERTIFICATE SHALL BE FILED WITH THE COMMISSIONER. UPON RECEIPT BY THE COMMISSIONER OF A COPY OF THE COMMITTEE'S CERTIFICATE THAT THE LOAN IS GRANTED.)* The commissioner shall notify the county auditor of (OR) *each county (AUDITORS) in which the district is located that the amount (SO) certified is available and appropriated for payment of principal and interest on its outstanding bonds, and (SUCH) the auditors shall reduce by that amount the taxes otherwise leviable as the district's debt service levy on the tax rolls for (SUCH) that year. Each debt service loan shall bear interest from its date at a rate (DETERMINED BY THE COMMISSIONER OF FINANCE ANNUALLY, AT THE MULTIPLE OF ONE-TENTH OF ONE PERCENT PER ANNUM NEXT HIGHER THAN THE) equal to the average annual rate payable on Minnesota state school loan bonds (FROM TIME TO TIME OUTSTANDING,) most recently issued prior to the disbursement of the loan to the district, but in no event less than 3 1/2 percent per annum on the principal amount from time to time remaining unpaid, payable on December 15 of the year (NEXT) following that in which the loan is received and annually thereafter.*

Sec. 6. Minnesota Statutes 1980, Section 124.42, Subdivision 2, is amended to read:

Subd. 2. [NOTE.] Each debt service loan shall be evidenced by a note which shall be executed (IN) *on behalf of the district*

by the signatures of its chairman or vice chairman and the school district clerk, shall be dated November 1 of the year in which executed, and shall state its principal amount, interest rate, and that it is payable at the commissioner's office. It shall have printed thereon, or the commissioner shall attach thereto, a grill for entry of the date and amount of each payment and allocations of each payment to accrued interest or principal, and a certificate to be executed by the county auditor of each county in which any portion of the school district is situated, prior to the delivery of the note, stating that (SUCH) *the* county auditor has entered the debt service loan evidenced thereby in his bond register. (SUCH) *The* notes shall be delivered to the (COMMITTEE) *commissioner* not later than November 15 of the year in which executed. The (SECRETARY) *commissioner* shall cause a record to be made and preserved showing the obligor district and the date and principal amount of each note (, AND SHALL THEN DELIVER IT TO THE COMMISSIONER WHO SHALL MAKE SUITABLE RECORD THEREOF).

Sec. 7. Minnesota Statutes 1980, Section 124.43, Subdivision 1 is amended to read:

Subdivision 1. (a) To the extent moneys are from time to time available hereunder, the (COMMITTEE IS AUTHORIZED) *commissioner may*, after review and a favorable recommendation by the state board of education, (TO EFFECT) *make* capital loans to school districts. Proceeds of (SUCH) *the* loans shall be used only for sites for school buildings and for acquiring, bettering, furnishing, or equipping school buildings under contracts to be entered into within 12 months from and after the date on which each loan is granted. Applications with the accompanying data specified in subdivision 2 shall be filed between October 1 of any year and *the following* June 1 (NEXT FOLLOWING). (NO APPLICATION SHALL BE APPROVED UNLESS THE STATE BOARD OF EDUCATION CERTIFIES THAT THE LOAN IS)

(b) *Any board which intends to submit an application for a capital loan shall submit a proposal to the commissioner for review and comment pursuant to section 122.90, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to construct the facility. The state board shall not make a favorable recommendation on an application for a capital loan for any facility unless:*

(1) *the facility receives a favorable review and comment pursuant to section 122.90; and*

(2) *the state board determines that*

(A) *the facilities are needed to replace facilities dangerous to the health and safety of pupils, or to provide for pupils for whom no adequate facilities exist; (THAT SUCH)*

(B) *the facilities could not be made available (BY CONSOLIDATING THE DISTRICT) through dissolution and attachment of the district to another district or through pairing, inter-district cooperation, or consolidation with (AN ADJACENT) another district (WITHOUT SUBSTANTIALLY LOWERING THE FISCAL CAPACITY OF THAT DISTRICT OR SO INCREASING ITS AREA THAT IT WOULD NO LONGER BE VIABLE; AND THAT EXISTING INSTITUTIONS OR), or through the purchase or lease of facilities from existing institutions within the area (COULD NOT BE ACQUIRED OR LEASED TO PROVIDE THE NEEDED FACILITIES SAFELY AND AT A LOWER COST. THE STATE BOARD SHALL MAKE RECOMMENDATIONS TO THE COMMITTEE). The preference of the school district regarding reorganization shall not be a criterion used by the state board in determining whether the facilities could be made available through reorganization;*

(C) *the facilities are comparable in size and quality to facilities recently constructed in other districts of similar enrollment; and*

(D) *the district's need for the facilities is comparable to needs which comparable districts are meeting through local bond issues.*

The state board may recommend that the loan be approved in a reduced amount in order to meet the foregoing criteria. If the state board recommends that a loan not be approved, the commissioner shall not approve the loan, and if the state board recommends that the loan be approved in a reduced amount, the commissioner shall not approve a loan larger than that recommended by the state board.

(c) No loan shall be approved for any district exceeding an amount computed as follows:

(1) The amount voted by the district under subdivision 2;

(2) Plus the aggregate principal amount of general obligation bonds of the district outstanding on the date of approval, not exceeding the limitation on net debt of the district in section 475.53, subdivision 4, or (22.5) 24 percent of the adjusted assessed value, whichever is less;

(3) Less the maximum net debt permissible for the district on the date of approval, under the limitation in section 475.53,

subdivision 4, or (22.5) 24 percent of the adjusted assessed value, whichever is less; and

(4) Less any amount by which the amount voted exceeds the total cost of the facilities for which the loan is granted, as estimated in accordance with subdivision 4, provided that the loan may be approved in an amount computed as provided in clauses (1) to (3), subject to subsequent reduction in accordance with this clause.

Sec. 8. Minnesota Statutes 1980, Section 124.43, Subdivision 2, is amended to read:

Subd. 2. [DISTRICT PROCEDURES.] The school board of any district desiring a loan shall adopt a resolution stating the amount proposed to be borrowed, the purpose for which the debt is to be incurred, and an estimate of the dates when the facilities for which the loan is requested will be contracted for and completed. The question of authorizing the borrowing of funds for the facilities shall be submitted to the voters of the district at a regular or special election. The question submitted shall state the total amount to be borrowed from all sources. A majority of those voting on the question shall be sufficient to authorize the district to effect the state loan *application* and also to issue the bonds on public sale in accordance with chapter 475. Applications for loans shall be accompanied by (a) a copy of (SUCH) *the* resolution, (b) a certificate by the clerk showing the vote at the election, (c) a certificate by the clerk and treasurer showing the then outstanding indebtedness of the district, and (d) a certificate by the county auditor of each county in which a portion of the district lies showing the information in his official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4. The clerk's and treasurer's certificate shall show, as to each outstanding bond issue, the amount originally issued, the purpose for which issued, the date of issue, the amount remaining unpaid as of the date of the resolution, and the interest rates and due dates and amounts of principal thereon. Applications shall be in (SUCH) *the* form and accompanied by (SUCH) *the* additional data (AS) *which* the (COMMITTEE) *commissioner* and state board of education (SHALL) prescribe (, WHICH MAY INCLUDE A STATEMENT FROM THE STATE DEPARTMENT OF EDUCATION AS TO THE DISTRICT'S NEED OF THE PROPOSED SCHOOLHOUSES IN COMPARISON WITH NEEDS OF OTHER DISTRICTS). When an application is received, the (COMMITTEE) *commissioner* shall obtain from the commissioner of revenue, and from the public utilities commission when required, the information in their official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4.

Sec. 9. Minnesota Statutes 1980, Section 124.43, Subdivision 3, is amended to read:

Subd 3. [AWARD OF LOANS.] The (COMMITTEE) *commissioner* shall examine and consider all applications for capital loans which have been recommended by the state board of education, and if any applicant district is found not qualified it shall be promptly notified thereof. On January 1 and July 1 of each year, the (COMMITTEE) *commissioner* shall make (ITS) a determination on all pending applications which have been on file with (IT) *the commissioner* more than one month. If an applicant is qualified in the opinion of the (COMMITTEE) *commissioner* and the aggregate of the amounts applied for does not exceed the amount available or which can be made available in the capital loan account, all loans so applied for shall be granted, subject to acceptance by the respective districts as specified below. If the aggregate exceeds the amount which is or can be made available, the (COMMITTEE) *commissioner* shall allot the available amount among the qualified applicant districts, or any of them, according to the (COMMITTEE'S) *commissioner's* judgment and discretion based upon their respective needs. The (COMMITTEE) *commissioner* shall promptly certify to each qualified applicant district the amount, if any, of the capital loan granted to it, subject to adjustment under subdivision 1, clause (4).

Sec. 10. Minnesota Statutes 1980, Section 124.43, Subdivision 4, is amended to read:

Subd. 4. Each capital loan shall be evidenced by a contract between the school district and the state acting through the (COMMITTEE) *commissioner*. It shall obligate the state to pay to the district, out of the maximum effort school loan fund, an amount computed as provided in subdivision 1, upon receipt by the (COMMITTEE) *commissioner* of a certified resolution of the school board reciting that contracts for construction of the facilities for which the loan is granted have been awarded and that bonds of the district have been issued and sold in the amount necessary to pay all costs thereof in excess of the amount of the loan, and estimating (SUCH) *the* costs. It shall obligate the district to repay the loan out of the excesses of its maximum effort debt service levy over its required debt service levy, including interest at a rate (DETERMINED ANNUALLY BY THE COMMISSIONER OF FINANCE, AT THE MULTIPLE OF ONE TENTH OF ONE PERCENT PER ANNUM NEXT HIGHER THAN) *equal to the average annual rate payable on Minnesota state school loan bonds most recently issued prior to the disbursement of the loan to the district*, but in no event less than 3 1/2 percent per annum on the principal amount from time to time unpaid. The district shall each year, as long as it is indebted to the state, levy for debt service (a) the amount of its maximum effort debt service levy or (b) the amount of its required debt service levy, whichever is greater, except as (SUCH) *the* required debt service levy may be reduced by a loan under section 124.42. Whenever the maximum effort debt service levy is greater, the district shall remit to the commissioner within ten days after its receipt of the last regular tax distribution in each year, that

portion of the debt service tax collections, including penalties and interest, which exceeded the required debt service levy. The commissioner shall supervise the collection of outstanding accounts due the fund and may, by notice to the proper county auditor require the maximum levy to be made as required hereunder. Interest on capital loans shall be paid on December 15 of the year next following that in which the loan is granted and annually thereafter. On or before November 1 in each year the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year, and (SAID) *the* county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified. (IN THE EVENT THAT) *If* any capital loan is not paid within 30 years after it is granted from maximum effort debt service levies in excess of required debt service levies, the liability of the school district thereon shall be satisfied and discharged and interest thereon shall cease. After a district's capital loan has been outstanding for 20 years, the district shall not issue bonds on the public market except for the purpose of refunding (SUCH A) *the* loan.

Sec. 11. Minnesota Statutes 1980, Section 124.43, Subdivision 5, is amended to read:

Subd. 5. [PARTICIPATION BY COUNTY AUDITOR; RECORD OF CONTRACT; PAYMENT OF LOAN.] Before delivery of any capital loan contract, the school district shall file a copy thereof with the county auditor of each county in which any portion of the district is situated, and shall obtain from each (SUCH) county auditor and furnish to the (COMMITTEE) *commissioner* a certificate stating that (SUCH) *the* county auditor has entered the capital loan evidenced thereby in his bond register. As each executed contract is delivered to the (COMMITTEE) *commissioner*, (ITS SECRETARY) *the commissioner* shall cause a record thereof to be made and preserved showing the name and address of the district, the date of the contract, and the amount of the loan initially approved in accordance with subdivision 1. Upon receipt of the resolution required in subdivision 4, the commissioner shall issue a warrant on the capital loan account for the amount which may be disbursed in accordance with subdivision 1, payable on presentation to the state treasurer. On presentation the treasurer shall remit the amount to the district and enter the date and amount in his account with the district. Interest thereon shall accrue from (SUCH) *that* date.

Sec. 12. Minnesota Statutes 1980, Section 124.474, is amended to read:

124.474 [BOND ISSUE, MAXIMUM EFFORT SCHOOL LOANS; 1969.]

For the purpose of providing moneys to be loaned to school districts as agencies and political subdivisions of the state for

the acquisition and betterment of public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance is directed to issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000, in addition to the bonds heretofore authorized for this purpose, which amount is appropriated to the maximum effort school loan fund and shall be expended under the direction of the (SCHOOL LOAN COMMITTEE) *commissioner of education* for the making of debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. These bonds shall be issued and sold and provision for the payment thereof shall be made in accordance with section 124.46, and an amount sufficient to pay interest on the bonds to and including July 1 in the second year after the date of issue shall be credited from the bond proceeds to the school loan bond account in the state bond fund. Any expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for (SUCH) *those* purposes, shall be paid from the maximum effort school loan fund, and the amounts necessary therefor are appropriated from (SUCH FUND) *it*.

Sec. 13. Minnesota Statutes 1980, Section 124.476, is amended to read:

124.476 [BOND ISSUE, MAXIMUM EFFORT SCHOOL LOANS; 1980.]

For the purpose of providing moneys to be loaned to school districts as agencies and political subdivisions of the state for the acquisition and betterment of public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance is directed to issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000, in addition to the bonds heretofore authorized for this purpose, which amount is appropriated to the maximum effort school loan fund and shall be expended under the direction of the (EQUALIZATION AID REVIEW COMMITTEE) *commissioner of education* for the making of debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. These bonds shall be issued and sold and provision for their payment shall be made in accordance with section 124.46, and an amount sufficient to pay interest on the bonds to and including July 1 in the second year after the date of issue shall be credited from the bond proceeds to the school loan bond account in the state bond fund. Any expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, shall be paid from the maximum effort school loan fund, and the amounts necessary for the expenses are appropriated from it.

Sec. 14. [APPROPRIATION; MAXIMUM EFFORT SCHOOL LOAN FUND.] *There is appropriated from the general fund to the maximum effort school loan fund the sum of \$5,104,000 for the fiscal year ending June 30, 1982 and \$4,396,200 for the fiscal year ending June 30, 1983. Any unexpended balance of this appropriation for fiscal year 1982 shall not cancel but shall be available for the second year of the biennium.*

These appropriations shall be placed in the loan repayment account of the maximum effort school loan fund for the payment of principal and interest on school loan bonds, as provided in section 124.46, to the extent that moneys in the fund are not sufficient to pay when due the full amount of principal and interest due on school loan bonds. The purpose of these appropriations is to ensure that sufficient moneys are available in the fund to prevent a statewide property tax levy as would otherwise be required pursuant to section 124.46, subdivision 3. Notwithstanding the provisions of section 124.39, subdivision 5, any amount of the appropriation made in this section which is not needed to pay when due the principal and interest due on school loan bonds shall not be transferred to the debt service loan account of the maximum effort school loan fund, but instead shall cancel and revert to the general fund.

Sec. 15. [EFFECTIVE DATE.]

Subdivision 1. Sections 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12 and 13 of this article are effective on the day following final enactment.

Subd. 2. Section 7 of this article shall be effective August 1, 1981, except that the transfer of authority from the committee to the commissioner shall be effective on the day following final enactment. The amendments in section 7, clause (c) of this article shall not apply to a capital loan approved by the committee or the commissioner before August 1, 1981, regardless of when the capital loan contract is signed or the loan amount is paid to the district.

Subd. 3. The amendments in section 10 regarding the interest rate payable on capital loans shall not apply to a capital loan approved by the committee or the commissioner before August 1, 1981, regardless of when the capital loan contract is signed or the loan amount is paid to the district."

Delete the title in its entirety and insert:

"A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a property accounting system for AVTI's; pro-

viding a new aid and levy authorization for certain capital expenditures; providing for certain alternative projects; modifying certain provisions relating to teacher mobility and early retirement programs; providing for the transfer of proceeds from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; decreasing the state's obligation and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 116H.126, Subdivisions 2, 4 and 5; 120.03, by adding a subdivision; 120.0751, Subdivision 5; 120.17, Subdivisions 3b, 4, 5a, 6, 7, 9 and by adding a subdivision; 120.78, Subdivision 1; 121.90; 121.902, by adding a subdivision; 121.904, Subdivision 7 and by adding a subdivision; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 121.917, Subdivision 4; 121.931, Subdivision 6; 121.934, Subdivision 7; 121.935, Subdivisions 2 and 6; 121.936, Subdivisions 2 and 3 and by adding a subdivision; 121.937, Subdivision 1; 121.938, Subdivision 2; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, and 20, and by adding a subdivision; 122.531, Subdivisions 1, 2, 3a, 5, and 6; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivision 1; 124.11, Subdivisions 1, 2a, 2b, 2c, 4, 5, and by adding a subdivision; 124.14, Subdivisions 2, 3, and 4, and by adding a subdivision; 124.17, Subdivisions 1, 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivision 1, and by adding a subdivision; 124.213; 124.214, Subdivision 2; 124.223; 124.225, Subdivisions 1, 1a, 3, 4a, 6, 7a, 8a, 8b, 9, 11, and 11a; 124.245, Subdivisions 1 and 2, and by adding subdivisions; 124.247, Subdivision 3; 124.26, Subdivisions 1, 4 and by adding subdivisions; 124.271, Subdivision 2, 4, 5 and by adding subdivisions; 124.32, Subdivisions 1, 1a, 1b, 5, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a; 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.572, Subdivisions 3a and 8, and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2, 4 and 8; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.262, Subdivision 8; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 1, 2a, 2c, 6b, 6c, 7a, 8, 9, 11a, 19 and 20, and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2 and 3, and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2 and 3, and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; Laws 1973, Chapter 683, Section 26, Subdivision 1, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 3, 120, 121 and 124;

repealing Minnesota Statutes 1980, Sections 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.17, Subdivision 3c; 120.78, Subdivision 2; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 122.22, Subdivisions 10, 12, 15 and 16; 122.531, Subdivision 7; 123.40, Subdivision 5; 124.01, Subdivisions 2, 3 and 4; 124.212, Subdivisions 2, 4, 5, 5a, 6c, 7c, 7d, 8a, 9, 9a, 9b, 20, 20a and 21; 124.225, Subdivisions 2, 4, 5, 7 and 8; 124.26, Subdivision 3; 124.247, Subdivision 5; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; 126.263; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b, 7b, and 14.”

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

House Conferees: BOB MCEACHERN, CARL M. JOHNSON, KEN G. NELSON, CONNIE M. LEVI and DAVID M. JENNINGS.

Senate Conferees: NEIL DIETERICH, JEROME M. HUGHES, GENE MERRIAM, KEITH LANGSETH and WAYNE OLFHOFT.

McEachern moved that the report of the Conference Committee on H. F. No. 70 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 70, A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain powers and duties to school districts, the state board of education and others; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a legislative study of curriculum implications of secondary vocational education aid; providing a new aid and levy authorization for certain capital expenditures; changing the preschool screening program from mandatory to optional; limiting participation in teacher mobility programs; decreasing the state's obligations and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 120.17, Subdivisions 3, 3b, 4, 5a, 6, 7 and by adding a subdivision; 121.904, Subdivision 7; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, 20 and by adding a subdivision; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1 and by adding a subdivision; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivisions 2, 3, 4 and by adding a subdivision; 124.11, Subdivisions 1, 2a, 2b, 2c and by adding a subdivision; 124.14, Subdivisions 3, 4 and by adding a subdivision; 124.17, Subdivisions 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivisions 1, 5a, 7d, 8a, 9a and by adding a subdivision; 124.223; 124.225, Subdivisions 1, 1a, 2, 3, 4a, 5, 6, 7a, 8a, 8b, 9, 11 and by adding a subdivision; 124.245, Subdivisions 1, 2 and by adding a subdivision, 124.247,

Subdivisions 3 and 5; 124.26, Subdivisions 3, 4 and by adding subdivisions; 124.271, Subdivision 2; 124.32, Subdivisions 1a, 1b, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.566; 124.572, Subdivision 8 and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2 and 4; 124.646, Subdivision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 2a, 2c, 6b, 6c, 7a, 7b, 8, 11a and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2, 3 and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2, 3 and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; proposing new law coded in Minnesota Statutes, Chapter 120; and 124; repealing Minnesota Statutes 1980, Sections 3.9279, Subdivision 13; 120.17, Subdivision 3c; 122.22, Subdivisions 10, 12, 15 and 16; 123.40, Subdivision 5; 124.212, Subdivisions 6c and 7c; 124.225, Subdivisions 4, 7 and 8; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.571; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b and 14.

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 127 yeas and 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|------------|---------------|
| Aasness | Eken | Hoberg | Luknic | Onnen |
| Anderson, B. | Elioff | Hokanson | Mann | Osthoff |
| Anderson, G. | Ellingson | Hokr | Marsh | Otis |
| Anderson, I. | Erickson | Jacobs | McCarron | Peterson, B. |
| Anderson, R. | Esau | Jennings | McDonald | Peterson, D. |
| Battaglia | Evans | Johnson, C. | McEachern | Piepho |
| Begich | Ewald | Johnson, D. | Mehrkens | Pogemiller |
| Berkelman | Fjoslien | Jude | Metzen | Redalen |
| Blatz | Forsythe | Kahn | Minne | Reding |
| Brandl | Friedrich | Kaley | Munger | Rees |
| Byrne | Greenfield | Kafis | Murphy | Reif |
| Carlson, D. | Gruenes | Kelly | Nelsen, B. | Rice |
| Carlson, L. | Gustafson | Knickerbocker | Nelson, K. | Rodriguez, C. |
| Clark, J. | Halberg | Kostohryz | Niehaus | Rodriguez, F. |
| Clark, K. | Hanson | Kvam | Norton | Rose |
| Clawson | Harens | Laidig | Novak | Rothenberg |
| Dahlvang | Hauge | Lehto | Nysether | Samuelson |
| Dean | Haukoos | Levi | O'Connor | Sarna |
| Den Ouden | Heap | Long | Ogren | Schafer |
| Drew | Himle | Ludeman | Olsen | Schoenfeld |

| | | | | |
|------------|----------|-----------|--------|------------------|
| Schreiber | Skoglund | Swanson | Weaver | Wynia |
| Shea | Stadum | Tomlinson | Welch | Zubay |
| Sherman | Staten | Valan | Welker | Spkr. Sieben, H. |
| Sherwood | Stowell | Valento | Wenzel | |
| Sieben, M. | Stumpf | Vanasek | Wieser | |
| Simoneau | Sviggum | Vellenga | Wigley | |

Those who voted in the negative were:

| | | | | |
|---------|---------|-------|---------|------|
| Ainley | Heinitz | Lemen | Searles | Voss |
| Dempsey | | | | |

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

SPECIAL ORDERS, Continued

S. F. No. 649, A bill for an act relating to probate; limiting benefits under life insurance policies payable to corporations to portion of shares not owned by person who killed decedent; establishing procedures for distribution of unpaid benefits; amending Minnesota Statutes 1980, Section 524.2-803.

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.

Kelly 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 | Elioff | Jacobs | McEachern | Redalen |
| Ainley | Ellingson | Jennings | Mehrkens | Rees |
| Anderson, B. | Erickson | Johnson, C. | Metzen | Reif |
| Anderson, I. | Esau | Johnson, D. | Minne | Rice |
| Anderson, R. | Ewald | Jude | Munger | Rodriguez, C. |
| Battaglia | Fjoslien | Kaley | Murphy | Rodriguez, F. |
| Begich | Forsythe | Kalis | Nelsen, B. | Rose |
| Berkelman | Friedrich | Kelly | Nelson, K. | Rothenberg |
| Blatz | Greenfield | Knickerbocker | Niehaus | Samuelson |
| Brandl | Gruenes | Kostohryz | Norton | Sarna |
| Byrne | Gustafson | Kvam | Novak | Schafer |
| Carlson, D. | Halberg | Laidig | Nysether | Schoenfeld |
| Carlson, L. | Hanson | Lehto | O'Connor | Schreiber |
| Clark, J. | Harens | Lemen | Ogren | Searles |
| Clark, K. | Hauge | Levi | Olsen | Shea |
| Clawson | Haukoos | Long | Onnen | Sherman |
| Dahlvang | Heap | Ludeman | Osthoff | Sherwood |
| Dean | Heinitz | Luknic | Otis | Sieben, M. |
| Dempsey | Himle | Mann | Peterson, B. | Simoneau |
| Den Ouden | Hoberg | Marsh | Peterson, D. | Skoglund |
| Drew | Hokanson | McCarron | Piepho | Stadum |
| Eken | Hokr | McDonald | Pogemiller | Staten |

| | | | | |
|---------|-----------|--------|--------|------------------|
| Stowell | Tomlinson | Voss | Wenzel | Zubay |
| Stumpf | Valan | Weaver | Wieser | Spkr. Sieben, H. |
| Sviggum | Valento | Welch | Wigley | |
| Swanson | Vellenga | Weiker | Wynia | |

The bill was passed and its title agreed to.

S. F. No. 34, A bill for an act relating to public welfare; allowing the commissioner of public welfare to grant a variance related to certain license holders whose licenses have been previously revoked; amending Minnesota Statutes 1980, Section 245.801, Subdivision 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.

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

There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ewald | Kelly | O'Connor | Simoneau |
| Ainley | Fjoslien | Knickerbocker | Ogren | Skoglund |
| Anderson, B. | Forsythe | Kostohryz | Olsen | Stadum |
| Anderson, I. | Friedrich | Kvam | Onnen | Stowell |
| Anderson, R. | Greenfield | Laidig | Osthoff | Stumpf |
| Battaglia | Gruenes | Lehto | Otis | Sviggum |
| Begich | Gustafson | Lemen | Peterson, B. | Swanson |
| Berkelman | Halberg | Levi | Peterson, D. | Tomlinson |
| Blatz | Hanson | Long | Piepho | Valan |
| Brandl | Harens | Ludeman | Pogemiller | Valento |
| Byrne | Hauge | Luknic | Redalen | Vanasek |
| Carlson, D. | Haukoos | Mann | Reding | Vellenga |
| Carlson, L. | Heap | Marsh | Rees | Voss |
| Clark, J. | Heinitz | McCarron | Reif | Weaver |
| Clawson | Himle | McDonald | Rodriguez, C. | Welch |
| Dahlvang | Hoberg | McEachern | Rodriguez, F. | Weiker |
| Dean | Hokanson | Mehrkens | Rose | Wenzel |
| Dempsey | Hokr | Minne | Rothenberg | Wieser |
| Den Ouden | Jacobs | Munger | Samuelson | Wigley |
| Drew | Jennings | Murphy | Sarna | Wynia |
| Eken | Johnson, C. | Nelsen, B. | Schafer | Zubay |
| Elioff | Johnson, D. | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Ellingson | Jude | Niehaus | Searles | |
| Erickson | Kahn | Norton | Shea | |
| Esau | Kaley | Novak | Sherman | |
| Evans | Kalis | Nysether | Sieben, M. | |

Those who voted in the negative were:

Clark, K.

The bill was passed and its title agreed to.

CALL OF THE HOUSE LIFTED

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

S. F. No. 539 was reported to the House.

McDonald moved to amend S. F. No. 539, the unofficial engrossment, as follows:

Page 1, line 14, strike "illegitimate" insert "*out of wedlock*"

Page 1, line 18, strike "illegitimate" insert "*out of wedlock*"

The motion prevailed and the amendment was adopted.

S. F. No. 539, A bill for an act relating to family law; allowing joint custody of minor children; providing for acknowledgments of paternity; changing provisions related to venue; providing expedited hearings; changing determination of maintenance and support orders; changing the division of marital property; providing for enforcement of maintenance and support orders; changing requirements for evidence, orders, and decrees; adopting the revised uniform reciprocal enforcement of support act; amending Minnesota Statutes 1980, Sections 257.34, Subdivision 1; 518.003, by adding a subdivision; 518.09; 518.131, Subdivisions 3 and 4, and by adding subdivisions; 518.145; 518.17; 518.54, Subdivision 5; 518.551; 518.58; and 518.64, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41; 518.42; 518.43; 518.44; 518.45; 518.46; 518.47; 518.48; 518.49; 518.491; 518.50; 518.51; 518.52; and 518.53.

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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-------------|---------------|
| Aasness | Carlson, L. | Esau | Haukoos | Kaley |
| Ainley | Clark, J. | Evans | Heap | Kalis |
| Anderson, B. | Clark, K. | Ewald | Heinitz | Kelly |
| Anderson, G. | Clawson | Fjoslien | Himle | Knickerbocker |
| Anderson, I. | Dahlvang | Forsythe | Hoberg | Kostohryz |
| Anderson, R. | Dean | Friedrich | Hokanson | Kvam |
| Battaglia | Dempsey | Greenfield | Hokr | Laidig |
| Begich | Den Ouden | Gruenes | Jacobs | Lehto |
| Berkelman | Drew | Gustafson | Jennings | Lemen |
| Blatz | Eken | Halberg | Johnson, C. | Levi |
| Brandl | Elioff | Hanson | Johnson, D. | Long |
| Byrne | Ellingson | Harens | Jude | Ludeman |
| Carlson, D. | Erickson | Hauge | Kahn | Luknic |

| | | | | |
|------------|--------------|---------------|------------|-----------------|
| Mann | Nysether | Reif | Sieben, M. | Voss |
| Marsh | O'Connor | Rice | Simoneau | Weaver |
| McCarron | Ogren | Rodriguez, C. | Skoglund | Welch |
| McDonald | Olsen | Rodriguez, F. | Stadum | Welker |
| Mehrkens | Onnen | Rothenberg | Staten | Wenzel |
| Metzen | Osthoff | Samuelson | Stowell | Wieser |
| Minne | Otis | Sarna | Stumpf | Wigley |
| Munger | Peterson, B. | Schafer | Sviggum | Wynia |
| Murphy | Peterson, D. | Schoenfeld | Swanson | Zubay |
| Nelsen, B. | Piepho | Schreiber | Tomlinson | Spkr. Sieben, H |
| Nelson, K. | Pogemiller | Searles | Valan | |
| Niehaus | Redalen | Shea | Valento | |
| Norton | Reding | Sherman | Vanasek | |
| Novak | Rees | Sherwood | Vellenga | |

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

S. F. No. 890 was reported to the House.

Nelsen, B., moved to amend S. F. No. 890, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 97.51, is amended to read:

97.51 [REWARDS.]

Rewards may be paid by the commissioner to others than salaried conservation officers or peace officers, for information leading to the arrest and conviction of any person for violating provisions relating to (MOOSE) *big game, or to threatened or endangered species of wildlife*, in (THE) a sum (OF \$50) *not to exceed \$1000; (FOR VIOLATING PROVISIONS RELATING TO DEER, \$25;)* for violating provisions relating to other wild animals, (\$10) *not to exceed \$500. The rewards shall only be paid out of any funds donated to the commissioner for these purposes.*

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

The motion prevailed and the amendment was adopted.

S. F. No. 890, A bill for an act relating to wild animals; increasing the amount of the reward which may be paid for information relating to game law violations; amending Minnesota Statutes 1980, Section 97.51.

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 89 yeas and 32 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Forsythe | Kalis | Nysether | Sherman |
| Anderson, B. | Greenfield | Kelly | Olsen | Sieben, M. |
| Anderson, G. | Gruenes | Knickerbocker | Onnen | Simoneau |
| Berkelman | Gustafson | Kostohryz | Osthoff | Skoglund |
| Brandl | Halberg | Laidig | Otis | Stadum |
| Byrne | Hanson | Lehto | Peterson, B. | Stowell |
| Carlson, L. | Harens | Lemen | Peterson, D. | Swanson |
| Clark, J. | Hauge | Levi | Piepho | Tomlinson |
| Dahlyang | Haukoos | Long | Reding | Valento |
| Dean | Heap | Mann | Reif | Vanasek |
| Dempsey | Heinitz | Marsh | Rodriguez, C. | Vellenga |
| Drew | Himle | McEachern | Rodriguez, F. | Voss |
| Eken | Hokanson | Mehrkens | Rose | Weaver |
| Ellingson | Jacobs | Minne | Rothenberg | Welch |
| Erickson | Johnson, C. | Munger | Sarna | Wieser |
| Esau | Johnson, D. | Nelsen, B. | Schafer | Wynia |
| Ewald | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Fjoslien | Kaley | Novak | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|------------|------------|--------|
| Ainley | Clawson | Kvam | O'Connor | Welker |
| Anderson, I. | Den Ouden | Ludeman | Redalen | Wenzel |
| Anderson, R. | Elioff | McCarron | Rees | Wigley |
| Battaglia | Evans | McDonald | Rice | Zubay |
| Begich | Friedrich | Murphy | Samuelson | |
| Blatz | Jennings | Nelson, K. | Schoenfeld | |
| Carlson, D. | Jude | Niehaus | Stumpf | |

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. 1443

A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1980, Sections 3.005, Subdivision 3; 3.304, by adding a subdivision; 4.16, by adding subdivisions; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 16A.123; 17.59, by adding a subdivision; 17A.04, Subdivision 5; 17B.15, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 43.46, Subdivisions 2 and 3; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 97.49, Subdivision 1; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, 19 and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 116C.69, Subdivisions 2 and 2a; 139.16; 139.17; 139.18; 139.19; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Sub-

division 2; 179.72, Subdivision 3; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 270.66; 271.02; 284.28, Subdivision 8; 290.431; 299A.03, Subdivisions 1, 8 and 13; 322A.16; 322A.71; 352E.04; 354.43, Subdivision 3; 362.10; 362.12, Subdivisions 1a and 2; 362.121; 362.125; 362.13; 480.0595; 546.27; 638.08; and 648.39; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; proposing new law coded in Minnesota Statutes, Chapters 85; 116H; 270; 299A; and 362; repealing Minnesota Statutes 1980, Sections 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 299A.03, Subdivisions 1, 2, 3, 5, 6, 7, 9, 10, 11 and 14; 362.07; 362.08; 362.09; 362.11; 362.12, Subdivisions 3 and 4; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 473.56, Subdivision 15; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1443, 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. 1443 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [STATE DEPARTMENTS; 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 "1981", "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

| | 1981 | 1982 | 1983 | TOTAL |
|------------------|------|---------------|---------------|-----------------|
| General . . . \$ | | \$602,749,000 | \$686,299,600 | \$1,289,048,600 |
| Special | 156 | 2,650,400 | 2,643,100 | 5,293,656 |

| | 1981 | 1982 | 1983 | TOTAL |
|--|------------------|----------------------|----------------------|------------------------|
| Game and Fish | 32,271 | 22,336,200 | 22,968,900 | 45,337,371 |
| Park Maintenance and Operation | | 2,400,500 | 2,400,500 | 4,801,000 |
| Tr. Hwy. | 548,627 | 2,010,000 | 2,010,000 | 4,568,627 |
| Hwy. Usr. | 1,655 | 1,109,100 | 1,127,200 | 2,237,955 |
| TOTAL | \$582,709 | \$633,255,200 | \$717,449,300 | \$1,351,287,209 |

APPROPRIATIONS
Available for the Year
Ending June 30

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Sec. 2. [LEGISLATURE.]

| | | |
|--|------------|------------|
| Subdivision 1. Total for this section | 24,064,800 | 27,054,100 |
| Subd. 2. House of Representatives | 11,463,000 | 12,496,000 |
| Subd. 3. Senate | 7,176,900 | 8,248,400 |
| Subd. 4. Legislative Coordinating Commission | 3,243,900 | 4,086,200 |

The amounts that may be expended from this appropriation for each activity are as follows:

General Support

| 1982 | 1983 |
|-----------|-----------|
| \$125,700 | \$ 93,500 |

Legislative Reference Library

| | |
|-----------|-----------|
| \$402,900 | \$455,500 |
|-----------|-----------|

| | 1982 | 1983 |
|---------------------|-------------|-------------|
| | \$ | \$ |
| Revisor of Statutes | | |
| | \$2,089,000 | \$2,842,500 |

The appropriation in Laws 1980, Chapter 614, Section 3, Clause (b) for the unpublished laws is also available to match money from a private foundation. This paragraph is effective the day following final enactment.

The unencumbered balance in the Minnesota Statutes Revolving Fund on June 30, 1981 shall be transferred to the general fund.

**Legislative Committee on
Science and Technology**

| | | |
|--|-----------|-----------|
| | \$105,900 | \$125,300 |
|--|-----------|-----------|

**Advisory Council on the Economic
Status of Women**

| | | |
|--|----------|-----------|
| | \$89,900 | \$101,100 |
|--|----------|-----------|

Great Lakes Commission

| | | |
|--|----------|----------|
| | \$37,000 | \$38,500 |
|--|----------|----------|

**Legislative Commission on Pensions
and Retirement**

| | | |
|--|-----------|-----------|
| | \$120,000 | \$134,800 |
|--|-----------|-----------|

**Legislative Commission on Employee
Relations**

| | | |
|--|-----------|-----------|
| | \$100,000 | \$100,000 |
|--|-----------|-----------|

**Legislative Commission to Review Ad-
ministrative Rules**

| | | |
|--|----------|----------|
| | \$83,500 | \$95,000 |
|--|----------|----------|

| | 1982 | 1983 |
|--|-----------|-----------|
| | \$ | \$ |
| Legislative Commission on Waste Management | | |
| | \$80,000 | \$90,000 |
| Mississippi River Parkway Commission | | |
| | \$10,000 | \$10,000 |
| This appropriation is from the trunk highway fund. | | |
| Subd. 5. Legislative Audit Commission | 2,181,000 | 2,223,500 |

The amounts that may be expended from this appropriation for each activity are as follows:

Legislative Audit Commission

\$15,000 \$15,000

Legislative Auditor

\$2,166,000 \$2,208,500

Sec. 3. SUPREME COURT

General Operations and Management. 4,509,700 4,821,400

The amounts that may be expended from this appropriation for each program are as follows:

Supreme Court Operations

\$2,305,000 \$2,328,900

State Court Administrator

\$1,776,200 \$2,049,800

Of this amount, \$200,000 the second year is available for judicial district computer hardware costs. This appro-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

priation shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.

This appropriation includes \$50,000 the first year and \$50,000 the second year to enable the judicial planning council (JPC) to study alternative dispute resolution programs and to award grants to local government agencies and nonprofit organizations based upon the JPC's determination that such grants will provide accessible, cost-effective resolution of disputes, utilizing neighborhood, local and community resources (including volunteers and available space in public facilities). The JPC will report to the legislature by October 1, 1983, the types of programs which provide convenient access to effective, inexpensive and expeditious alternative dispute resolution. The legislative auditor may conduct periodic post-award audits as may be requested by the JPC and approved by the legislative audit commission. If the appropriation for either year is insufficient, the appropriation for the other year is available.

To facilitate the review process established in Minnesota Statutes, Section 546.27, the director of the state justice information system shall notify the executive secretary of the state board on judicial standards whenever a matter exceeds 90 days without a disposition.

If the appropriation for the state court administrator for either year is insufficient, the appropriation for the other year is available for it.

State Law Library

| | |
|-----------|-----------|
| \$428,500 | \$442,700 |
|-----------|-----------|

Included in this appropriation is \$29,200 the first year and \$29,200 the second year for an additional librarian

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

to act as a liaison with county law libraries. By June 30, 1982, at least one-half of the county law libraries receiving this service shall agree to provide funding equal to or exceeding the appropriation for the second year of this program or the appropriation for the second year shall cancel. This revenue shall be deposited into the general fund.

Sec. 4. STATE COURTS

| | | |
|---|------------|------------|
| General Operations and Management | 11,729,750 | 11,770,850 |
|---|------------|------------|

The amounts that may be expended from this appropriation for each program are as follows:

District and County Court Judges

| | |
|--------------|--------------|
| \$11,328,250 | \$11,366,850 |
|--------------|--------------|

Included in this appropriation is \$21,250 the first year and \$21,250 the second year for judges' membership dues in state and local judges' associations.

District Court Administrators

| | |
|-----------|-----------|
| \$519,800 | \$522,600 |
|-----------|-----------|

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

General Reduction

| | |
|-------------|-------------|
| (\$118,300) | (\$118,600) |
|-------------|-------------|

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

| | 1982 | 1983 |
|---|---------|---------|
| | \$ | \$ |
| Sec. 5. BOARD ON JUDICIAL STANDARDS | 113,500 | 118,600 |

Approved Complement—2.0

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

| | | |
|---------------------------------------|---------|---------|
| Sec. 6. BOARD OF PUBLIC DEFENSE | 343,100 | 343,400 |
|---------------------------------------|---------|---------|

This appropriation includes \$340,000 the first year and \$340,000 the second year to assist in the provision of criminal and juvenile defense to indigent individuals, allocated as follows:

St. Paul—Neighborhood Justice Center, Inc.

For cases arising in Ramsey county.

\$95,000 \$95,000

Minneapolis—Legal Rights Center, Inc.

For cases arising in Hennepin county.

\$55,000 \$55,000

Duluth—Duluth Indian Legal Assistance Program

For cases arising in St. Louis and Mille Lacs counties.

\$85,000 \$85,000

Cass Lake—Leech Lake Reservation Criminal and Juvenile Defense Corp.

For cases arising in Cass, Itasca, Hubbard, and Beltrami counties.

\$52,500 \$52,500

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

White Earth—White Earth Reservation Criminal and Juvenile Defense Corp.

For cases arising in Mahnomen, Becker, and Clearwater counties.

| | | |
|----------|----------|--|
| \$52,500 | \$52,500 | |
|----------|----------|--|

The legislative auditor may conduct periodic post-award audits of these grants as may be requested by the judicial council and approved by the legislative audit commission.

Sec. 7. PUBLIC DEFENDER

| | | |
|---|---------|---------|
| General Operations and Management | 792,000 | 809,100 |
|---|---------|---------|

Approved Complement—25

The amounts that may be expended from this appropriation for each activity are as follows:

Public Defender Operations

| | |
|-----------|-----------|
| \$587,800 | \$602,200 |
|-----------|-----------|

Legal Assistance to Minnesota Prisoners

| | |
|-----------|-----------|
| \$127,200 | \$128,800 |
|-----------|-----------|

Legal assistance to Minnesota prisoners shall serve the civil legal needs of persons confined to state institutions.

None of this appropriation shall be used to pay for lawsuits against public agencies or public officials to change social or public policy.

Legal Advocacy Project

| | |
|----------|----------|
| \$77,000 | \$78,100 |
|----------|----------|

| | 1982 | 1983 |
|------------------------------------|-----------|-----------|
| | \$ | \$ |
| Sec. 8. TAX COURT OF APPEALS | 298,700 | 304,200 |
| Approved Complement—6 | | |
| Sec. 9. CONTINGENT ACCOUNTS | 7,818,000 | 7,617,000 |

The amounts that may be expended from this appropriation are more specifically described in the following subdivisions of this section.

Subdivision 1. The appropriations in this section shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

| | | |
|--|-------------|-----------|
| Subd. 2. General Purposes | 4,000,000 | 4,170,000 |
| (a) General Fund | | |
| \$3,250,000 | \$3,420,000 | |
| (b) Game and Fish Fund | | |
| \$100,000 | \$100,000 | |
| (c) Trunk Highway Fund | | |
| \$400,000 | \$400,000 | |
| (d) Highway User Tax Distribution Fund | | |
| \$250,000 | \$250,000 | |
| Subd. 3. Fuel and Utilities | 3,468,000 | 3,447,000 |

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

For increased costs due to increased prices for fuel and utilities purchased by state agencies.

(a) General Fund

\$2,143,000 \$2,122,000

(b) Game and Fish Fund

\$125,000 \$125,000

(c) Trunk Highway Fund

\$1,200,000 \$1,200,000

| | |
|--|---------|
| Subd. 4. Unemployment Compensation | 350,000 |
|--|---------|

This appropriation is available to pay unemployment compensation costs when an agency has utilized all other available resources.

Sec. 10. GOVERNOR

| | | |
|---|-----------|-----------|
| General Operations and Management | 1,654,600 | 1,683,800 |
|---|-----------|-----------|

The amounts that may be expended from this appropriation for each program are as follows:

Executive Operations

\$1,461,200 \$1,490,400

This appropriation includes \$200,000 the first year and \$205,000 the second year for the office of lieutenant governor.

Of this appropriation, \$15,000 the first year and \$15,000 the second year is for personal expenses connected with the office of the governor.

\$5,900 the second year is for the official governor's portrait.

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

\$16,400 the first year and \$17,800 the second year is for the committee on appointments.

Interstate Representation and Cooperation

\$193,400 \$193,400

\$22,300 the first year and \$22,300 the second year is for the Great Lakes Basin Commission—State Share.

\$71,000 the first year and \$71,000 the second year is for the Upper Great Lakes Regional Commission—State Share.

\$49,500 the first year and \$49,500 the second year is for the Upper Mississippi Basin Commission—State Share.

\$50,600 the first year and \$50,600 the second year is for the National Governors Association.

If federal funding is eliminated by congressional action for any of the commissions, the corresponding state funding shall cancel to the general fund.

Sec. 11. SECRETARY OF STATE

| | | |
|---|---------|-----------|
| General Operations and Management | 975,500 | 1,206,800 |
|---|---------|-----------|

Approved Complement—35

The amounts that may be expended from this appropriation for each activity are as follows:

Elections and Publications

\$211,100 \$519,900

| | 1982 | 1983 |
|-------------------------|-----------|------|
| | \$ | \$ |
| Uniform Commercial Code | | |
| \$71,200 | \$85,400 | |
| Business Services | | |
| \$387,000 | \$360,500 | |
| Administration | | |
| \$284,900 | \$239,400 | |

\$50,000 the first year is for a study of the feasibility, costs, and benefits of computerizing the records of the office of secretary of state, and for the preparation of a design and plan for development of a computerized system if the study shows that the system is feasible. The secretary of state shall consider use of the system evaluation and development methodology developed by the commissioner of administration pursuant to Minnesota Statutes, Section 16.955, but this project is not subject to the requirements of that section. The system design and plan for development shall not be prepared until the results of the feasibility study have been reported to the chairmen of the senate finance committee and the house appropriations committee and the chairmen have made their recommendations on it. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Fiscal Operations

\$51,300 \$51,600

General Reduction

(\$30,000) (\$50,000)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The secretary of state may transfer unencumbered balances not specified for a particular purpose among the above activities. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

| | | |
|----------------------------------|---------|---------|
| Sec. 12. STATE AUDITOR | 255,400 | 258,000 |
| Approved Complement—122 | | |
| General—7.5 | | |
| Revolving—114.5 | | |

During the two year period ending June 30, 1983, the commissioner of finance shall not approve any rate increase for the state auditor beyond those in effect January 1, 1981 except for adjustments necessitated by negotiated salary increases.

| | | |
|--------------------------------|---------|---------|
| Sec. 13. STATE TREASURER . . . | 900,900 | 901,000 |
| | 1982 | 1983 |
| Approved Complement—31 | 29 | |

The amounts that may be expended from this appropriation for each activity are as follows:

Treasury Management
 \$549,700 \$549,100

Property and Escheat Claims
 \$351,200 \$351,900

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Sec. 14. ATTORNEY GENERAL

| | | |
|---|------------|------------|
| General Operations and Management | 10,789,500 | 11,763,300 |
|---|------------|------------|

Approved Complement—288

General—283

Federal—5

The amounts that may be expended from this appropriation for each activity are as follows:

Public Administration

| | |
|-------------|-------------|
| \$1,409,600 | \$1,552,700 |
|-------------|-------------|

Public Resources

| | |
|-------------|-------------|
| \$2,630,500 | \$2,874,200 |
|-------------|-------------|

Public Assistance

| | |
|-------------|-------------|
| \$1,348,600 | \$1,485,300 |
|-------------|-------------|

Public Protection

| | |
|-------------|-------------|
| \$2,800,800 | \$3,072,100 |
|-------------|-------------|

\$298,000 the first year and \$310,200 the second year is for costs and expenses incurred by the attorney general in enforcing and making claims under state and federal antitrust laws. The attorney general shall report the purposes for which this money is utilized. The reports shall be made to the committee on finance of the senate and the committee on appropriations of the house of representatives at the end of each fiscal year. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

| | 1982 | 1983 |
|---------------------------------|-------------|-------------|
| | \$ | \$ |
| Legal Policy and Administration | | |
| | \$2,830,100 | \$3,023,900 |

Of this appropriation, \$50,000 the first year and \$50,000 the second year is for a special account for unanticipated legal expenses. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

General Reduction

(\$230,100) (\$244,900)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The attorney general may transfer unencumbered balances not specified for a particular purpose among the above activities. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

| | | |
|----------------------------------|-----------|-----------|
| Sec. 15. EXECUTIVE COUNCIL . . . | 1,000,000 | 1,000,000 |
|----------------------------------|-----------|-----------|

For expenses in emergencies pursuant to Minnesota Statutes, Section 9.061.

| | | |
|---------------------------------|-----------|-----------|
| Sec. 16. INVESTMENT BOARD . . . | 1,173,900 | 1,103,900 |
|---------------------------------|-----------|-----------|

Approved Complement—30

Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Sec. 17. ADMINISTRATIVE HEARINGS

Approved Complement

Revolving—25.5

Sec. 18. ADMINISTRATION

| | | |
|---|------------|------------|
| General Operations and Management | 17,441,500 | 19,150,300 |
|---|------------|------------|

Approved Complement—910

General—454

Special—11

Revolving—445

The amounts that may be expended from this appropriation for each program are as follows:

Management Services

| | |
|-------------|-------------|
| \$3,767,800 | \$3,964,000 |
|-------------|-------------|

Real Property Management

| | |
|-------------|-------------|
| \$8,780,300 | \$9,303,300 |
|-------------|-------------|

The department shall receive the assistance of the Freshwater Biological Institute in a program of Dutch elm disease treatment in the capitol area.

The central motor pool revolving account may be used to provide material transfer services to departments and agencies of the state government.

The commissioner of administration shall charge the department of transportation and the iron range resources and rehabilitation board for engineering services performed on behalf of these agencies.

| | 1982 | 1983 |
|------------------------------|-------------|-------------|
| | \$ | \$ |
| State Agency Services | | |
| | \$1,534,600 | \$1,561,500 |

The commissioner of administration may lease portions of the federal surplus property building not needed for that activity to any state agency or activity. Notwithstanding the provisions of any other law to the contrary, all moneys collected shall be deposited into the surplus property revolving fund and are reappropriated for the purposes of that 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, 1982. If the surplus property revolving fund is abolished prior to June 30, 1982, any portion of the \$61,500 that is outstanding shall be immediately returned to the general fund.

Public Services

| | |
|-------------|-------------|
| \$2,862,700 | \$3,867,900 |
|-------------|-------------|

The handicapped accessibility function in the state building code activity shall be continued at the fiscal year 1981 level.

\$47,832 the first year and \$52,615 the second year is for the state contribution to the National Conference of State Legislatures.

\$32,000 the first year and \$34,200 the second year is for expenses of the Citizens Advisory Task Force on the Boundary Waters Canoe Area.

\$240,000 the first year and \$240,000 the second year is for block grants to public television stations.

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

\$100,000 the first year and \$100,000 the second year is for matching grants to public television stations.

\$125,000 the first year and \$125,000 the second year is for grants to public radio stations pursuant to Minnesota Statutes, Section 139.19.

Any unencumbered balance remaining in the first year for grants to public television or radio stations does not cancel but is available for the second year of the biennium.

\$4,000 the first year and \$4,000 the second year is for the state employees' band.

COFARS shall be a priority for IISAC.

General Support

| | |
|-----------|-----------|
| \$947,400 | \$958,100 |
|-----------|-----------|

The commissioner of administration with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

General Reduction

| | |
|-------------|-------------|
| (\$451,300) | (\$504,500) |
|-------------|-------------|

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

| | 1982 | 1983 |
|---|--------|--------|
| | \$ | \$ |
| ARCHITECTURAL AND PLANNING BOARD | 80,100 | 82,700 |

Approved Complement—2

Projects that are within the area under the jurisdiction of the capitol area architectural and planning board and are funded in total with federal money shall not be approved by the governor until a recommendation is received from the legislative advisory commission.

Sec. 20. FINANCE

| | | |
|-----------------------------------|-----------|-----------|
| General Operations and Management | 5,707,100 | 5,877,800 |
| | 1982 | 1983 |

Approved Complement—127 124

The amounts that may be expended from this appropriation for each program as follows:

Financial Operations

\$3,614,900 \$3,701,900

Budget and Control

\$1,055,200 \$1,139,600

Financial Management

\$421,400 \$426,500

General Support

\$643,200 \$665,300

\$48,200 the first year and \$52,500 the second year is for the state contribution to the Council of State Governments.

\$7,400 the first year and \$7,400 the second year is for the expenses of the Interstate Cooperation Commission.

| | 1982 | 1983 |
|----------------------------|------|------|
| | \$ | \$ |
| General Staff Reduction | | |
| (\$27,600) (\$55,500) | | |

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 21. EMPLOYEE RELATIONS

| | | |
|-----------------------------------|-----------|-----------|
| General Operations and Management | 3,194,200 | 3,263,800 |
|-----------------------------------|-----------|-----------|

Approved Complement—111

General—103

Special—7

Federal—1

The amounts that may be expended from this appropriation for each program are as follows:

Personnel Technical Services

| | |
|-------------|-------------|
| \$1,187,900 | \$1,215,300 |
|-------------|-------------|

Human Resource Improvement

| | |
|-----------|-----------|
| \$657,800 | \$675,100 |
|-----------|-----------|

Each state department shall have a plan approved by the commissioner of personnel to use 50 percent of its train-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |
| <p>ing money, or the same percentage of its training money that its schedule "C" civil service employees are of its total number of departmental employees, whichever is less, for special career training programs for schedule "C" civil service employees. The money shall be used only for this purpose.</p> | | |

Labor Relations

| | |
|-----------|-----------|
| \$478,200 | \$486,400 |
|-----------|-----------|

Administration and Special Services

| | |
|-----------|-----------|
| \$919,000 | \$936,700 |
|-----------|-----------|

Included in the appropriation for the first year is \$31,300 for completion of the two-year job sharing pilot program. This amount is not subject to the general reduction.

General Reduction

| | |
|------------|------------|
| (\$48,700) | (\$49,700) |
|------------|------------|

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The commissioner of employee relations with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 22. REVENUE

| | | |
|-----------------------------------|------------|------------|
| General Operations and Management | 27,220,400 | 27,633,200 |
|-----------------------------------|------------|------------|

| | 1982 | 1983 |
|----------------------|------|------|
| | \$ | \$ |
| | 1982 | 1983 |
| Approved Complement— | 948 | 942 |

The complement number includes 30 unfunded positions.

The amounts that may be expended from this appropriation for each program are as follows:

Revenue Management

\$8,125,300 \$8,282,700

Income, Sales, and Use Tax Management

\$14,745,900 \$15,207,300

During the biennium ending June 30, 1983, the commissioner of revenue shall establish within the department of revenue a special project to be known as "Project Fair Share." The project shall attempt to locate individuals who have unreported or underreported Minnesota income or have not filed a Minnesota income tax return; to locate corporations doing business in Minnesota which have unreported or underreported Minnesota income or failed to file a Minnesota income tax return; to locate estates that have unreported or underreported Minnesota income or whose personal representatives have failed to file a Minnesota income tax return; to locate Minnesota residents who attempt to evade Minnesota income taxes by establishing a false residency in another state; and to locate any other cases in which any tax owed to the state is unpaid or underpaid. Personnel operating the project shall then take appropriate action to obtain payment of the taxes, interest, and penalty, and to seek criminal or civil action in appropriate cases.

The commissioner of revenue shall report to the chairman of the senate fi-

1982

1983

\$

\$

nance committee and the chairman of the house of representatives appropriations committee by March 1, 1983. The report shall state the amount of taxes recovered as a result of Project Fair Share, a breakdown of the various groups of cases and taxes recovered by group, the total cost of the project, and other relevant information requested by either chairman or suggested by the commissioner.

**Property and Special Taxes
Management**

\$4,514,000 \$4,461,400

Assessors Board

\$118,200 \$126,900

General Staff Reduction

(\$156,400) (\$314,500)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

No more than one-half of the general staff reduction shall be in the taxpayers assistance project.

General Reduction

(\$126,600) (\$130,600)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated

1982

\$

1983

\$

for general operations and management for that year.

None of the appropriations for the development of computer systems shall be expended until the commissioner of revenue has submitted to the legislature a report on the actions taken to correct the management and performance deficiencies identified in the legislative auditor's program evaluation and a plan for the development of new computer systems and has received the recommendations of the chairmen of the committee on finance of the senate and the committee on appropriations of the house of representatives on the report and the plan.

When projects for computer systems have been approved in writing by the commissioner of revenue, the commissioner may cause funds to be encumbered in the state accounting system and the encumbered funds shall not cancel at the end of the fiscal year but shall be available for the approved project only, for a period not exceeding one year or until the approved project has been completed, whichever is shorter.

After the commissioner of revenue begins to expend the appropriation, he shall prepare a report every three months describing the progress made and the money expended in developing computer systems. The report shall be submitted to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The commissioner of revenue with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfer shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

| | 1982 | 1983 |
|---|------------|------------|
| | \$ | \$ |
| Sec. 23. AGRICULTURE | | |
| General Operations and Management | 14,881,900 | 11,460,900 |
| | 1982 | 1983 |
| Approved Complement—514 | 496 | |
| General— | 233 | 215 |
| Special/Revolving— | 265 | 265 |
| Federal— | 16 | 16 |

The amounts that may be expended from this appropriation for each program are as follows:

Agricultural Protection Service

\$5,574,700 \$3,620,400

\$2,000,000 the first year shall be transferred to the grain inspection account as working capital, and shall be repaid from the grain inspection account when inspection fee receipts permit. At least \$1,000,000 shall be repaid by June 30, 1982, and the remainder by June 30, 1983.

The commissioners of agriculture and finance shall review the fees for all inspections, licenses and audits administered by the commissioner of agriculture. The commissioners shall make recommendations on the appropriate fee levels, the time interval upon which the fee levels should be reassessed, and the need for statutory changes to update fees on a timely basis. These recommendations shall be submitted to the committees on agriculture and appropriations in the house of representatives and to the committees on agriculture and environment and finance in the senate by January 1, 1982.

| | 1982 | 1983 |
|-------------------------------|-------------|-------------|
| | \$ | \$ |
| Agricultural Promotion | | |
| | \$2,786,000 | \$3,506,200 |

\$111,700 the first year and \$115,800 the second year is from the commodities research and promotion account in the special revenue fund.

\$2,100,000 the first year and \$2,800,000 the second year is for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Administration and Financial Aids Service

| | |
|-------------|-------------|
| \$6,686,800 | \$4,667,300 |
|-------------|-------------|

\$335,000 the first year and \$335,000 the second year is for aid to county and district agricultural societies.

Of this amount, \$4,500 the first year and \$4,500 the second year is for live-stock premiums to county fair associations for carrying on boys' and girls' club work.

This amount shall be disbursed according to Minnesota Statutes, Section 38.02.

Out of this amount, \$1,000 the first year and \$1,000 the second year shall be available for agricultural aid to the Red Lake Band of Chippewa Indians, to be expended as may be directed by the Indian council for the purpose of encouraging activities and arts that will advance the economic and social interest of their people and particularly to promote a program of agricultural development that will utilize to the greatest possible extent the lands and forest owned by them. This appropriation may be used to help maintain an agricultural extension service, to promote 4-H club work,

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

or for premiums for the competitive display of exhibits at any fair or exposition that may be arranged under the direction of the council.

\$10,000 the first year and \$10,000 the second year is for payment of claims relating to livestock damaged by endangered animal species.

\$4,536,300 the first year and \$2,463,700 the second year is for the shade tree disease control program. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

General Staff Reduction

(\$165,600) (\$333,000)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The commissioner of agriculture with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 24. BOARD OF ANIMAL HEALTH

| | | |
|-----------------------------------|-----------|-----------|
| General Operations and Management | 1,280,300 | 1,314,500 |
|-----------------------------------|-----------|-----------|

Approved Complement—40

This appropriation includes \$40,000 each year for payment of indemnities. If the appropriation for indemnities for either year is insufficient, the appro-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

priation for the other year is available for it. Indemnities of less than \$1 shall not be paid.

Sec. 25. NATURAL RESOURCES

| | | |
|-----------------------------------|------------|------------|
| General Operations and Management | 67,565,600 | 69,351,300 |
|-----------------------------------|------------|------------|

Approved Complement—1589

| | |
|----------|-----|
| General— | 982 |
|----------|-----|

| | |
|----------|----|
| Special— | 28 |
|----------|----|

| | |
|----------------|-----|
| Game and Fish— | 504 |
|----------------|-----|

| | |
|----------|----|
| Federal— | 73 |
|----------|----|

| | |
|--------|---|
| Gifts— | 2 |
|--------|---|

Of this appropriation, \$41,878,900 for the first year and \$43,031,900 for the second year are from the general fund; \$500,000 the first year and \$500,000 the second year is from the consolidated conservation area account in the special revenue fund; \$700,000 each year is from the nongame wildlife management account in the special revenue fund; \$2,400,500 each year is from the parks maintenance and operations account in the special revenue fund; and \$22,086,200 the first year and \$22,718,900 the second year are from the game and fish fund, including \$549,400 the first year and \$535,600 the second year pursuant to Minnesota Statutes, Section 296.421, Subdivision 4.

The amounts that may be expended from this appropriation for each program are as follows:

Administrative Management Services

| | |
|-------------|-------------|
| \$4,969,100 | \$5,114,600 |
|-------------|-------------|

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

\$1,687,000 the first year and \$1,765,100 the second year is from the game and fish fund.

\$275,000 the first year and \$275,000 the second year is for boating safety.

\$150,000 the first year and \$150,000 the second year is for the Minnesota environmental education board.

Regional Administration

| | |
|-------------|-------------|
| \$3,103,300 | \$3,144,000 |
|-------------|-------------|

\$621,000 the first year and \$628,900 the second year is from the game and fish fund.

Field Services Support

| | |
|-------------|-------------|
| \$4,615,700 | \$4,981,000 |
|-------------|-------------|

\$1,384,700 the first year and \$1,494,300 the second year is from the game and fish fund.

Water Resources Management

| | |
|-------------|-------------|
| \$3,176,400 | \$3,287,100 |
|-------------|-------------|

\$200,000 the first year and \$200,000 the second year is for water bank leases and is from the game and fish fund.

Mineral Resources Management

| | |
|-------------|-------------|
| \$2,152,600 | \$2,209,400 |
|-------------|-------------|

\$246,800 the first year and \$256,100 the second year is for mineland reclamation.

\$256,300 the first year and \$274,300 the second year is for peat inventory or studies.

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

Forest Management

| | |
|--------------|--------------|
| \$14,034,700 | \$14,443,500 |
|--------------|--------------|

\$500,000 the first year and \$500,000 the second year is from the consolidated conservation areas account in the special revenue fund.

\$340,000 the first year and \$358,700 the second year is for emergency fire fighting. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. Except on an emergency basis, no part of this appropriation shall be expended for contracts for standby air tankers until the department has attempted to make similar arrangements for the use of air national guard tankers.

\$3,750,000 the first year and \$3,750,000 the second year is to implement the federal Boundary Waters Canoe Area legislation and is available only to match federal money on a basis of 80 percent federal, 20 percent state, provided that no more than \$250,000 the first year and \$240,000 the second year may be expended prior to the appropriation of federal funds. If the federal reimbursement is appropriated, the state appropriations are available until September 30, 1982 and September 30, 1983 respectively. The federal reimbursement shall be deposited in the general fund.

Fish Management

| | |
|-------------|-------------|
| \$6,185,200 | \$6,310,000 |
|-------------|-------------|

Except for \$47,500 the first year and \$28,000 the second year from the general fund for acid rain, this appropriation is from the game and fish fund.

Wildlife Management

| | |
|-------------|-------------|
| \$7,258,300 | \$7,397,900 |
|-------------|-------------|

1982

1983

\$

\$

This appropriation is from the game and fish fund.

\$300,000 the first year and \$300,000 the second year is for deer habitat improvement.

\$810,000 in the first year and \$818,000 the second year is for payments to counties in lieu of taxes.

\$1,125,000 the first year and \$1,125,000 the second year is from the wildlife acquisition account for the acquisition and development of wildlife management areas.

\$700,000 the first year and \$700,000 the second year is from the nongame wildlife management account.

\$40,000 the first year and \$40,000 the second year is a supplement for the voluntary adult hunter education program.

Ecological Services

\$697,400 \$706,300

\$348,700 the first year and \$353,200 the second year is from the game and fish fund.

Parks and Recreation Management

\$8,510,600 \$8,591,100

\$2,400,500 the first year and \$2,400,500 the second year is from the parks maintenance and operations account.

\$163,500 the first year and \$163,500 the second year is for the program to employ needy elderly persons in the maintenance and operation of state parks.

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

\$63,000 the first year and \$63,000 the second year is for scientific and natural areas.

\$24,000 the first year and \$24,000 the second year is for payments in lieu of taxes on lands in Voyageurs national park and St. Croix Wild River state park. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Soil and Water Conservation Board

| | |
|-------------|-------------|
| \$2,873,000 | \$2,880,300 |
|-------------|-------------|

\$425,000 the first year and \$425,000 the second year is for general purpose grants in aid to soil and water conservation districts.

\$225,800 the first year and \$225,000 the second year is for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

\$1,585,000 the first year and \$1,585,000 the second year is for grants to soil and water conservation districts for cost sharing contracts for erosion control and water quality management. Priority shall be given to projects designed to solve lakeshore, stream bank, and roadside erosion.

\$246,300 the first year and \$246,300 the second year is for grants in aid to soil and water conservation districts and local units of government to assist them in solving sediment and erosion control problems. Grants shall not exceed 50 percent of total project costs or 50 percent of the local share if federal money is used. Priority shall be given to projects designed to solve lakeshore, stream bank, and roadside erosion and to

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

projects eligible for federal matching money.

\$92,000 the first year and \$92,000 the second year is for grants to soil and water conservation districts for review and comment on water permits.

Enforcement

| | |
|-------------|-------------|
| \$6,891,100 | \$7,040,800 |
|-------------|-------------|

\$1,000,000 the first year and \$1,000,000 the second year is for grants to counties for boat and water safety.

\$4,712,900 the first year and \$4,832,600 the second year is from the game and fish fund, provided that if the investment income on balances credited to the game and fish fund during the first year is less than \$700,000, the appropriation for the second year from the game and fish fund is \$4,530,600.

The appropriation from the game and fish fund includes \$20,000 the first year and \$20,000 the second year for the purpose of controlling smelt fishing activities on the north shore, including development of parking facilities, traffic control, coordination of regulatory agencies, control of trespass and vandalism, control of littering and sanitation, and public information and education. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Planning and Research

| | |
|-----------|-----------|
| \$389,500 | \$396,100 |
|-----------|-----------|

Youth Employment

| | |
|-----------|-----------|
| \$410,800 | \$428,600 |
|-----------|-----------|

The department shall insure that youths in all parts of the state shall

1982

1983

\$

\$

have an equal opportunity for employment. The youth conservation corps shall provide service for the various DNR disciplines including parks, forestry and stream improvement.

\$100,000 the first year and \$100,000 the second year shall be used for planting, timber stand improvement, and forest development on state owned lands, other than trust fund lands, for forestry purposes.

Trails and Waterways Management

\$2,297,900 \$2,420,600

\$232,200 the first year and \$240,800 the second year is for development and maintenance of canoe and boating routes.

\$923,700 the first year and \$993,400 the second year represents unrefunded gas taxes paid for snowmobiles and shall be used for acquisition, development, and maintenance of recreational trails and for related purposes.

An amount not to exceed \$50,000 of all money deposited in the general fund pursuant to Minnesota Statutes, Section 84.58, Subdivision 8, during the biennium ending June 30, 1981, is appropriated to the commissioner of natural resources for the purposes of paying expenses relating to receiving, processing, and analyzing permits applied for under sections 84.57 to 84.621, and inspecting and monitoring activities authorized by the permits. All money so appropriated is available until expended.

\$435,900 the first year and \$464,900 the second year is from the game and fish fund for public access and lake improvements.

The commissioner of natural resources with the approval of the commissioner of finance may transfer unen-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

cumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 26. ZOOLOGICAL BOARD

| | | |
|------------------------------------|-----------|-----------|
| General Operations and Management. | 5,209,300 | 5,255,500 |
|------------------------------------|-----------|-----------|

Approved Complement—162.5

General—146

Special—16.5

The amounts that may be expended from this appropriation for each program are as follows:

Visitor Programs

| | |
|-------------|-------------|
| \$1,238,900 | \$1,282,900 |
|-------------|-------------|

Zoo Ride

All receipts from the operation of the zoo ride shall be deposited in a special account in the state treasury. All receipts from the zoo ride are appropriated and available until June 30, 1983 for the purposes of the zoo ride. These receipts are the only money appropriated for zoo ride operating expenses or debt service.

Biological Programs

| | |
|-------------|-------------|
| \$1,301,100 | \$1,330,200 |
|-------------|-------------|

Management Services

| | |
|-----------|-----------|
| \$360,800 | \$366,300 |
|-----------|-----------|

Two positions shall be moved from the unclassified to the classified service.

| | 1982 | 1983 |
|----------------------------|------|--------------------|
| | \$ | \$ |
| Physical Facilities | | |
| \$2,308,500 | | \$2,276,100 |

\$100,000 the first year and \$100,000 the second year is for a major maintenance reserve fund. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

The director of the Minnesota zoological garden with the approval of the commissioner of finance may transfer unencumbered balances among the above programs, except that he shall make no transfer into the zoo ride program. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The fee structure for the Minnesota zoological garden shall not exceed \$3.50 for adults, age 17-61; \$1.75 for senior citizens, age 62 and over; \$1.75 for juniors age 12-16, \$1.25 for children ages 6-11 and free for children 5 and under.

The Minnesota zoological garden board shall work with the Como zoo and the Como zoological society of the city of St. Paul to develop and adopt a joint position statement regarding cooperative programs at the two facilities. The statement shall include plans to promote complementary exhibits and to develop a process for continued coordination. The statement shall be submitted to the committees on appropriations in the house of representatives and finance in the senate by January 1, 1982.

| | | |
|---|----------------|----------------|
| Sec. 27. WATER RESOURCES BOARD | 103,200 | 105,400 |
|---|----------------|----------------|

| | 1982 | 1983 |
|-----------------------------------|-----------|-----------|
| | \$ | \$ |
| Sec. 28. POLLUTION CONTROL | | |
| AGENCY | | |
| General Operations and Management | 6,273,600 | 6,127,300 |
| | 1982 | 1983 |
| Approved Complement—381 | | 374 |
| General— | 175.5 | 168.5 |
| Federal— | 205.5 | 205.5 |

The amounts that may be expended from this appropriation for each program are as follows:

Water Pollution Control

\$2,416,400 \$2,470,100

Air Pollution Control

\$699,800 \$706,800

\$25,000 the first year and \$25,000 the second year is for special studies. The agency shall negotiate with the federal government, or any agency, bureau, or department thereof, for the purpose of securing or obtaining any grants of assistance in the completion of these studies. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$56,600 the first year and \$58,700 the second year is for the acid rain study.

Solid Waste Pollution Control

\$729,800 \$1,014,200

\$300,000 the first year and \$300,000 the second year is for grants to counties for planning and demonstration grants.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

\$375,000 the first year is for enforcement assistance grants to local governments.

The agency shall reinstate the packaging program.

Regional Support

\$514,700 \$525,300

General Support

\$1,977,800 \$1,540,400

\$450,000 the first year is for environmental impact statements on candidate hazardous waste disposal sites. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

General Staff Reduction

(\$64,400) (\$129,500)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The health department shall continue to render staff services the agency requires from time to time through health's division of environmental health. The health department shall be reimbursed from the appropriation for general support for this cost.

The director of the pollution control agency with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above activities. Transfers shall be reported

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

| | | |
|---------------------------------------|-----------|-----------|
| Sec. 29. WASTE MANAGEMENT BOARD | 1,400,000 | 1,357,100 |
|---------------------------------------|-----------|-----------|

Approved Complement—20

General—14

Bond Fund—6

\$210,000 the first year and \$120,000 the second year is for grants to counties and local project review committees for their participation in the siting process.

Sec. 30. ENERGY, DEVELOPMENT AND PLANNING

| | | |
|-----------------------------------|------------|-----------|
| General Operations and Management | 11,208,700 | 9,637,350 |
|-----------------------------------|------------|-----------|

Approved Complement—249

General—161

Federal—86

Revolving—2

Planning

| | | |
|-------------|--|-------------|
| \$3,882,750 | | \$3,882,750 |
|-------------|--|-------------|

The following functions are included in this program: planning for crime control, human resources, physical planning, developmental disabilities, program review, health and critical areas; land management information center; state demographer; EQB administration; power plant studies; and environmental impact statement preparation.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

\$99,000 each year is for criminal justice planning and grants administration, including expenses for the crime control planning board.

\$75,000 each year is for criminal justice grants and administration and shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to Minnesota Statutes, Section 3.30.

\$250,000 each year is for grants for youth intervention programs.

\$101,000 each year is for a grant to the environmental conservation library (ECOL).

\$261,000 each year is for the service bureau of the land management information center.

Community Development

| | |
|-------------|-------------|
| \$2,923,550 | \$1,665,000 |
|-------------|-------------|

The following functions are included within this program: technical assistance, fiscal studies, planning assistance grants, small business assistance, business and community contact, international trade, grants and loans, and Indian business loans.

\$87,000 each year is for a grant to the Duluth Port Authority.

\$215,000 each year is for community development corporations.

\$959,000 the first year and \$479,500 the second year is for regional planning grants.

\$300,000 the first year and \$150,000 the second year is for land use planning grants to local governments.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

The payment of \$300,000 to the Arrowhead regional development commission made in 1979 by action of the legislative advisory commission upon request of the state planning agency shall be repaid by the Arrowhead commission through the performance by the Arrowhead commission of community and economic development projects. Beginning in fiscal year 1982, \$75,000 of the appropriation authorized under Minnesota Statutes, Section 462.396 shall be committed for the purposes of this repayment and shall continue to be committed in succeeding fiscal years until the sum of the original payment is reached. Proposed community and economic development projects for which this funding will be utilized will be specified by the Arrowhead commission in a detailed work program contained within the annual work program required under section 462.396. This detailed work program shall be submitted to the legislative commission on Minnesota resources annually for approval prior to the expenditure of any monies provided in this section. The work program and any progress reports shall be in the form determined by the legislative commission on Minnesota resources.

\$42,500 each year is for a grant to the government training service.

Tourism

| | |
|-------------|-------------|
| \$1,293,300 | \$1,306,800 |
|-------------|-------------|

\$600,000 each year is for tourism advertising and promotion.

\$350,000 each year is for tourism grants.

Energy

| | |
|-------------|-------------|
| \$2,154,100 | \$1,826,500 |
|-------------|-------------|

\$300,000 in the first year is for district heating preliminary planning

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

grants to municipalities for planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and obtaining community commitment for detailed planning or design and preparation of a final report. The amount of a grant shall be limited to 90 percent of eligible planning costs and shall not exceed \$20,000.

The director of the energy agency shall prepare and submit to the legislative advisory commission a list of district heating grant requests. The list shall contain the necessary supporting information. The recommendation of the legislative advisory commission shall be transmitted to the governor. The governor shall approve or disapprove, or return for further consideration, each project recommended for approval by the legislative advisory commission. The grants may be disbursed only upon approval by the governor.

\$130,000 the first year and \$70,000 the second year is for a superinsulated home demonstration project. Grants from this appropriation are available only when matched from private resources on a dollar for dollar basis.

General Support

| | |
|-----------|-----------|
| \$955,000 | \$956,300 |
|-----------|-----------|

In the first year the amount for each agency prior to the merger of the four agencies is as follows:

| | 1982 | 1983 |
|------------------------------|------|------|
| | \$ | \$ |
| Crime Control Planning Board | | |
| \$100,000 | | |
| State Planning Agency | | |
| \$325,000 | | |
| Economic Development | | |
| \$330,000 | | |
| Energy Agency | | |
| \$200,000 | | |

When the merger occurs, any unexpended balances from the above appropriation are available to the merged department for the purposes of general support.

The commissioner shall present a complete budget and staffing plan to the committees on finance in the senate and appropriations in the house by September 1, 1981.

Sec. 31. NATURAL RESOURCES ACCELERATION

| | | |
|--|------------|------------|
| Subdivision 1. General Operations and Management | 15,315,000 | 12,821,000 |
|--|------------|------------|

Approved Complement—133

The amounts that may be expended from this appropriation for each activity are more specifically described in the following subdivisions of this section.

For all appropriations in this section, except as otherwise specifically provided, if the appropriation for either year is insufficient, the appropriation for the other year is available for it.

| | 1982 | 1983 |
|--|---------|---------|
| | \$ | \$ |
| Subd. 2. Legislative Commission on Minnesota Resources | 238,000 | 237,000 |

The commission shall during the 1981-1983 biennium review the work programs and progress reports required under this section, and report its findings and recommendations to the committee on finance of the senate, committee on appropriations of the house of representatives and other appropriate committees. The commission shall establish oversight committees to continue review of a variety of natural resource subject areas as it deems necessary to carry out its legislative charge.

| | | |
|--------------------------------------|-----------|-----------|
| Subd. 3. State Planning Agency | 4,580,000 | 4,359,000 |
|--------------------------------------|-----------|-----------|

Approved Complement—16

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Land Use Change

\$65,000 \$65,000

Approved Complement—2

To complete a pilot program to develop rapid and inexpensive procedures to update the land use information. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(b) Outdoor Recreation Act Implementation

\$37,000 \$37,000

Approved Complement—1

For the agency review process required in Minnesota Statutes, Chapter 86A.

| | 1982 | 1983 |
|------------------------------------|-------------|------|
| | \$ | \$ |
| (c) Local Significance Contingency | | |
| \$2,000,000 | \$2,000,000 | |

This appropriation is available to pay up to 50 percent of the total cost or 50 percent of the local share if federal matching money are used, of long term lease, acquisition and development of recreational projects for the purposes described in Laws 1965, Chapter 810, Section 23, as amended by Laws 1969, Chapter 1189, Section 48, Subdivision 7, Paragraph g, except that no lake improvement grants are authorized under this subdivision and the per project limit for state grants is \$200,000.

\$1,000,000 the first year and \$1,000,000 the second year is reserved for projects outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2.

The state planning agency shall administer the natural resources and land and water conservation fund grants-in-aid to local units of government. Notwithstanding any other law to the contrary these grants are not contingent upon the matching of federal grants.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding such expenditures.

(d) Regional Significance
Contingency

\$2,000,000 \$2,000,000

This appropriation is available to pay up to 50 percent of the total cost or 50 percent of the local share if federal matching money are used, for long term

1982

1983

\$

\$

lease, acquisition and major development for recreation projects, natural areas and open space serving a regional need to counties, local units of government and special units of government authorized to acquire, maintain and operate recreational and natural areas.

\$1,000,000 the first year and \$1,000,000 the second year shall be reserved for projects outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. Priorities for the use of funds provided in this subdivision will be given to projects eligible for federal funding and which are consistent with priorities established by regional recreation and open space plans.

The amount needed but not to exceed \$1,000,000 the first year and \$1,000,000 the second year, from this appropriation shall be transferred to the metropolitan council to pay principal and interest coming due in the respective fiscal years on bonds issued pursuant to Laws 1974, Chapter 563, Section 7, Subdivision 2; none of this amount may be expended for professional services.

The state planning agency shall administer the natural resources and land and water grants-in-aid program.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding such expenditures. If a balance remains on July 1, 1982, then the remainder of the appropriation may be made available for either local or regional significance grants.

(e) Grant Administration

Approved Complement—6

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Up to \$185,000 the first year and \$185,000 the second year of the amounts appropriated in the above paragraphs for local and regional significance grants is available for grant administration.

(f) Soils and Topographic Data

Computerization

\$50,000 \$40,000

Approved Complement—1

To incorporate topographic information into the land management information system and determine the most productive ways to incorporate soils information.

(g) Public Land Records

\$150,000 \$149,000

Approved Complement—2

In conjunction with the department of natural resources and in cooperation with the historical society and administration department, develop a comprehensive land ownership system. Of this amount, \$105,000 is to preserve original land records of the department of natural resources. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(h) Computer Work Station

\$210,000 \$—0—

Approved Complement—1

To augment the present computer equipment to accommodate increased

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

levels of service demanded by state agencies and other clientele.

(i) Information and Data Exchange

\$68,000 \$68,000

Approved Complement—3

To complete the centralized source index for natural resource information.

| | | |
|--|-----------|-----------|
| Subd. 4. Department of Natural Resources | 6,466,000 | 6,022,000 |
|--|-----------|-----------|

Approved Complement—96

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Floodwater Retention Assistance

\$534,000 \$534,000

Approved Complement—1

To assist the lower Red River watershed management board by providing up to 50 percent of the non-federal share of the cost of projects approved by the board for floodwater retention in the jurisdiction of the board. All available local, state, federal and private sources shall be requested to provide financial assistance. Of this amount, up to \$34,000 the first year and \$34,000 the second year is available for the biennium to the department for staff and essential equipment, and \$87,500 the first year and \$87,500 the second year is available for watershed planning and related activities on the same cost sharing basis. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

(b) Koochiching County Ditch
Investigation

\$35,000 \$—0—

The department may contract for consulting services to determine the basis for state share of ditch repair costs and shall recommend a proposed policy for ditch repair where state land is involved.

(c) Regional Water Data Network

\$34,000 \$33,000

Approved Complement—1

To train employees, establish, and test a statewide data system through regional offices. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(d) Shoreland Update

\$119,000 \$119,000

Approved Complement—2

The department shall provide an update to the 1969 shoreland study, assess the current management program and assist counties by making the data accessible to all levels of government. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(e) Wild and Scenic Rivers
Operations

\$58,000 \$58,000

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | \$ | |

Approved Complement—2

The department shall assist local units through technical and administrative support to implement the wild and scenic rivers program.

(f) Rainy River Navigation Improvement

\$88,000 \$-0-

The department shall provide a grant to Lake of the Woods county to remove pilings and to disburse rock cribs in the river.

(g) Hydroelectric Pilot Plant

\$250,000 \$-0-

For the design and engineering phase of hydropower redevelopment of the Kettle River dam.

(h) Geological Test Drilling Equipment Augmentation

\$75,000 \$-0-

To improve the applicability of existing state owned drilling equipment by adding tools and equipment designed for deep hole boring, as required by the joint project between department of transportation, Minnesota geologic survey and department of natural resources.

(i) Forest Resource Plan

\$355,000 \$355,000

Approved Complement—8

To prepare a forest resources plan and develop a management information sys-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

tem, including the appropriate land suitability analyses and program budgets. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(j) Accelerate Private Forest Management

\$330,000 \$330,000

Approved Complement—10

To provide increased technical management assistance to private nonindustrial forest land owners throughout the state, and, in cooperation with the soil and water conservation board, encourage landowners to apply for available federal cost sharing assistance for implementation of practices. Of this amount, \$60,000 the first year and \$60,000 the second year is available for a pilot project in the seven counties within the Richard J. Dorer memorial hardwood forest to provide up to 50 percent of the nonfederal share of the costs of implementing forestry practices which are eligible for federal cost sharing assistance. After October 1, 1982, the unused portion for the pilot project may also be used for cost sharing assistance in other areas of the state as indicated by landowner interest and request.

(k) Accelerate Phase II Inventory

\$367,000 \$367,000

Approved Complement—10

To accelerate the inventory in Beltrami state forest, Aitkin and Pine counties. Data shall be collected in a format consistent and compatible with the Minnesota land management in-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

formation system and provided to that system as appropriate.

(l) Fire Management Analysis

\$85,000 \$85,000

Approved Complement—6

To analyze fire management in the balance of the state and determine methods for internal savings and improved management.

(m) Pulpwood Weight Study

\$150,000 \$150,000

Approved Complement—6

The department shall establish uniform cord weights for jack pine, tamarack, balsam fir and balsam poplar after sufficient research and measurement. The department shall provide a comparison between consultation and staff performance of this project, prior to work program approval.

(n) Forest Soil Specialization

\$66,000 \$66,000

Approved Complement—3

To improve efficiency of management by providing technical soil interpretation to field foresters and planners. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(o) Wildlife Area Inventory

\$73,000 \$74,000

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

Approved Complement—1

To complete the data collection and recording on the remaining wildlife management areas. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(n) Park Development

\$2,304,000 \$2,304,000

Approved Complement—14

To accelerate development in state parks and recreation areas. \$1,225,000 the first year and \$1,225,000 the second year is from the state park development account in the special revenue fund. \$150,000 of this amount represents the balance of the appropriation made in Laws of 1977, Chapter 455, Section 28 for Lake Bronson park, which is cancelled.

Eighty percent of this appropriation shall be spent on projects which qualify for federal reimbursement, grant or match. Expenditures shall be for major rehabilitation and new capital improvement. Up to 15 percent may be spent for professional services.

(o) Outdoor Recreation Act Implementation

\$350,000 \$350,000

Approved Complement—17

To conduct the master planning and other activities required by Minnesota Statutes 1980, Chapter 86A.

Of this amount, \$250,000 the first year and \$250,000 the second year and 12

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

staff complement are for parks planning.

Of this amount, \$100,000 the first year and \$100,000 the second year and five staff complement are for rivers planning to prepare management plans, assist initial implementation of approved plans, oversee acquisition and develop a plan update process. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(p) Minnesota Natural Heritage Program

\$87,000 \$88,000

Approved Complement—2

To continue development and application of the integrated data system in order to expedite state land inventories and improve environmental assessment and decision making, and for planning scientific and natural areas required by Minnesota Statutes 1980, Chapter 86A. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(q) River Planning

\$80,000 \$80,000

The department shall administer a grant to the upper Mississippi headwaters board, if it is created in 1981 law, of up to 50 percent of the cost of implementing the plan.

(r) Natural Resource Policy Development

\$138,000 \$138,000

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Approved Complement—4

To continue accelerated efforts in developing administrative resource management policies, strategies and recommendations for more effective management and policy analysis.

(s) Land Resource and Management Plan

| | |
|-----------|-----------|
| \$238,000 | \$238,000 |
|-----------|-----------|

Approved Complement—4

To initiate a program to assess the relative suitability of each parcel of state owned land for each use which could occur and adjust ownership accordingly through sale, land exchange or acquisition. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate. The department shall provide a comparison between consultation and staff performance of this project, prior to work program approval.

(t) Natural Resource Data System

| | |
|-----------|-----------|
| \$150,000 | \$153,000 |
|-----------|-----------|

Approved Complement—4

To continue coordination and development of resource information for improved management and analysis of programs for effectiveness. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(u) Water Access

| | |
|-----------|-----------|
| \$500,000 | \$500,000 |
|-----------|-----------|

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Approved Complement—1

For acquisition of access sites statewide. Up to 25 percent of this amount is available for development. The department shall make every effort to maximize the use of local effort and finances in the program. Up to 15 percent of the appropriation is available for professional services.

Subd. 5. Water Planning Board

| | | |
|-----------|-------|--|
| \$262,000 | \$—0— | |
|-----------|-------|--|

Approved Complement—7

For fiscal year 1982, to further analyze, develop and promote implementation of management recommendations of the 1979 framework water plan.

| | | |
|-----------------------------------|---------|---------|
| Subd. 6. Pollution Control Agency | 158,000 | 158,000 |
|-----------------------------------|---------|---------|

Approved Complement—4

The agency shall complete phase II of the two phase lake classification study and monitor existing grants. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

| | | |
|----------------------------------|---------|---------|
| Subd. 7. Minnesota Energy Agency | 705,000 | 207,000 |
|----------------------------------|---------|---------|

Approved Complement—6

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Special Peat Energy Project

| | | |
|----------|-------|--|
| \$57,000 | \$—0— | |
|----------|-------|--|

To organize state efforts, and develop a grant proposal for future peat or bio-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

mass demonstration projects. Federal and private money which may become available is appropriated.

(b) Wind Energy Monitoring

\$44,000 \$—0—

Approved Complement—1

To design and implement a wind monitoring system.

(c) Hydropower Redevelopment Coordination

\$14,000 \$14,000

Approved Complement—1

To coordinate the activities of the St. Anthony Falls hydraulics laboratory and the department of natural resources in hydropower activities.

(d) Bagley District Heating

\$400,000 \$—0—

To provide technical support by the agency and a grant of \$380,000 conditional upon the city of Bagley match of \$30,000, to finance the required engineering design phase preparatory to the city seeking full scale development financing for a wood residue fueled district heat system.

(e) Industrial Cogeneration Potential

\$38,000 \$39,000

To assess the potential for industrial cogeneration of electricity and thermal energy and review the state role in cogeneration issues.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

(f) Combustion Turbine Capacity

| | | |
|----------|----------|--|
| \$42,000 | \$43,000 | |
|----------|----------|--|

Approved Complement—1

To review the under used potential and the prospects for modification of existing combustion turbines statewide, including alternative fuel use.

(g) Energy Impact Analysis

| | | |
|----------|----------|--|
| \$37,000 | \$38,000 | |
|----------|----------|--|

Approved Complement—1

To continue assessment of the economic costs and benefits associated with alternative energy development.

(h) Solar Performance Monitoring

| | | |
|----------|----------|--|
| \$73,000 | \$73,000 | |
|----------|----------|--|

Approved Complement—2

To collect, analyze and report information on conventional and low cost solar domestic hot water heaters, passive solar superinsulated homes, and to compare relative performance.

| | | |
|----------------------------------|-----------|-----------|
| Subd. 8. University of Minnesota | 2,331,000 | 1,263,000 |
|----------------------------------|-----------|-----------|

(a) Accelerated Soil Survey

| | | |
|-----------|-----------|--|
| \$889,000 | \$889,000 | |
|-----------|-----------|--|

To continue the survey for the fourth biennium of a six biennium effort to provide the appropriate detailed soil survey on all lands, based upon the adopted cost share formula between counties, state and federal ownership ratios. Data shall be collected in a format consistent and compatible with the Minnesota land

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

management information system and provided to that system as appropriate.

(b) Aeromagnetic Survey

\$818,000 \$-0-

To acquire aeromagnetic survey information for the second biennium of a four biennium effort. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system as appropriate.

(c) Geology of Southeast Minnesota

\$30,000 \$30,000

To determine subsurface drainage and hydrology, and evaluate the impact of land practices.

(d) Environmental Technology

\$244,000 \$244,000

To investigate technical solutions to environmental problems identified with current industrial processes and determine the appropriate future level of effort which may be necessary.

(e) Cement Project Equipment

\$250,000

To purchase research equipment needed for experiments with novel cement production techniques.

(f) Hydropower Technology

\$100,000 \$100,000

To determine the full potential for hydropower development at existing sites, investigate and recommend pro-

| | 1982 | 1983 |
|--|--------|--------|
| | \$ | \$ |
| cedures to deal with environmental impacts and to develop improved hydro-power technology. | | |
| Subd. 9. Historical Society | 75,000 | 75,000 |

Approved Complement—4

For the final effort to develop an archeologic data base which is compatible with the Minnesota land management information system. The society shall publish reports on the location, characteristics and significance for preservation of archeologic sites which will serve to eliminate the delays in environmental assessments and impact statements. Confidentiality and disclosure requirements shall be observed concerning publication of the reports.

Subd. 10. Work Programs

It is a condition of acceptance of the appropriations made by this section that the agency or entity receiving the appropriation shall submit work programs and semi-annual progress reports in the form determined by the legislative commission on Minnesota resources. None of the moneys provided in this section may be expended unless the commission has approved the pertinent work program. Upon request from the commission the agency head shall submit an evaluation by July 1, 1982 as to whether the program should be incorporated in the next agency budget.

Subd. 11. Complement Temporary

Persons employed by a state agency and paid by an appropriation in this section are in the unclassified civil service and their continued employment is contingent upon the availability of money from the appropriation. When the appropriation has been expended, their positions shall be cancelled and the ap-

| | 1982 | 1983 |
|---|---------|---------|
| | \$ | \$ |
| proved complement of the agency reduced accordingly. | | |
| Subd. 12. Natural Resources Federal Reimbursement Account | 500,000 | 500,000 |

This appropriation is from the natural resources federal reimbursement account. The commission may engage in a soil erosion sedimentation study, and a report on the 20 year history of the commission.

Sec. 32. LABOR AND INDUSTRY

| | | |
|------------------------------------|-----------|-----------|
| General Operations and Management. | 7,587,900 | 7,442,200 |
| Approved Complement—1982 | 1983 | |
| | 262 | 262.5 |
| General— | 220.5 | 219.8 |
| Federal— | 36.5 | 37.7 |
| Special— | 5.0 | 5.0 |

The amounts that may be expended from this appropriation for each program are as follows:

| | | |
|-----------------------|-------------|--|
| Employment Standards | | |
| \$646,600 | \$647,600 | |
| Workers' Compensation | | |
| \$4,673,000 | \$4,563,300 | |

Of this appropriation, \$113,700 the first year and \$102,300 the second year are from the special compensation fund.

\$800,000 the first year and \$800,000 the second year is for reimbursement of the special compensation fund pursuant to Minnesota Statutes, Section 176.183, Subdivision 2.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

The commissioner of labor and industry shall designate by July 1, 1981 a person with demonstrated proficiency in the field of workers' compensation laws, practices, and procedures as assistant commissioner to supervise the workers' compensation program.

One of the two additional paralegal positions authorized under the advocacy program shall be assigned to the Duluth office.

\$149,500 the first year and \$149,500 the second year is for payment of peace officer survivor benefits pursuant to section 352E.04. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Code Enforcement

| | |
|-----------|-----------|
| \$605,500 | \$609,800 |
|-----------|-----------|

OSHA

| | |
|-----------|-----------|
| \$871,800 | \$851,200 |
|-----------|-----------|

Included in this appropriation is \$61,000 the first year and \$28,000 the second year for an on-site consultation unit. The department of labor and industry is directed to seek federal match of 90 percent for the appropriation for the second year.

General Support

| | |
|-----------|-----------|
| \$791,000 | \$770,300 |
|-----------|-----------|

Of this appropriation \$50,000 is for fiscal year 1982 legal costs, approved by the attorney general or his designee, related to recovery of claims against third parties.

The commissioner of labor and industry with the approval of the commis-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

sioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 33. MEDIATION SERVICES

| | | |
|------------------------------------|---------|---------|
| General Operations and Management. | 912,000 | 926,300 |
|------------------------------------|---------|---------|

Approved Complement—25.5

Sec. 34. PUBLIC EMPLOYMENT
RELATIONS BOARD

| | | |
|------------------------------------|--------|--------|
| General Operations and Management. | 44,700 | 45,800 |
|------------------------------------|--------|--------|

Approved Complement—1

Sec. 35. MILITARY AFFAIRS

| | | |
|------------------------------------|-----------|-----------|
| General Operations and Management. | 4,770,600 | 4,834,200 |
|------------------------------------|-----------|-----------|

| | | |
|--|------|------|
| | 1982 | 1983 |
|--|------|------|

| | |
|-------------------------|-----|
| Approved Complement—234 | 231 |
|-------------------------|-----|

| | | |
|----------|-----|-----|
| General— | 133 | 130 |
|----------|-----|-----|

| | | |
|----------|-----|-----|
| Federal— | 101 | 101 |
|----------|-----|-----|

Plus additional personnel as may be financed entirely from federal money for the period federal money is available.

The amounts that may be expended from this appropriation for each program are as follows:

**Maintenance of Military Training
Facilities**

| | |
|--------------------|--------------------|
| \$3,767,000 | \$3,905,800 |
|--------------------|--------------------|

| | 1982 | 1983 |
|------------------------|-------------|-------------|
| | \$ | \$ |
| General Support | | |
| | \$1,142,800 | \$1,106,600 |

\$150,000 the first year and \$150,000 the second year is for expenses of military forces ordered to active duty pursuant to chapter 192. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

General Staff Reduction

(\$36,800) (\$74,000)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

General Reduction

(\$102,400) (\$104,200)

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

The adjutant general with the approval of the commissioner of finance may transfer unencumbered balances between the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Notwithstanding any other provision of this act or any other law, the portion

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

of appropriations made in this section that relate to facility maintenance and repairs shall be available for allotment, encumbrance and expenditure upon passage of this act, for the purpose of financing federal reimbursement contracts.

Sec. 36. VETERANS AFFAIRS

| | | |
|---|-----------|-----------|
| General Operations and Management | 8,619,000 | 8,924,100 |
|---|-----------|-----------|

| | 1982 | 1983 |
|--|------|------|
|--|------|------|

| | | |
|----------------------|-------|-------|
| Approved Complement— | 319.5 | 317.5 |
|----------------------|-------|-------|

The amounts that may be expended from this appropriation for each program are as follows:

Veterans Benefits and Services

| | |
|-------------|-------------|
| \$2,147,000 | \$2,258,300 |
|-------------|-------------|

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Of this appropriation, \$48,000 the first year and \$48,000 the second year is for war veterans and war orphans education aid, to be expended pursuant to Minnesota Statutes, Section 197.75.

Veterans Home—Minneapolis

| | |
|-------------|-------------|
| \$4,936,700 | \$5,152,400 |
|-------------|-------------|

Veterans Home—Hastings

| | |
|-------------|-------------|
| \$1,669,300 | \$1,670,000 |
|-------------|-------------|

The department of veterans affairs is directed to review the ratio of direct to indirect resident care positions at the Hastings Veterans Home and reassign staff positions to achieve the ratio rec-

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

ommended by the department of administration's management study or based on an independent needs assessment of the residents. The department shall report to the chairmen of the house appropriations and senate finance committees its efforts to comply with this section by February 15, 1982.

The commissioner of veterans affairs is directed to study the long-term health care needs of veterans in Minnesota and to prepare recommendations relative to further capital construction. The commissioner may utilize the findings of the united veterans legislative council, the northwest steering committee, and studies completed pursuant to Minnesota Laws 1977, Chapter 329. The department of health, the department of public welfare, the management analysis division of the department of administration, the University of Minnesota center for health services research, and the state demographer shall provide consultation assistance as requested and as resources allow. Community alternatives and the use of existing buildings may be considered. The report shall be presented to the chairmen of the veterans affairs committees and the appropriations and finance committees of the legislature by January 1, 1982.

If nondedicated receipts from the federal government and from maintenance charges for the veterans homes are less than \$4,364,700 for fiscal year 1982, and \$5,063,400 for fiscal year 1983, the commissioner of finance shall reduce the amount available to the veterans homes by the amount of the difference. The reductions shall be noted in the budget document submitted to the 73rd legislature.

The nondedicated receipt limitation in Laws 1979, Chapter 333, Section 40 for fiscal year 1981 is reduced by \$396,100.

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

The commissioner of veterans affairs is authorized to establish an imprest cash fund at each of the state operated residential facilities to be utilized for payment to residents participating in on-campus work programs.

Big Island Veterans Camp

| | |
|----------|----------|
| \$16,600 | \$17,200 |
|----------|----------|

The appropriation for the second year shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30. By January 15, 1982, the commissioner shall report to the chairmen of the house appropriations and senate finance committees the options considered by the department and the intended future use of the Big Island veterans camp.

General Staff Reduction

| | |
|------------|------------|
| (\$18,400) | (\$37,000) |
|------------|------------|

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general staff reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

General Reduction

| | |
|-------------|-------------|
| (\$132,200) | (\$136,800) |
|-------------|-------------|

The amounts appropriated for the several programs and activities each year shall be reduced by the amount of the general reduction so that the total appropriated for all programs and activities does not exceed the amount appropriated for general operations and management for that year.

| | 1982 | 1983 |
|--|---------|---------|
| | \$ | \$ |
| <p>The commissioner of veterans affairs with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.</p> | | |
| Sec. 37. INDIAN AFFAIRS | | |
| INTERTRIBAL BOARD | 185,200 | 189,700 |

Approved Complement—7.5

General—6

Federal—1.5

| | | |
|--|--------|--------|
| Sec. 38. COUNCIL ON BLACK MINNESOTANS | 64,700 | 95,700 |
|--|--------|--------|

| 1982 | 1983 |
|------|------|
|------|------|

| | |
|-----------------------|---|
| Approved Complement—2 | 3 |
|-----------------------|---|

| | | |
|---|---------|---------|
| Sec. 39. COUNCIL FOR THE HANDICAPPED | 296,500 | 305,200 |
|---|---------|---------|

Approved Complement—10

The approved complement includes one clerk typist position, which shall be paid for entirely within this appropriation and not eligible for any supplemental appropriation to cover increases in compensation or fringe benefits.

Sec. 40. HUMAN RIGHTS

| | | |
|---|-----------|-----------|
| General Operations and Management | 1,107,400 | 1,129,500 |
|---|-----------|-----------|

| 1982 | 1983 |
|------|------|
|------|------|

| | |
|------------------------|----|
| Approved Complement—57 | 56 |
|------------------------|----|

| | | |
|----------|----|----|
| General— | 43 | 42 |
|----------|----|----|

| | | |
|----------|----|----|
| Federal— | 14 | 14 |
|----------|----|----|

The amounts that may be expended from this appropriation for each program are as follows:

| | | |
|--------------------------|-----------|------|
| | 1982 | 1983 |
| | \$ | \$ |
| Human Rights Enforcement | | |
| \$668,400 | \$680,000 | |

The commissioner of human rights may assign priority to the investigation of charges based on likelihood of early settlement, potential for widespread impact on discriminatory behavior, or other criteria as established by the commissioner.

Planning, Public Information and Administrative Services

| | |
|-----------|-----------|
| \$439,000 | \$449,500 |
|-----------|-----------|

The commissioner of human rights with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

| | | |
|--|--------|--------|
| Sec. 41. COUNCIL ON AFFAIRS OF SPANISH-SPEAKING PEOPLE | 87,700 | 89,100 |
|--|--------|--------|

Approved Complement—3

Notwithstanding any law to the contrary, a staff person of the council in the classified service on or before July 1, 1981, may remain in the classified service.

Sec. 42. HOUSING FINANCE AGENCY

Approved Complement—121

Spending limit on cost of general administration of agency programs:

| | |
|-------------|-------------|
| 1982 | 1983 |
| \$3,488,800 | \$3,543,500 |

| | 1982 | 1983 |
|----------------------------|---------|---------|
| | \$ | \$ |
| Sec. 43. TORT CLAIMS | 825,000 | 825,000 |

To be disbursed by the commissioner of finance.

Of this amount \$400,000 the first year and \$400,000 the second year is from the general fund. \$400,000 the first year and \$400,000 the second year is from the trunk highway fund, and \$25,000 the first year and \$25,000 the second year is from the game and fish fund.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The following amounts are appropriated from the funds listed below to reimburse the general fund in fiscal year 1981 for tort claims paid on behalf of the funds.

| | |
|----------------------|-----------|
| Trunk highway fund | \$548,627 |
| Iron range resources | 156 |
| Highway users fund | 1,655 |
| Game and fish fund | 32,271 |

| | | |
|-----------------------------|-------------|-------------|
| Sec. 44. DEBT SERVICE | 111,950,600 | 114,389,000 |
|-----------------------------|-------------|-------------|

For transfer by the commissioner of finance to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount pursuant to the statutory open appropriation.

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

Sec. 45. WORKERS' COMPENSATION

The appropriations in this act for the operation of each state department or agency, except the department of natural resources, in fiscal 1982 and 1983 include amounts needed to pay workers' compensation obligations to the state compensation revolving fund. It is the intent of the legislature not to appropriate additional money at any future time to pay workers' compensation obligations for fiscal 1982 and 1983, except for the department of natural resources or as may be required by an increase in the statutory level of workers' compensation benefits.

Sec. 46. UNEMPLOYMENT COMPENSATION

The appropriations in this act for the operation of each state department or agency, except the department of natural resources, in fiscal 1982 and 1983 include amounts needed to pay unemployment compensation obligations to the unemployment compensation fund.

It is the intent of the legislature not to appropriate additional money at any future time to pay unemployment compensation obligations for fiscal 1982 and 1983, except for the department of natural resources or as may be required by an increase in the statutory level of unemployment compensation benefits.

| | | |
|------------------------|-------------|-------------|
| Sec. 47. [RETIREMENT.] | 180,377,600 | 194,458,900 |
|------------------------|-------------|-------------|

The amounts that may be expended for each purpose are more specifically described in sections 48 to 59 of this act.

| | | |
|--|-----------|-----------|
| Sec. 48. MINNESOTA STATE RETIREMENT SYSTEM | 3,119,500 | 4,482,500 |
|--|-----------|-----------|

The amounts estimated to be needed for each program are as follows:

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Legislators

| | |
|-----------|-------------|
| \$579,000 | \$1,755,000 |
|-----------|-------------|

Pursuant to Minnesota Statutes, Sections 3A.03, Subdivision 2; 3A.04, Subdivisions 3 and 4; and 3A.11.

Judges

| | |
|-------------|-------------|
| \$2,394,100 | \$2,586,100 |
|-------------|-------------|

\$1,774,100 the first year and \$1,951,100 the second year is pursuant to Minnesota Statutes, Section 490.123, Subdivision 1.

\$620,000 the first year and \$635,000 the second year is pursuant to Minnesota Statutes, Section 490.106.

Constitutional Officers

| | |
|----------|----------|
| \$86,400 | \$86,400 |
|----------|----------|

Pursuant to Minnesota Statutes, Sections 352C.04, Subdivision 3; and 352C.09, Subdivision 2.

State Employee Supplemental Benefits

| | |
|----------|----------|
| \$60,000 | \$55,000 |
|----------|----------|

Pursuant to Minnesota Statutes, Section 352.73.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

| Sec. 49. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION | 1982 | 1983 |
|---|--------|--------|
| | 40,000 | 33,000 |

For supplement benefits pursuant to Minnesota Statutes, Section 353.83.

If an appropriation in this section for either year is insufficient, the appro-

| | 1982 | 1983 |
|--|-----------|-----------|
| | \$ | \$ |
| Sec. 50. MUNICIPAL EMPLOYEES RETIREMENT FUND | 4,950,000 | 4,950,000 |

To the commissioner of finance for payment to the Minneapolis municipal employees retirement fund pursuant to Minnesota Statutes, Section 422A.101, Subdivision 3.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

| | | |
|---|-----------|-----------|
| Sec. 51. POLICE AND FIRE AMORTIZATION AID | 6,535,800 | 6,535,800 |
|---|-----------|-----------|

To the commissioner of finance for state aid to amortize the unfunded liability of local police and salaried firefighters' relief associations, pursuant to Minnesota Statutes, Section 423A.02. If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

| | | |
|--|---------|---------|
| Sec. 52. DEPARTMENT OF EDUCATION | 408,900 | 439,800 |
|--|---------|---------|

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43

| | | |
|---|--------|--------|
| Sec. 53. MINNESOTA EDUCATIONAL COMPUTING CONSORTIUM | 25,500 | 27,400 |
|---|--------|--------|

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43

| | | |
|---------------------------------------|-----------|-----------|
| Sec. 54. STATE UNIVERSITY BOARD | 5,030,000 | 5,030,000 |
|---------------------------------------|-----------|-----------|

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

This appropriation includes money to pay employer contributions for state university faculty members' supplemental retirement pursuant to Minnesota Statutes, Section 136.81, Subdivision 1, estimated to require \$855,000 the first year and \$855,000 the second year, and money to pay employer contributions for state university faculty member's teacher retirement pursuant to Minnesota Statutes, Section 354.43, estimated to require \$4,175,000 the first year and \$4,175,000 the second year.

| | | |
|--|-----------|-----------|
| Sec. 55. STATE COMMUNITY COLLEGE BOARD | 2,751,500 | 2,745,700 |
|--|-----------|-----------|

This appropriation includes money to pay employer contributions for community college faculty members' supplemental retirement pursuant to Minnesota Statutes, Section 136.81, Subdivision 1, estimated to require \$478,400 the first year and \$478,400 the second year, and money to pay employer contributions for community college faculty members' teachers retirement pursuant to Minnesota Statutes, Section 354.43, estimated to require \$2,273,100 the first year and \$2,267,300 the second year.

| | | |
|--|--------|---------|
| Sec. 56. DEPARTMENT OF CORRECTIONS | 95,900 | 103,200 |
|--|--------|---------|

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.

| | | |
|---|---------|---------|
| Sec. 57. DEPARTMENT OF PUBLIC WELFARE | 161,200 | 173,400 |
|---|---------|---------|

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.

| | | |
|--|--------|--------|
| Sec. 58. DEPARTMENT OF ECONOMIC SECURITY | 11,200 | 12,000 |
|--|--------|--------|

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

For employer contributions for members of the teachers retirement association pursuant to Minnesota Statutes, Section 354.43.

| | | |
|--|-------------|-------------|
| Sec. 59. TEACHERS RETIREMENTS | 157,248,100 | 169,926,100 |
|--|-------------|-------------|

Subdivision 1. The amounts that may be expended for each purpose are more specifically described in the following subdivisions of this section.

| | | |
|---|------------|------------|
| Subdivision 1. TEACHERS RETIREMENT ASSOCIATION | 76,535,100 | 82,855,500 |
|---|------------|------------|

The amounts estimated to be needed for each program are as follows:

Teachers Statewide

| | |
|--------------|--------------|
| \$76,533,100 | \$82,854,000 |
|--------------|--------------|

Pursuant to Minnesota Statutes, Section 354.43.

Teachers Supplemental Benefits—
1915

| | |
|---------|---------|
| \$2,000 | \$1,500 |
|---------|---------|

Pursuant to Minnesota Statutes, Section 354.55, Subdivision 5.

| | | |
|--------------------------------------|------------|------------|
| Subd. 2. FIRST CLASS CITIES | 17,255,900 | 17,979,600 |
|--------------------------------------|------------|------------|

To the commissioner of finance for payment to teachers retirement associations in Duluth, Minneapolis, and St. Paul, pursuant to Minnesota Statutes, Section 354A.12, Subdivision 2.

| | | |
|--|------------|------------|
| Subd. 3. TEACHERS SOCIAL SECURITY | 63,457,100 | 69,091,000 |
|--|------------|------------|

To the commissioner of employee relations for payment to the federal govern-

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

ment, pursuant to Minnesota Statutes, Section 355.46.

The amounts that estimated to be needed for each purpose are as follows:

Contributions

| | |
|--------------|--------------|
| \$63,401,900 | \$69,031,000 |
|--------------|--------------|

Cost of Administration

| | |
|----------|----------|
| \$55,200 | \$60,000 |
|----------|----------|

| | | |
|--------------------------------------|---------|---------|
| Sec. 60. GAS TAX REIMBURSEMENT | 859,100 | 877,200 |
|--------------------------------------|---------|---------|

This appropriation is from the highway user tax distribution fund.

The commissioner of finance shall transfer to the general fund on January 1 each year the amounts necessary to reimburse the general fund for the cost of collecting the tax on gasoline and gasoline substitutes and the cost of bond premiums during the 1981-83 biennium.

Sec. 61. [APPROPRIATIONS; CURRENT PAYROLL COSTS NOT FUNDED.]

Subdivision 1. [COST OF LIVING.] The cost of living increases covered by this subdivision are those that became effective December 31, 1980 pursuant to sections 43.12, subdivision 10 and 43.127 for classified employees, pursuant to section 43.128 for unclassified employees who are paid salaries comparable to employees in the classified service, and pursuant to action of the appointing authority for unclassified employees in the executive, judicial, and legislative branches of state government, and employees of the Minnesota historical society and academic and nonacademic employees of the University of Minnesota who are paid from state appropriations. For agencies whose request to the legislature in the governor's proposed biennial budget for 1981-83 did not include an amount to pay the annualized cost of the cost of living increases covered by this subdivision, the amounts necessary to pay those costs 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, 1982 and June 30, 1983. The amount provided by the general fund shall not exceed \$13,872,000 the

first year and \$13,872,000 the second year. In the case of salaries that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make these reimbursements are also appropriated.

Subd. 2. [INSURANCE.] For agencies whose request to the legislature in the governor's proposed biennial budget for 1981-83 did not include an amount to pay the annualized cost of the premium rate increases effective October 1, 1980 for basic life insurance and basic health benefit coverage for eligible state employees and their dependents, the amounts necessary to pay those costs 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, 1982 and June 30, 1983. The amount provided by the general fund shall not exceed \$2,504,000 the first year and \$2,504,000 the second year. In the case of premiums that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make these reimbursements are also appropriated.

Sec. 62. [APPROPRIATION; SALARY SUPPLEMENT.]

Subdivision 1. [APPROPRIATION.] The compensation and economic benefit increases covered by this subdivision are those paid to classified and unclassified employees in the executive, judicial, and legislative branches of state government, and to employees of the Minnesota historical society and academic and nonacademic employees of the University of Minnesota who are paid from state appropriations, if the increases are authorized by law during the 1981 session of the legislature or by appropriate resolutions for employees of the legislature, or are given interim approval by the legislative commission on employee relations pursuant to section 3.855 and section 43.113 or section 179.74, subdivision 5. The amounts necessary to pay compensation and economic benefit increases covered by this subdivision 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, 1982, and June 30, 1983. The amount provided by the general fund shall not exceed \$55,890,500 the first year and \$122,347,800 the second year. In the case of salaries that are paid from one fund, but that fund is reimbursed by another fund, the amounts necessary to make these reimbursements are also appropriated.

Subd. 2. [TRANSFER.] 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.

Subd. 3. [UNIVERSITY OF MINNESOTA.] 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, 1983 shall be returned to the general fund.

Sec. 63. [FEDERAL BLOCK GRANT MONEYS.]

If federal moneys become available to the state for expenditure while the legislature is not in session as a result of consolidation into block grants of federal moneys previously distributed as categorical grants, one-fourth of the federal fiscal year 1982 moneys are allocated as provided by clauses (1) and (2). The balance of the moneys shall be appropriated or allocated by the legislature at its next session or as provided by Minnesota Statutes, Section 3.3005, Subdivisions 1 to 3.

(1) To the extent that the block grant moneys replace federal moneys appropriated for the preceding fiscal year which were distributed to the state, the moneys shall be allocated in proportions equal to their respective shares of the total amount of the moneys included in the governor's budget, otherwise approved pursuant to Minnesota Statutes, Section 3.3005, or authorized by law.

(2) To the extent that the block grant moneys replace federal moneys appropriated during the preceding fiscal year which were distributed directly to local governments or to nongovernmental entities, the moneys shall be allocated and distributed to the same entities and in the same proportion as the federal categorical grants were distributed during the preceding fiscal year, unless otherwise provided by federal law. Grants for projects the funding of which terminate during the preceding fiscal year shall be subject to review by the legislature pursuant to Minnesota Statutes, Section 3.3005, Subdivision 4, and if terminated, the amount of the grant shall not be considered in calculating the distributions pursuant to this clause. Distribution of these moneys shall not be subject to the provisions of Minnesota Statutes, Sections 15.041 to 15.052.

The amounts of each block grant that shall be distributed under clause (1) and clause (2) shall be in proportion to the percentage of the total amount of moneys replaced by the block grant distributed during the preceding fiscal year (a) to the state and (b) directly to local governments or nongovernmental entities.

**DEPARTMENT OF ENERGY, PLANNING
AND DEVELOPMENT**

Sec. 64. [116J.01] [DEPARTMENT OF ENERGY, PLANNING AND DEVELOPMENT.]

Subdivision 1. [APPOINTMENT.] The department of energy, planning and development shall be supervised and controlled by the commissioner of energy, planning and development, who shall be appointed by the governor and serve under the provisions of section 15.06.

Subd. 2. [UNCLASSIFIED POSITIONS.] The commissioner may appoint a deputy commissioner and a personal secretary in the unclassified service.

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06.

Sec. 65. [116J.02] [TRANSFER OF POWERS.]

Subdivision 1. [STATE PLANNING AGENCY.] All powers, duties, and functions heretofore vested in or imposed on the state planning agency, state planning officer, or the director of planning by sections 4.10 to 4.36 or chapters 116C, 116D, 116G, or any other law relating to the duties and powers of the state planning agency are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of director of planning and the state planning agency as heretofore constituted are abolished.

Subd. 2. [ENERGY AGENCY.] All powers, duties, and functions heretofore vested in or imposed on the Minnesota energy agency or the director of the Minnesota energy agency by chapter 116H or any other law relating to the duties and powers of the director of the Minnesota energy agency are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of director of the Minnesota energy agency and the Minnesota energy agency as heretofore constituted are abolished.

Subd. 3. [DEPARTMENT OF ECONOMIC DEVELOPMENT.] All powers, duties, and functions heretofore vested in or imposed on the department of economic development or the commissioner of economic development by chapter 362 or any other law relating to the duties and powers of the commissioner of economic development are transferred to, vested in, and imposed on the commissioner of energy, planning and development. The position of commissioner of economic development and the department of economic development as heretofore constituted are abolished.

Subd. 4. [POSITIONS TRANSFERRED.] Personnel positions in the state planning agency, energy agency, department of economic development and crime control planning board in the classified civil service, and temporary positions in the unclassified service established pursuant to section 43.05, subdivision 2,

clause (9), formerly assigned to functions that are transferred by this section to the department of energy, planning and development are continued and transferred to the department of energy, planning and development along with the function transferred.

Subd. 5. [BALANCES TRANSFERRED.] *The unexpended balance of any appropriation to the state planning agency, the energy agency, the department of economic development, the crime control planning board, or any of their divisions or agencies is transferred to the commissioner of energy, planning and development, who shall pay all valid claims presented against those appropriations.*

Subd. 6. [RECORDS TRANSFERRED.] *The director of planning, the director of the energy agency, the commissioner of economic development, and the chairperson of the crime control planning board shall transfer to the commissioner of energy, planning and development all contracts, books, maps, plans, papers, records, and property of every description within his jurisdiction or control.*

Subd. 7. [PROCEEDINGS CONTINUED.] *Any proceeding, court action, prosecution, or other business or matter that is pending on the effective date of this section and that involved or was commenced by the director of planning, the director of the energy agency, or the commissioner of economic development may be conducted and completed by the commissioner of energy, planning and development in the same manner, under the same terms and conditions, and with the same effect as though it involved or were commenced and conducted or completed by the officer who began it.*

Subd. 8. [AUTHORITY CONTINUED.] *The authority of the commissioner of energy, planning and development regarding functions transferred to the commissioner by this section is a continuation of the authority of the officer from which it was transferred regarding those functions, with the same force and effect as though the functions, powers, or duties of the officer had not been assigned or transferred, and does not constitute a new authority for the purpose of succession to all rights, powers, duties, and obligations of the officer, as constituted at the time of the assignment or transfer. All rules heretofore promulgated under authority of a power, duty, or responsibility transferred by this section to the commissioner of energy, planning and development shall remain in full force and effect until amended or repealed.*

Subd. 9. [PERSONNEL POSITIONS ABOLISHED.] *All personnel positions formerly in the state planning agency, energy agency, or department of economic development and not transferred by this section to the department of energy, plan-*

ning and development, are abolished. All staff positions formerly serving the crime control planning board are abolished. Nothing in this section is intended to abrogate or modify any rights now enjoyed by affected employees under terms of an agreement between an exclusive bargaining representative and the state or one of its appointing authorities.

Subd. 10. [REPORT.] The commissioner shall report to the energy and housing committee and the governmental operations committee of the senate and the regulated industries and energy committee and the governmental operation committee of the house of representatives by November 15, 1981. The report shall detail recommendations on the proper organization of statewide energy functions, including but not limited to, power plant siting and capacity, certification of need, environmental impact studies, rate setting, and the jurisdiction and role of the environmental quality board.

Subd. 11. [REPORT.] The commissioner shall report to the governmental operations committees of the senate and the house of representatives on the reorganization authorized by this section on or before March 1, 1982.

Sec. 66. [116J.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 4.11 to 4.30; 4.35; 4.36; 116H.01 to 116H.23; 299A.03; 299A.04; and 362.12 to 362.53, the terms defined in this section have the meaning given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of energy, planning and development.

Subd. 3. [DEPARTMENT.] "Department" means the department of energy, planning and development.

Sec. 67. [116J.04] [ENERGY POLICY DEVELOPMENT COUNCIL.]

A council of 15 members to act in an advisory capacity on energy policy development to the commissioner is created. Members shall be appointed by the governor, with the advice and consent of the senate, one from each congressional district and seven from the state at large. The council members shall broadly represent the scientific, technical, educational, business and labor fields and at least four members shall be from educational and scientific research institutions. The council shall develop recommendations on policy for energy issues and energy needs and shall advise the commissioner on the energy related functions of the department. The commissioner shall report to the legislature on the major energy policy recommendations of the council. The council shall organize and elect among its members such other officers as it may deem necessary. The council shall meet at the call of the chair. The terms, compensation and removal of

members shall be as provided by section 15.059. The council may advise the commissioner on the transfer of energy agency personnel and functions.

Sec. 68. Minnesota Statutes 1980, Section 3.922, Subdivision 1, is amended to read:

Subdivision 1. [CREATION, MEMBERSHIP.] There is created a state Indian affairs intertribal board to consist of the following ex-officio members: The governor or a member of his official staff designated by him, the commissioner of education, the commissioner of public welfare, the commissioner of natural resources, the commissioner of human rights, the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development*, the commissioner of corrections, the executive director of the Minnesota housing finance agency, the commissioner of iron range resources and rehabilitation, and the commissioner of health each of whom may designate a member of his staff to serve in his place, three members of the state house of representatives appointed by the speaker of the house of representatives, and three members of the state senate appointed by the committee on committees of the senate. Voting members of the board shall be: the duly elected tribal chairmen of the Fond Du Lac reservation business committee; the Grand Portage reservation business committee; the Mille Lacs reservation business committee; the White Earth reservation business committee; the Bois Forte (Nett Lake) reservation business committee; the Leech Lake reservation business committee; the Red Lake tribal council; the Upper Sioux board of trustees; the Lower Sioux tribal council; the Shakopee-Mdewankanton general council; the Prairie Island tribal council; and two members to be selected pursuant to subdivision 2. The chairmen of the above Indian committees, trusts, or councils may designate in writing a member who shall have been elected at large to an office in the committee, trust, or council, to serve in his place. Board members appointed to represent the state house of representatives, the state senate or tribal governments shall no longer serve on the board at such time as they are no longer members of the bodies which they represent, and upon such circumstances, their offices shall be vacant. A member who is a designee of a tribal chairman shall cease to be a member at the end of the term of the tribal chairman who designated him. Ex-officio members or their designees on the board shall not be voting members of the board.

Sec. 69. Minnesota Statutes 1980, Section 4.10, is amended to read:

4.10 [STATEWIDE PLANNING; PURPOSES.]

In order that the state benefit from an integrated program for the development and effective employment of its resources, and in order to promote the health, safety, and general welfare of its citizens, it is in the public interest that a (PLANNING AGENCY) *department* be created in the executive branch of the

state government to engage in a program of comprehensive state-wide planning. The (AGENCY) *department* shall act as a directing, advisory, consulting, and coordinating agency to harmonize activities at all levels of government, to render planning assistance to all governmental units, and to stimulate public interest and participation in the development of the state.

Sec. 70. Minnesota Statutes 1980, Section 4.11, Subdivision 4, is amended to read:

Subd. 4. To the greatest extent practicable the (STATE PLANNING OFFICER) *commissioner* shall limit the permanent staff engaged in the programs authorized by sections 4.10 to 4.17 and shall contract for basic research, employ consultants, and use the existing facilities of state departments and agencies. It is desirable that he utilize the facilities of the university of Minnesota to provide (a) continuing geographic projection and detailed studies of the state's population, economy, and land use; (b) a central repository for the research data necessary for such functions; and (c) educational activities essential to the implementation of state planning.

Sec. 71. Minnesota Statutes 1980, Section 4.11, Subdivision 5, is amended to read:

Subd. 5. The governor may direct any state department or other agency of the state government to furnish the (STATE PLANNING AGENCY) *commissioner* with such personnel, equipment, and services as are necessary to enable (IT) *commissioner* to carry out (ITS) *the commissioner's* powers and duties, and prescribe the terms thereof. When requested by the (STATE PLANNING AGENCY) *commissioner* to perform planning work, state agencies will be expected to use existing staff.

Sec. 72. Minnesota Statutes 1980, Section 4.11, Subdivision 8, is amended to read:

Subd. 8. Within the organization of the state (PLANNING AGENCY) *department of energy, planning and development*, the position of state demographer shall be appointed by and serve under the supervision and control of the (DIRECTOR OF PLANNING) *commissioner*. The state demographer shall be professionally competent in the field of demography and shall possess demonstrated ability, based upon experience and past performance.

Sec. 73. Minnesota Statutes 1980, Section 4.12, is amended to read:

4.12 [POWERS AND DUTIES.]

Subdivision 1. The (STATE PLANNING OFFICER) *commissioner* shall:

(1) Prepare comprehensive, long range recommendations for the orderly and coordinated growth of the state including detailed recommendations for long range plans of operating state departments and agencies.

(2) The state, in the development of long range planning, shall take into consideration its relationship to local units of government and the planning to be accomplished on such levels.

Subd. 2. The (STATE PLANNING OFFICER) *commissioner* shall:

(1) Review current programming and future planning of all state departments and agencies.

(2) Report regularly and on or before November 15 of each even numbered year to the legislature, reviewing in each report the state planning program, and the progress and development thereof. Thereafter, as soon as practicable, he shall make recommendations for desirable legislation and necessary appropriations.

(3) To the extent practicable coordinate with state budgets the items therein relating to and reflecting statewide planning as authorized by the legislature and as recommended for the consideration of the legislature.

(4) Require each state department and agency having planning programs to regularly file copies thereof with him for review.

(5) Make available to the legislature or any authorized committee or commission thereof information concerning statewide development plans and basic research from which the plans have been developed.

(6) Act as the coordinating agency for the planning activities of all state departments and agencies and local levels of government.

(7) Review all plans filed with the federal government by state departments and agencies pursuant to section 16A.30, or any other law as a part of his duties prescribed by this section. The commissioner of finance shall furnish the (STATE PLANNING OFFICER) *commissioner* the information required by this clause.

(8) Encourage the development of planning programs by state departments and agencies and local levels of government.

(9) Act as the coordinating agency for submission of the environmental impact statements required by the National Environmental Policy Act and the state's comments thereon to the appropriate federal agencies.

Subd. 3. The (STATE PLANNING OFFICER) *commissioner*: (1) shall appear before the Minnesota municipal board when requested by the board to present studies and data regarding any annexation, incorporation, or detachment proceedings pending before the board;

(2) may contract with a county or regional planning agency or a planning consultant for the making of studies and the compiling of data relating to any annexation, incorporation, or detachment proceedings before the board;

(3) at his discretion or upon the written request of any governmental unit, group of governmental units, or a regional planning agency, may conduct studies relating to the feasibility of annexation, incorporation, or consolidation of a town or governmental units. (SUCH) *The studies shall be undertaken only in areas where there is reasonable grounds to believe that problems of urban growth may require the incorporation, or consolidation of governmental units, or the annexation of unincorporated areas in order to provide essential urban services.*

Subd. 4. The (OFFICE OF LOCAL AND URBAN AFFAIRS) *commissioner* shall: (1) undertake studies to obtain information and data on urban and rural needs, assistance programs, and activities. (IT) *The commissioner shall provide technical assistance and advice in the solution of such problems. The duties of the (OFFICE) commissioner shall include, but are not limited to, the assembly, the correlation, and dissemination of physical, social, and economic development data to inform local governmental units and interested persons and organizations of the availability and status of federal, state, and local programs and other resources for the solution of urban and rural problems;*

(2) make available to the governor and the legislature pertinent information relating to federal grants in aid to local governmental units and an analysis thereof;

(3) inform local governmental units about federal programs of social or economic aid or assistance for which they are eligible, together with the criteria, standards, and conditions upon which (SUCH) *the aid is based.*

Subd. 5. The (OFFICE OF LOCAL AND URBAN AFFAIRS) *commissioner*: (1) shall not undertake on behalf of

any local governmental unit the responsibility of filling out application forms for federal grants in aid unless required by federal law or regulation promulgated thereunder, but instead will limit (ITS) *the activities of the department* in relation to federal aid applications to the publication and distribution of manuals and the furnishing of advice and otherwise guide the officers of local governmental units in properly making out required application forms;

(2) shall not be responsible in any way to promote any federal grant in aid or planning program;

(3) shall coordinate information which shall be submitted to (IT) *the commissioner* by a special district or region recognized by the federal government with responsibility of reviewing federal grants in aid applications for community and nonprofit corporations within the district or region. (SUCH) Special districts or regions shall submit copies of approved applications for (SUCH) *this* purpose. Unless the requirements of this clause are complied with no state department or agency may provide assistance or funds for any project submitted to the federal government through a special district or region. Where there is a metropolitan planning agency or regional council created by law, the (STATE PLANNING OFFICER) *commissioner* may delegate to (SUCH) *the* council or agency the responsibilities of this clause;

(4) shall have only advisory responsibility or jurisdiction in any area of the state within the jurisdiction of a metropolitan planning agency or regional council created by law.

Subd. 6. The (DIRECTOR OF PLANNING) *commissioner* shall:

(1) Employ personnel with qualifications as are needed to perform the duties prescribed in this section. To the greatest extent practicable, the (DIRECTOR OF PLANNING) *commissioner* shall limit the permanent demographic staff and shall contract for basic research, employ consultants, and use the existing facilities of state departments, other agencies, and the state educational institutions, and

(2) Utilize the computer facilities of the state or state educational institutions for the research data necessary for periodic population projections.

Subd. 7. The (STATE DEMOGRAPHER) *commissioner*:

(1) Shall continuously gather and develop demographic data within the state;

(2) Shall design and test methods of research and data collection;

(3) Shall have the power to call upon any agency of the state or political subdivision for data as may be available, and the agencies and political subdivisions shall cooperate to the fullest extent possible;

(4) Shall periodically prepare population projections for designated regions and for the state and may periodically prepare projections for each county, or other political or geographic division;

(5) Shall review, comment, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies or nongovernmental persons, institutions or commission;

(6) Shall serve as the state liaison with the federal bureau of census, shall coordinate his activities with federal demographic activities to the fullest extent possible, and shall aid the legislature in preparing a census data plan and form for each decennial census;

(7) Shall compile an annual study of population estimates on the basis of county, regional or other political or geographic divisions as necessary to carry out the purposes of (LAWS 1974, CHAPTER 327) *this subdivision and section 4.125*;

(8) Shall, on or before January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(9) Shall cause to be prepared maps of all counties in the state, all municipalities with a population of 10,000 or more, and any other municipalities as deemed necessary for census purposes, according to scale and detail recommended by the federal bureau of the census, with the maps of cities showing boundaries of precincts; and

(10) Shall annually prepare a population estimate for each governmental subdivision for which the metropolitan council does not prepare an annual population estimate, and shall communicate the estimate to the governing body of each governmental subdivision by May 1 of each year.

Subd. 8. The (STATE PLANNING OFFICER) *commissioner* may charge a fee to each user of the Minnesota land management information system.

Sec. 74. Minnesota Statutes 1980, Section 4.125, is amended to read:

4.125 [POPULATION ESTIMATES AND PROJECTIONS, SUBMISSION BY STATE AGENCIES.]

Each state agency shall submit to the (DIRECTOR OF PLANNING) *commissioner* for his comment all population estimates and projections prepared by it prior to:

(a) Submitting those estimates and projections to the state legislature or federal government to obtain appropriations or grants,

(b) The issuance of bonds based upon those estimates and projections, and

(c) Releasing any plan based upon those estimates and projections.

Sec. 75. Minnesota Statutes 1980, Section 4.13, is amended to read:

4.13 [COOPERATIVE CONTRACTS.]

The (STATE PLANNING OFFICER) *commissioner* may apply for, receive and expend (FUNDS) *money* from municipal, county, regional and other planning agencies; apply for, accept, and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may enter into contracts with agencies of the federal government, local governmental units, the university of Minnesota, and other educational institutions, and private persons as may be necessary in the performance of his duties. Contracts made pursuant to this section shall not be subject to the provisions of chapter 16, as they relate to competitive bidding.

The (STATE PLANNING OFFICER) *commissioner* may apply for, receive, and expend (FUNDS) *money* made available from federal sources or other sources for the purposes of carrying out the duties and responsibilities of the (OFFICE OF) *commissioner relating to local and urban affairs.*

All moneys received by the (STATE PLANNING OFFICER) *commissioner* pursuant to this section shall be deposited in the state treasury and are (HEREBY) appropriated (ANNUALLY THEREFROM) to the (STATE PLANNING OFFICER) *commissioner* for the purposes for which (SUCH) *the moneys* have been received. (NONE OF SUCH) *The money shall not cancel and shall be available until expended.*

Sec. 76. Minnesota Statutes 1980, Section 4.17, is amended to read:

4.17 [RULES AND REGULATIONS.]

No moneys, regardless of the source thereof, made available to the (STATE PLANNING OFFICER) *commissioner* pursuant

to sections 4.10 to 4.17 or any other law shall be expended by him for planning programs until he promulgates and adopts rules (AND REGULATIONS) prescribing the criteria, standards, and procedures to govern the expenditure thereof. (SUCH) *The* rules (AND REGULATIONS) shall be (PROMULGATED AND) adopted under the administrative procedure act as contained in chapter 15, and shall conform with all terms and conditions imposed on the (STATE PLANNING OFFICER) *commissioner* when (SUCH) *the* moneys are made available to him.

Sec. 77. Minnesota Statutes 1980, Section 4.18, Subdivision 2, is amended to read:

Subd. 2. [POLICY.] The (STATE PLANNING AGENCY) *commissioner* shall recommend policies relating to the location of any new buildings proposed by the state or any of its departments or agencies and shall recommend policies relating to the location of state facilities and offices. The policies shall require that whenever feasible and practicable, after due consideration having been given to the functions, uses and services for which (SUCH) *the* buildings or offices are required, (THAT SUCH) *the* buildings, facilities and offices, shall be located in areas of the state not included in a standard metropolitan statistical area to the end that a more equitable balance between urban areas and rural areas in the location of state facilities be finally accomplished. The policies shall provide that in determining the location of (ANY SUCH) *the* building, facility or office, first priority shall be given to locating it where the service need dictates. Second priority shall be given to locating the building, facility or office outside of a standard metropolitan statistical area, to avoid over-urbanization. The policies shall not apply when the legislature has designated the specific location of (ANY SUCH) *the* building facility or office.

Sec. 78. Minnesota Statutes 1980, Section 4.191, is amended to read:

4.191 [PLANNING PROGRAMS.]

Prior to commencing a study, research, or planning program, a state agency or department shall file with the (STATE PLANNING AGENCY) *commissioner* on a form prescribed by the (AGENCY) *commissioner*, a description of the proposed project, including title, purpose, staff assigned, consultants to be used, cost, completion date, and other information prescribed by the agency as appropriate. The (AGENCY) *commissioner* shall develop rules to exclude from the filing requirement projects that the (AGENCY) *commissioner* determines are of minor significance.

Upon completion of the project, a copy shall be filed with the (STATE PLANNING AGENCY) *commissioner*. The (STATE PLANNING AGENCY) *commissioner* shall review the

planning programs of state departments and agencies and submit to the legislature by November 15 of each year a report of findings and recommendations.

Sec. 79. Minnesota Statutes 1980, Section 4.26, Subdivision 1, is amended to read:

Subdivision 1. In order to improve the land use decision-making capability of local government, the (STATE PLANNING AGENCY) *commissioner* shall make grants to the metropolitan council pursuant to section 4.30, and to towns, counties, municipalities, and Indian reservations. The (STATE PLANNING AGENCY) *commissioner* shall give priority when granting (FUNDS) *money* to those areas that show a special need according to the provisions of clauses (a) and (b). The grants may be used to employ staff or contract with other units of government or qualified consultants for the following purposes:

(a) To prepare and implement plans which are required for certain areas by law or by designation as a critical area under chapter 116G.

(b) To prepare and implement plans which the unit of government is authorized by law to undertake for the management of problems resulting from (1) rapid population or economic growth or decline; (2) potential development in environmentally sensitive areas including but not limited to flood plains, wild and scenic rivers, and shorelands; and (3) the addition or elimination of a major state or federal facility;

(c) To assist neighborhood organizations in cities of the first class to do land use and related planning by making grants to the municipality;

(d) To analyze and prepare plans to preserve and protect agricultural land as defined in (MINNESOTA STATUTES 1974,) section 500.24.

Sec. 80. Minnesota Statutes 1980, Section 4.27, is amended to read:

4.27 [ADMINISTRATION.]

The (STATE PLANNING AGENCY) *commissioner* shall determine priorities pursuant to section 4.26, and shall promulgate rules for the submittal and review of applications hereunder in accordance with the provisions of chapter 15.

Sec. 81. Minnesota Statutes 1980, Section 4.29, is amended to read:

4.29 [REGIONAL DEVELOPMENT COMMISSION REVIEW.]

An application for grants from this program shall be submitted to the appropriate regional development commission for review pursuant to (MINNESOTA STATUTES 1974,) section 462.391, Subdivision 3, prior to the submittal to the (STATE PLANNING AGENCY) *commissioner*. The regional development commission shall complete its review within 45 days after receipt of the application. If an application is not reviewed within the requisite time limit or if an extension of time is not agreed to by the affected parties, the application shall be deemed approved. Until units of local government in the metropolitan area as defined by section 473.02 are required by law to prepare and adopt comprehensive plans or portions thereof, the review required by this section shall be made by the metropolitan council for units of local government in the metropolitan area.

Sec. 82. Minnesota Statutes 1980, Section 4.35, is amended to read:

4.35 [TRAIL PLANNING.]

The (STATE PLANNING AGENCY) *commissioner*, in cooperation with the commissioner of natural resources, metropolitan council, and commissioner of transportation, shall review and coordinate plans for trails acquisition and development and trail development grants pursuant to sections 4.36, 85.015, 85.016, 160.265, 473.147, and 473.301 to 473.341.

Sec. 83. Minnesota Statutes 1980, Section 4.36, Subdivision 2, is amended to read:

Subd. 2. [GRANTS FOR PARKS AND TRAILS.] The (STATE PLANNING AGENCY) *commissioner* shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States office of management and budget, but outside of the metropolitan area defined in section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed for parks, trails, conservatories, zoos and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be identical to that required by the legislative commission on Minnesota resources for grants-in-aid for recreation open space of regional

significance. The program shall be administered so as to ensure the maximum possible use of available federal money.

Sec. 84. Minnesota Statutes 1980, Section 4.36, Subdivision 3, is amended to read:

Subd. 3. [GRANTS FOR TRAILS IN LOCAL PARKS.] The (STATE PLANNING AGENCY) *commissioner* shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the costs of the betterment of the trail.

Sec. 85. Minnesota Statutes 1980, Section 4.36, Subdivision 4, is amended to read:

Subd. 4. [GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.] The (STATE PLANNING AGENCY) *commissioner* shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant shall not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the (AGENCY) *commissioner* shall consider, among other factors, evidence of cooperation between units of government, local need and available financial resources, and court locations that encourage maximum use, patronage, and availability.

Sec. 86. Minnesota Statutes 1980, Section 4.36, Subdivision 5, is amended to read:

Subd. 5. [POWERS; RULES.] The (DIRECTOR OF THE STATE PLANNING AGENCY) *commissioner* shall have all powers necessary and convenient in order to establish programs for recreational betterment grants-in-aid for parks, trails, and athletic courts pursuant to this section including, but not limited to, the authority to adopt rules (AND REGULATIONS) for the programs, pursuant to chapter 15, and emergency rules (AND REGULATIONS) to commence immediately the programs, pursuant to section 15.0412.

Sec. 87. Minnesota Statutes 1980, Section 15.01, is amended to read:

15.01 [DEPARTMENTS OF THE STATE.]

The following agencies are designated as the departments of the state government: the department of administration; the

department of agriculture; the department of commerce; the department of corrections; (THE DEPARTMENT OF ECONOMIC DEVELOPMENT;) the department of education; the department of economic security; *the department of energy, planning and development*; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of employee relations; the department of public safety; the department of public service; the department of public welfare; the department of revenue; the department of transportation; the department of veterans affairs; and their successor departments.

Sec. 88. Minnesota Statutes 1980, Section 15.057, is amended to read:

15.057 [PUBLICITY REPRESENTATIVES.]

No state department, bureau or division, whether the same operates on funds appropriated or receipts or fees of any nature whatsoever, except the department of transportation, the department of (ECONOMIC DEVELOPMENT) *energy, planning and development*, the game and fish division, the department of economic security, and the state agricultural society shall use any of such funds for the payment of the salary or expenses of a publicity representative. The head of any such department, bureau, or division shall be personally liable for funds used contrary to this provision. This act shall not be construed, however, as preventing any such department, bureau, or division from sending out any bulletins or other publicity required by any state law or necessary for the satisfactory conduct of the business for which such department, bureau, or division was created.

Sec. 89. Minnesota Statutes 1980, 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 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. Violation of the zoning regulations is a misdemeanor. The board may, at its option, proceed to abate any 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 al-

teration 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 \$1,000,000 may be approved without competition provided such plans have been considered by the advisory committee described in clause (f). Plans for projects estimated to cost less than \$400,000 and for construction of streets need not be considered by the advisory committee if in conformity with the comprehensive plan.

(f) The board shall not adopt any plan under clause (e) unless it first receives the comments and criticism of an advisory committee of three 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 the Minnesota Society of the American Institute of Architects. Members of the committee shall not be contestants under clause (e). The comments and criticism shall be a matter of public information. The committee shall advise the board on all architectural and planning matters. For that purpose:

(1) 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 agency 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 the committee to perform its duties;

(3) When so directed by the board, 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) *commissioner of energy, planning and development* 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 developed 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 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 shall assign quarters in the state veterans service building to (1) the department of veterans affairs of which such part as the commis-

sioner 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, and 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. 90. Minnesota Statutes 1980, Section 15A.081, Subdivision 1, is amended to read:

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, | Effective July 1, | Effective July 1, |
| | 1979 | 1980 | 1981 |
| Administration, department of commissioner | \$44,000 | \$47,000 | |
| Administrative hearings office chief hearing examiner | 38,000 | 40,000 | |
| 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 and real estate | 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 | |

Salary or Range

| | Effective July 1, 1979 | Effective July 1, 1980 | Effective July 1, 1981 |
|--|------------------------------|------------------------------|------------------------------|
| (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) | |
| <i>Energy, planning and development department of commissioner</i> | | 46,000 | |
| Finance, department of commissioner | 48,000 | 50,000 | |
| Health, department of commissioner | 47,000 | 49,000 | |
| 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 | |
| Iron range resources and rehabilitation board commissioner | 30,000 | 31,000 | |

Salary or Range

| | Effective July 1, 1979 | Effective July 1, 1980 | Effective July 1, 1981 |
|---|------------------------------|------------------------------|------------------------------|
| 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 utilities 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 | |
| Transportation, regulation board, board member | | 32,000 | |
| Veterans affairs, department of commissioner | 31,000 | 33,000 | |

Sec. 91. Minnesota Statutes 1980, Section 16.014, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of administration may establish a regional service center on a demonstration basis. (THE STATE PLANNING AGENCY AND THE REGIONAL DEVELOPMENT COMMISSION OF REGION NO. 2 SHALL CO-OPERATE WITH THE COMMISSIONER IN ESTABLISHING THE SERVICE CENTER.) The commissioner shall determine which state agencies shall be included in the service center. The commissioner may determine equitable methods of sharing space, personnel and equipment for the agencies he selects to participate in the demonstration service center.

Sec. 92. Minnesota Statutes 1980, Section 16.084, is amended to read:

16.084 [ENCOURAGEMENT OF PARTICIPATION.]

The commissioners of administration and (ECONOMIC DEVELOPMENT) *energy, planning and development* shall publicize the provisions of the set-aside program, attempt to locate small businesses able to perform set-aside procurement awards, and encourage participation. When the commissioner of administration determines that a small business is unable to perform under a set-aside contract, he shall so inform the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development* who shall assist the small business in attempting to remedy the causes of the inability to perform a set-aside award. In assisting the small business, the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development* in cooperation with the commissioner of administration shall use any management or financial assistance programs as may be available by or through the department of (ECONOMIC DEVELOPMENT) *energy, planning and development*, other state or governmental agencies, or private sources.

Sec. 93. Minnesota Statutes 1980, Section 16.086, Subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioner of administration shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a copy to the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development* indicating the progress being made toward the objectives and goals of sections 16.081 to 16.086 during the preceding fiscal year. This report shall include the following information:

(a) The total dollar value and number of potential set-aside awards identified during this period and the percentage of total state procurement this figure reflects;

(b) The number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;

(c) The total dollar value and number of set-aside contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the percentages of the total state procurements the figures of total dollar value and the number of set-asides reflect;

(d) The number of contracts which were designated and set-aside pursuant to section 16.083 but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to the normal procurement procedures.

Sec. 94. Minnesota Statutes 1980, Section 16.086, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER OF (ECONOMIC DEVELOPMENT) *ENERGY, PLANNING AND DEVELOPMENT.*] The commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development* shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of administration. This report shall include the following information:

(a) The efforts undertaken to publicize the provisions of the set-aside program during the preceding fiscal year;

(b) The efforts undertaken to identify small businesses including those owned and operated by socially or economically disadvantaged persons, and the efforts undertaken to encourage participation in the set-aside program;

(c) The efforts undertaken by the commissioner to remedy the inability of small businesses to perform on potential set-aside awards; and

(d) The commissioner's recommendations for strengthening the set-aside program and delivery of services to small businesses.

Sec. 95. Minnesota Statutes 1980, Section 16.125, Subdivision 2, is amended to read:

Subd. 2. A transfer made pursuant to subdivision 1 shall be in the form of a reorganization order. A reorganization order shall be filed with the secretary of state, shall be uniform in format and shall be numbered consecutively. An order shall be effective upon filing with the secretary of state and shall remain in effect until amended or superseded. Copies of the filed order shall be delivered promptly by the commissioner to the secretary of the senate and the chief clerk of the house. A reorganization order which transfers all or substantially all of the powers or duties or personnel of a department, (THE ENERGY AGENCY,) the housing finance agency or the pollution control agency shall not be effective until ratified by concurrent resolution or enacted into law.

Sec. 96. Minnesota Statutes 1980, Section 16.756, Subdivision 1, is amended to read:

Subdivision 1. In order to conserve energy and to alleviate traffic congestion in and about the location of state offices, the commissioner of administration shall, in cooperation with the (DIRECTOR OF THE MINNESOTA ENERGY AGENCY) *commissioner of energy, planning and development*, the commissioner of transportation and interested nonprofit agencies, establish and operate an employee transportation program utilizing commuter vans with a capacity of not less than seven nor more than 16 passengers. The commissioner shall acquire or lease commuter vans, or otherwise contract for the provision of commuter vans, and shall make the vans available for the use of state employees and blind vending operators in a manner consistent with standards and procedures adopted by the commissioner. Standards and procedures adopted pursuant to this subdivision shall not be subject to chapter 15. Commuter vans may be used by state employees and blind vending operators to travel between their homes and their work locations, and for personal purposes after working hours, not including partisan political activity. The commissioner shall provide in his standards and procedures for the recovery by the state of vehicle acquisition, lease, operation and insurance costs through efficient and convenient assignment of vans, and for the billing of costs and collection of fees. A state employee using a van for personal use shall pay, pursuant to the standards and procedures adopted by the commissioner, for operating and routine maintenance costs incurred as a result of the personal use. The commissioner shall promote the maximum practicable participation of state employees and blind vending operators in the use of the vans. Fees collected pursuant to this subdivision shall be deposited in the accounts from which the costs of operating, maintaining and leasing or amortizing acquisition costs for the specific vehicle are paid.

Sec. 97. Minnesota Statutes 1980, Section 18.023, Subdivision 11, is amended to read:

Subd. 11. [REPORT TO THE LEGISLATURE.] On or before January 31 of each year, the commissioner shall report

to the legislature on the preceding year's approved disease control programs and any experimental programs conducted pursuant to subdivision 10a. The commissioner, with the assistance of the (MINNESOTA ENERGY AGENCY) *commissioner of energy, planning and development*, shall investigate and evaluate the potential uses of wood infected with shade tree disease, including the uses as an alternative energy source and as a component in the construction or manufacture of new products. (THE COMMISSIONER SHALL INCLUDE THE RESULTS OF THE INVESTIGATION AND ANY RECOMMENDATIONS FOR PROPOSED RELEVANT LEGISLATION IN THE REPORT TO THE LEGISLATURE DUE ON OR BEFORE JANUARY 31, 1979.)

Sec. 98. Minnesota Statutes 1980, Section 18.024, Subdivision 1, is amended to read:

Subdivision 1. The department of agriculture, in cooperation with the (MINNESOTA ENERGY AGENCY) *commissioner of energy, planning and development* and the Minnesota shade tree advisory committee, shall draft recommendations for wood utilization or disposal systems as defined in section 18.023. These recommendations shall encourage maximum utilization of diseased shade trees. In addition to insuring maximum utilization, the recommendations shall be designed to insure public safety and to assure compliance with approved disease control programs.

Sec. 99. Minnesota Statutes 1980, Section 43.09, Subdivision 2a, is amended to read:

Subd. 2a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Notwithstanding any other law to the contrary, the 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, employee relations and the housing finance agency; to four in the departments of agriculture, and (ECONOMIC DEVELOPMENT) *energy, planning and 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) *Money is available.*

Sec. 100. Minnesota Statutes 1980, Section 84.028, Subdivision 2, is amended to read:

Subd. 2. The overall coordination of acquisition and development programs, comprehensive planning activities, including statewide recreational planning programs required by state or federal law, and not the responsibility of the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, are under the control and supervision of the commissioner.

Sec. 101. Minnesota Statutes 1980, Section 84.54, is amended to read:

84.54 [TOPOGRAPHIC SURVEY (; PLANNING OFFICER).]

The (STATE PLANNING OFFICER) *commissioner of energy, planning and development* shall study the general topographic survey and mapping needs of the state, and shall advise the commissioner of natural resources in determining the order of surveys and otherwise planning the operations, and shall promote coordination of survey and mapping activities of public and private agencies within the state.

Sec. 102. Minnesota Statutes 1980, Section 85.016, is amended to read:

85.016 [BICYCLE TRAIL PROGRAM.]

The commissioner of natural resources shall establish a program for the development of bicycle trails utilizing the state trails authorized by section 85.015, other state parks and recreation land, and state forests. "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in sections 160.263 and 160.264. The program shall be coordinated with the local park trail grant program established by the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* pursuant to section 4.36, with the bicycle trail program established by the commissioner of transportation pursuant to section 160.265, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trails in local parks. The bicycle trail program shall, as a minimum, describe the location, design, construction, maintenance and land acquisition needs of each component trail and shall give due consideration to the model standards for the establishment of recreational vehicle lanes promulgated by the commissioner of transportation pursuant to section 160.262. The program shall be developed after consultation with the state trail council and regional and local units of government and bicyclists organizations.

Sec. 103. Minnesota Statutes 1980, Section 85.017, is amended to read:

85.017 [TRAIL REGISTRY.]

The commissioner of natural resources shall compile and maintain a current registry of cross-country skiing, hiking, horseback riding and snowmobiling trails in the state and shall publish and distribute the information in the manner prescribed in section 86A.11. The metropolitan council, the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner in preparing the registry.

Sec. 104. Minnesota Statutes 1980, Section 86.72, Subdivision 3, is amended to read:

Subd. 3. Requests for allocation from the account for acquisition or development shall be accompanied by a certificate signed jointly by the (DIRECTOR OF THE STATE PLANNING AGENCY) *commissioner of energy, planning and development* and commissioner of natural resources, showing a review of the application against chapter 86A. Copies of the certification shall be submitted to the appropriate legislative committees and commissions. Appropriations from the account shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures.

Sec. 105. Minnesota Statutes 1980, Section 86A.06, is amended to read:

86A.06 [RULES AND REGULATIONS.]

Each managing agency, in consultation with the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, shall promulgate rules relating to the units of the outdoor recreation system within its jurisdiction, which shall provide for administration of the units in the manner specified in section 86A.05 and the laws relating to each type of unit. The authority provided by this subdivision does not amend or repeal authority possessed by the commissioner of natural resources pursuant to section 97.53, subdivision 2, and in no way is intended to modify or diminish authority possessed by the commissioner in relation to section 97.53, subdivision 2.

Sec. 106. Minnesota Statutes 1980, Section 86A.09, Subdivision 1, is amended to read:

Subdivision 1. [MASTER PLAN REQUIRED.] No construction of new facilities or other development of an authorized unit, other than repairs and maintenance, shall commence until the managing agency has prepared and submitted to the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* and the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* has reviewed, pursuant to this section, a master plan for administration of the unit in conformity with this section. (THIS REQUIREMENT SHALL NOT APPLY TO AN EXISTING UNIT UNTIL AUGUST 1, 1977.) No master plan is required for wildlife management areas that do not have resident managers, for water access sites, or for rest areas.

Sec. 107. Minnesota Statutes 1980, Section 86A.09, Subdivision 2, is amended to read:

Subd. 2. [MASTER PLAN; PREPARATION AND CONTENT.] The managing agency shall supervise preparation of the master plan and shall utilize the professional staffs of any agency of the state when the expertise of the staff of such agency is necessary to adequately prepare the master plan; the master plan shall present the information in a format and detail that is appropriate to the size and complexity of the authorized unit. When the master plan has been completed the managing agency shall announce to the public in a manner reasonably designed to inform interested persons that the master plan is available for public review and in the case of any major unit shall hold at least one public hearing on the plan in the vicinity of the unit. The managing agency shall make the master plan available for review and comment by the public and other state agencies for at least 30 days following the announcement and before submitting the master plan to the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*. Copies of the plan shall be provided to members of the outdoor recreation advisory council and to any other person on request.

Sec. 108. Minnesota Statutes 1980, Section 86A.09, Subdivision 3, is amended to read:

Subd. 3. [MASTER PLAN; REVIEW AND APPROVAL.] All master plans required by this section shall be submitted to the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* for review pursuant to this subdivision. The (STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall review the master plan to determine whether the plan: (a) provides for administration of the unit in a manner that is consistent with the purposes for which the unit was authorized and with the principals governing the administration of the unit, as specified in section 86A.05 and the statutes relating to each type of unit; (b) recognizes values and resources within the unit that are primarily the responsibility of another managing agency to protect or develop, and provides for their protection or development either through a cooperative agreement with the other managing agency or through designation of the appropriate area as a secondary unit. In reviewing any master plan, the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall consult with other state agencies. Within 60 days after receiving the master plan, the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall notify the managing agency that the plan has been reviewed and forward its recommendations for any changes it might suggest. The managing agency shall review the recommendations and notify the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* of the disposition made of them. Failure to comment on a master plan within the time specified shall be considered approval of the plan by the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*. If the director of the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* feels that the

master plan still fails significantly to comply with this subdivision, he may request review of the master plan by the governor. In that event review shall not be deemed completed until after the master plan has been approved by the governor or 60 days have elapsed without action by the governor to approve or reject the plan, whichever occurs first.

Sec. 109. Minnesota Statutes 1980, Section 86A.09, Subdivision 4, is amended to read:

Subd. 4. [DEVELOPMENT.] Construction of necessary facilities and other development of the unit shall commence as soon as practicable after review of the master plan by the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, and the governor if requested, and shall be carried out in conformity with the master plan.

Sec. 110. Minnesota Statutes 1980, Section 92.35, is amended to read:

92.35 [DUTIES AND POWERS.]

It shall be the duty of the (LAND USE COMMITTEE, OR ITS SUCCESSOR, THE STATE PLANNING OFFICER) *commissioner of energy, planning and development*, to classify all public and private lands in the state with reference to the use to which the lands are adapted, but principally as to adaptability to present known uses, such as agriculture and forestry. This classification shall be based upon a consideration of the known physical and economic factors affecting the use of the land. The (LAND USE COMMITTEE) *commissioner of energy, planning and development* shall consult with private, state, and federal agencies concerned with land use, and may appoint such advisory committees as (IT) *the commissioner* may deem necessary and advisable, made up of residents of the state concerned with and interested in land use, the advisory committees to serve without pay, at the pleasure of the (LAND USE COMMITTEE) *commissioner of energy, planning and development*, and to consider and report upon (SUCH) land use problems (AS MAY BE) submitted by the (LAND USE COMMITTEE) *commissioner of energy, planning and development*. The work of the (LAND USE COMMITTEE) *commissioner of energy, planning and development* shall first be done in the counties having land classification committees. The (LAND USE COMMITTEE) *commissioner of energy, planning and development* shall consult, advise with, and cooperate with the land classification committee in each county in obtaining and considering the facts upon which to determine (ITS) *the commissioner's* land classification; the land classification committee in each county shall consult, advise with, and cooperate with the (LAND USE COMMITTEE) *commissioner of energy, planning and development* in like manner, but the determination of the land classification committee shall be final.

Sec. 111. Minnesota Statutes 1980, Section 92.36, is amended to read:

92.36 [LANDS CLASSIFIED.]

Upon the basis of all of the facts concerning land use now obtainable and in the manner provided in sections 92.33 to 92.37 the (LAND USE COMMITTEE, OR ITS SUCCESSOR, THE STATE PLANNING OFFICER) *commissioner of energy, planning and development*, shall make and determine a temporary land classification of land areas with reference to the known uses to which (SUCH) *the* areas are adapted or adaptable. (THIS CLASSIFICATION SHALL BE ADOPTED BY A MAJORITY VOTE OF THE COMMITTEE AND RECORDED IN ITS MINUTES.) A certified copy of the temporary classification, together with a brief statement of the reasons therefor, shall be recorded in the office of the county recorder in each county in which the lands classified are located. No fees shall be paid for this recording. When (SUCH) *the* temporary classification has been adopted by the (LAND USE COMMITTEE) *commissioner of energy, planning and development* none of the lands classified as non-agricultural shall thereafter be sold or leased by the state for agricultural purposes.

Sec. 112. Minnesota Statutes 1980, Section 92.37, is amended to read:

92.37 [REPORT TO LEGISLATURE.]

The (LAND USE COMMITTEE, OR ITS SUCCESSOR, THE STATE PLANNING OFFICER) *commissioner of energy, planning and development*, shall report the results of its land classification to the legislature with such recommendations as it may deem advisable.

Sec. 113. Minnesota Statutes 1980, Section 104.03, Subdivision 1, is amended to read:

Subdivision 1. The commissioner shall (a) collect and distribute information relating to flooding and flood plain management; (b) coordinate local, state, and federal flood plain management activities to the greatest extent possible, and to this end shall encourage the United States army corps of engineers and the United States soil conservation service to make their flood control planning data available to local governmental units for planning purposes, in order to allow adequate local participation in the planning process and in the selection of desirable alternatives; (c) assist local governmental units in their flood plain management activities within the limits of available appropriations and personnel in cooperation with the (OFFICE OF LOCAL AND URBAN AFFAIRS AND THE STATE PLANNING OFFICER) *commissioner of energy, planning and development*;

(d) do all other things, within his lawful authority, which are necessary or desirable to manage the flood plains for beneficial uses compatible with the preservation of the capacity of the flood plain to carry and discharge the regional flood. In cooperation with local governmental units, the commissioner shall conduct, whenever possible, periodic inspections to determine the effectiveness of local flood plain management programs, including an evaluation of the enforcement of and compliance with local flood plain management ordinances.

Sec. 114. Minnesota Statutes 1980, Section 104.35, Subdivision 2, is amended to read:

Subd. 2. The commissioner shall make the proposed management plan available to affected local governmental bodies, shoreland owners, conservation and outdoor recreation groups, the (DIRECTOR OF THE STATE PLANNING AGENCY) *commissioner of energy, planning and development*, the governor, and the general public. The (DIRECTOR OF THE STATE PLANNING AGENCY) *commissioner of energy, planning and development* and the governor shall review the proposed management plan pursuant to the criteria specified in section 86A.09, subdivision 3, and submit any written comments to the commissioner within 60 days after receipt of the proposed management plan. Not less than 60 days after making such information available, the commissioner shall conduct a public hearing on the proposed management plan in the county seat of each county which contains a portion of the designated area, in the manner provided in chapter 15.

Sec. 115. Minnesota Statutes 1980, Section 104.35, Subdivision 3, is amended to read:

Subd. 3. Upon receipt of the hearing examiner's report, the commissioner shall immediately forward the proposed management plan and the hearing examiner's report to the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* for review pursuant to section 86A.09, subdivision 3, except that the review by the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall be completed or be deemed completed within 30 days after receiving the hearing examiner's report and the review by the governor shall be completed or be deemed completed within 15 days after receipt. Within 60 days after receipt of the hearing examiner's report, the commissioner shall decide whether to designate by order the river or segment thereof as a wild, scenic, or recreational river and, if so designated, shall adopt a management plan to govern the area. The commissioner shall notify and inform public agencies and private landowners of the plan and its purposes so as to encourage their cooperation in the management and use of their land in a manner consistent with the plan and its purposes.

Sec. 116. Minnesota Statutes 1980, Section 105.484, is amended to read:

105.484 [LAKE IMPROVEMENTS; GRANTS-IN-AID; PRIORITIES.]

The commissioner of natural resources with the assistance of the pollution control agency and the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall make an assessment of the need for particular kinds of lake improvements including improvements related to high or low water levels and any other resource management considerations, except pollution problems, and (TO) develop (BY APRIL 1, 1979,) criteria for allocating state aid funds among proposed projects. Provisions shall be included to insure that any federal program of aid to local lake improvement projects serves to reduce the local share of project costs rather than reducing only the state's share.

Sec. 117. Minnesota Statutes 1980, Section 105.485, Subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER'S DUTIES.] (BEFORE APRIL 1, 1974,) The commissioner of natural resources shall (PROMULGATE) *adopt*, in the manner provided in chapter 15, model standards and criteria, other than a model ordinance, for the subdivision, use, and development of shoreland in municipalities, which standards and criteria shall include but not be limited to those listed below in regard to unincorporated areas. (BEFORE JULY 1, 1970,) The commissioner of natural resources shall (PROMULGATE) *adopt*, in the manner provided in chapter 15, model standards and criteria for the subdivision, use, and development of shoreland in unincorporated areas, including but not limited to the following: (a) The area of a lot and length of water frontage suitable for a building site; (b) the placement of structures in relation to shorelines and roads; (c) the placement and construction of sanitary and waste disposal facilities; (d) designation of types of land uses; (e) changes in bottom contours of adjacent public waters; (f) preservation of natural shorelands through the restriction of land uses; (g) variances from the minimum standards and criteria; and (h) a model ordinance. The following agencies shall provide (SUCH) information and advice (AS MAY BE) necessary to the preparation of the rules (AND REGULATIONS), or amendments thereto: The state departments of agriculture, (ECONOMIC DEVELOPMENT, AND) health, and *energy, planning and development*; (THE STATE PLANNING AGENCY;) the pollution control agency; the state soil and water conservation board; and the Minnesota historical society. In addition to other requirements of chapter 15, the model standards and ordinance (PROMULGATED) *adopted* pursuant to this section, or amendments thereto, shall not be filed with the secretary of state unless

approved by the state commissioner of health and the director of the pollution control agency.

Sec. 118. Minnesota Statutes 1980, Section 114A.03, Subdivision 1, is amended to read:

Subdivision 1. The southern Minnesota rivers basin board is (HEREBY) established to serve as the regional organization for guiding the creation and implementation of a comprehensive environmental conservation and development plan for the basin. All state departments and agencies (ARE HEREBY DIRECTED TO) shall cooperate with the board, and (TO) assist it in the performance of its duties. In cooperation with all federal agencies, including but not limited to the United States departments of agriculture and interior and the corps of engineers, all state agencies, departments, and commissions, including but not limited to the department of natural resources, Minnesota geological survey, water resources board, (STATE PLANNING AGENCY) *department of energy, planning and development*, department of transportation, state soil and water conservation board, pollution control agency, (DEPARTMENT OF ECONOMIC DEVELOPMENT,) department of agriculture, and the institute of agriculture of the University of Minnesota, and local governments and citizens within the basin, the board shall initiate, coordinate and prepare its overall comprehensive environmental conservation and development plan. The Minnesota soil and water conservation board and local soil and water conservation districts and watershed districts within the basin shall provide technical assistance to the board in the creation and implementation of the plan. Upon the request of the board, the governor or the legislature may require any other department or agency of the state to furnish assistance, technical or otherwise, to the board in the performance of its duties or in the exercise of its powers authorized by law. The plan may include, but is not limited to, planning for the following purposes:

- (1) Control or alleviation of damages by flood waters;
- (2) Improvement of stream channels for handling of surface waters, navigation, and any other public purposes;
- (3) Reclaiming or filling of wet and overflowed lands;
- (4) Regulating the flow of streams and conserving the waters thereof;
- (5) Diverting or changing watercourses in whole or in part;
- (6) Providing and maintaining water quality and supply for municipal, domestic, industrial, recreational, agricultural, aesthetic, wildlife, fishery, or other public use;

(7) Providing for sanitation and public health and regulating uses of streams, ditches, or watercourses for the purpose of disposing of waste and maintaining water quality;

(8) Repair, improvement, relocation, modification, consolidation or abandonment in whole or in part of previously established public drainage systems within the territory;

(9) Imposition of prevention or remedial measures for the control or alleviation of land and soil erosion and siltation of watercourses or bodies of water affected thereby;

(10) Regulation of improvements and land development by abutting landowners of the beds, banks, and shores of lakes, streams, watercourses, and marshes by permit or otherwise in order to preserve the same for beneficial use; (SUCH) *the* regulation (TO) *shall* be in accordance with state department of natural resource standards and criteria;

(11) Regulation of construction of improvements on and prevention of encroachments in the flood plains of the rivers, and the lakes, marshes and streams of the basin; (SUCH) *the* regulation (TO) *shall* be in accordance with state department of natural resource standards and criteria.

Sec. 119. Minnesota Statutes 1980, Section 115A.07, Subdivision 1, is amended to read:

Subdivision 1. [INTERAGENCY COORDINATION.] The chairperson of the board shall inform the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* 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.

Sec. 120. Minnesota Statutes 1980, Section 115A.12, Subdivision 2, is amended to read:

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) *commissioner of energy, planning and development*; (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. 121. Minnesota Statutes 1980, Section 115A.15, Subdivision 5, is amended to read:

Subd. 5. [REPORTS.] By January 1 (, 1981, AND) of 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) of each even-numbered year (THEREAFTER THE DIRECTORS OF THE ENERGY AGENCY AND) *director of the pollution control agency and the commissioner of energy, planning and development* shall submit recommendations to the commissioner regarding the operation of the program.

Sec. 122. Minnesota Statutes 1980, Section 116C.03, Subdivision 2, is amended to read:

Subd. 2. The board shall include as permanent members the (DIRECTOR OF THE STATE PLANNING AGENCY) *head of the planning division of the department of energy, planning and development*, the director of the pollution control agency, the commissioner of natural resources, the commissioner of agriculture, the commissioner of health, the commissioner of transportation, (THE DIRECTOR OF THE MINNESOTA ENERGY AGENCY,) *and a representative of the governor's office designated by the governor (, THE CHAIRMAN OF THE CITIZENS ADVISORY COMMITTEE, AND THREE OTHER MEMBERS OF THE CITIZENS ADVISORY COMMITTEE AS DESIGNATED BY THE GOVERNOR. THE NAMES OF THE FOUR MEMBERS OF THE CITIZENS ADVISORY COMMITTEE DESIGNATED TO SERVE ON THE BOARD SHALL BE SUBMITTED TO THE SENATE FOR ITS ADVICE AND CONSENT). (UPON THE EXPIRATION OF THE CITIZENS ADVISORY COMMITTEE)* The governor shall appoint (FOUR) *five* members from the general public to the board, subject to the advice and consent of the senate.

Sec. 123. Minnesota Statutes 1980, Section 116C.03, Subdivision 3, is amended to read:

Subd. 3. The (DIRECTOR OF THE STATE PLANNING AGENCY) *head of the planning division of the department of energy, planning and development* shall be the chairman of the board.

Sec. 124. Minnesota Statutes 1980, Section 116C.03, Subdivision 4, is amended to read:

Subd. 4. The (DIRECTOR OF THE STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall employ staff or consultants who will be assigned to work for the board on a continuous basis. The board shall have the authority to request and require staff support from all other agencies of state government as needed for the execution of the responsibilities of the board.

Sec. 125. Minnesota Statutes 1980, Section 116H.05, is amended to read:

116H.05 [CONFLICT OF INTEREST.]

No person shall be eligible to continue in office as (DIRECTOR) *commissioner* unless he has within six months after being appointed divested himself of any interest except fully vested pension rights in any utility, coal or petroleum supplier, or manufacturer of any major component of a large energy facility doing business within or outside this state.

No person who is an employee of the (AGENCY) *department* shall participate in any manner in any decision or action of the (AGENCY) *commissioner* where he has a direct or indirect financial interest.

Sec. 126. Minnesota Statutes 1980, Section 116H.06, is amended to read:

116H.06 [JURISDICTION.]

The (AGENCY) *commissioner* has sole authority and responsibility for the administration of sections 116H.01 to 116H.15. Other laws notwithstanding, the authority granted the (AGENCY) *commissioner* shall supersede the authority given any other agency whenever overlapping, duplication or additional administrative or legal procedures might occur in the administration of sections 116H.01 to 116H.15. The (DIRECTOR) *commissioner* shall consult with other state departments or agencies in matters related to energy and shall contract with them to provide appropriate services to effectuate the purposes of sections 116H.01 to 116H.15. Any other department, agency or official of this state or political subdivision thereof which would in any way affect the administration or enforcement of sections 116H.01 to 116H.15 shall cooperate and coordinate all (SUCH) activities with the (AGENCY) *commissioner* to assure orderly and efficient administration and enforcement of sections 116H.01 to 116H.15.

The (DIRECTOR) *commissioner* shall designate a liaison officer (FROM THE AGENCY) whose duty shall be to insure the maximum possible consistency in procedures and to eliminate duplication between the (AGENCY) *commissioner* and the other agencies that may be involved in energy. (THE COMMISSIONER OF ADMINISTRATION SHALL, IF AND TO THE EXTENT HE DEEMS IT EFFICIENT AND BENEFICIAL, TRANSFER TO THE AGENCY, PURSUANT TO SECTIONS 16.125 AND 16.135, THE FUNCTIONS, EMPLOYEES OR WORK OF ANY AGENCY OF THE STATE IF SUCH FUNCTIONS OR WORK RELATE TO OR IF SUCH EMPLOYEES ARE ENGAGED IN MATTERS WHICH FALL WITHIN THE JURISDICTION OF THE AGENCY PURSUANT TO SECTIONS 116H.01 TO 116H.15.)

Sec. 127. Minnesota Statutes 1980, Section 116H.07, is amended to read:

116H.07 [DUTIES.]

The (DIRECTOR) *commissioner* shall:

(a) Manage the (AGENCY) *department* as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116H.01 to 116H.15;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) Require certificate of need for construction of large energy facilities;

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116H.01 to 116H.15, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(j) Inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(k) Dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(l) Charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met.

Sec. 128. Minnesota Statutes 1980, Section 116H.08, is amended to read:

116H.08 [POWERS.]

The (DIRECTOR) *commissioner* may:

(a) Adopt rules pursuant to chapter 15 as necessary to carry out the purposes of sections 116H.01 to 116H.15 and, when necessary for the purposes of section 116H.09, adopt temporary rules pursuant to section 15.0412, subdivision 5;

(b) Make all contracts pursuant to sections 116H.01 to 116H.15 and do all things necessary to cooperate with the United States government, and to qualify for, accept and disburse any grant intended for the administration of sections 116H.01 to 116H.15. Notwithstanding any other law the (AGENCY) *commissioner* is designated the state (AGENCY) *agent* to apply for, receive and accept federal or other funds made available to the state for the purposes of sections 116H.01 to 116H.15.

(c) Contract for professional services if such work or services cannot be satisfactorily performed by employees of the (AGENCY) *department* or by any other state agency;

(d) Enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(e) Distribute informational material at no cost to the public upon reasonable request.

Sec. 129. Minnesota Statutes 1980, Section 116H.085, is amended to read:

116H.085 [ENERGY CONSERVATION INFORMATION CENTER.]

The (DIRECTOR) *commissioner* shall establish an energy information center in the (AGENCY'S) *department'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 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) *commissioner* shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

Sec. 130. Minnesota Statutes 1980, Section 116H.087, is amended to read:

116H.087 [ENERGY CONSERVATION PUBLICITY.]

The (DIRECTOR OF THE ENERGY AGENCY) *commissioner* in consultation with other affected agencies or departments shall develop informational materials, pamphlets and radio and television messages on energy conservation and housing programs available in Minnesota, renewable energy resources, and energy supply and demand. The 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. Copies of printed materials shall be distributed to members of the appropriate standing committees of the legislature.

Sec. 131. Minnesota Statutes 1980, Section 116H.088, Subdivision 1, is amended to read:

Subdivision 1. The (DIRECTOR) *commissioner*, in consultation with the state board of education, the higher education coordinating board, the state board for community colleges, the state university board, and the board of regents of the University of Minnesota, shall develop a plan for adult and post-secondary energy education.

Sec. 132. Minnesota Statutes 1980, Section 116H.089, is amended to read:

116H.089 [COMMUNITY ENERGY PLANNING; GRANTS.]

Subdivision 1. [PURPOSE.] In order to improve the energy planning capabilities of local governments, the (ENERGY AGENCY) *commissioner* shall make grants to counties and cities, however organized. The (ENERGY AGENCY) *commissioner* 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) *commissioner* 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) *commissioner* 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) *commissioner*.

Subd. 3. [ADMINISTRATION.] The (ENERGY AGENCY) *commissioner* 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) *commissioner* may adopt temporary rules pursuant to the provisions of section 15.0412, subdivision 5.

Sec. 133. Minnesota Statutes 1980, Section 116H.09, Subdivision 1, is amended to read:

Subdivision 1. (WITHIN NINE MONTHS AFTER MARCH 29, 1974.) The (DIRECTOR) *commissioner* shall (PREPARE AND ISSUE) *maintain* an emergency conservation and allocation plan (IN THE MANNER SET FORTH IN SUBDIVISION 2). (SUCH) *The* plan shall provide a variety of strategies and staged conservation measures to reduce energy use and in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users. The plan shall contain alternative conservation actions and allocation plans to reasonably meet various foreseeable shortage circumstances and allow a choice of appropriate responses. The plan shall be consistent with requirements of federal emergency energy conservation and allocation laws and regulations, shall be based on reasonable energy savings or transfers from scarce energy resources and shall:

(a) Give priority to individuals, institutions, agriculture and businesses which demonstrate they have engaged in energy-saving measures and shall include provisions to insure that:

(1) Immediate allocations to individuals, institutions, agriculture and businesses be based on needs at energy conservation levels;

(2) Successive allocations to individuals, institutions, agriculture and businesses be based on needs after implementation of required action to increase energy conservation;

(3) Needs of individuals and institutions are adjusted to insure the health and welfare of the young, old and infirm;

(b) Insure maintenance of reasonable job safety conditions and avoid environmental sacrifices;

(c) Establish programs, controls, standards, priorities or quotas for the allocation, conservation and consumption of energy resources; and for the suspension and modification of existing standards and the establishment of new standards affecting or affected by the use of energy resources, including those related to the type and composition of energy sources, and to the hours and days during which public buildings, commercial and industrial establishments, and other energy consuming facilities may or are required to remain open;

(d) Establish programs to control the use, sale or distribution of commodities, materials, goods or services;

(e) Establish regional programs and agreements for the purpose of coordinating the energy resources, programs and actions of the state with those of the federal government, of local governments, and of other states and localities; and

(f) Determine at what level of an energy supply emergency situation the pollution control agency shall be requested to ask the governor to petition the president for a temporary emergency suspension of air quality standards as required by the Clean Air Act, 42 U.S.C., Section 7410f;

(g) Establish procedures for fair and equitable review of complaints and requests for special exemptions regarding emergency conservation measures or allocations.

Sec. 134. Minnesota Statutes 1980, Section 116H.09, Subdivision 4, is amended to read:

Subd. 4. At least once every five years and whenever construction of a new large energy facility is completed which affects the supply of energy in Minnesota, the (DIRECTOR) *commissioner* shall review and if necessary revise the emergency conservation and allocation plan. Revisions of the emergency conservation and allocation plan shall be (PROMULGATED) *adopted* pursuant to the rulemaking procedures in chapter 15 and reviewed by the appropriate standing committees of the legislature. The (DIRECTOR) *commissioner* may also make revisions to the plan pursuant to section 15.0412, subdivision 5, and the temporary rules powers of section 116H.08, clause (a), when a declared or impending energy supply emergency requires.

Sec. 135. Minnesota Statutes 1980, Section 116H.09, Subdivision 5, is amended to read:

Subd. 5. The executive council or the legislature may declare an energy supply emergency when an acute shortage of energy exists by issuing a declaration which indicates the nature of the emergency, the area or areas threatened if less than the whole state is threatened, and the conditions causing the emergency.

The declaration shall be disseminated promptly by means calculated to bring its contents to the attention of the general public and shall be promptly filed with the (ENERGY AGENCY) *commissioner*, the division of emergency services and the secretary of state. Upon a declaration of an energy supply emergency by the executive council or the legislature, the governor and the division of emergency services, in consultation with the (DIRECTOR) *commissioner*, shall implement and enforce the emergency conservation and allocation plan or any part thereof. Revisions of the plan shall be made by the (DIRECTOR) *commissioner* in accordance with subdivision 4. The executive council or the legislature may terminate an energy supply emergency at any time by issuing a declaration which terminates the energy supply emergency and indicates the conditions which make possible termination of the emergency, but no energy supply emergency may continue for longer than 30 days unless renewed by the legislature. Each renewed energy supply emergency may not continue for longer than 30 days, unless otherwise provided by law. Each person shall carry out the responsibilities specified in the emergency conservation allocation plan, and violation of any provision of such emergency conservation or allocation requirements shall be deemed a violation of section 116H.01 to 116H.15 and the rules promulgated thereunder for purposes of enforcement pursuant to section 116H.15.

Sec. 136. [116H.095] [STATE SET-ASIDE PROGRAM.]

Subdivision 1. [PURPOSE.] The purpose of this section is to grant to the commissioner authority to exercise specific power to deal with shortages of refined petroleum products. Authority granted shall be exercised for the purpose of minimizing the adverse impacts of shortages and dislocations upon the citizens and the economy of the state and nation.

Subd. 2. [ESTABLISHMENT.] The commissioner shall establish and is responsible for a state set-aside system for motor gasoline and middle distillates to provide emergency petroleum requirements and thereby relieve the hardship caused by shortage, supply dislocations, or other emergencies. The commissioner, for purposes of administration, may exercise all of the powers granted by chapter 116H.

Subd. 3. [DEFINITIONS.] As used in this section:

(a) "Middle distillates" means distillates obtained between kerosene and lubricating oil fractions in the refining process, including but not limited to, kerosene, number one and number two heating oil and diesel fuel;

(b) "Motor gasoline" means a liquid mixture of hydrocarbons produced by the distillation of petroleum and used chiefly as a fuel in internal combustion engines;

(c) "Prime supplier" means the producer or supplier now or hereafter making the first sale of middle distillates or motor gasoline subject to the state set-aside for consumption within the state;

(d) "State set-aside" means the amount of middle distillates or motor gasoline required to be made available by a prime supplier for utilization by the commissioner to resolve or mitigate emergencies or hardships due to shortages of supply.

Subd. 4. [SET-ASIDE REQUIRED.] Every prime supplier shall allocate for sale or exchange monthly upon order of the commissioner a volume of gasoline and middle distillate not exceeding the monthly set-aside amount. The amount of gasoline subject to monthly set-aside shall be an amount equal to three percent of the prime supplier's sales of gasoline during the corresponding month of 1980. The amount of middle distillate subject to monthly set-aside shall be an amount equal to four percent of the prime supplier's sales of middle distillate during the corresponding months of 1980.

Subd. 5. [REPORT OF ESTIMATED VOLUME.] Every prime supplier who did not do business in the state during the corresponding month of 1980 shall file with the commissioner a report of its estimated volume of gasoline and middle distillate sale. The report shall be in a form prescribed by the commissioner and shall be submitted by the 25th day of the month preceding the month covered by the report. Each prime supplier subject to this subdivision shall allocate monthly for sale or exchange upon order of the commissioner three percent of estimated gasoline supplies and four percent of estimated middle distillate supplies as shown by the report.

Subd. 6. [PRIME SUPPLIER OBLIGATIONS.] Each prime supplier shall designate a representative to act for and on behalf of the prime supplier in respect to energy agency state set-aside orders to be issued to the prime supplier. A prime supplier shall provide the amount of allocated product stated in the energy state set-aside order.

Subd. 7. [RULES.] The commissioner shall adopt rules, including temporary rules pursuant to section 15.0412, Subdivision 5, to govern the administration of the set-aside system. Rules shall cover matters such as the form and procedure for applications for set-aside allocations by dealers of bulk purchasers, reports on available gasoline and middle distillate supplies, orders and procedure for set-aside allocation and distribution and other rules deemed necessary or desirable in the implementation and administration of the set-aside system, including monthly reports of anticipated deliveries and actual sales of gasoline, middle distillates, propane, aviation fuels, and residual oils.

Subd. 8. [CRITERIA.] *The commissioner may allocate gasoline and middle distillates from the set-aside system in accordance with the criteria in section 116H.09 and rules adopted pursuant thereto. The commissioner may prescribe additional priorities by rule.*

Sec. 137. Minnesota Statutes 1980, Section 116H.10, is amended to read:

116H.10 [FORECASTS, STATISTICS AND INFORMATION.]

Subdivision 1. In order to further the purposes of sections 116H.01 to 116H.15, the (DIRECTOR) *commissioner* shall develop and maintain an effective program of collection, compilation, and analysis of energy statistics. The statistical program shall be developed to insure a central state repository of energy data and so that the state may coordinate and cooperate with other governmental data collection and record keeping programs.

Subd. 2. In addition to supplying (SUCH) *the* current statistical and short range forecasting information (AS) the (DIRECTOR MAY REQUIRE) *commissioner requires*, each utility, coal supplier, petroleum supplier and large energy facility in the state shall prepare and transmit to the (DIRECTOR) *commissioner* by July 1 (, 1975, AND EVERY YEAR THEREAFTER) *of each year*, a report specifying in five, ten, and 15 year forecasts the projected demand for energy within their respective service areas and the facilities necessary to meet the demand.

The report shall be in a form specified by the (DIRECTOR) *commissioner* and contain all information deemed relevant by the (DIRECTOR) *commissioner*.

Subd. 3. The (DIRECTOR) *commissioner* shall, to the maximum extent feasible, provide that forecasts required under this section be consistent with material required by other state and federal agencies in order to prevent unnecessary duplication.

Subd. 4. Reports issued pursuant to this section shall be available for public inspection in the office of the (AGENCY) *department* during normal business hours.

Subd. 5. The (DIRECTOR) *commissioner* shall review and evaluate forecasts of energy demands and resources as they relate to the most current population growth and development estimates, statewide and regional land use, transportation, and economic development programs and forecasts.

Sec. 138. Minnesota Statutes 1980, Section 116H.11, is amended to read:

116H.11 [STATE ENERGY POLICY AND CONSERVATION REPORT.]

Subdivision 1. (BEGINNING) *By* January 1 (, 1976, AND AT LEAST EVERY TWO YEARS THEREAFTER) *of each even-numbered year*, the (DIRECTOR) *commissioner* shall transmit to the governor and the legislature a comprehensive report designed to identify emerging trends related to energy supply, demand, conservation, public health and safety factors, and to specify the level of statewide and geographical area energy need. The report shall include, but not be limited to, all of the following:

(a) A final report on the accuracy and acceptability of the energy forecasts received under section 116H.10 and the alternatives to meeting that demand;

(b) An estimate of statewide and geographical area energy need for the forthcoming five and ten year period which, in the judgment of the (DIRECTOR) *commissioner*, will reasonably balance requirements of state and geographical area growth and development, protection of public health and safety, preservation of environmental quality, and conservation of energy resources;

(c) The anticipated level of statewide and geographical area energy demand for 20 years, which shall serve as the basis for long range action;

(d) The identification of potential adverse social, economic, or environmental effects caused by a continuation of the present energy demand trends;

(e) An assessment of the state's energy resources, including examination of the availability of commercially developable and imported fuels;

(f) The estimated reduction in annual energy consumption resulting from various energy conservation measures;

(g) The cost of energy to residential and rental consumers in relation to their socio-economic status;

(h) An assessment of the economic and employment implications of proposed state energy policies;

(i) The status of the department's ongoing studies;

(j) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116H.01 to 116H.15.

Subd. 2. Prior to the preparation of a final report, the (DIRECTOR) *commissioner* shall issue a draft report to the environmental quality board and any person, upon request, and shall hold a public meeting. Notice of the public meeting shall be provided to each regional development commission.

Subd. 3. The (DIRECTOR) *commissioner* shall distribute the final report to any person upon request.

Sec. 139. Minnesota Statutes 1980, Section 116H.12, Subdivision 1, is amended to read:

Subdivision 1. After consultation with the (DIRECTOR) *commissioner* and the commissioner of public safety, the commissioner of transportation shall, pursuant to chapter 15, promulgate regulations establishing maximum energy use standards for street, highway and parking lot lighting. (SUCH) *The* standards shall be consistent with overall protection of the public health, safety and welfare. No new highway, street or parking lot lighting shall be installed in violation of these regulations and existing lighting levels shall be reduced consistent with the regulations as soon as feasible and practical, consistent with overall energy conservation.

Sec. 140. Minnesota Statutes 1980, Section 116H.12, Subdivision 1b, is amended to read:

Subd. 1b. The (DIRECTOR) *commissioner* shall (PROMULGATE) *adopt* rules, pursuant to chapter 15, (BY JULY 1, 1979,) setting standards covering permissible hours of operation, quantity and efficiency of outdoor display lighting and defining "outdoor display lighting".

Sec. 141. Minnesota Statutes 1980, Section 116H.12, Subdivision 2, is amended to read:

Subd. 2. The (DIRECTOR) *commissioner* may investigate promotional practices by energy suppliers and, pursuant to chapter 15, may promulgate regulations to limit such practices in order to reduce the rate of growth of energy demand.

Sec. 142. Minnesota Statutes 1980, Section 116H.12, Subdivision 4, is amended to read:

Subd. 4. In recognition of the compelling need for energy conservation in order to safeguard the public health, safety and welfare, it is necessary to provide building design and construction standards consistent with the most efficient use of energy. Therefore, the commissioner of administration, in consultation with the (DIRECTOR) *commissioner*, shall, (NO LATER THAN AUGUST 1, 1975, AND) pursuant to chapter 15, (PROMUL-

GATE) *adopt rules governing building design and construction standards regarding heat loss control, illumination and climate control. (SUCH STANDARDS) The rules shall apply to all new buildings and remodeling affecting heat loss control, illumination and climate control. (SUCH STANDARDS) The rules shall be economically feasible in that the resultant savings in energy procurement shall exceed the cost of the energy conserving requirements amortized over the life of the building. The (STANDARDS) rules shall become part of the state building code and be effective six months after promulgation.*

Sec. 143. Minnesota Statutes 1980, Section 116H.12, Subdivision 5, is amended to read:

Subd. 5. The (DIRECTOR) *commissioner shall conduct studies and make recommendations concerning the purchase and use by the state and its political subdivisions of supplies, motor vehicles and equipment having a significant impact on energy use in order to determine the potential for energy conservation. The (DIRECTOR) commissioner may (PROMULGATE) adopt rules pursuant to chapter 15 to insure that energy use and conservation will be considered in state purchasing and, where appropriate, to require certain minimum energy efficiency standards in purchased products and equipment. No state purchasing of equipment or material use shall occur that is not in conformity with these regulations.*

Sec. 144. Minnesota Statutes 1980, Section 116H.12, Subdivision 6, is amended to read:

Subd. 6. In consultation with the (DIRECTOR) *commissioner, the commissioner of transportation shall begin an efficiency study of the present traffic flow system within the state. The study shall consider the feasibility of a computer-coordinated traffic system and other measures for increasing the efficiency of present traffic loads.*

Sec. 145. Minnesota Statutes 1980, Section 116H.12, Subdivision 9, is amended to read:

Subd. 9. In conjunction with the motor vehicle services division, the (DIRECTOR) *commissioner shall study the feasibility of modifying motor vehicle license fees to reflect energy consumption.*

Sec. 146. Minnesota Statutes 1980, Section 116H.121, Subdivision 1, is amended to read:

Subdivision 1. (BEFORE FEBRUARY 1, 1977, THE COMMISSIONER OF ADMINISTRATION IN CONSULTATION WITH THE DIRECTOR, SHALL AMEND) The rules concern-

ing heat loss, illumination, and climate control standards (PROMULGATED) adopted pursuant to section 116H.12, subdivision 4, (TO) shall include standards for all existing buildings heated by oil, coal, gas, or electric units which are owned by the state, the university of Minnesota, any city, any county, or any school district. Compliance with standards adopted pursuant to this section shall not be mandatory for buildings owned by any city, county or school district, except as otherwise provided by this section.

Sec. 147. Minnesota Statutes 1980, Section 116H.121, Subdivision 2, is amended to read:

Subd. 2. (EFFECTIVE JANUARY 1, 1978,) The illumination standards promulgated pursuant to subdivision 1, (SHALL BE) are mandatory for all public buildings where economically feasible. For the purposes of this subdivision, "public building" means any building which is open to the public during normal business hours and which exceeds 5,000 square feet in gross floor area. The (DIRECTOR) commissioner shall specify the formula for determining economic feasibility (AND SHALL TAKE APPROPRIATE MEASURES PRIOR TO JANUARY 1, 1978 TO INFORM BUILDING OWNERS AND MANAGERS OF THE REQUIREMENTS OF THIS SUBDIVISION AND TO ASSIST THEM IN COMPLYING WITH IT).

Sec. 148. Minnesota Statutes 1980, Section 116H.122, is amended to read:

116H.122 [ENERGY CONSERVATION IN STATE OWNED BUILDINGS.]

By June 30, 1982, the commissioner of administration, in cooperation with the (DIRECTOR) commissioner, shall complete a mini-audit or maxi-audit of all buildings which are heated and owned by the state of Minnesota, including buildings and associated facilities of the state university system, the state fairgrounds as defined in section 37.01, the Minnesota historical society building, and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, and transportation. The commissioner of administration shall determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 116H.121. The commissioner of administration shall estimate the annual potential savings in units of fuel and fuel procurement costs which would be realized for each state owned building if its operating procedures were modified and it were improved to comply with each of the energy conservation standards promulgated pursuant to section 116H.121. If (FUNDS) appropriations are inadequate to complete a mini-audit or maxi-audit of all state owned buildings, the commissioner of administration shall give

priority to buildings of 25,000 or more square feet. If the commissioner of administration determines that a modification is economically feasible, in that savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, he shall recommend implementation of the modification to the legislature. The commissioner of administration shall submit to the legislature an annual progress report on January 1 of each year and a final progress report by December 31, 1982, indicating the number and percentage of state owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, the energy savings and costs resulting from implementing such modifications, and his findings, recommendations, and priorities for implementing economically feasible modifications.

Sec. 149. Minnesota Statutes 1980, Section 116H.123, is amended to read:

116H.123 [ENERGY CONSERVATION IN UNIVERSITY BUILDINGS.]

By June 30, 1982, the University of Minnesota after consultation with the (DIRECTOR) commissioner, shall complete a mini-audit or a maxi-audit of all buildings and associated facilities of the University of Minnesota which are heated. The university shall determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 116H.121. The university shall estimate the annual potential savings in units of fuel and fuel procurement costs for existing heating and cooling systems, which savings would be realized for each university owned building if its operating procedures were modified and it were improved to comply with each of the energy conservation standards promulgated pursuant to section 116H.121. If (FUNDS) appropriations are inadequate to complete a mini-audit or maxi-audit of all university owned buildings, the university shall give priority to buildings of 25,000 or more square feet. If the university determines that a modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. The university shall submit to the legislature an annual progress report on January 1 of each year and a final report by December 31, 1982, indicating the number and percentage of university owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, the energy savings and costs resulting from implementing such modifications, and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications.

Sec. 150. Minnesota Statutes 1980, Section 116H.124, is amended to read:

116H.124 [LOCAL GOVERNMENTAL SURVEYS AND FUEL COST ESTIMATES.]

(SUBDIVISION 1. [BUILDING ENERGY REPORT.] THE GOVERNING BODY OF EACH CITY AND COUNTY SHALL COMPLETE A BUILDING ENERGY REPORT FOR ALL EXISTING CITY OWNED OR COUNTY OWNED BUILDINGS WITHIN THEIR RESPECTIVE JURISDICTIONS WHICH ARE HEATED. THE BUILDING ENERGY REPORT SHALL BE RECORDED ON A FORM FURNISHED BY THE DIRECTOR. EACH GOVERNING BODY SHALL FILE THE BUILDING ENERGY REPORT WITH THE DIRECTOR BY DECEMBER 31, 1979, FOR HIS REVIEW AND ANALYSIS.)

Subd. 2. [MINI-AUDITS AND MAXI-AUDITS.] On or before June 30, 1980, based upon analysis of the building energy reports, the (DIRECTOR) *commissioner* shall indicate to the governing body of each city and county those buildings upon which a mini-audit, a maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the (DIRECTOR) *commissioner*, and filed with the (DIRECTOR) *commissioner* by December 31, 1982.

Subd. 3. [APPEAL FROM DECISION OF (DIRECTOR) COMMISSIONER.] The governing body of any city or county may appeal the decision of the (DIRECTOR) *commissioner* pursuant to subdivision 2 by submitting in writing to the (DIRECTOR) *commissioner* the reasons for the appeal. No appeal may be considered by the (DIRECTOR) *commissioner* if received later than three months after notification to the city or county that a mini-audit or maxi-audit shall be performed. The (DIRECTOR) *commissioner* shall review all appeals and respond to the governing body within one month of receipt of the appeal indicating whether the appeal is granted in full, granted in part, or denied.

Subd. 4. [CERTIFICATION OF AUDITORS.] The (DIRECTOR) *commissioner* may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Subd. 5. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEY.] The [DIRECTOR] *commissioner* may accept the results of an equivalent energy survey in place of the building energy report or audits required under this section.

Sec. 151. Minnesota Statutes 1980, Section 116H.126, is amended to read:

116H.126 [PUBLIC SCHOOL BUILDING ENERGY REPORTS AND AUDITS.]

(SUBDIVISION 1. [BUILDING ENERGY REPORT.] EACH SCHOOL DISTRICT SHALL COMPLETE A BUILDING ENERGY REPORT FOR ALL EXISTING PUBLIC SCHOOL BUILDINGS WHICH IT OWNS OR OPERATES AND WHICH ARE HEATED. THE BUILDING ENERGY REPORT SHALL BE RECORDED ON A FORM FURNISHED BY THE DIRECTOR. EACH SCHOOL DISTRICT SHALL FILE THE BUILDING ENERGY REPORTS WITH THE DIRECTOR BY DECEMBER 31, 1979, FOR HIS REVIEW AND ANALYSIS.)

Subd. 2. [MINI-AUDITS AND MAXI-AUDITS.] On or before July 1, 1980, based upon the analysis of the building energy reports, the (DIRECTOR) *commissioner* shall indicate to each school district those buildings upon which a mini-audit, maxi-audit, or both, shall be performed. The audit results shall be recorded on a form furnished by the (DIRECTOR) *commissioner* and filed with the (DIRECTOR) *commissioner* by December 31, 1982.

Subd. 3. [APPEAL FROM DECISION OF (DIRECTOR) COMMISSIONER.] Any school district may appeal the decision of the (DIRECTOR) *commissioner* pursuant to subdivision 2 by submitting in writing to the (DIRECTOR) *commissioner* the reasons for the appeal. No appeal may be considered by the (DIRECTOR) *commissioner* if received later than three months after notification to the school district that a mini-audit or maxi-audit shall be performed. The (DIRECTOR) *commissioner* shall review all appeals and respond to the school district within one month of receipt of the appeal indicating whether the appeal is granted in full, granted in part, or denied.

Subd. 4. [CERTIFICATION OF AUDITORS.] The (DIRECTOR) *commissioner* may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Subd. 5. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEYS.] The (DIRECTOR) *commissioner* may accept the results of an equivalent energy survey in place of the building energy report and audits required under this section.

Subd. 6. [SCHOOL DISTRICTS INTENDING TO CLOSE PUBLIC SCHOOL BUILDINGS.] A school district intending to permanently close or otherwise discontinue use of any existing public school building by January 1, 1985, shall not be required to comply with this section as to those buildings, if a certification of intent to close the building is filed with the (DIRECTOR) *commissioner*.

(SUBD. 7. [STUDY OF CAPABILITY OF ENERGY MANAGEMENT PERSONNEL.] THE DIRECTOR SHALL CONDUCT A STUDY OF THE CAPABILITIES AND LEVEL OF TRAINING OF SCHOOL DISTRICT ENERGY MANAGEMENT PERSONNEL. THE REPORT SHALL INCLUDE RECOMMENDATIONS AND SHALL BE SUBMITTED TO THE LEGISLATURE BY JANUARY 1, 1980.)

Sec. 152. Minnesota Statutes 1980, Section 116H.127, is amended to read:

116H.127 [SOLAR ENERGY SYSTEM STANDARDS OF PERFORMANCE.]

The (BUILDING CODE DIVISION OF THE DEPARTMENT) *commissioner* of administration in consultation with the (AGENCY) *commissioner* shall (PROMULGATE) *adopt* rules (BY DECEMBER 31, 1976,) concerning quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975, to insure that within the existing state of development, solar energy systems as defined in section 116H.02, subdivision 11, which are sold or installed within this state, are effective and represent a high standard of quality of material, workmanship, design, and performance. The (DEPARTMENT) *commissioner* of administration in consultation with the energy (AGENCY) *commissioner* shall (MODIFY EXISTING STANDARDS AND PROMULGATE NEW STANDARDS SUBSEQUENT TO DECEMBER 31, 1976,) *amend the rules* as new technology and materials become available, or as standards are revised by the federal government.

Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.

Sec. 153. Minnesota Statutes 1980, Section 116H.128, is amended to read:

116H.128 [REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS.]

The (DIRECTOR) *commissioner* shall continuously identify, monitor, and evaluate in terms of potential direct benefit to, and possible implementation in Minnesota, research studies and demonstration projects of alternative energy systems and methodologies currently performed in Minnesota and other states and countries including:

- (a) Solar energy systems for heating and cooling;

(b) Energy systems using wind, agricultural wastes, forestry products, peat, and other nonconventional energy resources;

(c) Devices and technologies increasing the energy efficiency of energy consuming appliances, equipment, and systems;

(d) Hydroelectric power; and

(e) (SUCH) Other projects (AS) the (DIRECTOR) *commissioner* deems appropriate and of direct benefit to Minnesota and other states of the upper midwest.

Sec. 154. Minnesota Statutes 1980, Section 116H.129, Subdivision 1, is amended to read:

Subdivision 1. (BEFORE JANUARY 1, 1979,) The commissioner of administration, in consultation with the (DIRECTOR) *commissioner* and the appropriate standing committees of the legislature, shall (PROMULGATE) *adopt rules containing* minimum energy efficiency standards for existing residences. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs in Minnesota as certified by the (DIRECTOR) *commissioner* in the state register, will exceed the cost of the energy conserving requirements amortized over the five-year period subsequent to the incurring of (SUCH) *the* cost. The costs computed under this section shall include reasonable inflation and interest factors. (NOT LATER THAN JANUARY 1, 1981, THE COMMISSION SHALL AMEND) The rules (TO) *shall* require that energy conserving requirements shall be amortized over a ten year period.

Sec. 155. Minnesota Statutes 1980, Section 116H.129, Subdivision 4, is amended to read:

Subd. 4. [INSPECTIONS.] The (ENERGY AGENCY) *commissioner* shall conduct inspections on a random basis for compliance with the provisions of subdivision 3.

Sec. 156. Minnesota Statutes 1980, Section 116H.129, Subdivision 5, is amended to read:

Subd. 5. [RESIDENTIAL ENERGY DISCLOSURE PROGRAM.] (BY MAY 1, 1980,) The commissioner of administration, in consultation with the (DIRECTOR OF THE ENERGY AGENCY) *commissioner* and the appropriate standing committees of the legislature, shall (PROMULGATE) *adopt* 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 en-

ergy 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. 157. Minnesota Statutes 1980, Section 116H.129, Subdivision 6, is amended to read:

Subd. 6. [BUILDING EVALUATORS.] (BY AUGUST 1, 1980,) The commissioner of administration shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy disclosure requirements. The commissioner of administration shall, by rule pursuant to chapter 15, establish standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. The commissioner of *administration* shall encourage the certification of existing groups of trained municipal personnel and individuals from public service organizations. (EFFECTIVE AUGUST 1, 1980,) Each certified evaluator shall, on request of the owner, inspect any residence and report the degree to which it complies with applicable energy disclosure requirements. The inspection shall be made within 30 days of the request.

Sec. 158. Minnesota Statutes 1980, Section 116H.129, Subdivision 8, is amended to read:

Subd. 8. (BEFORE JANUARY 1, 1978, THE COMMISSIONER OF ADMINISTRATION, IN CONSULTATION WITH THE DIRECTOR, SHALL BY RULE AMEND) The standards concerning heat loss, illumination, and climate control (PROMULGATED) *adopted* pursuant to section 116H.12, subdivision 4, (TO) *shall* require that electrical service to individual dwelling units in buildings containing two or more units be separately metered, with individual metering readily accessible to the individual occupants. The standards authorized by this subdivision shall only apply to buildings constructed after the effective date of the amended standards. Buildings intended for occupancy primarily by persons who are 62 years of age or older or handicapped, or which contain a majority of units not equipped with complete kitchen facilities, shall be exempt from the provisions of this subdivision.

Sec. 159. Minnesota Statutes 1980, Section 116H.13, is amended to read:

116H.13 [CERTIFICATE OF NEED.]

Subdivision 1. The (DIRECTOR) *commissioner* shall, pursuant to chapter 15 and sections 116H.01 to 116H.15, (PROMULGATE) *adopt* assessment of need criteria to be used in the deter-

mination of need for large energy facilities pursuant to this section.

Subd. 2. (ON AND AFTER THE EFFECTIVE DATE OF THE ASSESSMENT OF NEED CRITERIA ADOPTED PURSUANT TO SUBDIVISION 1,) No large energy facility shall be sited or constructed in Minnesota without the issuance of a certificate of need by the (DIRECTOR) *commissioner* pursuant to sections 116H.01 to 116H.15 and consistent with the criteria for assessment of need.

Subd. 3. No proposed large energy facility shall be certified for construction unless the applicant has justified its need. In assessing need, the (DIRECTOR) *commissioner* 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 utilities commission pursuant to section 216B.241, that can ((1)) (a) replace part or all of the energy to be provided by the proposed facility, and ((2)) (b) compete with it economically.

Subd. 4. (AFTER PROMULGATION OF THE CRITERIA FOR ASSESSMENT OF NEED,) Any person proposing to

construct a large energy facility shall apply for a certificate of need prior to construction of the facility. The application shall be on forms and in a manner established by the (DIRECTOR) *commissioner*. In reviewing each application the (DIRECTOR) *commissioner* shall hold at least one public hearing pursuant to chapter 15. The public hearing shall be held at a location and hour reasonably calculated to be convenient for the public. An objective of the public hearing shall be to obtain public opinion on the necessity of granting a certificate of need. The (DIRECTOR) *commissioner* shall designate (AN ENERGY AGENCY) a *department* employee whose duty shall be to facilitate citizen participation in the hearing process.

Subd. 5. Within six months of the submission of an application, the (DIRECTOR) *commissioner* shall approve or deny a certificate of need for the facility. (SUCH) Approval or denial of the certificate shall be accompanied by a statement of the reasons for the decision. Issuance of the certificate may be made contingent upon modifications required by the (DIRECTOR) *commissioner*.

Subd. 6. Any application for a certificate of need shall be accompanied by the fee required pursuant to this subdivision. The maximum fee shall be \$50,000, except for an application for an electric power generating plant as defined in section 116H.02, subdivision 5, clause (a) or a high voltage transmission line as defined in section 116H.02, subdivision 5, clause (b), for which the maximum fee shall be \$100,000. The (DIRECTOR) *commissioner* may require an additional fee to recover the costs of any rehearing. The fee for a rehearing shall not be greater than the actual costs of the rehearing or the maximum fee specified above, whichever is less. The (DIRECTOR) *commissioner* shall establish by rule pursuant to chapter 15 and sections 116H.01 to 116H.15, a schedule of fees based on the output or capacity of the facility and the difficulty of assessment of need. (FUNDS) *Money* collected in this manner shall be credited to the general fund of the state treasury.

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 utilities 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) *commissioner* 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.

Subd. 8. This section shall not apply in any case where the (DIRECTOR) *commissioner* shall determine after being advised

by the attorney general that its application has been preempted by federal law.

Sec. 160. Minnesota Statutes 1980, Section 116H.14, is amended to read:

116H.14 [SUBPOENA POWER.]

The (DIRECTOR) *commissioner* shall have the power, for the purposes of sections 116H.01 to 116H.15, to issue subpoenas for production of books, records, correspondence and other information and to require attendance of witnesses. (SUCH) *The* subpoenas may be served anywhere in the state by any person authorized to serve processes of courts of record. If a person does not comply with a subpoena, the (DIRECTOR) *commissioner* may apply to the district court of Ramsey county and the court shall compel obedience to the subpoena by a proper order. A person failing to obey the order is punishable by the court as for contempt.

Sec. 161. Minnesota Statutes 1980, Section 116H.15, Subdivision 2, is amended to read:

Subd. 2. The provisions of sections 116H.01 to 116H.15, 325F.20, and 325F.21, or any rules or regulations promulgated hereunder may be enforced by injunction, action to compel performance or other appropriate action in the district court of the county wherein the violation takes place. The attorney general shall bring any action under this subdivision upon the request of the (DIRECTOR) *commissioner*, and the existence of an adequate remedy at law shall not be a defense to an action brought under this subdivision.

Sec. 162. Minnesota Statutes 1980, Section 116H.17, is amended to read:

116H.17 [ENERGY AUDITS.]

The (DIRECTOR OF THE ENERGY AGENCY) *commissioner*, 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) *commissioner*.

Sec. 163. Minnesota Statutes 1980, Section 116H.18, is amended to read:

116H.18 [ENERGY EFFICIENT BUILDING EDUCATION.]

The (ENERGY AGENCY) *commissioner* 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. 164. Minnesota Statutes 1980, Section 116H.19, Subdivision 1, is amended to read:

Subdivision 1. The (DIRECTOR OF THE ENERGY AGENCY) *commissioner*, in consultation with the commissioner of agriculture, (AND THE COMMISSIONER OF ECONOMIC DEVELOPMENT,) shall (PREPARE A PLAN FOR THE CREATION AND ORGANIZATION OF) *organize* 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.

Sec. 165. Minnesota Statutes 1980, Section 116H.23, is amended to read:

116H.23 [PRIORITIES FOR FUNDING.]

All applications for funding shall be made to the (DIRECTOR OF THE MINNESOTA ENERGY AGENCY) *commissioner*. Applications shall be accompanied by a report on the energy using characteristics of the building and any other information the (DIRECTOR) *commissioner* may reasonably require. A school or local government may apply to the (DIRECTOR) *commissioner* to receive reimbursement for up to the reasonable costs of mini-audits or maxi-audits performed pursuant to section 116H.124 or 116H.126. (NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, SCHOOLS AND LOCAL GOVERNMENTS WHICH SUBMIT THEIR MAXI-AUDITS OR MINI-AUDITS TO THE DIRECTOR PRIOR TO OR ON DECEMBER 31, 1980 MAY USE THE STATE FUNDS RECEIVED TO PAY PART OF OR ALL OF THE REASONABLE COSTS OF ENERGY CONSERVATION MEASURES.) In the event that the applicant receives federal (FUNDS) *money* pursuant to the National Energy Conservation Policy Act, P.L. 95-619 (, WHICH FUNDS ARE) *that is* intended to be used to pay part or all of the costs of a mini-audit or maxi-audit, the applicant shall receive state (FUNDS) *money*, which, when combined with federal (FUNDS) *money* received, (EQUAL) *equals* the reasonable costs of the mini-audit or maxi-audit. (THE DIRECTOR SHALL NOT PRIOR TO DECEMBER 31, 1980, ORDER MAXI-AUDITS FOR MORE THAN ONE-THIRD OF

THE BUILDINGS FOR WHICH BUILDING ENERGY REPORTS ARE SUBMITTED.)

Sec. 166. Minnesota Statutes 1980, Section 120.78, Subdivision 1, is amended to read:

Subdivision 1. On or before December 31 of each year each school district shall submit to the commissioner of education, in such manner and upon such forms as he shall furnish, a comprehensive report of the energy consumed by the district during the previous school year ending June 30. The report shall include: (1) a building energy report, as defined in section 116H.02, on each building and other structure maintained by the district; (2) the amount of fuel used to transport students to and from school and between schools; and (3) (SUCH) other information (AS) the commissioner (MAY REQUIRE) *requires* related to the consumption of energy. The report shall be developed by the commissioner in consultation with the (DIRECTOR OF THE ENERGY AGENCY) *commissioner of energy, planning and development*.

Sec. 167. Minnesota Statutes 1980, Section 124.225, Subdivision 4a, is amended to read:

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) *commissioner of energy, planning and development* 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) *commissioner of energy, planning and development*;

(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.

Sec. 168. Minnesota Statutes 1980, Section 126.111, Subdivision 2, is amended to read:

Subd. 2. The commissioner of education in consultation with the (DIRECTOR OF THE ENERGY AGENCY) *commissioner of energy, planning and development* shall prepare an interdisciplinary program in the field of energy sources, uses, conservation, and management. The first phase shall be an assessment of available curriculum materials, the amount and type of energy curriculum already being taught, and what needs to be developed to provide an integrated approach to energy education consistent with socio-economic and ecological principles. Subsequent phases shall include development of curriculum guidelines and materials and a plan for their implementation as (FUNDS BECOME) *money becomes* available.

Sec. 169. Minnesota Statutes 1980, Section 137.31, Subdivision 6, is amended to read:

Subd. 6. [ANNUAL REPORT.] The University of Minnesota shall submit an annual report as provided in section 3.195, to the governor and the legislature, with a copy to the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development*, indicating the progress being made toward the objectives and goals of this section. The report shall include the following information:

(a) The total dollar value and number of procurement contracts identified and set aside during this period and the percentage of total value of university procurements that this figure reflects;

(b) The number of small businesses identified by and responding to the university set aside program, the total dollar value and number of procurement contracts actually awarded to small businesses with appropriate designation as to the total number and value of procurement contracts awarded to each small business, and the total number of small businesses that were awarded procurement contracts;

(c) The total dollar value and number of procurement contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of procurement contracts awarded to each small business, and the percentages of the total value of university procurements the figures of total dollar value and the number of procurement contracts reflect; and

(d) The number of procurement contracts which were designated and set aside pursuant to this section but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to regular procurement procedures.

Sec. 170. Minnesota Statutes 1980, Section 138.93, Subdivision 4, is amended to read:

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) *commissioner of energy, planning and development* for review and comment.

Sec. 171. Minnesota Statutes 1980, Section 145.834, is amended to read:

145.834 [CERTIFICATE OF NEED REQUIRED.]

No construction or modification of or predevelopment activities by a health care facility, whether public, nonprofit, or proprietary, shall be commenced or offered unless a certificate of need has been issued therefor in accordance with sections 145.832 to 145.845. The state planning agency, as the administrative authority for the National Health Planning and Resource Development Act of 1974, 42 U.S.C., Section 300k, et seq., shall enter into an agreement with the commissioner of health under which the commissioner of health shall (PROMULGATE) *adopt* rules governing the administration of sections 145.832 to 145.845. The commissioner of health shall (PROMULGATE) *adopt* rules to define the commencement of a construction or a modification or predevelopment activities and other rules necessary to implement, enforce and administer sections 145.832 to 145.845. All rules heretofore (PROMULGATED) *adopted* by the state planning agency pursuant to certificate of need shall remain in effect until (MODIFIED) *amended* or repealed by the rules of the commissioner of health.

Sec. 172. Minnesota Statutes 1980, Section 145.835, Subdivision 1, is amended to read:

Subdivision 1. [PRECONSTRUCTION NOTICE.] No health care facility, or person, group, corporation or association intending to embark upon a program of construction or modification of a health care facility, shall engage architectural, professional consultation, other predevelopment activities, or fund raising services with respect to construction or modification until it has notified the health systems agency of its intention to engage (SUCH) *the* services or activities. The notice shall state simply the nature of the architectural, professional consultation, other predevelopment activities, or fund raising services

to be engaged and the nature of the construction or modification contemplated. Upon receipt of notice under this section, the health systems agency shall promptly notify the commissioner of health and the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*.

Sec. 173. Minnesota Statutes 1980, Section 145.836, Subdivision 1, is amended to read:

Subdivision 1. [APPLICATION PROCEDURE.] Applications for certificate of need shall be submitted to the health systems agency serving the area in which the proposed construction or modification is to take place. Prior to acting on the application and within ten days of receipt, the health systems agency shall send a copy to the commissioner of health and to the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* with a recommendation that the application be considered either complete or incomplete. The commissioner of health shall determine that the application is initially complete or incomplete within ten days of receipt of a recommendation from a health systems agency. If the application is incomplete, it is not to be considered to be submitted to the health systems agency or the commissioner and it shall be returned stating the specific needs to be met in order for the application to be considered complete.

Sec. 174. Minnesota Statutes 1980, Section 145.837, Subdivision 1, is amended to read:

Subdivision 1. [CRITERIA FOR REVIEW.] The commissioner of health shall, after consulting with the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* and the health systems agencies, (PROMULGATE) *adopt* rules governing the health systems agencies in their determinations whether certificates of need are required and in their review of applications for certificates of need pursuant to section 145.832 to 145.845. The rules shall provide for the consideration of at least the following criteria:

(a) The relationship of the proposed construction or modification to the applicable health system plan and annual implementation plan;

(b) The relationship of the construction or modification being proposed to the long range development plan of the health care facility requesting the certificate of need;

(c) The need for health care facilities and services, excluding home health services, in the area and the requirements of the population of the area;

(d) The availability and adequacy of other less costly or more effective health services in the area which may serve as

alternates or substitutes for the whole or any part of the service to be provided by the proposed construction or modification;

(e) The relationship of the proposed construction or modification to the existing health care system of the area, including the possible economies and improvement in service that may be derived from operation of joint, cooperative, or shared health care resources;

(f) The availability of resources, including health care providers, management personnel, and funds for both capital and operational needs for the provision of the services proposed to be provided and the availability of alternative uses of such resources for the provisions of other health services;

(g) The immediate and long-term financial feasibility of the proposed construction or modification, as well as its probable impact on the operational costs and charges of the health care facility;

(h) The relationship, including the organizational relationship, of the health services proposed to be provided to ancillary or support services;

(i) The special needs and circumstances of medical teaching, research facilities and referral facilities which provide a substantial portion of their services or resources, or both, to individuals outside of the health service area;

(j) The special needs and circumstances of biomedical and behavioral research projects which are designed to meet a national need and for which local conditions offer special advantages;

(k) In the case of a construction project: the costs and methods of the proposed construction, including the costs and methods of energy provision and the probable impact of the construction project reviewed on the costs of providing health services by the person proposing the project;

(l) The special needs of hospitals to convert excess hospital beds to long-term care or other alternate functions, but only if the hospitals terminate all acute care services; and

(m) The special requirements of health maintenance organizations to meet the health care needs of their present and future subscribers.

Sec. 175. Minnesota Statutes 1980, Section 145.845, is amended to read:

145.845 [HEALTH SYSTEMS AGENCIES; MEMBERSHIP.]

The commissioner of health shall after consulting with the (STATE PLANNING AGENCY PROMULGATE) *commissioner of energy, planning and development* adopt rules concerning the membership of health systems agencies. The rules shall:

- (1) Comply with the provisions of the National Health Planning and Resources Development Act, 42 U.S.C., Section 300k, et seq.;
- (2) Provide that a majority of the membership be composed of consumers;
- (3) Provide for representation of hospital and nursing home providers;
- (4) Provide for representation of local boards of health;
- (5) Provide for representation of licensed medical doctors and other health professionals;
- (6) Provide for a fixed term of membership; and
- (7) Provide that members of a health systems agency shall not select their successors.

No existing health systems agency shall exercise the functions provided in sections 145.832 to 145.845 until it is in compliance with rules (ISSUED) *adopted* pursuant to this section.

If there is no health systems agency in a designated area of the state in compliance with sections 145.832 to 145.845, the (MINNESOTA STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall perform the functions and duties of a health systems agency for that area. In this specific instance, the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall be exempt from utilizing the services of the hearing examiner.

Sec. 176. Minnesota Statutes 1980, Section 145.912, Subdivision 15, is amended to read:

Subd. 15. "Population" means the total resident population as enumerated during the most recent federal census or, the annual population estimate prepared by the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* in cooperation with the bureau of the census shall be used in order to have the most current data available.

Sec. 177. Minnesota Statutes 1980, Section 160.262, Subdivision 1, is amended to read:

Subdivision 1. The legislature determines that it is in the interests of the public health, safety and welfare, to provide for the addition of bicycle and recreational vehicle lanes to proposed and existing public highways. (THE STATE PLANNING AGENCY SHALL CONDUCT A STUDY:)

((1) TO PROPOSE MODEL STANDARDS FOR THE ESTABLISHMENT OF BICYCLE AND RECREATIONAL VEHICLE LANES ON AND ALONG PROPOSED AND EXISTING PUBLIC HIGHWAYS, AND)

((2) TO DETERMINE METHODS, OTHER THAN THE USE OF BONDS, FOR FINANCING THE BICYCLE AND RECREATIONAL VEHICLE LANES. THE RESULTS OF THE STUDY SHALL BE FORWARDED TO THE COMMISSIONER OF TRANSPORTATION NO LATER THAN JULY 1, 1974.)

(NO LATER THAN JANUARY 1, 1975,) The commissioner of transportation shall (PROMULGATE) *adopt*, in the manner provided in chapter 15, model standards for the establishment of recreational vehicle lanes on and along proposed and existing public highways. (IN THE STUDY UNDERTAKEN BY THE STATE PLANNING AGENCY AND IN THE PROMULGATION OF THE MODEL STANDARDS BY THE COMMISSIONER,) The model standards shall include but not be limited to the following: (a) criteria for desirability of (SUCH) a lane in any given location, (b) provision for maintenance of (SUCH) *the* lanes, and (c) the placement of (SUCH) *the* lanes in relation to roads. The model standards shall govern state trunk highways.

Sec. 178. Minnesota Statutes 1980, Section 160.262, Subdivision 3, is amended to read:

Subd. 3. The following departments and agencies shall cooperate in providing (THE) information and advice for (THE STUDY BY THE STATE PLANNING AGENCY AND THE PROMULGATION OF MODEL STANDARDS AND) amendments (THERE TO) *to the model standards* by the commissioner of transportation: the departments of agriculture, transportation, (ECONOMIC DEVELOPMENT,) natural resources, public service, (THE STATE PLANNING AGENCY) *energy, planning and development*, and the state soil and water conservation board. The commissioner may cooperate with and enter into agreements with the United States government, any department of the state of Minnesota, any unit of local government and any public or private corporation in order to effect the purposes of this section.

Sec. 179. Minnesota Statutes 1980, Section 160.265, Subdivision 1, is amended to read:

Subdivision 1. [STATE BICYCLE TRAILS.] The commissioner of transportation shall establish a program for the development of bicycle trails primarily on existing road rights of way. "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in sections 160.263 and 160.264. The program shall include a system of bicycle trails to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bicycle trails primarily on existing road rights of way. The program shall be coordinated with the local park trail grant program established by the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* pursuant to section 4.36, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the state-wide transportation plan pursuant to section 174.03, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. The program shall be developed after consultation with the state trail council, local units of government, and bicyclist organizations. The program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bicycle trails in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the trails. The metropolitan council, the commissioner of natural resources, the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 15.

Sec. 180. Minnesota Statutes 1980, Section 174.03, Subdivision 7, is amended to read:

Subd. 7. [ENERGY CONSERVATION.] The commissioner, in cooperation with the (MINNESOTA ENERGY AGENCY) *commissioner of energy, planning and development*, shall evaluate all modes of transportation in terms of their levels of energy consumption. The (DIRECTOR OF THE ENERGY AGENCY) *commissioner of energy, planning and development* shall provide the commissioner with projections of the future availability of energy resources for transportation. The commissioner shall use the results of this evaluation and the projections

to evaluate alternative programs and facilities to be included in the statewide plan and to otherwise promote the more efficient use of energy resources for transportation purposes.

Sec. 181. Minnesota Statutes 1980, Section 204A.06, Subdivision 1b, is amended to read:

Subd. 1b. [PRECINCT BOUNDARIES; DESCRIPTION, MAPS.] The clerk shall file with the secretary of state and the (STATE DEMOGRAPHER IN THE STATE PLANNING AGENCY) *commissioner of energy, planning and development* a map showing the correct boundaries of the precincts in the municipality and shall keep on file in his office for public inspection a copy of the map. At least 30 days before any change in a precinct or corporate boundary becomes effective, the clerk shall place on file for public inspection a map setting forth the revised precinct boundaries and forward copies to the secretary of state and the (STATE DEMOGRAPHER) *commissioner of energy, planning and development*. For every election held in the municipality the clerk shall furnish copies of the appropriate precinct map to the election judges for each polling place.

Sec. 182. Minnesota Statutes 1980, Section 216B.241, Subdivision 2, is amended to read:

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 ratemaking purposes in the manner prescribed in section 216B.16, subdivision 6b. 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.

Sec. 183. Minnesota Statutes 1980, Section 222.62, is amended to read:

222.62 [COOPERATION OF OTHER STATE AGENCIES.]

Upon the request of the commissioner, the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development*, the commissioner of banks, and the commissioner of securities and real estate shall provide technical assistance and shall otherwise cooperate in carrying out the provisions of sections 222.55 to 222.62.

Sec. 184. Minnesota Statutes 1980, 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,) natural resources, (THE ENERGY AGENCY) *energy, planning and development*, state planning agency, railroad companies, railroad labor organizations, and rail users.

Sec. 185. Minnesota Statutes 1980, Section 245.783, Subdivision 2, is amended to read:

Subd. 2. The commissioner shall be responsible for processing applications for licensure made under (LAWS 1976, CHAPTER 243) *sections 245.781 to 245.812 and section 252.28, subdivision 2*. State agencies and departments including, but not limited to, the state fire marshal, state building code, state commissioner of health and (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, which are involved in the investigation and review of a facility or an applicant's qualifications shall direct their employees to report directly to the commissioner on these matters and shall be subject to the rules promulgated by the commissioner with respect to the coordination of licensing and inspection functions. This subdivision relates only to other state departments or agencies and confers no additional powers or duties upon the commissioner respecting federal, county, municipal, or other nonstate agencies. Nothing in this subdivision shall prevent the state fire marshal from delegating inspection duties to local units of government.

Sec. 186. Minnesota Statutes 1980, Section 268.014, is amended to read:

268.014 [COOPERATION WITH OTHER STATE AGENCIES.]

To effectively coordinate job training and placement services with future job needs of the state the commissioner shall maintain close liaison, coordination and cooperation with the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner of energy, planning and development* and any other state agency involved in employment issues affecting the state.

Sec. 187. Minnesota Statutes 1980, Section 273.74, Subdivision 2, is amended to read:

Subd. 2. [CONSULTATIONS; COMMENT AND FILING.] Before formation of a tax increment financing district, the authority shall provide an opportunity to the members of the county boards of commissioners of any county in which any portion of the proposed district is located and the members of the school board of any school district in which any portion of the proposed district is located to meet with the authority. The authority shall present to the members of the county boards of commissioners and the school boards its estimate of the fiscal and economic implications of the proposed tax increment financing district. The members of the county boards of commissioners and the school boards may present their comments at the public hearing on the tax increment financing plan required by subdivision 3. Upon adoption of the tax increment financing plan, the authority shall file the same with the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*.

Sec. 188. Minnesota Statutes 1980, Section 273.74, Subdivision 5, is amended to read:

Subd. 5. [ANNUAL DISCLOSURE.] For all tax increment financing districts, whether created prior or subsequent to August 1, 1979, on or before July 1 of each year, the authority shall submit to the county board, the school board, the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* and, if the authority is other than the municipality, the governing body of the municipality a report of the status of the district. The report shall include the following information: the amount and the source of revenue in the account, the amount and purpose of expenditures from the account, the amount of any pledge of revenues, including principal and interest on any outstanding bonded indebtedness, the original assessed value of the district, the captured assessed value retained by the authority, the captured assessed value shared with other taxing districts, the tax increment received and any additional information necessary to demonstrate compliance with any applicable tax increment financing plan. An annual statement showing the tax increment received and expended in that year, the original assessed value, captured assessed value, amount of outstanding bonded indebtedness and any additional information the authority deems necessary shall be published in a newspaper of general circulation in the municipality.

Sec. 189. Minnesota Statutes 1980, Section 275.53, Subdivision 1, is amended to read:

Subdivision 1. For the purpose of determining the amount of tax that a governmental subdivision may levy in accordance with a per capita limitation established by this chapter or the amount of aid that a city or township may receive pursuant to section 477A.01, the population of the governmental subdivision shall be that established by the last federal census, by a census taken pursuant to subdivision 2, or by a population estimate made by the metropolitan council, or by the population estimate of the (STATE DEMOGRAPHER) *commissioner of energy, planning and development* made pursuant to section 4.12, subdivision 7, clause (10), whichever is the most recent as to the stated date of count or estimate, up to and including July 1 of the current levy year. Population changes established after July 1 of the current levy year shall not be used in determining the levy limitation of a governmental subdivision for the current levy year under sections 275.50 to 275.56.

Sec. 190. Minnesota Statutes 1980, Section 275.53, Subdivision 3, is amended to read:

Subd. 3. (a) In any year in which the population estimate for a governmental subdivision provided by the (STATE DEMOGRAPHER) *commissioner of energy, planning and development* pursuant to subdivision 4 increases the amount of tax that the governmental subdivision may levy pursuant to sections 275.50 to 275.56, the governing body of the governmental subdivision shall publish notice of the estimate and the fact that it may result in an increased tax levy at least once in a legal newspaper of general circulation in the subdivision by August 1.

(b) Within 30 days following the publication of the notice, ten percent or more of the registered voters of the subdivision, or, if the subdivision does not require voter registration, then ten percent or more of its voters, who voted at the subdivision's last election, may sign and submit to the governing body of this subdivision a petition demanding a special census.

(c) Attached to the petition shall be an affidavit executed by the circulator or circulators thereof, stating that he or they personally circulated the petition, the number of signatures thereon, that all signatures were affixed in his or their presence and that he or they believe them to be genuine signatures of the persons whose names they purport to be. Each signature need not be notarized.

(d) Upon the receipt of a petition conforming to this subdivision, the governing body shall contract for the taking of a special census pursuant to the provisions of subdivision 2.

Sec. 191. Minnesota Statutes 1980, Section 275.53, Subdivision 4, is amended to read:

Subd. 4. In any year in which the annual population estimate of the (STATE DEMOGRAPHER) *commissioner of energy, planning and development* is the population of a governmental subdivision pursuant to subdivision 1, the governing body of the governmental subdivision may challenge the accuracy of the estimate by notifying the (STATE DEMOGRAPHER) *commissioner* of its objections to the estimate by June 1. If the governing body of the governmental subdivision and the (STATE DEMOGRAPHER) *commissioner* agree on a revised population estimate by July 1, the revised estimate shall become the annual population estimate of the (STATE DEMOGRAPHER) *commissioner* for that governmental subdivision for that year.

Sec. 192. Minnesota Statutes 1980, 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 for 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, 1979, 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) *commissioner of energy, planning and development*. 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 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 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 *either or both*:

(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) adopted by the commissioner of revenue in cooperation with the (DIRECTOR OF THE ENERGY AGENCY) *commissioner of energy, planning and development*. 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 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, 1979, and any regulations promulgated pursuant thereto.

The commissioner of revenue in cooperation with the (DIRECTOR OF THE ENERGY AGENCY) *commissioner of energy, planning and development* shall (PROMULGATE) *adopt* rules establishing additional qualifications and definitions for the credits provided in this subdivision.

Notwithstanding section 290.61, the commissioner of revenue may request the (ENERGY AGENCY) *commissioner of energy, planning and development* 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) *department of energy, planning and development* who receive information furnished by a taxpayer for purposes of claiming this credit.

The (DIRECTOR OF THE ENERGY AGENCY) *commissioner of energy, planning and development* shall (PROMULGATE) *adopt* 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) *commissioner of energy, planning and development* may (PROMULGATE) adopt 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. 193. Minnesota Statutes 1980, Section 298.48, Subdivision 4, is amended to read:

Subd. 4. [CONFIDENTIAL NATURE OF INFORMATION.] The data filed pursuant to subdivision 1 shall be considered confidential for three years from the date it is filed with the commissioner. Nothing herein contained shall be construed to prohibit the commissioner from disclosing information or publishing statistics so classified as not to disclose the identity of particular data.

Notwithstanding the other provisions of this subdivision, the commissioner, at his discretion, may furnish any information supplied under this section to the commissioner of natural resources, the (DIRECTOR OF THE STATE PLANNING AGENCY) *commissioner of energy, planning and development*, or a county assessor. Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

Sec. 194. Minnesota Statutes 1980, Section 299A.03, Subdivision 5, is amended to read:

Subd. 5. [CHAIRPERSON; STAFF.] The *commissioner shall be the chairperson of the crime control planning board (SHALL SERVE AT THE PLEASURE OF THE GOVERNOR AND SHALL RECEIVE A SALARY AS PROVIDED BY LAW. THE CHAIRPERSON SHALL BE EXPERIENCED IN THE ADMINISTRATION OF PROGRAMS RELATED TO LAW ENFORCEMENT OR CRIMINAL JUSTICE. THE CHAIRPERSON), shall serve as executive director of the board, shall preside at board meetings, shall organize the work of the board, and shall appoint all employees (SUBJECT TO THE APPROVAL) of the board. (THE COMMISSIONER OF THE STATE DEPARTMENT OF ADMINISTRATION SHALL PROVIDE THE CRIME CONTROL PLANNING BOARD WITH REASONABLE OFFICE SPACE AND ADMINISTRATIVE SERVICES REQUESTED BY THE BOARD, AND THE BOARD SHALL REIMBURSE THE COMMISSIONER OF FINANCE FOR THE COST THEREOF.)*

Sec. 195. Minnesota Statutes 1980, Section 299A.04, is amended to read:

299A.04 [GRANTS-IN-AID TO YOUTH INTERVENTION PROGRAMS.]

Subdivision 1. The (CRIME CONTROL PLANNING BOARD) *commissioner* may make grants to nonprofit agencies administering youth intervention programs in communities where the programs are or may be established.

“Youth intervention program” means a nonresidential community based program providing advocacy, education, counseling, and referral services to youth and their families experiencing personal, familial, school, legal or chemical problems with the goal of resolving the present problems and preventing the occurrence of the problems in the future.

Subd. 2. Applications for a grant-in-aid shall be made by the administering agency to the (CRIME CONTROL PLANNING BOARD) *commissioner*. The grant-in-aid is contingent upon the agency having obtained from the community in which the youth intervention program is established local matching money two times the amount of the grant that is sought.

The (CRIME CONTROL PLANNING BOARD) *commissioner* shall provide by rule the application form, procedures for making application form, criteria for review of the application, and kinds of contributions in addition to cash that qualify as local matching money. No grant to any agency shall exceed \$25,000.

Sec. 196. Minnesota Statutes 1980, Section 301.75, is amended to read:

301.75 [ADDITIONAL POWERS.]

In addition to the powers enumerated in section 300.08, subdivision 1, the corporation may:

(a) Borrow money and otherwise incur indebtedness for any of the purposes of the corporation; to issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, therefore and to secure the same by mortgage, pledge, deed or trust or other lien on its property, franchises, rights and privileges of every kind and nature or any part thereof.

(b) Lend money to, and to guarantee, endorse, or act as surety on the bonds, notes, contracts or other obligations of, or otherwise assist financially, any person, firm, corporation or association, and to establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith.

(c) Purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, mortgage, lease, pledge, or otherwise dispose of, upon such terms and conditions as the board of directors may deem advisable, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real or personal property acquired by the corporation from time to time in the satisfaction of debts or enforcement of obligations.

(d) Acquire, by purchase or otherwise, the good will, business, rights, real and personal property and other assets, or any part thereof, of such persons, firms, corporations, joint stock companies, associations or trusts as may be in furtherance of the corporate purposes provided herein, and to assume, undertake, guarantee or pay the obligations, debts and liabilities of any such person, firm, corporation, joint stock company, association or trust; to acquire improved or unimproved real estate for the purpose of constructing industrial plants or other business establishments thereon or for the purpose of disposing of such real estate to others for the construction of industrial plants or other business establishments, and, in furtherance of the corporate purposes provided herein, to acquire, construct or reconstruct, alter, repair, maintain, operate, sell, lease, or otherwise dispose of industrial plants or business establishments.

(e) Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and, while the owner or holder thereof, to exercise all the rights, powers and privileges of ownership, including the right to vote thereon.

(f) Cooperate with and avail itself of the facilities of the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner of energy, planning and development* and any similar governmental agencies; and to cooperate with and assist, and otherwise encourage, local organizations in the various communities of the state the purpose of which shall be the promotion, assistance, and development of the business prosperity and economic welfare of such communities and of this state.

Sec. 197. Minnesota Statutes 1980, Section 301.77, Subdivision 1, is amended to read:

Subdivision 1. All the corporate powers of the corporation shall be exercised by a board of not less than eight elected directors (but the number of elected directors shall always be an even number) who shall be residents of Minnesota and, except in the case of the first board, representative of the various sections of the state as determined in the bylaws. The commissioner of (THE DEPARTMENT OF ECONOMIC DEVELOPMENT) *energy, planning and development* shall be, ex officio, a director with all the authority but without the liability as such, except for gross negligence or wilful misconduct. The number of directors and their term of office shall be determined in the bylaws. If any vacancy occurs in the board of directors through death, resignation, or otherwise, the remaining directors may elect a person to fill the vacancy until the next annual meeting of the corporation.

Sec. 198. Minnesota Statutes 1980, Section 301A.01, Subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 301A.01 to 301A.14, the commissioner of (THE DEPARTMENT OF ECONOMIC DEVELOPMENT) *energy, planning and development* of the state shall divide the state into six tourist regions and shall keep on file in his office and in the office of the secretary of state the legal descriptions and a map of (SUCH) *the* regions.

Sec. 199. Minnesota Statutes 1980, Section 301A.05, is amended to read:

301A.05 [ADDITIONAL POWERS.]

In addition to the powers enumerated in section 300.08, subdivision 1, the corporation may:

(1) Borrow money and otherwise incur indebtedness for any of the purposes of the corporation; to issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, therefor and to secure the same by mortgages, pledges, deeds of trust or other lien on its property, franchises, and privileges of every kind and nature or any part thereof.

(2) Lend money to, and to guarantee, endorse, or act as surety on the bonds, notes, contracts or other obligations of, or otherwise assist financially, any person, firm, corporation or association, and to establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith; to make working capital loans, take equity positions in corporations, and take second or third position mortgages.

(3) Purchase, receive, hold, lease, or otherwise acquire, and to sell, convey, mortgage, lease, pledge, or otherwise dispose of, upon such terms and conditions as the board of directors may deem advisable, real and personal property, together with such rights and privileges as may be incidental and appurtenant thereto and the use thereof, including, but not restricted to, any real property or personal property acquired by the corporation from time to time in the satisfaction of debts or enforcement of obligations.

(4) Acquire, by purchase or otherwise, the good will, business, rights, real and personal property and other assets, or any part thereof, of such persons, firms, corporations, joint stock companies, associations of trust as may be in furtherance of the corporate purposes provided herein, and to assume, undertake, guarantee or pay the obligations, debts, and liabilities of any such person, firm, corporation, joint stock company, association, or trust; to acquire improved or unimproved real estate for the purpose of constructing tourist or recreational business establishments thereon or for the purpose of disposing of such real estate to others for the construction of tourist or recreational business establishments, and, in furtherance of the corporate purposes provided herein, to acquire, construct, or reconstruct, alter, repair, maintain, operate, sell, lease, or otherwise dispose of tourist or recreational business establishments.

(5) Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the stock, shares, bonds, debentures, notes or other securities and evidences of interest in, or indebtedness of, any person, firm, corporation, joint stock company, association or trust, and, while the owner or holder thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote thereon.

(6) Cooperate with and avail itself of the facilities of the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner of energy, planning and development* and any similar government agencies; and to cooperate and avail itself of the facilities of planning and development agencies in the regions, which agencies shall be named in the bylaws as the agencies designated for the region of incorporation; cooperate with and assist and encourage local organizations in the various communities of the state, the purpose of which shall be the promotion,

assistance, and development of the tourist and recreational business prosperity and economic welfare of (SUCH) *those* communities of the state.

Sec. 200. Minnesota Statutes 1980, Section 301A.07, Subdivision 1, is amended to read:

Subdivision 1. All the corporate powers of the corporation shall be exercised by a board of not less than nine elected directors who shall be residents of Minnesota. One-third of the directors shall be elected from persons who are actively engaged in the vacation travel industry in the region of incorporation. The remaining number of directors shall be elected from persons representative of and involved in any of the lending institutions which are nonstockholder members of the corporation. The commissioner of (THE DEPARTMENT OF ECONOMIC DEVELOPMENT OF THE STATE) *energy, planning and development* or his designated representative and the director or chairman of the regional development or planning agency as designated in the by laws, or his designated representative, shall be ex officio directors, with all the authority but without the liability as (SUCH) *directors*, except for gross negligence or willful misconduct. The number of directors and their terms of office shall be determined by the bylaws. If a vacancy occurs in the board of directors through death, resignation, or otherwise, the remaining directors may elect a person to fill the vacancy until the next annual meeting of the corporation.

Sec. 201. Minnesota Statutes 1980, Section 325F.19, Subdivision 3, is amended to read:

Subd. 3. "(ENERGY AGENCY) *Commissioner*" means the (MINNESOTA ENERGY AGENCY AS PROVIDED IN CHAPTER 116H) *commissioner of energy, planning and development*.

Sec. 202. Minnesota Statutes 1980, Section 325F.19, Subdivision 6, is amended to read:

Subd. 6. "Laboratory qualified to test thermal insulation" means an approved laboratory classified by the (ENERGY AGENCY) *commissioner* in consultation with industry members as passing an appropriate examination of ability to perform tests and continuing inspection or follow-up service according to specifications for manufacture and installation, also referred to as "testing laboratory".

Sec. 203. Minnesota Statutes 1980, Section 325F.20, Subdivision 1, is amended to read:

Subdivision 1. (WITHIN NINE MONTHS OF APRIL 6, 1978,) The (ENERGY AGENCY) *commissioner* shall (PROM-

ULGATE) *adopt* rules pursuant to chapter 15 regarding quality, information, and product safety specifications for the manufacture, labeling, installation, and thermographing of insulation. The specifications and any amendments to them shall conform as far as is practical to federal standards or other standards generally accepted and in use throughout the United States. (SUCH) *The* standards, with modifications as may be deemed necessary, may be adopted by reference. The specifications (AS PROMULGATED) *adopted* and any amendments shall be based on the application of scientific principles, approved tests, and professional judgment. (UPON APRIL 6, 1978, THE ENERGY AGENCY MAY ISSUE TEMPORARY RULES PURSUANT TO SECTION 15.0412, SUBDIVISION 5, FOR THE PURPOSES OF THIS SECTION.)

Sec. 204. Minnesota Statutes 1980, Section 325F.21, Subdivision 2, is amended to read:

Subd. 2. The (DIRECTOR OF THE ENERGY AGENCY) *commissioner* shall purchase from time to time unopened insulation packages which shall be sent to an approved testing laboratory to test for compliance with the specifications established under section 325F.20, subdivision 1.

Sec. 205. Minnesota Statutes 1980, Section 325F.23, Subdivision 1, is amended to read:

Subdivision 1. The outside of all containers and wrappings of insulation used or offered for sale in Minnesota shall have the following information printed legibly thereon in bold type not less than one-eighth inch high:

(a) Type (pneumatic or blown, pouring, batt, roll, blanket, board, cellular, or reflective);

(b) R value (to the nearest tenth) per inch at the recommended installation density;

(c) Required thickness in inches to obtain four or more commonly used R values and the corresponding coverage areas in square feet of the insulation in the container or wrapping;

(d) Expiration date and expected shelf life of all resins, catalysts, and foaming agents for all foam insulations, whether in powder, diluted or partially diluted state, on canister, drum, container, or package. For purposes of this section, "foam insulation" means products having an organic base or composed of vinyl or plastic material or both, which are manufactured or installed using a process involving a foaming agent; a resin, a catalyst and an air compressor, including but not limited to urea-formaldehyde, other urea-based foams, urethane foam, polyurethane foam, polystyrene foam, and isocyanurate foam.

(e) Name and address of the manufacturer of the insulation;

(f) A notation of those current specifications of the United States General Services Administration, the United States Department of Energy, the United States Department of Housing and Urban Development, the United States Consumer Product Safety Commission, the Federal Trade Commission and the (ENERGY AGENCY) *commissioner* with which the insulation complies;

(g) The net weight of the contents of the bag, package, or container.

Sec. 206. Minnesota Statutes 1980, Section 325F.24, Subdivision 3a, is amended to read:

Subd. 3a. Rules promulgated by the (DIRECTOR OF THE ENERGY AGENCY) *commissioner* pursuant to sections 325F.20, subdivision 1, and 325F.21, subdivision 1 may be enforced by the (DIRECTOR OF THE ENERGY AGENCY) *commissioner* pursuant to section 116H.15.

Sec. 207. Minnesota Statutes 1980, Section 362.12, Subdivision 1, is amended to read:

362.12 [(SCOPE OF DEPARTMENTAL) POWERS AND DUTIES.]

Subdivision 1. [ENUMERATION.] The (DEPARTMENT) *commissioner* shall:

(1) Investigate, study, and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Minnesota business, industry, and commerce, within and outside the state;

(2) Locate markets for manufacturers and processors and aid merchants in locating and contacting markets;

(3) Investigate and study conditions affecting Minnesota business, industry, and commerce and collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or useful for the proper execution of the powers and duties of the (DEPARTMENT) *commissioner* in promoting and developing Minnesota business, industry, and commerce, both within and outside the state;

(4) Plan and develop and effective business information service both for the direct assistance of business and industry of the state and for the encouragement of business and industry outside the state to use economic facilities within the state;

(5) Compile, collect, and develop periodically, or otherwise make available, information relating to current business conditions;

(6) Conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the state and designed to develop new products and industrial processes;

(7) Study trends and developments in the industries of the state and analyze the reasons underlying (SUCH) *the* trends; study costs and other factors affecting successful operation of businesses within the state; and make recommendations regarding circumstances promoting or hampering business and industrial development;

(8) Serve as a clearing house for business and industrial problems of the state; and advise small business enterprises regarding improved methods of accounting and bookkeeping;

(9) Encourage and develop commerce with other states and foreign countries and devise ways and means of removing trade barriers hampering the free flow of commerce between this and other states;

(10) Cooperate with interstate commissions engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry, and commerce;

(11) Cooperate with other state departments, and with boards, commissions, and other state agencies, in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources insofar as (SUCH) *the* use, conservation, and development may be appropriately directed or influenced by a state agency;

(12) Assemble and coordinate information relative to the status, scope, cost, and employment possibilities and the availability of materials, equipment, and labor in connection with public works projects, state, county, and municipal; recommend limitations on (SAID) *the* public works; gather current progress information with reference to public and private works projects of the state and its political subdivisions with reference to conditions of employment; inquire into and report to the governor, when requested by him, with respect to any program of public state improvements and the financing thereof; and request and obtain information from other state departments or agencies as may be needed properly to report thereon;

(13) Study changes in population and current trends and prepare plans and suggest policies for the development and conservation of the resources of the state;

(14) Confer and cooperate with the executive, legislative, or planning authorities of the United States and neighboring states and of the counties and municipalities of such neighboring states, for the purpose of bringing about a coordination between the development of such neighboring states, counties, and municipalities and the development of this state;

(15) Generally, gather, compile, and make available statistical information relating to business, trade, commerce, industry, transportation, communication, natural resources, and other like subjects in this state (;), with authority to call upon other departments of the state for statistical data and results obtained by them and to arrange and compile that statistical information in (SUCH) a manner (AS MAY SEEM) *that seems* wise.

Sec. 208. Minnesota Statutes 1980, Section 362.13, is amended to read:

362.13 [ADDITIONAL POWERS AND DUTIES.]

The (DEPARTMENT) *commissioner* shall:

(1) Have control of the work of carrying on a continuous program of education for businessmen;

(2) Publish, disseminate, and distribute information and statistics (ACQUIRED BY THE DIVISION OF RESEARCH AND STATISTICS IN COOPERATION WITH THAT DIVISION);

(3) Promote and encourage the expansion and development of markets for Minnesota products;

(4) Promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose cooperate with state and local agencies and individuals, both within and outside the state;

(5) Advertise and disseminate information as to natural resources, desirable locations, and other advantages for the purpose of attracting business to locate in this state;

(6) Aid the various communities in this state in getting business to locate therein;

(7) Advise and cooperate with municipal, county, regional, and other planning agencies and planning groups within the state for the purpose of promoting coordination between the state and localities as to plans and development in order to maintain a high level of gainful employment in private profit-

able production and achieve commensurate advancement in social and cultural welfare; coordinate the activities of state-wide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to (SUCH) *the* planning agencies; and encourage and assist in the organization and functioning of local planning agencies where none exist; and may provide at the request of any governmental subdivision hereinafter mentioned planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county, metropolitan or regional area in the state (PROVIDING THAT THE DEPARTMENT OF BUSINESS DEVELOPMENT). *The commissioner* shall not perform (SUCH) *the* planning work with respect to a metropolitan or regional area which is under the jurisdiction for (SUCH) planning purposes of a county, metropolitan, regional or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional or joint planning body. The (DEPARTMENT) *commissioner* is authorized to receive and expend (FUNDS) *money* from municipal, county, regional and other planning agencies; and may accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may utilize moneys so received for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by (FUNDS) *money* other than state appropriated (FUNDS) *money*, and may enter into (SUCH) contracts with agencies of the federal government, units of local government or combinations thereof, and with private persons (AS) *that* are necessary in the performance of (ITS) *the* planning assistance function of *the commissioner*. In furtherance of their planning functions, any city or town, however organized, may expend (FUNDS) *money* and contract with agencies of the federal government, appropriate departments of state government, other local units of government and with private persons;

(8) Adopt (SUCH) measures (AS MAY BEST BE) calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ (SUCH) other means of publicity and education (AS SHALL) *that will* give full effect to the provisions of sections 362.07 to 362.23;

(9) (PERFORM THE FUNCTIONS AND CARRY OUT PROGRAMS HERETOFORE PERFORMED AND CARRIED OUT BY THE TOURIST BUREAU OF THE DEPARTMENT OF NATURAL RESOURCES,) Plan and conduct programs of information and publicity designed to attract tourists, visitors, and other interested persons from outside the state to this state, and in that connection encourage and coordinate the efforts of other public and private organizations or groups of

citizens to publicize the facilities and attractions of the state and work with representatives of the tourist and resort industry in carrying out its programs.

Sec. 209. Minnesota Statutes 1980, Section 362.132, is amended to read:

362.132 [SMALL BUSINESS FINANCE AGENCY.]

The commissioner (OF ECONOMIC DEVELOPMENT) may enter into agreements or transactions with the small business finance agency created under section 362.51 to perform any or all administrative tasks in connection with the exercise and implementation of the powers and programs of the small business finance agency.

Sec. 210. Minnesota Statutes 1980, Section 362.40, Subdivision 8, is amended to read:

Subd. 8. The remaining 20 percent of the tax revenue received by the county auditor under section 273.13, subdivision 2a shall be remitted by the county auditor to the state treasurer and shall be deposited (IN THE GENERAL FUND) in special accounts identified as "reservation residents loan accounts" and a "nonreservation residents loan account". The amount to be credited to each reservation residents loan account shall be that percentage of the amount received from all the counties pursuant to subdivision 8 as the number of Indians living on such reservation bears to all the Indians in Minnesota, as said percentage is determined by the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner*. The amount remaining shall be credited to the nonreservation residents loan account. The amounts credited to each of these special accounts shall be used solely for making loans to Indians, in the manner provided by subdivisions 9 and 10.

Sec. 211. Minnesota Statutes 1980, Section 362.40, Subdivision 9, is amended to read:

Subd. 9. A reservation resident desiring a loan for the purpose of starting a business enterprise, expanding an existing business, or for technical and management assistance, shall make application to the (STATE DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner*. The (DEPARTMENT) *commissioner* shall prescribe the necessary forms and advise the prospective borrower as to the conditions under which his application may be expected to receive favorable consideration. The tribal council shall recommend to the (DEPARTMENT) *commissioner* that the loan be accepted or rejected. The (DEPARTMENT) *commissioner* shall approve or reject the application taking the tribal council recommendation into consideration. If the application is approved, the (DEPART-

MENT) *commissioner* shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the tribal council with appropriate notations identifying the borrower. The tribal council shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the (STATE DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner*. The tribal council shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a debt is repaid, the tribal council shall remit the amount so received plus interest paid thereon to the state treasurer through the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner*. The amount so received shall be credited to (SUCH) *the* reservation residents loan account. The tribal council shall secure a fidelity bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of such reservation residents loan account during the fiscal year. Additional money equal to ten percent of the total amount made available to any tribal council during the fiscal year shall be paid to (SUCH) *the* council prior to December 31 for the purpose of financing administrative costs.

Sec. 212. Minnesota Statutes 1980, Section 362.40, Subdivision 10, is amended to read:

Subd. 10. A nonreservation resident desiring to make a loan for the purpose of starting a business enterprise, or expanding an existing business, or for technical and management assistance shall make application to the (STATE DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner*, on forms prescribed by the (DEPARTMENT) *commissioner*. The (DEPARTMENT) *commissioner* is empowered to either accept or reject the application, based upon guidelines and conditions essentially similar to those used for the purpose of approving or rejecting reservation loans under subdivision 9. If the application is approved by the (STATE DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner*, the (DEPARTMENT) *commissioner* shall forward the application, together with all the relevant documents pertinent thereto, to the commissioner of finance, who shall draw his warrant in favor of the commissioner (OF ECONOMIC DEVELOPMENT), with appropriate notations identifying the borrower. The (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner* shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the (DEPARTMENT) *commissioner*. The (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner* shall maintain records of transactions for each borrower in a manner con-

sistent with good accounting practice. Simple interest at two percent shall be charged. When any portion of a debt is repaid, the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner* shall remit the amount so received plus interest paid thereon to the state treasurer. The amount so received shall be credited to the nonreservation residents loan account.

Sec. 213. Minnesota Statutes 1980, Section 362.41, Subdivision 5, is amended to read:

Subd. 5. The commissioner (OF ECONOMIC DEVELOPMENT) shall administer this section and shall enforce the rules related to the community development corporations promulgated by the commissioner. The commissioner may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 15.

Sec. 214. Minnesota Statutes 1980, Section 362.42, is amended to read:

362.42 [BUSINESS ASSISTANCE.]

The commissioner (OF ECONOMIC DEVELOPMENT) shall establish within the department a business assistance center. The center shall consist of (1) a bureau of small business which shall have as its sole function the provision of assistance to small businesses in the state and (2) a bureau of licenses to assist all businesses in obtaining state licenses and permits. This center shall be accorded at least equal status with the other major operating units within the department.

Sec. 215. Minnesota Statutes 1980, Section 362.51, Subdivision 8, is amended to read:

Subd. 8. The members and governing body of the agency shall be the commissioner (OF ECONOMIC DEVELOPMENT) and six other members holding no other elective or appointive office of the state or any local government, appointed by the governor with advice and consent of the senate. The commissioner shall be vice chairman, and the governor shall designate the chairman from among the other members, to serve as chairman at the pleasure of the governor. Section 15.0575, governs the terms, compensation, removal and filling of vacancies in the offices of members other than the commissioner.

Sec. 216. Minnesota Statutes 1980, Section 362.51, Subdivision 10, is amended to read:

Subd. 10. The commissioner (OF ECONOMIC DEVELOPMENT) shall designate an (ASSISTANT COMMISSIONER) *employee* as executive director of the agency and may appoint permanent and temporary employees necessary for the adminis-

tration of the agency. The governing body of the agency may enter into agreements under which the department will provide administrative support for the agency.

Sec. 217. Minnesota Statutes 1980, Section 362A.06, is amended to read:

362A.06 [APPROVAL BY COMMISSIONER OF (ECONOMIC DEVELOPMENT) *ENERGY, PLANNING AND DEVELOPMENT.*]

Any authority contemplating the exercise of the powers granted by sections 362A.01 to 362A.08 may apply to the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development* for information, advice, and assistance. No authority shall undertake any project herein authorized until the commissioner has approved the project, on the basis of (SUCH) preliminary information (AS) he may require, as tending to further the purposes and policies of sections 362A.01 to 362A.08. The commissioner is authorized to handle (SUCH) *the* preliminary information in a confidential manner, to the extent requested by the authority. (SUCH) Approval shall not be deemed to be an approval by the commissioner or the state of the feasibility of the project or the terms of the lease to be executed or the bonds to be issued therefor, and the commissioner shall so state in communicating (SUCH) *the* approval.

Sec. 218. Minnesota Statutes 1980, Section 402.045, is amended to read:

402.045 [FUNCTION OF (STATE PLANNING OFFICER) *COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT.*]

The (STATE PLANNING OFFICER) *commissioner of energy, planning and development* shall have authority for human services development. He may appoint professional and clerical staff as he deems necessary. The (STATE PLANNING OFFICER) *commissioner of energy, planning and development* shall:

- (1) Support the development of human services boards and provide technical assistance to the boards;
- (2) Disburse and monitor grants as may be available to assist human services board development;
- (3) Receive and coordinate the review of annual human services board plans;
- (4) Cooperate with other state agencies in assisting local human services integration projects; and

(5) Maintain a file on reports, policies and documents pertaining to human services boards.

Sec. 219. Minnesota Statutes 1980, Section 402.062, Subdivision 1, is amended to read:

Subdivision 1. The human services board, with the assistance of the advisory committee established in section 402.03, shall annually prepare a single plan and budget for the development, implementation, coordination and operation of services delivered or funded by the human services board. The plan shall be in a format developed by rule of the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*. Each affected state agency shall accept the plan of the human services board in lieu of separate plan requirements for individual programs. To support the development of the budget and to provide standardized information to affected state agencies, each human services board shall adopt a standard chart of accounts to be developed by rule by the commissioner of public welfare with the approval of the commissioners of health and corrections.

Sec. 220. Minnesota Statutes 1980, Section 402.095, is amended to read:

402.095 [REPORTS TO LEGISLATURE.]

The (STATE PLANNING AGENCY) *commissioner of energy, planning and development* shall report to the legislature biennially not later than January 15 of odd numbered years on the experience of human services boards. The report shall include an assessment of the effect of establishment of human services boards on the cost and quality of services provided.

Sec. 221. Minnesota Statutes 1980, Section 451.09, Subdivision 2, is amended to read:

Subd. 2. A public utilities board or commission operating a steam heat system in a home rule charter city shall inform the (ENERGY AGENCY) *commissioner of energy, planning and development* of its plans to discontinue operation at least two years prior to the intended date of discontinuance of operation. (IF THE PUBLIC UTILITIES BOARD OR COMMISSION DECIDES TO DISCONTINUE OPERATION OF THE STEAM HEAT SYSTEM PRIOR TO JULY 1, 1981, IT SHALL NOTIFY THE DIRECTOR OF THE ENERGY AGENCY WITHIN 60 DAYS OF ITS DECISION.)

Sec. 222. Minnesota Statutes 1980, Section 453.52, Subdivision 3, is amended to read:

Subd. 3. "City" means a city organized and existing under the laws of Minnesota or a city charter adopted pursuant thereto,

and authorized by such laws or charter to engage in the local distribution and sale of electric energy; provided that any city so engaged on January 1, 1976, is authorized to continue such distribution and sale, and every city now or hereafter so authorized may exercise, either individually or as a member of a municipal power agency, all of the powers granted in sections 453.51 to 453.62. "City" also includes a city organized and existing under the laws of another state or a city charter adopted pursuant thereto that participates in a municipal power agency with Minnesota cities and pays a full pro rata share of the expenses of the agency.

Sec. 223. Minnesota Statutes 1980, Section 462.375, is amended to read:

462.375 [REGIONAL DEVELOPMENT PLAN; FILING AND DISTRIBUTION.]

The regional planning agency shall transmit the regional development plan and any revisions thereto, (TO ANY STATE PLANNING AGENCY THAT MAY EXIST, OTHERWISE) to the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner of energy, planning and development*, the governing bodies of cooperating governmental units, and to planning agencies in contiguous areas. The agency may prepare additional copies of the plan for general distribution or sale.

Sec. 224. Minnesota Statutes 1980, Section 462.384, Subdivision 7, is amended to read:

Subd. 7. ("STATE PLANNING OFFICER") "*Commissioner*" means the (GOVERNOR OF THE STATE OF MINNESOTA) *commissioner of energy, planning and development* exercising the authority conferred upon him by sections 4.10 to 4.17.

Sec. 225. Minnesota Statutes 1980, Section 462.385, Subdivision 1, is amended to read:

Subdivision 1. Development regions for the state shall be those regions so designated by the governor by executive order. The order shall provide for public hearings within each proposed region after which any county may request assignment to a region other than that proposed by the order. If (SUCH) a request for reassignment is unacceptable to the (STATE PLANNING OFFICER) *commissioner*, the county shall remain in the originally designated region until the next session of the legislature for its review and final assignment.

Sec. 226. Minnesota Statutes 1980, Section 462.385, Subdivision 3, is amended to read:

Subd. 3. The (STATE PLANNING AGENCY) *commissioner* shall conduct continuous studies and analysis of the boundaries of regions and shall make recommendations for their modification where necessary. Modification may be initiated by a county, a commission, or by the (STATE PLANNING OFFICER) *commissioner* and will be accomplished in accordance with this section as in the case of initial designation.

Sec. 227. Minnesota Statutes 1980, Section 462.386, Subdivision 1, is amended to read:

Subdivision 1. (ON JUNE 1, 1969,) All coordination, planning, and development regions assisted or created by the state of Minnesota or pursuant to federal legislation shall conform to the regions designated by the executive order except where, after review and approval by the (STATE PLANNING OFFICER) *commissioner*, nonconformance is clearly justified. The (STATE PLANNING OFFICER) *commissioner* shall develop working agreements with state and federal departments and agencies to insure conformance with this subdivision.

Sec. 228. Minnesota Statutes 1980, Section 462.387, is amended to read:

462.387 [REGIONAL DEVELOPMENT COMMISSIONS; ESTABLISHMENT.]

Subdivision 1. [PETITION.] Any combination of counties or municipalities representing a majority of the population of the region for which a commission is proposed may petition the (STATE PLANNING OFFICER) *commissioner* by formal resolution setting forth its desire to establish, and the need for, the establishment of a regional development commission. For purposes of this section the population of a county does not include the population of a municipality within the county.

Subd. 3. [ESTABLISHMENT.] Upon receipt of a petition as provided in subdivision 1 a regional development commission shall be established by the (STATE PLANNING OFFICER) *commissioner* and the notification of all local government units within the region for which the commission is proposed. (SUCH) *The* notification shall be made within 60 days of his receipt of a petition under subdivision 1.

Subd. 4. [SELECTION OF MEMBERSHIP.] The (STATE PLANNING OFFICER) *commissioner* shall call together each of the membership classifications except citizen groups, defined in section 462.388, within 60 days of the establishment of a regional development commission for the purpose of selecting the commission membership.

Sec. 229. Minnesota Statutes 1980, Section 462.39, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL PROGRAMS.] The commission is the authorized agency to receive state and federal grants for regional purposes from the following programs:

(1) Section 403 of the Public Works and Economic Development Act of 1965 (economic development districts);

(2) Section 701 of the Housing Act of 1954, as amended (multi-county comprehensive planning);

(3) Omnibus Crime Control Act of 1968;

and for the following to the extent feasible as determined by the governor:

(a) Economic Opportunity Act of 1964;

(b) Comprehensive Health Planning Act of 1965;

(c) Federal regional manpower planning programs;

(d) Resource, conservation, and development districts; or

(e) Any state and federal programs providing funds for multi-county planning, coordination, and development purposes. The (STATE PLANNING OFFICER) *commissioner* shall, where consistent with state and federal statutes and regulations, review applications for all state and federal regional planning and development grants to a commission.

Sec. 230. Minnesota Statutes 1980, Section 462.39, Subdivision 3, is amended to read:

Subd. 3. [PLANNING.] The commission shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development plan for the region. The plan shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for an orderly and economic development, public and private, of the region. The comprehensive development plan shall recognize and encompass physical, social, or economic needs of the region, and those future developments which will have an impact on the entire region including but not limited to such matters as land use, parks and open space land needs, access to direct sunlight for solar energy systems, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, public and private, housing, and other public buildings. In preparing the development plan the commission shall use to the maximum extent feasible the resources studies and data available from other planning agencies within the region, including coun-

ties, municipalities, special districts, and subregional planning agencies, and it shall utilize the resources of the (STATE PLANNING AGENCY) *commissioner* to the same purpose. No development plan or portion thereof for the region shall be adopted by the commission until it has been submitted to the (STATE PLANNING AGENCY) *commissioner* for review and comment and a period of 60 days has elapsed after such submission. When a development plan has been adopted, the commission shall distribute it to all local government units within the region.

Sec. 231. Minnesota Statutes 1980, Section 462.391, Subdivision 2, is amended to read:

Subd. 2. [REVIEW OF INDEPENDENT AGENCIES.] The commission shall review all long term comprehensive plans of each independent commission, board, or agency prepared for its operation and development within the region but only if (SUCH) *the* plan is determined by the commission to have a regional effect, a multi-community effect, or to have a substantial effect on regional development. Each plan shall be submitted to the commission before any action is taken to place the plan or any part thereof, into effect. No action shall be taken to place any plan or any part thereof into effect until 60 days have elapsed after the date of its submission to the commission or until the commission finds and notifies the submitting commission, board, or agency that the plan is consistent with its development plan for the region and the orderly and economic development of the region, whichever first occurs. If, within 60 days after the date of submission, the commission finds that a plan, or any part thereof, is inconsistent with its comprehensive plan for the region or detrimental to the orderly and economic development of the region, or any part thereof, (SUCH) *the* plan shall be indefinitely suspended. An affected independent commission, board, or agency may appeal the decision of the commission suspending a plan, or part thereof, to the commission, and if the commission and the affected independent commission, board, or agency are unable to agree as to an adjustment of the plan, so that it may receive the commission's approval, then a record of the disagreeing positions shall be made and presented for consideration and disposition by the (STATE PLANNING OFFICER) *commissioner*.

Sec. 232. Minnesota Statutes 1980, Section 462.391, Subdivision 3, is amended to read:

Subd. 3. [REVIEW OF FEDERAL AND STATE AID PROGRAMS.] The commission shall review all applications of governmental units, independent commissions, boards, or agencies operating in the region for a loan or grant from the United States of America or any agency, including state agencies and colleges or universities, for public facilities, studies, or any other purpose if the application clearly is related to the region, whether or not (SUCH) *the* review is required by the federal government.

The review shall advise the granting authority as to relationship of the application to the comprehensive plans and priorities of the region as established by the region. All review actions together with copies of applications shall be submitted on a regular basis for informational purposes to the (STATE PLANNING AGENCY) *commissioner*. The requirements of this subdivision do not apply to applications of governmental units or other political subdivisions which have been reviewed by a subregion or sub-district which has been designated by the United States government as an authorized areawide review agency under Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966. All review actions, together with copies of applications, shall be submitted by the subregion on a regular basis to the commission for informational purposes.

Sec. 233. Minnesota Statutes 1980, Section 462.391, Subdivision 4, is amended to read:

Subd. 4. [REVIEW PROCEDURES.] The commission shall develop, in consultation with the (STATE PLANNING OFFICER) *commissioner*, formal procedures for the review of plans, applications, and other matters required to be submitted to it by sections 462.381 to 462.396. (SUCH) *The* procedures shall be embodied in a formal resolution adopted after public hearing. After adoption the resolution shall be transmitted to each governmental unit and independent agency, board, or commission within the region.

Sec. 234. Minnesota Statutes 1980, Section 462.395, is amended to read:

462.395 [DUTIES OF STATE AGENCIES (, STATE PLANNING AGENCY).]

All state departments and agencies shall cooperate with regional development commissions established under sections 462.381 to 462.396 and shall make available to them studies, reports, data, and other informational and technical assistance within financial and personnel limitations. The (STATE PLANNING AGENCY AND THE OFFICE OF LOCAL AND URBAN AFFAIRS) *commissioner* shall coordinate the state's assistance programs to regional planning and development commissions.

Sec. 235. Minnesota Statutes 1980, Section 462.396, Subdivision 1, is amended to read:

Subdivision 1. The (STATE PLANNING OFFICER) *commissioner* shall determine the amount of and make grants to any commission created under sections 462.381 to 462.396 from appropriations made available for (SUCH) *those* purposes, provided a work program is submitted acceptable to the (STATE PLANNING OFFICER) *commissioner*. Any regional commis-

sion may levy a tax on all taxable property in the region to provide (FUNDS) *money* for the purposes of sections 462.381 to 462.396.

Sec. 236. Minnesota Statutes 1980, Section 462.398, is amended to read:

462.398 [TERMINATION OF COMMISSION.]

Subdivision 1. Any combination of counties or municipalities representing a majority of the population of the region for which a commission exists may petition the (STATE PLANNING OFFICER) *commissioner* by formal resolution stating that the existence of the commission is no longer in the public welfare and interest and is not needed to accomplish the purposes of the regional development act of 1969. For purposes of this section the population of a county does not include the population of a municipality within the county. Any formal resolution adopted by the governing body of a county or municipality for the termination of a commission shall be effective for a period of one year for the purpose of determining the requisite population of the region needed to petition the (STATE PLANNING OFFICER) *commissioner*.

Subd. 2. Within 35 days of the receipt of the petition, the (STATE PLANNING OFFICER) *commissioner* shall fix a time and place within the region for a hearing. The (STATE PLANNING OFFICER) *commissioner* shall give notice of the hearing by publication once each week for two successive weeks before the date of the hearing in a legal newspaper in each of the counties which the commission represents. The hearing shall be conducted by members of the commission. If the commission determines that the existence of the commission is no longer in the public welfare and interest and that it is not needed to accomplish the purposes of the regional development act of 1969, the commission shall recommend to the (STATE PLANNING OFFICER) *commissioner* that (HE) *the commissioner* terminate the commission. Within 60 days after receipt of the recommendation, the (STATE PLANNING OFFICER) *commissioner* shall terminate the commission by giving notice of the termination to all government units within the region for which the commission was established. Unless otherwise provided by this subdivision, the hearing shall be in accordance with sections 15.0411 to 15.0426.

Subd. 3. The (STATE PLANNING OFFICER) *commissioner* shall not accept a petition for termination more than once in 30 months for each regional development commission.

Sec. 237. Minnesota Statutes 1980, Section 462.421, Subdivision 21, is amended to read:

Subd. 21. "The commission" means the (STATE HOUSING COMMISSION) *commissioner of energy, planning and development.*

Sec. 238. Minnesota Statutes 1980, Section 462A.05, Subdivision 15b, is amended 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) *commissioner of energy, planning and development*, 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. 239. Minnesota Statutes 1980, Section 473.204, Subdivision 2, is amended to read:

Subd. 2. In preparation of these standards, criteria and model ordinances, described in subdivision 1, clauses (a), (b), (d), (f), (g) and (i) and in order to assure consistency with regulations, standards, criteria and model ordinances promulgated by other state agencies, the metropolitan council shall seek the assistance and approval of the department of natural resources; in preparation of these standards, criteria and model

ordinances, described in subdivision 1, clauses (c) and (e), the metropolitan council shall seek the assistance and approval of the state soil and water conservation board; in preparation of these standards, criteria and model ordinances, described in subdivision 1, clause (h), the metropolitan council shall seek the assistance and approval of the department of agriculture. In addition, the metropolitan council shall, where appropriate, seek the assistance of the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, the Minnesota pollution control agency, soil and water conservation districts, the University of Minnesota, the department of agriculture, and other appropriate agencies.

Sec. 240. Minnesota Statutes 1980, Section 473.411, Subdivision 1, is amended to read:

Subdivision 1. [DEVELOPMENT PROGRAM.] The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a transportation development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area, the state transportation department and the (STATE PLANNING AGENCY) *commissioner of energy, planning and development*, and for that purpose may create (SUCH) advisory committees as may be necessary.

(SUCH) *The* program shall provide for coordination of routes and operations of all publicly and privately owned transportation facilities within the transit area to the end that combined efficient and rapid transportation may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration transportation project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form. The transportation development program shall include the general alignment and profile, approximate points of access, facility classification, approximate cost, relation to other existing and planned transportation routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The transportation development program shall also contain a description of the type of right-a-way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the

legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Sec. 241. Minnesota Statutes 1980, Section 473.857, Subdivision 2, is amended to read:

Subd. 2. A hearing shall be conducted within 60 days after the request, provided that the committee shall consolidate hearings on related requests. The hearing shall not consider the need for or reasonableness of the metropolitan system plans or parts thereof. The hearing shall afford all interested persons an opportunity to testify and present evidence. The advisory committee or hearing examiner may employ the appropriate technical and professional services of the (STATE PLANNING AGENCY) *commissioner of energy, planning and development* for the purpose of evaluating disputes of fact. The proceedings shall not be deemed a contested case. Within 30 days after the hearing, the committee or hearing examiner shall report to the council respecting the proposed amendments to the system statements. The report shall contain findings of fact, conclusions, and recommendations and shall apportion the costs of the proceedings among the parties.

Sec. 242. Minnesota Statutes 1980, Section 473H.06, Subdivision 5, is amended to read:

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) *commissioner of energy, planning and development* and such other agencies as the council deems appropriate.

Sec. 243. Minnesota Statutes 1980, Section 474.01, Subdivision 6, is amended to read:

Subd. 6. In order to further these purposes and policies the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development* shall investigate, shall assist and advise municipalities, and shall report to the governor and the legislature concerning the operation of this chapter and the projects undertaken hereunder, and shall have all of the powers and duties in connection therewith which are granted to him by chapter 362 with respect to other aspects of business development and research.

Sec. 244. Minnesota Statutes 1980, Section 474.01, Subdivision 7, is amended to read:

Subd. 7. Any municipality or redevelopment agency contemplating the exercise of the powers granted by this chapter may apply to the commissioner of (ECONOMIC DEVELOPMENT) *energy, planning and development* for information, advice, and assistance. The commissioner is authorized to handle such preliminary information in a confidential manner, to the extent requested by the municipality.

Sec. 245. Minnesota Statutes 1980, Section 474.01, Subdivision 8, is amended to read:

Subd. 8. Each municipality and redevelopment agency upon entering into a revenue agreement, except one pertaining to a project referred to in section 474.02, subdivision 1f, shall furnish the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner of energy, planning and development* on the forms the (DEPARTMENT) *commissioner* may prescribe the following information concerning the project: The name of the contracting party, the nature of the enterprise, the location, approximate number of employees, the general terms and nature of the revenue agreement, the amount of bonds or notes issued, and other information the (DEPARTMENT) *commissioner* may deem advisable. The (DEPARTMENT) *commissioner* shall keep a record of the information which shall be available to the public at times the (DEPARTMENT) *commissioner* shall prescribe.

Sec. 246. Minnesota Statutes 1980, Section 641.24, is amended to read:

641.24 [LEASING.]

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the county, whereby the city will construct a county jail in accordance with plans approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county will lease the jail site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a revenue agreement as contemplated in chapter 474, and all proceedings shall be taken by the city and the county in the manner and with the force and effect provided in chapter 474; provided that:

(1) No tax shall be imposed upon or in lieu of a tax upon the property;

(2) The approval of the project by the commissioner of securities and real estate shall not be required;

(3) The department of corrections shall be furnished and shall record such information concerning each project as it may prescribe, in lieu of reports required on other projects to the (DEPARTMENT OF ECONOMIC DEVELOPMENT) *commissioner of energy, planning and development*;

(4) The rentals required to be paid under the lease agreement shall not exceed in any year four-tenths of one percent of the assessed value of property within the county, as last finally equalized before the execution of the agreement;

(5) The county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2; and

(6) No mortgage on the jail property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board.

Sec. 247. [REPEALER.]

Minnesota Statutes 1980, Sections 4.11, Subdivisions 1, 2, 3, 6, and 7; 4.15; 4.16; 16.014, Subdivision 3; 116H.001; 116H.02, Subdivisions 2 and 4; 116H.03; 116H.09, Subdivisions 2 and 3; 116H.12, Subdivision 3b; 126.52, Subdivision 12; 254A.06; 299A.03, Subdivisions 12, 13, and 14; 362.07; 362.08; 362.09; 362.10; 362.11; 362.12, Subdivisions 2 and 3; 362.15; 362.17; 362.18; 362.19; 362.23; 362.45, Subdivision 2; 462.711; and 473-571, Subdivisions 2, 3, and 4, are repealed. Minnesota Statutes 1980, Section 299A.03, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11 are repealed, effective July 1, 1982.

Sec. 248. [INSTRUCTION TO REVISOR.]

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall make the necessary changes in terminology to record the transfers of functions, powers, and duties that are provided by sections 64 to 247 from a department, agency, or board to the department of energy, planning and development, and shall renumber sections so as to place into one chapter substantially all of the sections dealing primarily with the powers and duties of the commissioner of energy, planning and development.

Sec. 249. [EFFECTIVE DATE.]

Section 136 is effective the day following final enactment; until the department of energy, planning and development begins operation, the powers granted in that section shall be exercised by the director of the Minnesota energy agency. Sections 64 and 67 are effective July 1, 1981. Sections 65 and 66, and 68 to 247 are effective when the commissioner of energy, planning and

development notifies the commissioner of administration that the department of energy, planning and development is ready to begin operation, except that those sections relating to the transfer of Minnesota energy agency or the powers and duties of the director of the Minnesota energy agency are effective March 1, 1982.

OTHER AMENDATORY SECTIONS

Sec. 250. Minnesota Statutes 1980, Section 3.3005, Subdivision 3, is amended to read:

Subd. 3. When a request to spend federal money has been included in the governor's budget or authorized by law as described in subdivision 2, but (THE STATE AGENCY PROPOSES TO USE THE FEDERAL MONEY TO HIRE STATE EMPLOYEES IN ADDITION TO THE NUMBER INCLUDED IN THE GOVERNOR'S BUDGET REQUEST OR AUTHORIZED BY LAW, OR) the amount of federal money received will require a state match greater than that included in the governor's budget request or authorized by law, (THE ADDITIONAL PERSONNEL SHALL NOT BE HIRED AND) the federal money that will require an additional state match shall not be allotted for expenditure until the state agency has first presented to the legislative advisory commission a request in the manner of a budget request and has received the recommendation of the commission on it. Failure or refusal of the commission to make a recommendation promptly is deemed a negative recommendation.

Sec. 251. Minnesota Statutes 1980, Section 3.304, is amended by adding a subdivision to read:

Subd. 2a. [JOINT LEGISLATIVE STUDIES.] The legislative coordinating commission shall oversee and coordinate all joint legislative studies mandated by the legislature and may require regular progress reports to the legislative coordinating commission and to appropriate standing committees of the house of representatives and the senate. Appropriations for all joint legislative studies except those specifically assigned to an existing legislative commission shall be made to the legislative coordinating commission. Responsibility and appropriations for a joint legislative study may be delegated by the legislative coordinating commission to an existing staff office of the house of representatives or senate, a legislative commission, a joint legislative committee or office or a state agency. The office, commission, joint committee, or agency responsible for the study may contract with another agent for assistance.

Sec. 252. Minnesota Statutes 1980, Section 5.08, Subdivision 2, is amended to read:

Subd. 2. [DISTRIBUTION.] 15,000 copies of the legislative manual shall be printed and distributed as follows:

(1) *up to* 25 copies shall be available to each member of the legislature on request;

(2) 50 copies to the state historical society;

(3) 25 copies to the state university;

(4) 60 copies to the state library;

(5) Two copies each to the library of Congress, the Minnesota veterans home, the state universities, the state high schools, the public academies, seminaries, and colleges of the state, and the free public libraries of the state;

(6) One copy each to the state institutions not hereinbefore mentioned, the elective state officials, the appointed heads of departments, the officers and employees of the legislature, the justices of the supreme court, the judges of the district court, the senators and representatives in Congress from this state, and the county auditors;

(7) One copy to each public school, to be distributed through the superintendent of each school district; and

(8) The remainder may be disposed of as the secretary of state deems best.

Sec. 253. Minnesota Statutes 1980, Section 9.061, Subdivision 5, is amended to read:

Subd. 5. Where an emergency exists the executive council may expend (SUCH SUMS OF) money as (ARE) necessary therefore (, BUT NOT TO EXCEED \$2,000,000 IN ANY ONE FISCAL YEAR, AND SUCH SUMS OF MONEY ARE HEREBY APPROPRIATED ANNUALLY FROM THE GENERAL FUND IN THE STATE TREASURY FOR SUCH PURPOSE. FOR THE PURPOSE OF SUPPLYING ANY DEFICIENCY THAT MAY ARISE IN THE GENERAL FUND BY REASON OF THE APPROPRIATION MADE BY THIS SUBDIVISION, THE TREASURER MAY TEMPORARILY BORROW FROM OTHER PUBLIC FUNDS A SUM NOT EXCEEDING \$2,000,000 IN ADDITION TO ANY OTHER TEMPORARY BORROWING OTHERWISE AUTHORIZED BY LAW IN ANY YEAR; PROVIDED, THAT NO FUNDS SHALL BE SO IMPAIRED THEREBY THAT ALL PROPER DEMANDS THEREON CANNOT BE MET) *within the limit of appropriations made to the council for this purpose.*

Sec. 254. Minnesota Statutes 1980, Section 11A.20, Subdivision 3, is amended to read:

Subd. 3. [CREDITING OF INVESTMENT INCOME.] Notwithstanding provisions of section 11A.12, all investment income and all investment losses attributable to the investment of state treasury funds, *other than the game and fish fund*, not currently needed shall be credited to the general fund.

Sec. 255. Minnesota Statutes 1980, Section 16A.123, is amended to read:

16A.123 [APPROVED COMPLEMENT.]

The approved complement set for an agency by law limits the number of personnel positions in the agency at any one time. The approved complement does not apply to independent contractors. In addition to the approved complement, part-time employees, seasonal or intermittent employees as defined by the commissioner of employee relations, summer student help, service workers, preservice trainees employed pursuant to affirmative action programs approved by the commissioner of employee relations, CETA employees, or employees engaged in repair or construction projects may be employed with the advance approval of the commissioner of finance who shall determine the need for them and that money is available. The approved complement applies to positions in the agency regardless of the fund or appropriation from which they are paid. If more than one approved complement figure for an agency is shown in a law, the figures may be taken as cumulative, or a larger figure may be taken as a total or subtotal of related smaller figures, as the context indicates. Approved complement figures for an agency shown in separate laws enacted at the same biennial session of the legislature are cumulative.

Additional full-time positions over the number of the approved complement may be created on the basis of public necessity or emergency. (IF THE POSITION IS TO BE PAID FROM AN APPROPRIATION OF MONEY OTHER THAN FEDERAL MONEY,) The addition shall not be made without the written approval of the governor. The governor shall not approve the addition until after he has consulted with the legislative advisory commission and the commission has made its recommendation on the matter. The recommendation is advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. (IF THE POSITION IS TO BE PAID FROM AN APPROPRIATION OF FEDERAL MONEY, THE ADDITION MAY BE MADE WITH THE WRITTEN APPROVAL OF THE COMMISSIONER OF FINANCE WHO SHALL DETERMINE THE NEED FOR IT AND THAT MONEY IS AVAILABLE. THE COMMISSIONER OF FINANCE SHALL PROMPTLY NOTIFY THE COMMITTEE ON FINANCE OF

THE SENATE AND THE COMMITTEE ON APPROPRIATIONS OF THE HOUSE OF REPRESENTATIVES OF THE ADDITIONS.)

Sec. 256. Minnesota Statutes 1980, Section 17.59, Subdivision 5, as amended by Laws 1981, Chapter 41, Section 3, is amended to read:

Subd. 5. [COMMODITIES RESEARCH AND PROMOTION ACCOUNT.] All fees collected by the department under sections 17.51 to 17.69; 21A.01 to 21A.19; 29.14 to 29.19; 30.461 to 30.477; 32B.01 to 32B.13; and any other fees and income received by the department in the administration of these statutes shall be deposited in a separate account known as the commodity research and promotion account *in the special revenue fund*. *These funds shall be* appropriated to the department for the purpose of defraying the expenses of administering and enforcing the sections listed in this subdivision.

Sec. 257. Minnesota Statutes 1980, Section 17A.04, Subdivision 5, is amended to read:

Subd. 5. [LICENSE FEE.] The applicant shall submit to the commissioner the following applicable fee or fees: (1) (\$100) \$120 for each livestock market agency and public stockyard license; (2) (\$35) \$42 for each livestock dealer license; and (3) (\$20) \$24 for each agent license.

Sec. 258. Minnesota Statutes 1980, Section 17B.15, is amended to read:

17B.15 [FEES FOR INSPECTION AND WEIGHING; DEDICATED ACCOUNT.]

Subdivision 1. The fees for inspection and weighing shall be fixed by the commissioner and be a lien upon the grain. *The commissioner shall set fees for all inspection and weighing in an amount adequate to pay the expenses of carrying out and enforcing the purposes of sections 17B.01 to 17B.23, including repayment by the department of any amount appropriated from the general fund to establish the grain inspection and weighing account. The fees may be adjusted and set so as to establish a six month or less reserve. Payment shall be required for services rendered. If the grain is in transit, (SUCH) the fees shall be paid by the carrier and treated as advance charges, and, if received for storage, (SUCH) the fees shall be paid by the warehouseman, and added to the storage charges.*

All (MONEYS SO) fees collected and all fines and penalties for violation of any provision of this chapter shall be (PAID INTO THE STATE TREASURY) *deposited in the grain inspection*

and weighing account, which is created in the state treasury for carrying out the purpose of sections 17B.01 to 17B.23. The money in the account is annually appropriated to the commissioner of agriculture to administer the provisions of sections 17B.01 to 17B.23.

Subd. 2. The commissioner is directed to review the fee schedule each April and October. (IF INCOME FOR THE TWO-YEAR PERIOD ENDING DECEMBER AND JUNE PRIOR TO EACH REVIEW PERIOD IS NOT EQUAL TO 100 PERCENT, OR IS GREATER THAN 110 PERCENT, OF EXPENDITURES FOR SALARIES, OVERTIME AND EXPENSES WHICH SHALL INCLUDE WITHOUT LIMITATION, AN AMOUNT FOR STATE RETIREMENT AND SOCIAL SECURITY CONTRIBUTIONS, THE COMMISSIONER SHALL ADJUST FEES ACCORDINGLY. SUCH) *Fee* adjustments shall be effective the first of January and July following the review. (THE DEPARTMENT SHALL HAVE A TWO-YEAR INITIAL PERIOD TO REACH 100 PERCENT OF EXPENDITURES.)

Subd. 3. [MINIMUM CHARGE.] The schedule of fees shall provide that any elevator, mill, or other business requesting a weighing or inspection service, shall pay a minimum charge per hour for each employee requested or assigned. Any fees earned by the employee shall be credited against the charge made therefor. The minimum charge shall be assessed only after taking into consideration all fees earned and all hours charged. When deemed necessary by the commissioner, a charge for actual overtime costs may be made.

Sec. 259. Minnesota Statutes 1980, Section 18.51, Subdivision 2, is amended to read:

Subd. 2. [FEES; PENALTY.] Each nurseryman shall be required to pay an annual fee before the commissioner shall issue a certificate of inspection. This fee shall be based on the area of all of his nurseries as follows:

Nurseries:

- | | |
|--|-----------------------------|
| (1) 1/2 acre or less | (\$15) \$25 per nurseryman |
| (2) Over 1/2 acre to and including 2 acres | (\$25) \$35 per nurseryman |
| (3) Over 2 acres to and including (5) 10 acres | (\$50) \$60 per nurseryman |
| (4) Over (5) 10 acres to and including (10) 50 acres | (\$70) \$160 per nurseryman |

((5) OVER 10 ACRES (\$100 PER NURSERYMAN)
TO AND INCLUDING 25
ACRES)

((6) OVER 25 ACRES (\$150 PER NURSERYMAN)
TO AND INCLUDING 50
ACRES)

((7)) (5) Over 50 acres (\$300) \$400 per nurseryman

In addition to the above fees, a *minimum* penalty of \$10 or 25 percent of the fee due, whichever is greater, shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate.

Sec. 260. Minnesota Statutes 1980, Section 18.52, Subdivision 5, is amended to read:

Subd. 5. [FEES; PENALTY.] Each dealer is required to pay an annual fee. The fee charged shall be based on the gross sales of the dealer during the preceding certificate year. In the case of a dealer operating for the first year, the minimum fee will suffice.

Dealers:

- | | |
|--|---|
| (1) Gross sales up to (\$5,000) \$1,000 | at a location (\$25) \$20 per location |
| (2) Gross sales over (\$5,000) \$1,000 and up to (\$10,000) \$5,000 | at a location (\$35) \$30 per location |
| (3) Gross sales over (\$10,000) \$5,000 up to (\$15,000) \$10,000 | at a location (\$50) \$45 per location |
| (4) Gross sales over (\$15,000) \$10,000 up to \$25,000 | at a location (\$60) \$70 per location |
| (5) Gross sales over \$25,000 up to (\$50,000) \$75,000 | at a location (\$75) \$115 per location |
| ((6) GROSS SALES OVER \$50,000 UP TO \$75,000) | (AT A LOCATION \$100 PER LOCATION) |
| ((7)) (6) Gross sales over \$75,000 up to \$100,000 | at a location (\$150) \$175 per location |
| ((8)) (7) Gross sales over \$100,000 | at a location (\$200) \$250 per location |

In addition to the above fees, a *minimum* penalty of \$10 or 25 percent of the fee due, whichever is greater, shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate.

Sec. 261. Minnesota Statutes 1980, Section 18.54, Subdivision 1, is amended to read:

Subdivision 1. The commissioner or his employee may make small lot inspections or perform other necessary services for which another charge is not specified. For (SUCH A SERVICE, HE) *these services the commissioner* shall charge a fee of \$10; in addition, (HE MAY) *a charge may be made for the necessary expenses incurred by the inspector performing this service. The commissioner may set an additional acreage fee for inspection of seed production fields for exporters in order to meet domestic and foreign plant quarantine requirements.*

Sec. 262. Minnesota Statutes 1980, Section 19.19, Subdivision 1, is amended to read:

Subdivision 1. No person shall own, possess, or operate bees without registering (HIS) *the* bees with the commissioner. Application for (SUCH) registration must be filed within 30 days of obtaining possession of bees and equipment. The registration application shall describe the location of each of the applicant's apiaries and the number of colonies in each apiary or location. The commissioner shall issue a registration certificate to a person who makes written application on forms prepared by the commissioner and who pays a registration fee of (\$5) *\$7.50*. Each registration certificate expires on the last day of June next following its issuance. Each registration certificate must be renewed within 30 days of expiration of previous registration. A registration certificate may be renewed upon written application and payment of the registration fee described in this subdivision.

Sec. 263. Minnesota Statutes 1980, Section 19.19, Subdivision 2, is amended to read:

Subd. 2. In addition to the annual registration fee, a person owning or possessing 11 or more bee colonies shall pay an annual inspection fee of (15) *17* cents for each colony of bees owned, possessed, or operated. A person owning or possessing one to ten colonies is not required to pay an inspection fee. This fee shall be based upon the colony count taken as of June 15 of each year, and shall be payable on or before the last day of June of each year. A penalty of 50 percent of both the inspection fee and the registration fee imposed by subdivision 1 shall be imposed if a registration renewal certificate has not been applied for prior to August 1 of any year or within 30 days after a new apiary is established.

Sec. 264. Minnesota Statutes 1980, Section 19.20, Subdivision 4, is amended to read:

Subd. 4. [INSPECTION FEE FOR CERTIFICATION OF FALL INTERSTATE SHIPMENTS OF BEE COLONIES.] An interstate inspection fee of (TWENTY-FIVE) 40 cents for each colony inspected shall be paid by the owner, possessor or operator requesting inspection service.

Sec. 265. Minnesota Statutes 1980, Section 27.041, Subdivision 2, is amended to read:

Subd. 2. [LICENSES.] The license, or certified copy thereof, shall be kept posted in the office of the licensee at each place within the state where he transacts business. Every license shall expire June 30 following its issuance and thereafter be renewed July 1 each year. Any license issued under this subdivision shall automatically be void upon the termination of the surety bond covering the licensed operation. The fee for each license shall be based on the following schedule:

| License Fee | Penalty for Late Renewal | Dollar Volume of Business |
|-------------|-----------------------------|---|
| \$(25) 30 | \$(8) 9.60 | \$10,000 or less per month |
| \$(50) 60 | \$(15) 18 | Over \$10,000 to \$50,000 per month |
| \$(75) 90 | \$(22) 26.40 | Over \$50,000 to \$100,000 per month |
| \$(100) 120 | \$(30) 36 | Over \$100,000 per month |

A fee of \$5 shall be charged for each certified copy of a license. The commissioner shall make appropriate license fee adjustments for up to one year from July 1, 1975 for persons required to be licensed hereunder, who hold validly issued licenses as of the effective date of Laws 1975, Chapter 227 under the provisions of law amended or repealed herein. When the licensee sells, disposes of, or discontinues his business during the lifetime of his license he shall at the time the action is taken, notify the commissioner in writing, and upon demand produce before the commissioner a full statement of all assets and liabilities as of the date of transfer or discontinuance of the business.

All moneys collected from license fees shall be deposited in the state treasury.

Sec. 266. Minnesota Statutes 1980, Section 28A.08, is amended to read:

28A.08 [LICENSE FEES; PENALTIES.]

The fees for licenses and the penalties for late renewal thereof prescribed herein shall apply to the sections named except as provided under section 28A.09. Except as specified herein, bonds and assessments based on number of units operated or volume handled or processed which are provided for in said laws shall not be affected, nor shall any penalties for late payment of said assessments, nor shall inspection fees, be affected by this chapter.

| Type of food handler | License Fee | Penalty |
|--|-------------|-----------|
| 1. Retail food handler | | |
| (a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year | \$(15) 18 | \$(5) 6 |
| (b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year | \$(30) 36 | \$(10) 12 |
| (c) Having over \$1,000,000 gross sales for the immediately previous license or fiscal year | \$(50) 60 | \$(15) 18 |
| 2. Wholesale food handler | \$(30) 36 | \$(10) 12 |
| 3. Food broker | \$(15) 18 | \$(5) 6 |
| 4. (a) Wholesale food processor or manufacturer | \$(100) 120 | \$(30) 36 |
| (b) Wholesale food processor of meat or poultry products under supervision of the U.S. Department of Agriculture | \$(50) 60 | \$(15) 18 |
| (c) Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota farmstead cheese | \$(25) 30 | \$(10) 12 |

Sec. 267. Minnesota Statutes 1980, Section 32.075, is amended to read:

32.075 [TERM OF LICENSE; TRANSFERABILITY; FEES AND PENALTIES.]

Every license issued by the commissioner shall be for a period ending on the thirty-first day of December next following, and

shall not be transferable. The fee for each such initial license shall be (\$15) \$18 and each renewal thereof shall be (\$6) \$7.20 and shall be paid to the commissioner before any license or renewal thereof is issued. If a license renewal is not applied for on or before January 1 of each year, a penalty of 25 percent of the license fee shall be imposed. A person who does not renew his license within one year following its December 31 expiration date, except those persons who do not renew such license while engaged in active military service, shall be required to prove his competency and qualification pursuant to section 32.073, before a license is issued. The commissioner may require any other person who renews his license to prove his competency and qualification in the same manner. All license fees and penalties received by the commissioner shall be paid into the state treasury.

Sec. 268. Minnesota Statutes 1980, Section 32.59, is amended to read:

32.59 [NONRESIDENT MANUFACTURER LICENSE.]

Any person who manufactures frozen foods, mix, ice cream mix, mix base, or ice cream mix base outside of the state, for sale within the state, shall apply for registration with the department of agriculture in such form, and furnish such information, as it may require. Samples of all frozen foods, mix, ice cream mix, mix base, or ice cream mix base, so manufactured for sale and sold within this state, shall be submitted to the department. Each application for registration shall be accompanied by a fee of (\$100) \$120, which shall constitute the registration fee in case certificate of registration is granted. If the department of agriculture shall find that the samples so submitted are up to the accepted standards, and otherwise comply with the laws of this state, it shall issue to applicant a certificate of registration.

Sec. 269. Minnesota Statutes 1980, Section 40.071, is amended to read:

40.071 [ADDITIONAL POWERS OF A DISTRICT.]

In addition to powers and duties otherwise provided by law, a soil and water conservation district may procure *liability* insurance as provided in section (466.13, SUBDIVISION 3) *466.06, automobile insurance on personal cars while used on official business, insurance on the contents of district offices up to a maximum of \$7,500 per office, and workers' compensation insurance, or may require the county or counties in which the district is located to include the district in the county's or counties' insurance coverage for these purposes.*

Sec. 270. Minnesota Statutes 1980, Section 43.46, Subdivision 2, is amended to read:

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.)**

Sec. 271. Minnesota Statutes 1980, Section 43.46, Subdivision 3, is amended to read:

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.)**

Sec. 272. Minnesota Statutes 1980, Section 60A.15, Subdivision 1, is amended to read:

Subdivision 1. [DOMESTIC AND FOREIGN COMPANIES OTHER THAN TOWN AND FARMERS' MUTUAL AND DOMESTIC MUTUALS OTHER THAN LIFE.] On or before April 15, June 15, (SEPTEMBER 15) and December 15 of each year following December 31, 1971, every domestic and foreign company, except town and farmers' mutual insurance companies and domestic mutual insurance companies other than life, shall pay to the state treasurer through the commissioner of insurance **(QUARTERLY)** installments *equal to one-third* of the insurer's total estimated tax for the current year based on a sum equal to two percent of the gross premiums less return premiums on all direct business received by it in this state, or by its agents for it, in cash or otherwise, during such year, excepting premiums written for marine insurance as specified in subdivision 6. If unpaid by such dates penalties of ten percent shall accrue thereon, and thereafter such sum and penalties shall draw interest at the rate of one percent per month until paid. Failure of a company to make **(QUARTERLY)** payments of at least **(ONE-FOURTH)**

one-third of either (a) the total tax paid during the previous calendar year or (b) 80 percent of the actual tax for the current calendar year shall subject the company to the penalty and interest provided in this subdivision.

Sec. 273. Minnesota Statutes 1980, Section 85.05, Subdivision 1, is amended to read:

Subdivision 1. [RULES, FEES.] The commissioner (IS HEREBY AUTHORIZED TO) *may* make rules (AND REGULATIONS) for the use of state parks and charge appropriate fees for (SUCH) *these* uses, as hereinafter specified;

(1) Provide special parking space for automobile or other motor-driven vehicle in any state park or state recreation area;

(2) Provide special parking spurs and camp grounds for automobiles and sites for tent camping and special auto trailer coach parking spaces for the use of the individual charged for (SUCH) *the* space according to the daily rates which shall be determined and fixed by the commissioner (OF NATURAL RESOURCES) consistent with the type of facility provided for the accommodation of guests in any particular park and with similar facilities offered for tourist camping in the area;

(3) Improve and maintain golf courses already established in state parks, and charge reasonable fees for the use thereof;

(4) (MAY) Charge a fee for entrance to any pageant grounds which may be created in any state park for the purpose of having historical or other pageants conducted by the commissioner of any other authorized agency.

When deemed necessary (BY) the commissioner, for the purpose of better carrying out (ANY SUCH) state park pageants, (HE) may stage (SUCH) *the* pageants in any municipal park or other lands near or adjoining any state park, and all receipts from (SUCH) *the* pageants shall be used in the same manner as though the pageants were carried on in a state park;

(5) Provide water, sewer, and electric service to trailer or tent camp sites and charge a reasonable fee therefor.

Any individual age 65 or over *who is a resident of the state of Minnesota* who furnishes satisfactory proof of age and residence shall be exempt from payment of *one-half* of the fees set pursuant to (CLAUSES 1 TO 4) *clause 2* on Monday through Thursday of each (CALENDAR) week. *Fees paid pursuant to this section shall be deposited in the state park maintenance and operation account in the state treasury.*

Sec. 274. Minnesota Statutes 1980, Section 85.05, Subdivision 2, is amended to read:

Subd. 2. [PERMITS FOR MOTOR VEHICLES.] (a) Except as provided in clauses (b), (c), (d) and (e), no motor vehicle shall enter or be permitted to enter any state park, (STATE MONUMENT,) state recreation area or state wayside over 50 acres in area unless it has affixed to its windshield in the lower right corner thereof a permit which is provided for hereinafter. The commissioner (OF NATURAL RESOURCES) shall procure permits (IN SUCH FORM AS HE SHALL PRESCRIBE) for each calendar year which by appropriate language shall grant permission to use any state park, (STATE MONUMENT,) state recreation area or state wayside over 50 acres in area. Permits for each calendar year shall be provided and placed on sale before October 1 next preceding, and may be affixed and used on or at any time after (SAID) *that date* until the end of the calendar year for which issued. (SUCH) Permits in each category shall be numbered consecutively for each year of issue. A fee of (\$5) *\$10* shall be charged for each permit issued *for a vehicle licensed in Minnesota and \$15 for a vehicle licensed outside of Minnesota*, except that permits of appropriate special design may be sold individually at (\$1.50) *\$3 for a vehicle licensed in Minnesota and \$4 for a vehicle licensed outside of Minnesota* covering the use of state parks, (STATE MONUMENTS,) state recreation areas or state waysides under such conditions as the commissioner may prescribe for a designated period of not more than two days. The fee collected shall be deposited in the state park (DEVELOPMENT) *maintenance and operation* account in the state treasury. *Appropriations from this account shall be for state park maintenance and operation.* (SUCH) Permits shall be issued by (SUCH) employees of the division of parks and recreation as the commissioner of natural resources may designate in writing and as hereinbefore provided.

(b) The commissioner shall issue without charge an employee's motor vehicle permit to any state employee who, for the purpose of performing official duties, must enter places where park stickers are required. The employee shall display (HIS EMPLOYEE'S) *the* permit on (HIS) *the* motor vehicle in the same manner as state park stickers are displayed. A motor vehicle displaying only an employee's permit may not enter a place where park stickers are required if the vehicle is used for purposes other than (THOSE AUTHORIZED BY THIS CLAUSE) *performing official duties.*

(c) The commissioner shall issue (WITHOUT CHARGE) *for one-half of the fees provided in clause (a)* a motor vehicle permit to any individual of the age of 65 years or over who furnishes satisfactory proof of age *and who is a resident of the state of Minnesota.* (SUCH) *The* permit or the decal evidencing its

issuance shall be valid only when displayed upon the vehicle owned and occupied by the person to whom issued.

(d) No state park permit is necessary for entry of a motor vehicle into a state park, state monument, state recreation area, or state wayside, on one day each calendar year which the commissioner may designate as state park open house day for the purpose of acquainting the public with state parks, (MONUMENTS,) recreation areas, and waysides. The commissioner shall announce the date of state park open house day at least 30 days in advance of the open house.

(e) No state park permit is necessary, nor shall any fee, including a parking fee, be charged, for entry of a motor vehicle into that part of Fort Snelling state park commonly known as Fort Snelling Memorial Chapel island.

Sec. 275. [85.051] [STATE PARK DEVELOPMENT ACCOUNT.]

The state park development account in the state treasury is hereby continued, and consists of money credited to it from other sources including distributions pursuant to section 296.421.

Sec. 276. Minnesota Statutes 1980, Section 85.22, Subdivision 2a, is amended to read:

Subd. 2a. [RECEIPTS, APPROPRIATION.] All receipts derived from the (OPERATIONS OF) *sale of items in state parks shall be deposited in the state treasury and be credited to the state parks working capital fund, which fund is annually appropriated solely for the purchase of merchandise for resale. Annually, as of the close of business on June 30, the unencumbered balance in excess of (\$50,000) \$100,000 shall be cancelled into the general fund.*

Sec. 277. Minnesota Statutes 1980, Section 85A.04, Subdivision 1, is amended to read:

Subdivision 1. All receipts from the operation of the Minnesota zoological garden shall be deposited to the credit of the general fund, *except as provided in subdivision 3.*

Sec. 278. Minnesota Statutes 1980, Section 85A.04, is amended by adding a subdivision to read:

Subd. 3. [ZOO GIFT STORE ACCOUNT.] *A working capital account is established for the gift store of the Minnesota zoological garden. All receipts from the gift store operation shall be deposited in the state treasury and credited to the account and are appropriated for the purposes of the gift store. Gift store expenses, including inventory, personnel costs, space*

rental, and overhead, shall be paid from the account. The unencumbered balance in the account on June 30 of each year in excess of the value of the inventory of the gift store on June 30, 1981 shall be transferred to the general fund. If improvements or expansions are planned for the gift store operation to be paid with gift store receipts, the plan must be first approved by the governor after receiving the recommendation of the legislative advisory commission.

Sec. 279. Minnesota Statutes 1980, Section 89.43, is amended to read:

89.43 [TREE SEEDS AND CONES, PAYMENTS FROM APPROPRIATIONS.]

Notwithstanding any provision of law to the contrary, out of any (MONEYS) *money* appropriated to the commissioner of natural resources for the purchase of tree seeds and seed cones the commissioner of finance and the state treasurer shall pay to the commissioner upon his request (NOT TO EXCEED THE SUM OF \$10,000 IN CASH AT ANY ONE TIME AND NOT TO EXCEED THE SUM OF \$25,000 IN ANY ONE FISCAL YEAR FOR THE PURPOSE OF PURCHASING TREE SEEDS AND SEED CONES, AND THE PAYMENT THEREFOR) *the amounts deemed necessary by the commissioner to maintain an inventory of tree seeds and seed cones to assure an adequate supply for the nursery and forestry development needs of the department and to pay for the seeds and seed cones in cash at the time of delivery. (AT NO TIME SHALL THE MONEYS IN THE HANDS OF THE COMMISSIONER FOR THIS PURPOSE EXCEED THE SUM OF \$10,000.)*

(ALL MONEYS PAID TO) The commissioner *shall deposit any money received* pursuant to this section (SHALL BE DEPOSITED BY HIM) in a state depository subject to withdrawal for disbursement by check for the purposes described by the commissioner or his authorized agent.

The commissioner of finance shall prescribe (SUCH) rules (AS HE DEEMS NECESSARY FOR THE ACCOUNTING) by *which* the commissioner of natural resources (OF) *shall account for the* expenditures made pursuant to this section and may require an additional bond to cover all (MONEYS DELIVERED) *money paid* to the commissioner of natural resources for disbursement (BY HIM OR HIS AUTHORIZED AGENT) *pursuant to this section.* Any bond premiums shall be paid by the commissioner from (ANY MONEYS) *money* available for (SUCH PURPOSES) *that purpose.*

Unless the legislature specifically otherwise directs in any act appropriating money to the commissioner of natural resources (FOR THE DIVISION OF LANDS AND FORESTRY) for the purchase of tree seeds and seed cones, (MONEYS) *money* paid

to the commissioner (AND UNEXPENDED) pursuant to (THE TERMS OF) this section shall not cancel on June 30 of any fiscal year and shall be available for expenditure in the ensuing fiscal year.

Sec. 280. Minnesota Statutes 1980, Section 97.40, Subdivision 21, is amended to read:

Subd. 21. "Resident" means any citizen of the United States or resident alien who has maintained a legal residence in the state of Minnesota for a period of 60 days immediately preceding the date of application for license, a domestic corporation, or a foreign corporation authorized to do business in the state which has conducted the business licensed at an established place within the state for a period of at least ten years.

Sec. 281. Minnesota Statutes 1980, Section 97.482, Subdivision 1, is amended to read:

Subdivision 1. [IMPOSITION.] To provide funds for the purpose of carrying out the provisions of sections 97.481 to 97.484, there is hereby imposed upon all small game hunting licenses a surcharge of (\$2) \$4, which shall be added to such license fee, and which surcharge shall be free from any commissions and so stated on the back of the small game hunting licenses, together with the following statement: "This (\$2) \$4 surcharge is being paid by sportsmen for the acquisition and development of wildlife lands."

Sec. 282. [EFFECTIVENESS OF SECTIONS.]

Notwithstanding any other law, Minnesota Statutes, sections 97.481 to 97.484 shall continue to be effective until repealed.

Sec. 283. Minnesota Statutes 1980, Section 98.45, Subdivision 6, is amended to read:

Subd. 6. (AN ALIEN SPOUSE OR) A nonresident child under the age of 21 of a resident of this state may take, buy, sell, transport, or possess wild animals as a resident. (ANY OTHER ALIEN WHO HAS MADE A DECLARATION OF INTENTION TO BECOME A CITIZEN OF THE UNITED STATES IN ACCORDANCE WITH THE STATUTES OF THE UNITED STATES RELATING TO THE NATURALIZATION OF ALIENS, AND WHO IS QUALIFIED AS A RESIDENT OF THE STATE EXCEPT FOR CITIZENSHIP, MAY TAKE, BUY, SELL, TRANSPORT, OR POSSESS WILD ANIMALS AS A RESIDENT.)

Sec. 284. Minnesota Statutes 1980, Section 98.46, Subdivision 2, is amended to read:

Subd. 2. Fees for the following licenses, to be issued to residents only, shall be:

- (1) To take small game, (\$5) \$7;
- (2) To take deer (OR BEAR, OR BOTH,) with firearms (DURING THE PERIOD IN WHICH THE LICENSEE MAY TAKE DEER), (\$10) \$14;
- (3) To take deer (OR BEAR, OR BOTH,) with bow and arrow (DURING THE PERIOD IN WHICH THE LICENSEE MAY TAKE DEER), (\$10) \$14;
- (4) To take fish by angling, (\$5) \$6.50;
- (5) Combination husband and wife, to take fish by angling, (\$8) \$10.50;
- (6) To take moose, (\$100) \$140 for an individual or for a party of not to exceed four persons;
- (7) To take bear only, (\$7.50) \$14;
- (8) To take turkeys, \$10, in addition to a small game license;
- (9) *To take raccoon, bobcat, coyote or fox with the aid of dogs, \$7.50, in addition to a small game license.*

Sec. 285. Minnesota Statutes 1980, Section 98.46, Subdivision 2a, is amended to read:

Subd. 2a. The commissioner of natural resources shall issue Minnesota sportsman licenses by March 1, 1978. The licenses shall be issued to residents only. The fee for licenses shall be (\$9) \$12 if the angling license is for one person and (\$12) \$16 if the angling license is a combination husband and wife license. These fees do not include the surcharge authorized pursuant to section 97.482 nor the state waterfowl stamp required by section 97.4841.

The license shall authorize the licensee to:

- (1) Take small game;
- (2) Take fish by angling.

(THE GAME AND FISH SUBCOMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE FISH AND WILDLIFE SUBCOMMITTEE OF THE SENATE SHALL STUDY THE FEASIBILITY OF OTHER COMBINATIONS FOR SPORTSMAN'S LICENSES PRIOR TO JANUARY 1, 1978.)

Sec. 286. Minnesota Statutes 1980, Section 98.46, is amended by adding a subdivision to read:

Subd. 2b. The commissioner of natural resources, in commemoration of the fiftieth year of the department, shall issue Minnesota golden licenses by March 1, 1982. The license shall be issued to residents only. The fee for the license shall be \$100 and shall authorize the licensee to:

- (1) *Take small game;*
- (2) *Take fish by angling;*
- (3) *Spear fish from a dark house;*
- (4) *Trap fur bearing animals, except beaver;*
- (5) *Take deer with firearms;*
- (6) *Take deer with bow and arrows; and*
- (7) *Take bear.*

The fee includes the surcharge authorized pursuant to section 97.482, the state waterfowl stamp required by section 97.4841 and the state trout stamp required by section 306.

The license shall be issued in distinctive format on durable, gold colored material.

Sec. 287. Minnesota Statutes 1980, Section 98.46, Subdivision 3, is amended to read:

Subd. 3. Fees for the following licenses, to be issued to residents only, shall be:

- (1) To harvest wild rice, (\$4) \$10;
- (2) To buy and sell wild ginseng, \$5.

Sec. 288. Minnesota Statutes 1980, 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, for residents over the age of 13 and under the age of 18, \$3.50;

((1)) (2) To trap fur bearing animals, except beaver, for residents 18 years of age and older, (\$5) \$13;

((2)) (3) 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) \$100, provided that any employee, partner or officer buying or selling at the established place of business only for (SUCH) the licensee may secure a supplemental license for (\$20) \$50;

((3)) (4) To trap beaver during an open season or by permit when doing damage, \$2.50;

((4)) (5) To guide bear hunters, (\$50) \$75.

Sec. 289. Minnesota Statutes 1980, Section 98.46, Subdivision 5, is amended to read:

Subd. 5. Fees for the following licenses, to be issued to residents only, shall be:

(1) To spear fish from a dark house, (\$5) \$7.50;

(2) For any fish house or dark house used during the winter fishing season, \$3 for each fish house or dark house not rented or offered for hire, and (\$10) \$13 for each fish house or dark house rented or offered for hire. Each (SUCH) fish house or dark house shall have attached to the outside a metal tag at least two inches in diameter with a 3/16 inch hole in the center, which will be issued with a license. Each metal tag shall be stamped with a number to correspond with the fish house or dark house license and also shall be stamped with the year of issuance. The metal tag shall be attached to the fish house or dark house as designated by commissioner's order;

(3) To net whitefish, tullibees or herring from inland lakes or international waters, for domestic use only, for each net, \$3;

(4) To conduct a taxidermist business, (\$10) for three consecutive years for residents 18 years of age and older, \$40; for residents under the age of 18, \$25;

(5) To maintain fur and game farms, including deer, (\$10) \$15;

((6) TO TAKE MUSSELS OR CLAMS, \$25;)

((7)) (6) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, (\$25) \$50;

((8)) (7) To prepare dressed game fish shipments for nonresidents as provided by section 97.45, subdivision 6, as amended, (\$10) \$13;

((9)) (8) Minnow dealer, (\$50) \$70 plus \$10 for each vehicle;

((10)) (9) Minnow dealer's helper, \$5 for each helper. Minnow dealer's helpers' licenses shall be issued to the minnow dealer and are transferable by the dealer at will to his own helpers;

((11)) (10) Exporting minnow dealer, (\$200) \$250, plus \$10 for each vehicle.

Each vehicle license shall cover a specified vehicle. The serial number, license number, make, and model shall be specified on the license which must be conspicuously posted in the vehicle licensed.

Sec. 290. Minnesota Statutes 1980, Section 98.46, Subdivision 5a, is amended to read:

Subd. 5a. Fees for the following licenses, to be issued to nonresidents, shall be:

(1) For an exporting minnow hauler, (\$400) \$525, plus \$10 for one vehicle license only.

(2) Each vehicle license shall cover a specified vehicle. The serial number, license number, make and model shall be conspicuously posted in the vehicle licensed.

Sec. 291. Minnesota Statutes 1980, Section 98.46, Subdivision 6, is amended to read:

Subd. 6. Fees for the following licenses to net for commercial purposes in the boundary waters between Wisconsin and Minnesota from Taylors Falls to the junction of the Mississippi River and Lake St. Croix and from Lake St. Croix to the Iowa border, which, except in the case of helpers licenses, shall be issued to residents only, shall be:

(1) For a seine not exceeding 500 feet, (\$20) \$25;

(2) For a seine in excess of 500 feet, but not over 1,000 feet, (\$30) \$40;

(3) For each 100 feet of seine in excess of 1,000 feet, (\$2) \$2.50;

(4) For helper's license, \$5.

Sec. 292. Minnesota Statutes 1980, Section 98.46, Subdivision 7, is amended to read:

Subd. 7. Fees for the following licenses to net for commercial purposes in the boundary waters between Wisconsin and Minnesota from Lake St. Croix to the Iowa border, which, except in the case of helpers licenses, shall be issued to residents only, shall be:

- (1) For each gill net not exceeding 500 feet in length, (\$10) *\$13*;
- (2) For each gill net exceeding 500 feet, but not over 1,000 feet, (\$20) *\$25*;
- (3) For each fyke net or hoop net, \$10;
- (4) For each bait or turtle net, (\$1) *\$1.50*;
- (5) For each set line, (\$10) *\$13* for each identification tag to be attached to each set line;
- (6) For helper's license, \$5.

Sec. 293. Minnesota Statutes 1980, Section 98.46, Subdivision 8, is amended to read:

Subd. 8. Fees for the following licenses to take rough fish with (SET LINES, OR) seines (,) in the Mississippi River from the St. Croix River junction to St. Anthony Falls, to be issued to residents only, shall be:

- (1) For a seine not exceeding 500 feet, (\$20) *\$25*; for a seine in excess of 500 feet, but not over 1,000 feet, (\$30) *\$40*; for each 100 feet of seine or fraction thereof in excess of 1,000 feet, \$2;
- ((2) FOR EACH SET LINE, \$10;)
- ((3)) (2) For helper's license, \$5.

Sec. 294. Minnesota Statutes 1980, Section 98.46, Subdivision 9, is amended to read:

Subd. 9. A license to take rough fish with one set line, containing not more than ten hooks, in the Minnesota River from Mankato to its junction with the Mississippi River, and in the Mississippi River from St. Anthony Falls to the St. Croix junction, for domestic use, shall be issued to residents only, upon payment of the fee of (\$10) *\$13*.

Sec. 295. Minnesota Statutes 1980, Section 98.46, Subdivision 9a, is amended to read:

Subd. 9a. Licenses to net commercial fish in inland waters shall be issued annually and shall be valid for commercial fishing during the period from the day after Labor Day to the day preceding the opening of the season for the taking of walleye. License fees shall be (\$50) \$70, plus:

(a) (FIFTY) 75 cents for each hoop net pocket;

(b) (\$10) \$15 for each 1,000 feet of seine. Provided that in the license application to the commissioner, each applicant shall list the number of feet of seine of each depth for which he wishes to be licensed; and

(c) \$5 for each helper's license.

Sec. 296. Minnesota Statutes 1980, Section 98.46, Subdivision 10, is amended to read:

Subd. 10. Fees for the following licenses to net fish in Lake of the Woods, to be issued to residents only, shall be:

(1) For each pound net or staked trap net, (\$35) \$45;

(2) For each fyke net with wings or lead not exceeding four feet in height, (\$5) \$10;

(3) For each fyke net with either wings or lead over four feet in height, an additional \$5 for each additional two feet or fraction thereof;

(4) For each 100 feet of gill net, (\$1.50) \$2.50;

(5) For each submerged trap net, \$15;

(6) For helper's license, (\$5) \$15;

(7) For each trawl, \$500.

Sec. 297. Minnesota Statutes 1980, Section 98.46, Subdivision 11, is amended to read:

Subd. 11. Fees for the following licenses to net fish in Rainy Lake, to be issued to residents only, shall be:

(1) For each pound net, (\$35) \$45;

(2) For each 100 feet of gill net, (\$1.50) \$2.50;

(3) For helper's license, (\$5) \$15.

Sec. 298. Minnesota Statutes 1980, Section 98.46, Subdivision 12, is amended to read:

Subd. 12. (a) Fees for the following licenses to fish commercially in Lake Superior, to be issued to residents only, shall be:

(1) For not to exceed 1,000 feet (305 m) of gill net of mesh size not less than 2.25 inch (5.75 cm) nor more than 2.75 inch (7 cm) extension measure, (\$50) \$70 plus (\$1) \$2 for each additional 1,000 feet (305 m);

(2) For not to exceed 1,000 feet (305 m) of gill net of mesh size not less than 4.5 inch (11.5 cm) mesh extension measure, (\$50) \$70 plus (\$1) \$2 for each additional 1,000 feet (305 m);

(3) For a pound or trap net, (\$50) \$70 plus (\$1) \$2 for each additional pound or trap net;

(4) For a helper's license, \$5.

(b) A license to fish commercially in Lake Superior shall be issued only to a resident who, except as herein provided:

(1) Possesses 5,000 feet of gill net of mesh sizes permitted in section 102.28 or two pound nets;

(2) Landed fish in the previous year with a value of at least \$1,500, except for those state waters from Duluth to Silver Bay upon the discretion of the commissioner; and

(3) Engaged in commercial fishing for at least 50 days of the previous year.

(AN APPLICANT FOR A LICENSE IN 1978 MUST HAVE MET THE REQUIREMENTS OF SUBDIVISION 12, CLAUSE (B) DURING TWO OF THE PREVIOUS THREE YEARS.)

An applicant shall be issued a license without meeting the requirements of subdivision 12, clause (b) if the applicant is 65 or more years of age and has held a license continuously since 1947. An applicant may be issued a license, at the discretion of the commissioner, if (HIS) failure to meet the requirements of subdivision 12, clause (b) resulted from illness or other mitigating circumstances, or (HE) *the applicant* has reached the age of 65 and has been licensed at least ten of the previous 15 years. Persons receiving licenses under the provisions for applicants 65 years of age or more must be in attendance at the setting and lifting of nets. The commissioner may issue multiple licenses to individuals who meet the requirements of subdivision 12, clause (b), and have held multiple licenses prior to 1978.

(c) A license may be issued to an applicant who has not fished commercially on Lake Superior before, if the applicant:

(1) Shows a bill of sale indicating the purchase of gear and facilities connected with an existing license; or

(2) Shows proof of inheritance of all the gear and facilities connected with an existing license; or

(3) Has served at least two years as a helper in a Minnesota Lake Superior licensed commercial fishing operation; and

(4) Has no record of conviction for violating chapters 97 to 102 in the preceding three years.

Sec. 299. Minnesota Statutes 1980, Section 98.46, Subdivision 14, is amended to read:

Subd. 14. Fees for the following licenses, to be issued to non-residents, shall be:

(1) To take small game and unprotected quadrupeds with firearms and bow and arrows, (\$25) \$35;

(2) To take deer (AND BEAR DURING THE PERIOD IN WHICH THE LICENSEE MAY TAKE DEER,) and unprotected quadrupeds with firearms and bow and arrows, (\$60) \$75;

(3) To take deer (AND BEAR DURING THE PERIOD IN WHICH THE LICENSEE MAY TAKE DEER,) and unprotected quadrupeds with a bow and arrows only, (\$25) \$35;

(4) To take bear, (\$25.25) \$100;

(5) To take turkeys, \$30, in addition to a small game license;

(6) To hunt raccoon, \$100, in addition to nonresident small game license.

Sec. 300. Minnesota Statutes 1980, Section 98.46, Subdivision 15, is amended to read:

Subd. 15. Fees for the following licenses, to be issued to nonresidents, shall be:

(1) To take fish by angling, (\$10) \$15;

(2) A short term individual license to take fish by angling for (THREE) *seven* consecutive days, (\$5) \$10.50;

(3) *A short term individual license to take fish by angling for one day, \$5;*

(4) *Combination husband and wife, to take fish by angling, (\$15) \$20;*

(4) (5) For any fish house used during the winter fishing season, \$15. A fish house licensed pursuant to this subdivision shall be identified as prescribed in subdivision 5. The house shall be collapsible and portable, and shall at no time be left unattended while on the ice. The provisions of section 101.42 not inconsistent herewith shall also apply to fish houses licensed pursuant to this subdivision.

Sec. 301. Minnesota Statutes 1980, Section 98.46, Subdivision 16, is amended to read:

Subd. 16. Fees for the following licenses, to be issued to non-residents, shall be:

To buy or sell raw furs, (\$400) \$500, except that a license shall not be required to buy from those licensed under subdivision 4, clause (2).

To guide bear hunters, \$400.

Sec. 302. Minnesota Statutes 1980, Section 98.46, Subdivision 17, is amended to read:

Subd. 17. Fees for the following licenses, to be issued to either residents or nonresidents, shall be:

(1) To deal in live or engage in the business of preserving minnows; minnow retailer, (\$5) \$10 plus \$10 for each vehicle used to transport minnows.

(2) To raise fish in a private hatchery, for annual sales under \$200, \$25; and for annual sales of \$200 or more, \$50.

(3) To take under state supervision sucker eggs from public waters, for private fish hatchery purposes:

(a) To take not to exceed 100 quarts, (\$100) \$150;

(b) To take in excess of 100 quarts, (\$2) \$3 per quart for such excess.

Sec. 303. Minnesota Statutes 1980, Section 98.46, Subdivision 18, is amended to read:

Subd. 18. Fees for the following licenses, to be issued to either residents or nonresidents shall be:

(1) For a wild rice dealer's license to buy wild rice within the state for resale to anyone except consumers, or to sell wild rice imported from outside the state to anyone within the state except consumers, (\$50) \$70 if the amount of wild rice bought or sold by the licensee within the year covered by the license does not exceed 50,000 pounds, (\$200) \$250 if (SUCH) *the* amount exceeds 50,000 pounds. For the purposes hereof the weight of wild rice in its raw state shall govern. All raw rice purchased by a dealer shall be reported in accordance with clauses (2), (3), (4), and (5) of this subdivision.

(2) Every application for a license under this subdivision shall be made on oath in writing in (SUCH) *the* form (AS) the commissioner shall prescribe, stating the amount of wild rice, whether raw or processed, bought or sold by the applicant during the calendar year preceding the year for which the license is sought, the amount which the applicant estimates (HE) will (BUY) *be bought* or (SELL) *sold* under the license, and (SUCH) other pertinent information (AS) the commissioner may require. The license fee shall be paid in advance, based on (SUCH) *the* estimate, subject to adjustment as hereinafter provided; provided, that no license shall be issued for any year based on a lesser amount of wild rice than was bought or sold by the applicant during the preceding calendar year.

(3) Every licensee under this subdivision shall keep a correct and complete book record of all wild rice bought or sold (BY HIM) during the period covered by (HIS) *the* license, showing the date of each transaction, the names and addresses of all other parties thereto, and the amount of wild rice involved, whether raw or processed. Every (SUCH) record shall be open for inspection by the commissioner, the coordinator of wild rice, or any conservation officer or agent of the commissioner at all reasonable times. Every licensee shall transmit to the commissioner within ten days after the end of each calendar month during the period covered by the license a written report, in (SUCH) *the* form (AS) the commissioner shall prescribe, signed by the licensee, stating the total amount of wild rice bought or sold (BY HIM) during (SUCH) *the* calendar month, whether raw or processed.

(4) No dealer licensee under this subdivision shall at any time buy or sell any wild rice for which a license is required hereunder in excess of the amount covered by (HIS) *the* license. In case a licensee shall desire to buy or sell any wild rice in excess of (SUCH) *the* amount, (HE) *the licensee* shall before doing so make application for a supplemental license covering the increased amount of wild rice involved, and (SUCH) *the* license shall be issued (TO HIM) upon payment of the prescribed fee therefor, less credit for the fees paid for the previous license or licenses issued (TO HIM HEREUNDER) for the same calendar year. Upon the issuance of (SUCH) *the* supplemental license,

(SUCH) *the* previous license or licenses shall be surrendered to the commissioner.

(5) The willful making of a false statement in any application for a license under this subdivision or in any report required hereunder, or the willful making of a false entry in any record required hereunder, or any other violation of or failure to comply with any provision of this subdivision shall be a misdemeanor, punishable as provided by section 97.55, subdivision 1. Upon a second conviction within a period of three years of any person of any offense under this subdivision, any license hereunder then held by (HIM) *that person* shall immediately become null and void, and no such license shall be issued to (HIM) *that person* for one year after the date of (SUCH) *the* conviction.

Sec. 304. Minnesota Statutes 1980, Section 98.46, Subdivision 19, is amended to read:

Subd. 19. Fees for the following licenses, to be issued to either residents or nonresidents, shall be:

(1) To buy fish from licensed commercial fishermen on Lake Superior:

- (a) For the purpose of selling to retailers, (\$25) \$50;
- (b) For the purpose of retail selling only, (\$5) \$10.

(2) To buy fish from licensed commercial fishermen on Lake of the Woods, Namakan, Sand Point, or Rainy Lake:

- (a) Wholesale fish buyer's license, \$100;
- (b) Fish buyer's license to ship from one place to another on international waters only, \$10.

(3) To tan or dress raw furs, (\$10) \$15;

(4) Fish peddler's license, to peddle with the use of a motor vehicle, any fish lawfully salable within the state, (\$5) \$25. It shall be unlawful to misrepresent the species of any fish sold by any licensed fish peddler or (HIS) *peddler's* employee. Upon conviction of misrepresentation of the species of fish sold by any fish peddler licensed hereunder or (HIS) employee, (HIS) *the* license shall be revoked, and (SUCH) *the* licensee shall not be eligible to obtain a fish peddler's license for the period of one year after (SAID) revocation. Misrepresentation shall include the following acts in addition to any other acts constituting misrepresentation in fact: (1) The designation of any fish by any name other than its common name in Minnesota; (2) The designation of any fish by any other name than its common name in

the locality where it was taken if it is not generally known by any common name in Minnesota.

Sec. 305. Minnesota Statutes 1980, Section 98.47, Subdivision 1, is amended to read:

Subdivision 1. Residents who have attained the age of 65 years may take fish by angling or spearing without a license. Residents under the age of 16 years may take fish (AND TRAP FUR BEARING ANIMALS EXCEPT BEAVER OR OTTER) without procuring a license. Residents under the age of 13 years may take small game without a license. Residents under the age of 16 years and over 12 may take small game provided they have in their possession while hunting a valid firearm safety certificate. Residents under 14 must be accompanied by a parent or guardian while hunting. No hunting license shall be issued to any resident under the age of 16, except that such residents who possess a valid certificate may purchase a big game hunting license. Nonresidents under the age of 16 years may take fish by angling without procuring a license, if their parent or legal guardian has obtained a nonresident fishing license. Fish so taken shall be included in the daily and possession limit of the parent or legal guardian. Any nonresident under the age of 16 years who is attending a camp adjacent to any public waters of the state conducted by a social, charitable, or welfare organization or institution, not for profit, may take fish by angling in such waters or other adjacent waters without procuring a license, provided the organization or institution conducting the camp shall have a certificate from the commissioner that the camp is qualified hereunder, describing the waters affected as determined by the commissioner, and each such nonresident shall carry with him at all times while taking or attempting to take fish by angling in such waters a certificate identifying him and describing the waters, in such form as the commissioner shall prescribe, signed and dated by the officer or agent of the organization or institution in charge of the camp within the current calendar year.

Sec. 306. [97.4842] [TROUT STAMP.]

Subdivision 1. [STAMP REQUIRED.] No person over the age of 18 and under the age of 65 years who is otherwise required to possess a Minnesota fishing license shall take trout by angling in any trout stream within this state without first purchasing a stamp and having the stamp in his possession while angling for trout in any trout stream. Each stamp shall be validated by the signature of the licensee written across its face. The commissioner shall determine the form of the stamp and shall furnish and distribute stamps to county auditors for sale by them and their authorized subagents as prescribed by order of the commissioner. The commissioner shall encourage the purchase of stamps by any persons who are interested in the improvement of trout streams.

Subd. 2. [FEE.] A stamp shall be issued to each fishing license applicant or other person interested in improvement of trout streams upon the payment of a fee of \$3. Stamps shall be issued annually and shall be valid from March 1 through the last day of the following February.

Subd. 3. [USE OF REVENUE.] The commissioner shall approve projects for the following purposes:

(a) Development, restoration, maintenance or preservation of trout streams; and

(b) Necessary related administrative costs in an amount not to exceed ten percent of the annual deposits into the game and fish fund attributable to the sale of stamps.

Sec. 307. Minnesota Statutes 1980, Section 98.50, Subdivision 5, is amended to read:

Subd. 5. Any resident desiring to sell the licenses referred to in subdivision 1 may either purchase for cash or obtain on consignment license blanks from a county auditor in groups of not less than five non-resident, and ten resident license blanks. In addition to the basic license fee, he shall collect a fee for issuing each license in the amount of (75 CENTS) \$1 for the license to take deer and for the sportsman license authorized in section 98.46, subdivision 2a, and (50) 75 cents for all other licenses. The state migratory waterfowl stamp required by section 97.4841 shall be considered to be a "license" within the meaning of this subdivision except when such stamp and a small game license are issued in the same transaction in which case the stamp shall be considered a part of the small game license and only one issuing fee shall be collected. In selling such licenses, he shall be deemed an agent of the county auditor and the commissioner, and he shall observe all rules and regulations promulgated by the commissioner for the accounting for and handling of such licenses.

The county auditor shall promptly deposit all moneys received from the sale of licenses with the county treasurer, and shall promptly transmit such reports as may be required by the commissioner, together with his warrant on the county treasurer for 100 percent of the surcharge imposed by section 97.482 plus 96 percent of the price to the licensee, exclusively of said surcharge and the issuing fee, for each license sold or consigned by him and subsequently sold to a licensee during the accounting period. The county auditor shall retain as his commission four percent of all license fees, excluding issuing fees for licenses consigned to subagents. In addition, for licenses sold for cash directly to the licensee, the auditor shall collect the same issuing fee as a subagent. Unsold license blanks in the hands of any agent shall be redeemed by the commissioner if presented for redemption within the time prescribed by the commissioner therefor. Any

license blanks not presented for redemption within the period prescribed shall be conclusively presumed to have been sold, and the agent possessing the same or to whom they are charged shall be accountable therefor. The commissioner shall collect the same issuing fee as a subagent for licenses sold directly through a license distribution center operated by the department of natural resources. The issuing fees so collected by the commissioner shall be credited to the game and fish fund.

Sec. 308. Minnesota Statutes 1980, Section 99.28, Subdivision 5, is amended to read:

Subd. 5. The holder of any such license shall pay an annual license fee of (\$2.50) \$10 for any such farm upon which muskrats are taken on said owner's premises.

Sec. 309. Minnesota Statutes 1980, Section 100.273, Subdivision 7, is amended to read:

Subd. 7. In taking raccoon, bobcat, coyote or fox when treed or at bay on private land with the aid of dogs, a person while on foot may, without permission of the landowner, enter such private land to retrieve any dogs and then shall immediately leave the premises. During the season for taking big or small game, a hunter may on foot retrieve a wounded big or small game animal from agricultural land of another which is not posted pursuant to subdivision 6, without permission of the landowner, and shall then leave as soon as possible.

Sec. 310. Minnesota Statutes 1980, Section 100.35, Subdivision 1, is amended to read:

Subdivision 1. The fee for a shooting preserve license or permit shall be (\$50) \$75.

Sec. 311. Minnesota Statutes 1980, Section 100.35, Subdivision 5, is amended to read:

Subd. 5. All harvested game except ducks which are marked in accordance with regulations of the United States fish and wildlife service shall be tagged with a selfsealing tag to be issued by the department at a cost of (five) 15 cents. The tags shall be so numbered or otherwise identified that each preserve using them can be identified and (SUCH) the tag shall be maintained on each bird shot until either consumed on the premises or if removed therefrom, until actually prepared for consumption.

Sec. 312. Minnesota Statutes 1980, Section 101.44, is amended to read:

101.44 [FROGS; SEASON, REGULATION, LICENSES.]

Except as otherwise permitted, frogs may not be taken or possessed during the months of April and the first 15 days of May. During the open season, frogs not exceeding six inches in length, measured from tip of nose to tip of hind toes, legs fully extended, may be possessed in any numbers, bought, sold, and transported for angling purposes only. Except as otherwise provided under the commissioner's regulations, not to exceed 150 frogs over six inches in length may be possessed in or transported through the state, except by common carrier, and may be possessed in any quantity and sold during the open season. It shall be unlawful to use cloth screens or other similar contrivances in catching frogs. Provided, the taking of frogs may be prohibited in (SUCH) areas of the state and during (SUCH) periods as the commissioner may by order prescribe. Provided, further, that no person shall be permitted to take or possess frogs unless legally entitled to take fish within the state. The commissioner shall establish regulations dealing with the purchase, possession and transportation of frogs for purposes other than bait. The fee for this license shall be (\$50) \$70 for resident; (\$150) \$200 for nonresidents. The commissioner may issue licenses to residents to take, possess, transport and sell frogs for purposes other than bait. The license fee shall be (\$2.50) \$10.

Sec. 313. Minnesota Statutes 1980, Section 116C.69, Subdivision 2, is amended to read:

Subd. 2. [SITE APPLICATION FEE.] Every applicant for a site certificate shall pay to the board a fee in an amount equal to \$500 for each \$1,000,000 of production plant investment in the proposed installation as defined in the Federal Power Commission Uniform System of Accounts. The board shall specify the time and manner of payment of the fee. If any single payment requested by the board is in excess of 25 percent of the total estimated fee, the board shall show that the excess is reasonably necessary. The applicant shall pay within 30 days of notification any additional fees reasonably necessary for completion of the site evaluation and designation process by the board. In no event shall the total fees required of the applicant under this subdivision exceed an amount equal to 0.001 of said production plant investment (\$1,000 for each \$1,000,000). All money received pursuant to this subdivision shall be deposited in (THE GENERAL FUND) *a special account*. (SO MUCH) Money (AS IS NECESSARY) *in the account* is (ANNUALLY) appropriated (FROM THE GENERAL FUND) *to the board* to pay expenses incurred in processing applications for certificates in accordance with sections 116C.51 to 116C.69 and in the event the expenses are less than the fee paid, to refund the excess to the applicant. (THIS ANNUAL APPROPRIATION SHALL NOT EXCEED THE FEES TO BE PAID DURING EACH PERIOD.)

Sec. 314. Minnesota Statutes 1980, Section 116C.69, Subdivision 2a, is amended to read:

Subd. 2a. [ROUTE APPLICATION FEE.] Every applicant for a transmission line construction permit shall pay to the board a base fee of \$35,000 plus a fee in an amount equal to \$1,000 per mile length of the longest proposed route. The board shall specify the time and manner of payment of the fee. If any single payment requested by the board is in excess of 25 percent of the total estimated fee, the board shall show that the excess is reasonably necessary. In the event the actual cost of processing an application up to the board's final decision to designate a route exceeds the above fee schedule, the board may assess the applicant any additional fees necessary to cover the actual costs, not to exceed an amount equal to \$500 per mile length of the longest proposed route. All money received pursuant to this subdivision shall be deposited in (THE GENERAL FUND) *a special account.* (SO MUCH) Money (AS IS NECESSARY) *in the account* is (ANNUALLY) appropriated (FROM THE GENERAL FUND) *to the board* to pay expenses incurred in processing applications for construction permits in accordance with sections 116C.51 to 116C.69 and in the event the expenses are less than the fee paid, to refund the excess to the applicant. (THIS ANNUAL APPROPRIATION SHALL NOT EXCEED THE FEES TO BE PAID DURING EACH PERIOD.)

Sec. 315. Minnesota Statutes 1980, Section 116C.69, Subdivision 3, is amended to read:

Subd. 3. [FUNDING; ASSESSMENT.] The board shall finance its base line studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site certificates and construction permits, and all other work, other than specific site and route designation, from an assessment made (ANNUALLY) *quarterly, at least 30 days before the start of each quarter,* by the board against all utilities. Each share shall be determined as follows: (1) the ratio that the annual retail kilowatt-hour sales in the state of each utility bears to the annual total retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.667, plus (2) the ratio that the annual gross revenue from retail kilowatt-hour sales in the state of each utility bears to the annual total gross revenues from retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.333, as determined by the board. The assessment shall be credited to the general fund and shall be paid to the state treasury within 30 days after receipt of the bill, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the several utilities under authority of this subdivision shall not exceed the annual budget of the board for carrying out the purposes of this subdivision. *The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the board for the preceding fiscal year were more or less than the estimated expenditures previously assessed.*

Sec. 316. Minnesota Statutes 1980, Section 116F.06, Subdivision 2, is amended to read:

Subd. 2. The agency shall review new or revised packages or containers except when such changes involve only color, size, shape or printing. The agency shall review innovations including, but not limited to, changes in constituent materials or combinations thereof and changes in closures. When the agency determines that any new or revised package or container would constitute a solid waste disposal problem or be inconsistent with state environmental policies, the manufacturer of the product may withdraw it from further consideration until such time as the manufacturer may resubmit such product to the agency, or, the agency may, by order made after notice and hearing as provided in chapter 15, and following an additional period not to exceed 30 days during which the environmental quality board may review the proposed action, prohibit the sale of the package or container in the state. Any such prohibition shall continue in effect until revoked by the agency or until the last legislative day of the next following legislative session, whichever occurs first, unless extended by law. This subdivision shall not apply to any package or container sold at retail in this state prior to (FINAL ENACTMENT OF SECTIONS 116F.01 TO 116F.08) *September 7, 1979.*

Sec. 317. Minnesota Statutes 1980, Section 139.16, is amended to read:

139.16 [PUBLIC TELEVISION GRANTS; PURPOSE.]

The purpose of sections 139.16 to 139.18 is to facilitate the use of public television as a community resource for the public by providing financial assistance to public television stations serving Minnesota citizens, and to provide for cooperation between public television station officials and the (BOARD OF THE ARTS) *department of administration.*

Sec. 318. Minnesota Statutes 1980, Section 139.17, is amended to read:

139.17 [DEFINITIONS.]

Subdivision 1. As used in sections 139.16 to (139.18) *139.19*, the terms defined in this section have the meanings here given them.

Subd. 2. "Public station" means a (LICENSEE OF THE FEDERAL COMMUNICATIONS COMMISSION) *station holding a license or operating under a program test authority from the Federal Communications Commission as a noncommercial educational television broadcast station within this state or a*

station outside the state which received funds under section 139.18 in 1976.

Sec. 319. Minnesota Statutes 1980, Section 139.17, is amended by adding a subdivision to read:

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of administration.

Sec. 320. Minnesota Statutes 1980, Section 139.18, Subdivision 1, is amended to read:

Subdivision 1. The (BOARD OF THE ARTS) *commissioner* shall distribute the (FUNDS) *money* provided by sections 139.16 to 139.18. Twice annually the (BOARD OF THE ARTS) *commissioner* shall make block grants which shall be distributed in equal amounts to public stations for operational costs. The (BOARD OF THE ARTS) *commissioner* shall allocate (FUNDS) *money* appropriated for the purposes of sections 139.16 to 139.18 in such a manner that each eligible public station receives a block grant. In addition, the (BOARD OF THE ARTS) *commissioner* shall make matching grants to public stations. Matching grants shall be used for operational costs and shall be allocated using the procedure developed for distribution of state money under this section for grants made in fiscal year 1979. No station's matching grant in any fiscal year shall exceed the amount of Minnesota based contributions received by that station in the previous fiscal year.

Sec. 321. Minnesota Statutes 1980, Section 139.18, Subdivision 3, is amended to read:

Subd. 3. Each educational station receiving a grant shall annually report by July 1 to the (BOARD OF THE ARTS) *commissioner* the purposes for which the (FUNDS WERE) *money* was used in the past fiscal year and the anticipated use of the (FUNDS) *money* in the next fiscal year. The report shall be certified by an independent auditor or a certified public accountant. If the report is not submitted by September 1, the (BOARD OF THE ARTS) *commissioner* may withhold from the educational station 45 percent of the amount to which it was entitled based upon the contribution of the previous fiscal year, and may redistribute (THOSE FUNDS) *that money* to other educational stations.

Sec. 322. Minnesota Statutes 1980, Section 139.18, Subdivision 4, is amended to read:

Subd. 4. (IN DESIGNATING) The board of the arts (AS THE ADMINISTRATIVE AGENCY TO DISTRIBUTE THESE FUNDS, THE LEGISLATURE RECOGNIZES THAT THIS IS STRICTLY AN ADMINISTRATIVE FUNCTION UNRE-

LATED TO THE ARTISTIC AND CULTURAL MANDATE OF THE BOARD. IN FUTURE YEARS, THE BOARD) may develop program categories and funding programs in television, film and other public media (, WHICH SHALL NOT BE LIMITED, PROHIBITED OR OTHERWISE AFFECTED BY THE BOARD'S SERVING THE SPECIFIC ADMINISTRATIVE FUNCTIONS UNDER THE TERMS OF SECTIONS 139.16 TO 139.18).

Sec. 323. Minnesota Statutes 1980, Section 139.19, Subdivision 3, is amended to read:

Subd. 3. [STATION ELIGIBILITY.] To qualify for a grant under this section, a noncommercial radio station shall:

(a) Hold a valid noncommercial educational radio station license or program test authority from the Federal Communications Commission;

(b) Have facilities adequate to provide local program production and origination;

(c) Employ a minimum of two full time professional radio staff persons or the equivalent in part-time staff and agree to employ a minimum of two full time professional radio staff persons or the equivalent in part-time staff throughout the fiscal year of the grant;

(d) Maintain a minimum daily broadcasting schedule of (1) the maximum allowed by its Federal Communications Commission license or (2) 12 hours a day during the first year of eligibility for state assistance, 15 hours a day during the second year of eligibility and 18 hours a day during the third and following years of eligibility;

(e) Broadcast 365 days a year or the maximum number of days allowed by its Federal Communications Commission license;

(f) Have a daily broadcast schedule devoted primarily to programming that serves ascertained community needs of an educational, informational or cultural nature within its primary signal area; however, a program schedule of a main channel carrier designed to further the principles of one or more particular religious philosophies or including 25 percent or more religious programming on a broadcast day does not meet this criterion, nor does a program schedule of a main channel carrier designed primarily for in-school or professional in-service audiences;

(g) Originate significant, locally produced programming designed to serve its community of license;

(h) Have a total annual operating income and budget of at least \$50,000;

(i) Have either a board of directors representing the community or a community advisory board that conducts advisory board meetings that are open to the public;

(j) Have a board of directors that: (1) holds the portion of any meeting relating to the management or operation of the radio station open to the public and (2) permits any person to attend any meeting of the board without requiring a person, as a condition to attendance at the meeting, to register the person's name or to provide any other information; and

(k) Have met the criteria in clauses (a) to (j) for six months before it is eligible for state assistance under this section.

The (BOARD OF THE ARTS) *commissioner* shall accept the judgment of Corporation for Public Broadcasting accepted audit when it is available on a station's eligibility for assistance under the criteria of this subdivision. If the applicant station is not qualified for assistance from the Corporation for Public Broadcasting, an independent audit is required.

Sec. 324. Minnesota Statutes 1980, Section 139.19, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION.] To be eligible for a grant under this section, a station shall submit an application to the (BOARD OF THE ARTS) *commissioner* within the deadline prescribed by the (BOARD) *commissioner*. It shall also submit, within the deadline prescribed by the (BOARD) *commissioner*, its audited financial records for the fiscal year preceding the year for which the grant will be made.

Sec. 325. Minnesota Statutes 1980, Section 139.19, Subdivision 5, is amended to read:

Subd. 5. [GRANTS.] (a) The (BOARD OF THE ARTS) *commissioner* shall determine eligibility for grants and the allocation of grant (FUNDS) *money* on the basis of audited financial records for the applicant station's fiscal year preceding the year in which the grant is made, as well as on the basis of the other requirements set forth in this section. The (BOARD) *commissioner* shall annually distribute grants to all stations that comply with the eligibility requirements and apply for a grant. The (BOARD OF THE ARTS) *commissioner* may promulgate rules to implement this section. For this purpose the (BOARD OF THE ARTS) *commissioner* may promulgate temporary rules pursuant to section 15.0412, subdivision 5. An applicant's share of the grant money shall be based on:

(1) The amount received in the preceding year by the station in private non-tax generated contributions from sources within the state; no contributions made for the purpose of capital expenditures shall be counted; and

(2) The dollar value in the preceding year of contributions of volunteer time to station operations, provided that the volunteer time was not used for the purpose of raising money for the station. Volunteer time shall be valued at the federal minimum wage per hour. A station's total allocation for volunteer time shall not exceed 20 percent of its total grant pursuant to this section.

(b) The (BOARD OF THE ARTS) *commissioner* shall match every verified contribution dollar under paragraph (a), clause (1) and volunteer time dollar, as calculated under paragraph (a), clause (2), with two state dollars for each eligible applicant until the applicant station has received \$10,000 in grant money under this section, and thereafter grant money shall be distributed on a dollar for dollar basis until the total amount appropriated for that year has been distributed equally among all applicants. A station may receive state matching money only until the station's total verified contribution and volunteer time has been matched or the amount of the grant received equals one-third of the station's total operating income for the previous fiscal year.

(c) A station may use grant money under this section for any radio station expenses.

Sec. 326. Minnesota Statutes 1980, Section 139.19, Subdivision 6, is amended to read:

Subd. 6. [AUDIT.] A station that receives a grant under this section shall have an audit of its financial records made by an independent auditor or Corporation for Public Broadcasting accepted audit at the end of the fiscal year for which it received the grant. The audit shall include a review of station promotion, operation, and management and an analysis of the station's use of the grant money. A copy of the audit shall be filed with the (BOARD OF THE ARTS) *commissioner*.

Sec. 327. Minnesota Statutes 1980, Section 176.131, Subdivision 10, is amended to read:

Subd. 10. The special compensation fund is created for the purposes provided in this chapter in the following manner:

(1) In every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to monetary benefits of dependency compensation, the employer shall pay to the commissioner of labor and industry the sum of \$5,000 for the benefit of the special

compensation fund; in every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to at least \$5,000 in monetary benefits of dependency compensation, the employer shall pay to the commissioner of labor and industry for the benefit of the special compensation fund the difference between the amounts actually paid for the dependency benefits and \$5,000; but in no event shall the employer pay the commissioner of labor and industry less than \$1,000;

(2) When an employee suffers a personal injury which results in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability or death and which entitles him or dependents to compensation under sections 176.101 or 176.111, the employer shall in addition to compensation provided therein, pay to the commissioner of labor and industry for the benefit of the special compensation fund a lump sum without interest deduction equal to seven percent of the total compensation, as soon as the amount payable for the particular injury is determined, or arrived at by agreement of the parties and the amount is approved by the commissioner of labor and industry.

The provisions of clauses (1) and (2) shall apply to all workers' compensation payments, exclusive of medical costs, paid under sections 176.101 and 176.111 for all injuries or death occurring on or after June 1, 1971.

Personal injuries that occurred prior to June 1, 1971 shall be assessed at the rate in effect on the date of occurrence.

The seven percent of the total compensation required to be paid by the employer to the commissioner of labor and industry for the benefit of the special compensation fund as provided in clause (2) of this subdivision shall remain fixed at said seven percent for the period from June 1, 1971, to June 1, 1972. Effective June 1, 1972, through June 1, 1975, and thereafter on January 1, beginning in 1976, the rate shall be adjusted on the following basis: if the balance in the special compensation fund as of April 30 in any year through 1975 and as of September 30, 1975, and each September 30 thereafter, is below \$1,000,000, the rate of payment shall be increased by two percent over the then prevailing rate. If the balance is at least \$1,000,000 but below \$1,500,000, the rate will be increased by one percent. If the balance is at least \$1,500,000 but below \$2,000,000, there shall be no change. If the balance is at least \$2,000,000 but less than \$2,500,000, the rate shall be decreased by one percent. If the balance is at least \$2,500,000, the rate shall be decreased by two percent. If the balance is \$3,000,000 or more the commissioner of labor and industry shall within 30 days determine the percent of decrease, which shall be not less than two percent nor more than five percent.

Sums paid to the commissioner of labor and industry pursuant to the provisions hereof, shall be deposited with the state trea-

surer for the benefit of the special compensation fund and be used to pay the benefits provided by this chapter. All money heretofore arising from the provisions of this section or similar law shall be transferred to this special compensation fund. Any interest or profit accruing from investment of these sums shall be credited to the special compensation fund.

The state treasurer shall be the custodian of this special fund and the workers' compensation division and the workers' compensation court of appeals in cases before it shall direct the distribution thereof, the same to be paid as other payments of compensation are paid. In case deposit is or has been made under the provisions of clause (1) and dependency later is shown, or if deposit is or has been made pursuant to either clause (1) or (2) by mistake or inadvertence, or under circumstances that justice requires a refund thereof, the state treasurer is authorized to refund the deposit under order of the workers' compensation division or the workers' compensation court of appeals. There is appropriated to the persons entitled to the refunds from the fund an amount sufficient to make the refund and payment.

Costs within the department of labor and industry for the accounting, *investigation*, and legal procedures necessary for administration of the programs financed by the special compensation fund shall (BE PAID FROM THE MONEYS BIENNIALY APPROPRIATED TO THE DEPARTMENT AND NOT FROM THE SPECIAL COMPENSATION FUND) *come as appropriated from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the special compensation fund shall be approved through the regular budget and appropriations process.*

Sec. 328. Minnesota Statutes 1980, Section 176.183, Subdivision 2, is amended to read:

Subd. 2. (UPON A WARRANT PREPARED BY) The commissioner (OF THE DEPARTMENT) of labor and industry (AND APPROVED BY THE COMMISSIONER OF FINANCE, AND), in accordance with the terms of the order awarding compensation, (THE STATE TREASURER) shall pay compensation to the employee or his dependent from the special compensation fund. The commissioner of (THE DEPARTMENT OF) labor and industry shall certify to the (STATE TREASURER) *commissioner of finance* and to the legislature (AT THE END OF EACH BIENNIUM) *annually* the total amount of compensation paid from the special compensation fund under subdivisions 1 and 1a. The (STATE TREASURER) *commissioner of finance* shall upon proper certification reimburse the special compensation fund *from the general fund* the total amount certified as paid under this section.

Sec. 329. Minnesota Statutes 1980, 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 179.76;

(d) certification to the board of arbitration;

(e) upon the receipt of a \$10 filing fee, to hear and decide all issues in a fair share fee challenge.

Sec. 330. Minnesota Statutes 1980, Section 223.03, as amended by Laws 1981, Chapter 90, Section 3, is amended to read:

223.03 [LICENSES, APPLICATION, BONDS, CONDITIONS.]

The application for license shall be in writing, state the commodities for which license to sell is wanted, also the cities or other location in the state where applicant intends to do business, and give the business address of the applicant and the estimated volume of business to be done monthly. The bond shall be conditioned for the faithful performance of (HIS) *the* duties (AS) of commission merchant. Separate licenses shall be required for each city or location at which consignments are received and disposed of by (SUCH) *the* commission merchant, and the licenses shall be kept posted in each office of licensee. All licenses shall expire (MAY THIRTY-FIRST) *June 30* of each year. The fee for each license shall be (\$50) \$65. (SUCH) A license may be revoked by the department for cause, upon notice and hearing. All moneys collected under this chapter shall be deposited in the state treasury.

Sec. 331. Minnesota Statutes 1980, Section 231.16, is amended to read:

231.16 [WAREHOUSEMAN TO OBTAIN LICENSE.]

Every person desiring to engage in the business of warehouseman, before engaging therein, shall be licensed annually by, and shall be under the supervision and subject to the inspection of, the department. Written application in (SUCH) *the* form (AS SHALL BE) prescribed by the department shall be made to the department for license, specifying the city in which it is proposed to carry on the business of warehousing, the location, size, char-

acter, and equipment of the buildings or premises to be used by the warehouseman, the kind of goods, wares, and merchandise intended to be stored therein, the name of the person or corporation operating the same, and of each member of the firm or officer of the corporation, and any other facts necessary to satisfy the department that the property proposed to be used is suitable for warehouse purposes and that the warehouseman making the application is qualified to carry on the business of warehousing. Should the department decide that the building or other property proposed to be used as a warehouse is suitable for the proposed purpose and that the applicants are entitled to a license, notice of (SUCH) *the* decision shall be given the interested parties and, upon the applicants filing with the department the necessary bond, as provided for in this chapter, the department shall issue the license provided for, upon payment of the license fee, as in this section provided. A warehouseman to whom a license is issued shall pay for (SUCH) *the* license a fee based on the storage capacity of the warehouse as follows:

Storage capacity in square feet:

| | | | | |
|-----|-------------------------|-------|---------|--------|
| (1) | 5,000 or less | | (\$ 50) | \$65 |
| (2) | Over 5,000 to 10,000 | | (\$100) | \$125 |
| (3) | Over 10,000 to 20,000 | | (\$150) | \$200 |
| (4) | Over 20,000 to 100,000 | | (\$200) | \$250 |
| (5) | Over 100,000 to 200,000 | | (\$250) | \$325 |
| (6) | Over 200,000 | | (\$300) | \$375. |

(SUCH) *The* license (MAY) *shall* be renewed (FROM YEAR TO YEAR BUT SHALL NEVER BE VALID FOR A PERIOD OF MORE THAN ONE YEAR) *annually on June 30*, and always upon payment of the full license fee, as provided for in this section for such renewal; and no license shall be issued for any portion of a year for less than the full amount of the license fee, as provided for in this section. Each license obtained under this chapter shall be publicly displayed in the main office of the place of business of the warehouseman to whom it is issued. (SUCH) *The* license shall authorize the warehouseman to carry on the business of warehousing only in the one city or town named in the application and in the buildings therein described. The department, without requiring an additional bond and license, may issue permits from time to time to any warehouseman already duly licensed under the provisions of this chapter to operate an additional warehouse in the same city or town for which his original license was issued during the term thereof, upon his filing an application for (SUCH) *a* permit in (SUCH) *the* form (AS SHALL BE) prescribed by the department.

License may be refused for good cause shown and revoked by the department for violation of law or of any rule or regulation by it prescribed, upon notice and after hearing.

Sec. 332. Minnesota Statutes 1980, Section 232.02, Subdivision 1, is amended to read:

Subdivision 1. Any person, firm, or corporation, operating a public or private local grain warehouse shall be licensed to buy grain annually by the department. Application for license must be filed with the department and the license issued before transacting warehouse business. The fee shall be (\$25) *\$35* for each private local grain warehouse license issued and a license shall be required for each warehouse operated. (FOR THE PURPOSE OF DISTRIBUTING THE WORK OF ISSUING LICENSES, THE DEPARTMENT MAY, BEGINNING JULY 1, 1968, AND UNTIL JULY 1, 1970, ISSUE THE LICENSES PROVIDED FOR IN THIS SECTION FOR PERIODS OF NOT LESS THAN THREE MONTHS NOR MORE THAN TWELVE MONTHS AND PRORATE THE FEE FOR SUCH LICENSE ACCORDING TO THE LENGTH OF TIME FOR WHICH THE LICENSE IS ISSUED. THEREAFTER,) Licenses shall expire (ONE YEAR FROM THE DATE OF ISSUANCE) *annually on June 30.*

Sec. 333. Minnesota Statutes 1980, Section 232.02, Subdivision 2, is amended to read:

Subd. 2. Any person, firm or corporation operating a public local grain warehouse shall be licensed annually by the department; (SAID) *the* license shall cover both the buying and storing of grain. Application for (SUCH) *the* license must be filed with the department and the license issued before the licensee may either buy or store grain. (FOR THE PURPOSE OF DISTRIBUTING THE WORK OF ISSUING LICENSES, THE DEPARTMENT MAY, BEGINNING JULY 1, 1968, AND UNTIL JULY 1, 1970, ISSUE THE LICENSES PROVIDED FOR IN THIS SECTION FOR PERIODS OF NOT LESS THAN THREE MONTHS NOR MORE THAN TWELVE MONTHS AND PRORATE THE FEE FOR SUCH LICENSES ACCORDING TO THE LENGTH OF TIME FOR WHICH THE LICENSE IS ISSUED. THEREAFTER,) All licenses shall expire (ONE YEAR FROM THE DATE OF ISSUANCE) *annually on June 30.* The fee for the issuance of (SUCH) *the* license shall be as follows: for all warehouses under 100,000 bushels capacity—(\$30) *\$40*; if the capacity is 100,000 bushels or over but under 500,000 bushels—(\$45) *\$60*; if the capacity is 500,000 bushels or over—(\$60) *\$75.* The fees collected under this section shall be paid into the state treasury and credited to the general fund. (SUCH) A license shall be revocable by the department for cause upon notice and hearing. All licenses, grade rules, and all rules regulating public or private local grain warehouses shall,

upon receipt thereof by the warehouseman, be posted in a protected place in the driveway to (HIS) *the* warehouse.

Sec. 334. Minnesota Statutes 1980, Section 232.02, Subdivision 3, is amended to read:

Subd. 3. Any person, firm, or corporation, other than a licensed warehouseman, who shall purchase grain from the owner thereof for the purpose of resale shall first procure a license therefor from the department before transacting such business and shall be subject to the same laws, rules, and regulations as may govern local grain warehousemen insofar as they may apply. The fee for each such buyer's license shall be (\$20) **\$25.** (FOR THE PURPOSE OF DISTRIBUTING THE WORK OF ISSUING LICENSES, THE DEPARTMENT MAY, BEGINNING JULY 1, 1968, AND UNTIL JULY 1, 1970, ISSUE THE LICENSES PROVIDED FOR IN THIS SECTION FOR PERIODS OF NOT LESS THAN THREE MONTHS NOR MORE THAN TWELVE MONTHS AND PRORATE THE FEE FOR SUCH LICENSES ACCORDING TO THE LENGTH OF TIME FOR WHICH THE LICENSE IS ISSUED. THEREAFTER,) All licenses shall expire (ONE YEAR FROM THE DATE OF ISSUANCE) *annually on June 30.* Truck grain buyers using trucks or tractor-trailer units shall obtain a separate license for each truck or tractor-trailer unit used in such grain buying. Before any license shall be issued the applicant therefor shall file with the department a bond to the state with a corporate surety, approved by the department, in a penal sum to be prescribed by the department, but not less than \$3,000 for each such truck and not less than \$5,000 for each tractor-trailer unit used in grain buying, conditioned that the applicant will pay upon demand to (SUCH) *the* owner the purchase price of (SUCH) *the* grain. (SAID) *The* bond is to provide coverage or security for the protection of the public required with respect to truck grain buyers, regardless of whether the motor vehicles used by the licensee are specifically licensed as required by this section.

Sec. 335. Minnesota Statutes 1980, Section 233.08, is amended to read:

233.08 [LICENSE.]

No public terminal warehouse shall be operated or receive grain for storage, either to be mixed with the grain of other parties of like grade, or in separate bins, until the owners or parties in charge and operating (SUCH) *the* warehouse shall first obtain a license from the department authorizing (SUCH) *the* warehouseman to operate (SUCH) *a* warehouse under the provisions of this chapter. All licenses issued or renewed annually shall expire at midnight on the 30th day of June next following the date of issuance or renewal. Before any (SUCH) license

shall be issued, written application (UNDER OATH) shall be made to the department for license specifying the kind of warehouse, the nature of its construction, its capacity and location, the name of the firm or corporation operating the same and each member of the firm or officer of the corporation and (SUCH) other facts as the department may require shall be contained in (SUCH) *the* application. The application shall be acted upon with reasonable dispatch by the department; and, if no reason exists for refusing the same, (SUCH) *a* license may be issued upon the payment of the fee of (\$50) \$60 for each elevator. (SUCH) *The* application shall be granted only upon the warehouseman furnishing to the department a bond to the state of Minnesota, to be approved by the department, in a penal sum to be fixed by the department but not less than \$50,000 for each warehouse, which shall be conditioned for the faithful discharge of (HIS) *the* duties (AS SUCH) of warehouseman and full compliance with all the laws of the state and rules of the department relative to the operation of public terminal warehouses and for the delivery to parties storing grain in such warehouses under the terms of this chapter of the grain or an equal amount of the same kind and grade so stored or the payment therefor of the value of (SUCH) *the* grain in case of failure to make (SUCH) *the* delivery. (SUCH) *The* license may be revoked by the department for violation of the law or any rule or regulation prescribed by the department, but shall only be revoked upon a written notice or complaint specifying the charges and after a hearing had before the department. A license may be refused to any warehouseman whose license has been revoked within the preceding year. All moneys collected for license fees shall be deposited with the state treasurer. If (SUCH) *a* warehouseman applies for a license for more than one warehouse in the same county, but one bond need be furnished but the same shall in all cases be in proportion to the capacity of (SUCH) *all* warehouses.

Sec. 336. [270.063] [COLLECTION OF DELINQUENT TAXES.]

For the purpose of collecting delinquent state tax liabilities from taxpayers who do not reside or are not located in Minnesota, there is appropriated to the commissioner of revenue an amount representing the cost of collection, not to exceed one-third of the amount collected by contract with collection agencies to enable the commissioner to reimburse these agencies for this service. The commissioner shall report quarterly on the status of this program to the chairmen of the house tax and appropriation committees and senate tax and finance committees.

Sec. 337. Minnesota Statutes 1980, Section 270.66, is amended to read:

270.66 [RIGHT OF SETOFF.]

Upon certification by the commissioner of revenue to the commissioner of finance that a taxpayer has an uncontested delinquent tax liability owed to the commissioner of revenue, and notice that the state has purchased personal services, supplies, contract service, or purchased property from said taxpayer, the commissioner of finance shall apply to such delinquent tax liability funds sufficient to satisfy such unpaid tax liability from funds appropriated for payment of said obligation of the state or any of its agencies that are due and owing the taxpayer, provided however, that such credit shall not be made against any funds exempt under section 550.37 or owed the taxpayer under the provisions of chapter 256 or 256B.

All funds, whether general or dedicated, shall be subject to setoff in the manner herein provided. Transfer of funds as herein provided is payment of the obligation of the state or any of its agencies to such taxpayer and any actions for said funds, if any, shall be had against the department of revenue on the issue of such tax liability. Nothing in this section shall be construed to limit the previously existing right of the state or any of its agencies to setoff.

Notwithstanding any provision to the contrary, every person, organization, or corporation doing business (hereafter called vendor) with the state of Minnesota or any of its departments, agencies, or educational institutions including the University of Minnesota (all hereafter called agency) shall provide that agency with their social security number or Minnesota tax identification number. The agency shall maintain records of this information, and shall make these records available to the commissioner, upon his request, for the sole purpose of identifying people who have not filed state tax returns or who have not paid uncontested state tax liabilities (hereafter called delinquent taxpayer). When an agency is notified by the commissioner that a vendor is a delinquent taxpayer, payment shall not be made by the agency to the vendor until the commissioner notifies the agency that the vendor no longer is a delinquent taxpayer. The commissioner shall determine that a vendor no longer is a delinquent taxpayer when the vendor has filed all delinquent state tax returns, paid all uncontested state tax liabilities or entered into an agreement with the commissioner which provides for the payment of these liabilities. The commissioner may notify an agency concerning a vendor, notwithstanding the provisions of sections 290.61 or 297A.43.

Sec. 338. Minnesota Statutes 1980, Section 271.02, is amended to read:

271.02 [OFFICERS.]

The judges of the tax court shall choose a chief judge of the tax court. The chief judge of the tax court shall appoint one of the judges to serve as the administrator, who shall be cus-

todian of the court's files and records and shall coordinate and make hearing assignments. The administrator may appoint (UP TO TWO) employees who shall be in the unclassified service. The judge who is appointed the administrator may delegate his duties as administrator to the employees whom he has appointed and may select one employee to act in his place as the assistant administrator. The clerk of district court in each county shall be the clerk of the tax court in that county. Filing fees and library fees deposited with the clerk of district court in his capacity as clerk of the tax court and in cases originally commenced in district court and transferred to the tax court shall be retained by the clerk of district court. The tax court clerk in each county shall be subject to the supervision of the administrator in tax court matters.

Sec. 339. Minnesota Statutes 1980, Section 284.28, Subdivision 8, is amended to read:

Subd. 8. There is established in the state treasury a real estate assurance account. This account is composed of money appropriated by the legislature for this purpose and all money deposited in the state treasury and credited to the account. Money in the state treasury credited to the real estate assurance account from all sources is annually appropriated to the state treasurer for the purpose of paying claims ordered by the district court to be paid from the fund. At the time of sale of a parcel of tax forfeited land, the county auditor shall charge and collect in full an amount equal to three percent of the total sale price of land. Before filing a notice of expiration of time for redemption, in cases where an auditor's certificate of sale or a state assignment certificate has been issued, the county auditor shall charge and collect in full from the holder of the certificate an amount equal to three percent of the appraised value of the property for tax purposes. The amounts so collected by the auditor shall be deposited in the state treasury and credited to the real estate assurance account. Income earned from moneys in the account shall be credited to the account. The state treasurer may separately invest account moneys. *The unobligated balance in the real estate assurance account in excess of \$100,000, as of July 1 of each fiscal year, shall be cancelled into the general fund.*

In determining compensation for the unjust deprivation suffered by the claimant, which may include severance damages sustained if the claimant owns adjoining land, the court shall take into account delinquent taxes, penalties, costs, and interest which would have been due and owing if the claimant had redeemed the land.

No claimant shall recover the value of improvements made to the land by other persons or the increment in value of land that occurs after the claimant has actual notice of the forfeiture proceeding. All claims against the real estate assurance account

and ordered by the district court to be paid therefrom shall be obligations of the state and shall be paid out of the first moneys coming into the assurance fund from legislative appropriations, the collection of money by county auditors or from any other sources as provided by law.

Sec. 340. Minnesota Statutes 1980, Section 290.431, is amended 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 *added to the tax or* deducted from the refund that would otherwise be payable *by or* to that person and paid into (A FUND) *an account* 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 *tax or* refund shall be paid into the non-game wildlife management (FUND) *account*. 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) *account* for use by the non-game section of the division of wildlife in the department of natural resources. *The commissioner of natural resources shall submit a work program for each fiscal year and semi-annual progress reports to the legislative commission on Minnesota resources in the form determined by the commission. None of the money provided in this section may be expended unless the commission has approved the work program.*

Sec. 341. Minnesota Statutes 1980, Section 300.49, Subdivision 1, is amended to read:

Subdivision 1. [PAID TO STATE TREASURER.] Domestic corporations shall pay to the state treasurer the following fees:

(1) For filing articles of incorporation, (\$62.50) \$70 for the first \$25,000 or fraction thereof of the par value of its authorized shares, and \$1.25 for each additional \$1,000 or fraction thereof;

(2) For filing an instrument extending or renewing corporate existence, (\$10) \$15;

(3) For filing any amendment of articles of incorporation increasing the authorized number of shares, or the par value of shares previously authorized, or both, \$1.25 for each \$1,000 or fraction thereof of such increase.

Sec. 342. Minnesota Statutes 1980, Section 301.071, Subdivision 2, is amended to read:

Subd. 2. In addition to the fees prescribed in subdivision 1, a fee of (\$10) \$15 shall be paid to the secretary of state for filing any instrument required to be filed under the provisions of this chapter. The fee shall be paid at the time the service is performed.

Sec. 343. The bill enacted at the 1981 session of the legislature known as S. F. No. 120, Section 1, Subdivision 11, is amended to read:

Subd. 11. [FILED WITH THE SECRETARY OF STATE.] "Filed with the secretary of state" means that an original of a document meeting the applicable requirements of sections 1 to 125, signed, and acknowledged or verified in the manner provided in chapter 358, and accompanied by a filing fee of (\$10) \$15, has been delivered to the secretary of state of this state. The secretary of state shall endorse on the original the word "Filed" and the month, day, year, and time of filing, record the document in the office of the secretary of state, and return the document to the person who delivered it for filing.

Sec. 344. The bill enacted at the 1981 session of the legislature known as S. F. No. 120, Section 19, is amended to read:

Sec. 19. [302A.153] [EFFECTIVE DATE OF ARTICLES.]

Articles of incorporation are effective and corporate existence begins when the articles of incorporation are filed with the secretary of state accompanied by a payment of (\$60) \$85, which includes a (\$50) \$70 incorporation fee in addition to the (\$10) \$15 filing fee required by section 1, subdivision 11. Articles of amendment are effective when filed with the secretary of state or at another time within 30 days after filing if the articles of amendment so provide.

Sec. 345. Minnesota Statutes 1980, Section 322A.16, is amended to read:

322A.16 [FILING IN OFFICE OF SECRETARY OF STATE.]

(a) Two signed copies of the certificate of limited partnership and of any certificates of amendment or cancellation (or of any judicial decree of amendment or cancellation) shall be delivered to the secretary of state. A person who executes a certificate as an agent or fiduciary need not exhibit evidence of his authority as a prerequisite to filing. Unless the secretary of state finds that any certificate does not conform to law, upon receipt

of (ALL FILING FEES REQUIRED BY LAW) a \$10 filing fee he shall:

(1) endorse on each duplicate original the word "Filed" and the day, month and year of the filing thereof;

(2) file one duplicate original in his office; and

(3) return the other duplicate original to the person who filed it or his representative.

(b) Upon the filing of a certificate of amendment (or judicial decree of amendment) in the office of the secretary of state, the certificate of limited partnership shall be amended as set forth therein, and upon the effective date of a certificate of cancellation (or a judicial decree thereof), the certificate of limited partnership is cancelled.

Sec. 346. Minnesota Statutes 1980, Section 322A.71, is amended to read:

322A.71 [ISSUANCE OF REGISTRATION.]

(a) If the secretary of state finds that an application for registration conforms to law and (ALL REQUISITE FEES HAVE) a \$10 filing fee has been paid, he shall:

(1) endorse on the application the word "Filed", and the month, day and year of the filing thereof;

(2) file in his office a duplicate original of the application; and

(3) issue a certificate of registration to transact business in this state.

(b) The certificate of registration, together with a duplicate original of the application, shall be returned to the person who filed the application or his representative.

Sec. 347. Minnesota Statutes 1980, Section 336.9-403, is amended to read:

336.9-403 [WHAT CONSTITUTES FILING; DURATION OF FILING; EFFECT OF LAPSED FILING; DUTIES OF FILING OFFICER.]

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) Except as provided in subsection (6) a filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of the five year period unless a continuation statement is filed prior to the lapse. If a security interest perfected by filing exists at the time insolvency proceedings are commenced by or against the debtor, the security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later regardless of whether the financing statement filed as to that security interest is destroyed by the filing officer pursuant to subsection (3). Upon lapse the security interest becomes unperfected, unless it is perfected without filing. If the security interest becomes unperfected upon lapse, it is deemed to have been unperfected as against a person who became a purchaser or lien creditor before lapse.

(3) A continuation statement may be filed by the secured party within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, identify the original statement by file number, and state that the original statement is still effective. A continuation statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it immediately if he has retained a microfilm or other photographic record, or in other cases after one year after the lapse. The filing officer shall so arrange matters by physical annexation of financing statements to continuation statements or other related filings, or by other means, that if he physically destroys the financing statements of a period more than five years past, those which have been continued by a continuation statement or which are still effective under subsection (6) shall be retained. If insolvency proceedings are commenced by or against the debtor, the secured party shall notify the filing officer both upon commencement and termination of the proceedings, and the filing officer shall not destroy any financing statements filed with respect to the debtor until termination of the insolvency proceedings. The security interest remains perfected until termination of the insolvency proceedings and thereafter for a period of 60 days or until expiration of the five year period, whichever occurs later.

(4) Except as provided in subsection (7) a filing officer shall mark each statement with a file number and with the date and hour of filing and shall hold the statement or a microfilm or other photographic copy thereof for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The secretary of state shall prescribe uniform forms for statements and samples thereof shall be furnished to all filing officers in the state. The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement shall be (\$2) \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be (\$3) \$10, plus in each case, if the financing statement is subject to subsection (5) of section 336.9-402, \$5. (THE UNIFORM FEE FOR EACH NAME MORE THAN ONE REQUIRED TO BE INDEXED SHALL BE \$1. THE SECURED PARTY MAY AT HIS OPTION SHOW A TRADE NAME FOR ANY PERSON AND AN EXTRA UNIFORM INDEXING FEE OF \$1 SHALL BE PAID WITH RESPECT THERETO.) *An additional fee of \$5 shall be collected if more than one name is required to be indexed or if the secured party, at his option, shows a trade name for any debtor listed. There shall be no fee collected for the filing of an amendment to a financing statement if the amendment is in the standard form prescribed by the secretary of state and otherwise it shall be \$5.*

(6) If the debtor is a transmitting utility (subsection (5) of section 336.9-401) and a filed financing statement so states, it is effective until a termination statement is filed. A real estate mortgage which is effective as a fixture filing under subsection (6) of section 336.9-402 remains effective as a fixture filing until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real estate.

(7) When a financing statement covers timber to be cut or covers minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, or is filed as a fixture filing, it shall be filed for record and the filing officer shall index it under the names of the debtor and any owner of record shown on the financing statement in the same fashion as if they were the mortgagors in a mortgage of the real estate described, and, to the extent that the law of this state provides for indexing of mortgages under the name of the mortgagee, under the name of the secured party as if he were the mortgagee thereunder, or, for filing offices other than the secretary of state, where indexing is by description in the same fashion as if the financing statement were a mortgage of the real estate described. If requested of the filing officer on the financing statement, a financing statement filed for record as a fixture filing in the same office where nonfixture filings are made is

effective, without a dual filing, as to collateral listed thereon for which filing is required in such office pursuant to section 336.9-401 (1) (a); in such case, the filing officer shall also index the recorded statement in accordance with subsection (4) using the recording data in lieu of a file number.

(8) The fees provided for in this article shall supersede the fees for similar services otherwise provided for by law except in the case of security interests filed in connection with a certificate of title on a motor vehicle.

Sec. 348. Minnesota Statutes 1980, Section 336.9-404, is amended to read:

336.9-404 [TERMINATION STATEMENT.]

(1) If a financing statement covering consumer goods is filed on or after January 1, 1977, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must file with each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement, which shall be identified by file number. In other cases whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party must on written demand by the debtor send the debtor, for each filing officer with whom the financing statement was filed, a termination statement to the effect that he no longer claims a security interest under the financing statement, which shall be identified by file number. A termination statement signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. If the affected secured party fails to file such a termination statement as required by this subsection, or to send such a termination statement within ten days after proper demand therefor he shall be liable to the debtor for \$100, and in addition for any loss caused to the debtor by such failure.

(2) On presentation to the filing officer of such a termination statement he must note it in the index. If he has received the termination statement in duplicate, he shall return one copy of the termination statement to the secured party stamped to show the time of receipt thereof. If the filing officer has a microfilm or other photographic record of the financing statement, and of any related continuation statement, statement of assignment and statement of release, he may remove the originals from the files at any time after receipt of the termination statement, or if he has no such record, he may remove them from

the files at any time after one year after receipt of the termination statement.

(3) *There shall be no fee collected for the filing of a termination* if the termination statement is in the standard form prescribed by the secretary of state (THE UNIFORM FEE FOR FILING AND INDEXING THE TERMINATION STATEMENT SHALL BE \$1) and otherwise shall be (\$2) \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). (AN ADDITIONAL FEE OF \$1 SHALL BE CHARGED FOR EACH NAME MORE THAN ONE AGAINST WHICH THE TERMINATION STATEMENT IS REQUIRED TO BE FILED.)

Sec. 349. Minnesota Statutes 1980, Section 336.9-405, is amended to read:

336.9-405 [ASSIGNMENT OF SECURITY INTEREST; DUTIES OF FILING OFFICER; FEES.]

(1) A financing statement may disclose an assignment of a security interest in the collateral described in the financing statement by indication in the financing statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face or back of the statement. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in section 336.9-403(4). The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment shall be (\$2,) the same as the fee prescribed in section 336.9-403, clause (5).

(2) A secured party may assign of record all or a part of his rights under a financing statement by the filing in the place where the original financing statement was filed of a separate written statement of assignment signed by the secured party of record and setting forth the name of the secured party of record and the debtor, the file number and the date of filing of the financing statement, and the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a separate statement, the filing officer shall mark such separate statement with the date and hour of the filing. He shall note the assignment on the index of the financing statement, or in the case of a fixture filing, or a filing covering timber to be cut, or covering minerals or the like (including oil and gas) or accounts subject to subsection (5) of section 336.9-103, he shall index the assignment under the name of the assignor as grantor and, to the extent that the law of this state provides for indexing the assignment of a mortgage under the name of the assignee, he shall index the assignment of the financing state-

ment under the name of the assignee. The uniform fee for filing, indexing, and furnishing filing data about such a separate statement of assignment shall be (\$2) \$5 if the statement is in the standard form prescribed by the secretary of state and otherwise shall be (\$3) \$10, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). An additional fee of (\$1) \$5 shall be charged (FOR EACH NAME) if there is more than one name against which the statement of assignment is required to be indexed. Notwithstanding the provisions of this subsection, an assignment of record of a security interest in a fixture contained in a mortgage effective as a fixture filing (subsection (6) of section 336.9-402) may be made only by an assignment of the mortgage in the manner provided by the law of this state other than Laws 1976, Chapter 135.

(3) After the disclosure or filing of an assignment under this section, the assignee is the secured party of record.

Sec. 350. Minnesota Statutes 1980, Section 336.9-406, is amended to read:

336.9-406 [RELEASE OF COLLATERAL; DUTIES OF FILING OFFICER; FEES.]

A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party, and the file number of the financing statement. A statement of release signed by a person other than the secured party of record must be accompanied by a separate written statement of assignment signed by the secured party of record and complying with subsection (2) of section 336.9-405, including payment of the required fee. Upon presentation of such a statement of release to the filing officer he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. (THE UNIFORM) *There shall be no fee for filing and noting such a statement of release (SHALL BE \$2) if the statement is in the standard form prescribed by the secretary of state and otherwise shall be (\$3) \$5, plus in each case, if the original financing statement was subject to subsection (5) of section 336.9-402, the fee prescribed by section 357.18, subdivision 1, clause (1). (AN ADDITIONAL FEE OF \$1 SHALL BE CHARGED FOR EACH NAME MORE THAN ONE AGAINST WHICH THE STATEMENT OF RELEASE IS REQUIRED TO BE INDEXED.)*

Sec. 351. Minnesota Statutes 1980, Section 336.9-407, is amended to read:

336.9-407 [INFORMATION FROM FILING OFFICER.]

(1) If the person filing any financing statement, termination statement, statement of assignment, or statement of release, furnishes the filing officer a copy thereof, the filing officer shall upon request note upon the copy the file number and date and hour of the filing of the original and deliver or send the copy to such person.

(2) Upon request of any person, the filing officer shall (ISSUE HIS CERTIFICATE SHOWING WHETHER THERE IS ON FILE ON THE DATE AND HOUR STATED THEREIN ANY PRESENTLY EFFECTIVE FINANCING STATEMENT NAMING A PARTICULAR DEBTOR AND ANY STATEMENT OF ASSIGNMENT THEREOF AND, IF THERE IS, GIVING THE DATE AND HOUR OF FILING OF EACH SUCH STATEMENT AND THE NAMES AND ADDRESSES OF EACH SECURED PARTY THEREIN. THE UNIFORM FEE FOR SUCH A CERTIFICATE SHALL BE \$2 IF THE REQUEST IS IN THE STANDARD FORM PRESCRIBED BY THE SECRETARY OF STATE AND OTHERWISE SHALL BE \$3 PLUS 50 CENTS FOR EACH FINANCING STATEMENT AND FOR EACH STATEMENT OF ASSIGNMENT REPORTED THEREIN. UPON REQUEST THE FILING OFFICER SHALL FURNISH A COPY OF ANY FILED FINANCING STATEMENT OR STATEMENT OF ASSIGNMENT FOR A UNIFORM FEE OF 50 CENTS PER PAGE.) *conduct a search of his file for any effective financing statements naming a particular debtor and any statement of assignment thereof. He shall report what he finds as of that date and hour by issuing:*

(a) *His certificate listing the file number, date, and hour of each filing and the names and addresses of each secured party therein;*

(b) *Photocopies of the original documents on files; or,*

(c) *Upon request, both his certificate and photocopies of the statements.*

The uniform fee for conducting the search and for preparing a certificate showing up to five listed filings and for preparing up to five photocopies of original documents, or any combination of up to five listed filings and photocopies, shall be \$5 if the request is in the standard form prescribed by the secretary of state and otherwise shall be \$10. There shall be an additional fee of 50 cents for each financing statement and each statement of assignment listed on the certificate and for each photocopy that he prepares in excess of the first five.

Sec. 352. Minnesota Statutes 1980, Section 345.42, Subdivision 1, is amended to read:

Subdivision 1. Within 120 days from the filing of the report required by section 345.41, the state treasurer shall cause notice to be published at least once (EACH WEEK FOR TWO SUCCESSIVE WEEKS) *but not more than twice* in an English language newspaper of general circulation in the county in this state in which is located the last known address of any person to be named in the notice. If no address is listed or if the address is outside this state, the notice shall be published in the county in which the holder of the abandoned property has his principal place of business within this state.

Sec. 353. Minnesota Statutes 1980, Section 345.53, is amended to read:

345.53 [EXAMINATION OF RECORDS.]

Subdivision 1. The state treasurer may at reasonable times and upon reasonable notice examine the records of any person if he has reason to believe that (SUCH) *the* person has failed to report property that should have been reported pursuant to sections 345.31 to 345.60.

Subd. 2. *If an examination of the records of a person results in the disclosure of property reportable and deliverable under sections 345.31 to 345.60, the treasurer may assess the cost of the examination against the holder at the rate of \$15 per hour per examiner, but in no case may the charges exceed the value of the property found to be reportable and deliverable.*

Sec. 354. Minnesota Statutes 1980, Section 352E.04, is amended to read:

352E.04 [DISBURSEMENTS.]

Upon certification to the governor by the administrator of any state or governmental subdivision employing peace officers that a peace officer employed by that state or governmental subdivision within this state has been killed in the line of duty, leaving a spouse or one or more eligible dependents, the commissioner of finance shall, subject to the approval of the workers' compensation court of appeals, pay \$50,000 as follows:

- (a) If there is no dependent child, to the spouse;
- (b) If there is no spouse, to the dependent child or children in equal shares;
- (c) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares;

(d) If there is no surviving spouse or dependent child or children, to the parent or parents dependent for support on the decedent, in equal shares;

(e) If there is no surviving spouse or dependent child, children or parent, then there shall be no payment made from the peace officers benefit fund. (FOR THE PURPOSE OF SECTIONS 352E.01 TO 352E.045, KILLED IN THE LINE OF DUTY SHALL NOT INCLUDE ANY PEACE OFFICER WHO DIES AS A RESULT OF A HEART ATTACK.)

Sec. 355. Minnesota Statutes 1980, Section 354.43, Subdivision 3, is amended to to read:

Subd. 3. Each school district, state university, community college and any other employing authority of members of the fund shall be obligated for employer contributions in accordance with the provisions of sections 354.42, subdivisions 3 and 5, and 355.46, subdivision 3, as provided in this section. *With respect to state employees, each department and agency shall pay the amounts required by section 354.42, subdivisions 3 and 5 from the 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 the salaries. The payments shall be charged as an administrative cost by these units of state government. For other reporting units, that portion of (SUCH) the employer contributions based on salaries paid from sources other than normal school operating funds as defined in section 354.05, subdivision 27 shall be remitted to the teachers retirement association. (SUCH) The remittance shall be accompanied by a satisfactory certification which shows the total of all salaries paid which are subject to teachers retirement deductions. (SUCH) The certification shall also show the total amount of salaries paid from normal school operating funds and the total amount of salaries paid from sources other than normal school operating funds as defined in section 354.05, subdivision 27. For each individual salary included in the total of all salaries paid from sources other than normal school operating funds as defined in section 354.05, subdivision 27, the certification shall show each person's name, his salary or related portion of salary and remittance of employer contributions related to (SUCH) the salary for each person included in the actual remittance.*

Sec. 356. Minnesota Statutes 1980, Section 355.06, is amended to read:

355.06 [(REVOLVING FUND) COSTS OF ADMINISTRATION.]

Subdivision 1. [REVOLVING FUND.] A revolving fund is hereby created to be known as the state agency revolving fund

for the purpose of paying the costs of the administration of the state agency and to be used by it solely for that purpose. There shall be paid into such fund all amounts received in reimbursement of the state agency's costs of administration in carrying out the provisions of this chapter, as amended, and such reimbursements are hereby appropriated to said revolving fund.

Subd. 2. [FEDERAL FUND POSITIONS: APPROPRIATION.] In the case of state departments, agencies, and institutions that are financed in whole or in part with federal money, the portion of the cost of collecting social security contributions that is chargeable to federal money shall be reimbursed from federal money, and the amount necessary is appropriated from federal money for that purpose.

Subd. 3. [DEDICATED FUND POSITIONS: APPROPRIATION.] The cost of collecting employees' social security contributions and the state's matching share for reimbursement to the U.S. Secretary of the Treasury for state departments, agencies, and institutions whose salaries are provided by open, standing, continuing, or revolving appropriations or so called dedicated receipt accounts shall be reimbursed to the state agency revolving fund from those appropriations or dedicated receipt accounts, and the amount necessary is appropriated from those appropriations and accounts for that purpose.

Sec. 357. Minnesota Statutes 1980, Section 480.0595, is amended 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 and the distribution of the proposed rules. Before adoption of the rules, the supreme court shall distribute copies of the proposed rules to such persons who register with the supreme court their desire to receive notice of hearings on the proposed rules. The rules shall be (PUBLISHED AND DISTRIBUTED) available for distribution to the judiciary and attorneys of the state on or before September 1, 1981.

Sec. 358. [EXPENSES OF JUDGES.]

During the biennium ending June 30, 1983, judges of the district court shall be reimbursed for all sums, not reimbursed by counties. They shall necessarily hereafter pay out membership dues in state and local judges' associations.

Sec. 359. Minnesota Statutes 1980, Section 546.27, is amended to read:

546.27 [DECISION BY THE COURT.]

Subdivision 1. When an issue of fact has been tried by the court, the decision shall be in writing, the facts found and the conclusion of law shall be separately stated, and judgment shall be entered accordingly. All questions of fact and law, and all motions and matters submitted to a judge for (HIS) a decision *in trial and appellate matters*, shall be disposed of and (HIS) the decision filed with the clerk within 90 days after such submission, unless sickness or casualty shall prevent, or the time be extended by written consent of the parties. No part of the salary of any judge shall be paid unless the voucher therefor be accompanied by a certificate of the judge that (HE HAS FULLY COMPLIED) *there has been full compliance* with the requirements of this section.

Subd. 2. The board on judicial standards shall annually review the compliance of each district, county, municipal, or probate judge with the provisions of subdivision 1. The board shall notify the (STATE COURT ADMINISTRATOR) *commissioner of finance* of each judge not in compliance. If the board finds that a judge has compelling reasons for noncompliance, it may decide not to issue the notice. Upon notification that a judge is not in compliance, the commissioner of finance shall not pay the *salary of that judge* (HIS SALARY). The board may cancel a notice of noncompliance upon finding that a judge (HAS RETURNED HIS STATUS) *is in* (TO) compliance, but in no event shall a judge be paid (HIS) a salary for the period in which the notification of noncompliance was in effect.

Sec. 360. [611.215.] [STATE BOARD OF PUBLIC DEFENSE CREATED.]

Subdivision 1. [CREATION; MEMBERSHIP.] There is created a state board of public defense as a part of, but not subject to the administrative control of, the judicial branch of government. The state board of public defense shall consist of seven members appointed by the governor including:

- (a) *A district, county or county municipal court trial judge;*
- (b) *Four attorneys admitted to the practice of law, well acquainted with the defense of persons accused of crime, but not publicly employed as a prosecutor or defense counsel; and*
- (c) *Two public members.*

All members shall demonstrate an interest in maintaining a high quality, independent defense system for those who are unable to obtain adequate representation. In making the four appointments of attorneys at law, the governor shall first consider a list of at least three nominees for each position submitted to the governor by the state bar association. The terms, compensation and removal of members shall be as provided in section 15.0575. The chairman shall be elected by the members from among the membership for a term of two years.

Subd. 2. [DUTIES AND RESPONSIBILITIES.] The state board of public defense shall have those duties and responsibilities imposed upon it by chapter 611.

Subd. 3. [LIMITATION.] In no event shall the board or its members interfere with the discretion, judgment or zealous advocacy of counsel in their handling of individual cases as a part of the judicial branch of government.

Sec. 361. Minnesota Statutes 1980, Section 611.23, is amended to read:

611.23 [APPOINTMENT; SALARY.]

The state public defender shall be appointed by the state (JUDICIAL COUNCIL) board of public defense for a term of four years, except as otherwise provided herein, and until his successor is appointed and qualified. He shall be a qualified attorney, licensed to practice law in this state, (SHALL BE) serve in the unclassified service of the state, and (SHALL) be removed only for cause by the appointing authority. Vacancies in the office shall be filled by the appointing authority for the unexpired term. The salary of the state public defender shall be fixed by law. (THE FIRST STATE PUBLIC DEFENDER APPOINTED PURSUANT TO THIS SECTION SHALL BE APPOINTED FOR A TERM COMMENCING JULY 1, 1965, AND EXPIRING DECEMBER 31, 1969. SUBSEQUENT) Terms of the state public defender shall commence on January 1. The state public defender shall devote full time to the performance of his duties and shall not engage in the general practice of law.

Sec. 362. Minnesota Statutes 1980, Section 611.24, is amended to read:

611.24 [ORGANIZATION OF OFFICE; ASSISTANTS.]

(SUBJECT TO THE APPROVAL OF THE JUDICIAL COUNCIL,) The state public defender may employ or retain assistant state public defenders and (SUCH) other personnel as may be necessary to discharge the function of the office. The

commissioner of administration shall provide (SUCH) *the* office with suitable quarters outside the capitol building. An assistant public defender shall be a qualified attorney, licensed to practice law in this state, (SHALL BE) *serve* in the unclassified service of the state if employed, and (SHALL) serve at the pleasure of the appointing authority at a salary or retainer fee not to exceed reasonable compensation for comparable services performed for other governmental agencies or departments. Retained or part-time employed assistant state public defenders may engage in the general practice of law.

Sec. 363. Minnesota Statutes 1980, Section 611.26, Subdivision 1, is amended to read:

Subdivision 1. A majority of the judges of any judicial district not subject to the provisions of section 611.12, except the second *district*, may, by written order filed with the state (JUDICIAL COUNCIL) *board of public defense*, establish in (SUCH) *the* district the public defender system provided in Laws 1965, Chapter 869. (SUCH) *The* (AN) order shall be effective 30 days after its filing. Notwithstanding this subdivision the state public defender may assist the public defenders of the second and fourth judicial districts at their request.

Sec. 364. Minnesota Statutes 1980, Section 611.26, Subdivision 2, is amended to read:

Subd. 2. Upon the filing of an order pursuant to subdivision 1 the state (JUDICIAL COUNCIL) *board of public defense* shall appoint a district public defender after receiving recommendations from the judges of the district. Each district public defender shall be a qualified attorney, licensed to practice law in this state. He shall be appointed for a term of four years. The district public defender may be removed *for cause* upon the order of the state (JUDICIAL COUNCIL) *board of public defense* (FOR CAUSE). Vacancies in the office shall be filled by the appointing authority for the unexpired term.

Sec. 365. Minnesota Statutes 1980, Section 611.26, Subdivision 3, is amended to read:

Subd. 3. The compensation of the district public defender for each judicial district shall be set by the (JUDICIAL COUNCIL) *board of public defense* at a specified sum per month or an hourly or per diem basis.

Sec. 366. Minnesota Statutes 1980, Section 611.26, Subdivision 4, is amended to read:

Subd. 4. A district public defender may appoint assistants, after receiving recommendations from the judges of the district, each of whom shall be a qualified attorney, licensed to practice

law in this state, (BUT ONLY WITH) *subject to the approval of the (JUDICIAL COUNCIL) board of public defense* and (IN ACCORDANCE WITH) the (OTHER) provisions of this section. Each assistant district public defender shall serve at the pleasure of the district public defender.

Sec. 367. Minnesota Statutes 1980, Section 611.26, Subdivision 5, is amended to read:

Subd. 5. The compensation of each assistant district public defender for each of the judicial districts shall be set by the district public defender with the approval of the (JUDICIAL COUNCIL) *board of public defense*, at a specified sum per month or an hourly or per diem basis.

Sec. 368. [TRANSITION.]

A written order filed before July 1, 1981 with the state judicial council establishing a district public defender system shall remain in effect. A district public defender, serving on July 1, 1981, may continue in office until the expiration of the term to which he has been appointed. The state public defender, serving on July 1, 1981, may continue in office until the expiration of the term to which he has been appointed.

Sec. 369. Minnesota Statutes 1980, Section 638.08, is amended to read:

638.08 [ISSUANCE OF PROCESS; WITNESSES; STANDING APPROPRIATION.]

The board of pardons may issue process requiring the presence of any person or officer before it, with or without books and papers, in any matter pending, and may take such reasonable steps in the matter as it may deem necessary to a proper determination thereof. When any person is summoned before the board by its authority, (HE) *the person* may be allowed such compensation for travel and attendance as it may deem reasonable. (THE SUM OF \$300 IS HEREBY APPROPRIATED ANNUALLY FOR CARRYING OUT THE PROVISIONS OF THIS CHAPTER.)

Sec. 370. Minnesota Statutes 1980, Section 648.39, is amended to read:

648.39 [MINNESOTA STATUTES AND SESSION LAWS; SALE AND DISTRIBUTION.]

Subdivision 1. [FREE DISTRIBUTION.] (TO THE EXTENT THAT APPROPRIATIONS ARE AVAILABLE THEREFOR,) The revisor of statutes shall *without charge* dis-

tribute each edition of Minnesota Statutes, *supplement to the Minnesota Statutes*, and (EACH EDITION OF) the (SESSION LAWS) *Laws of Minnesota to the persons, officers, departments, agencies, or commissions listed in this subdivision. Prior to distribution of Minnesota Statutes, supplement to the Minnesota Statutes, or the Laws of Minnesota, the revisor of statutes shall inquire whether the full number of copies authorized by this subdivision are required for their work. Unless a smaller number is needed, each edition shall be distributed without charge as follows:*

- (a) 30 copies to the supreme court;
- (b) 1 copy to each judge of a district court;
- (c) 1 copy to the clerk of each district court for use in each courtroom of the district court of his county;
- (d) 100 copies to the state law library;
- (e) 100 copies to the law school of the University of Minnesota;
- (f) (35) 100 copies to the office of the attorney general;

(SUCH) (g) 10 copies (AS MAY BE NECESSARY BUT NOT EXCEEDING TEN) each to the governor's office, the departments of (ADMINISTRATION,) agriculture, commerce, corrections, education, health, transportation, labor and industry, economic security, natural resources, public safety, public service, public welfare, and revenue, and the pollution control agency;

(h) 1 copy each to (THE) other state departments, agencies, boards, and commissions (THAT MAY REQUEST A COPY) not specifically named in this subdivision;

- (i) 1 copy to each member of the legislature;

(THE NECESSARY NUMBER OF) (j) 100 copies (REQUIRED) for the use of the senate and 150 copies for the use of the house of representatives;

- (k) 4 copies to the secretary of the senate;

- (l) 4 copies to the chief clerk of the house of representatives;

(m) 1 copy to each judge, district attorney, clerk of court of the United States and the deputy clerk of each division of the United States district court in this state, the secretary of state

of the United States, the library of congress, and the Minnesota historical society (.);

(SUBD. 1A. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION 1,) *(n)* 20 copies each to the (DEPARTMENTS) *department* of administration (AND), state auditor, and legislative auditor (MAY EACH RECEIVE NOT MORE THAN 20 COPIES OF EACH EDITION OF MINNESOTA STATUTES AND EACH EDITION OF THE SESSION LAWS.);

(o) 1 copy to each county library maintained pursuant to section 134.12 or 375.33, except in counties containing cities of the first class. If a county has not established a county library pursuant to section 134.12 or 375.33, the copy shall be provided to any public library in the county; and

(p) 50 copies to the revisor of statutes.

Subd. 2. [COUNTY OFFICERS.] Each county shall purchase from the revisor of statutes one copy each for the use of the judge of probate, county attorney, sheriff, auditor, treasurer, county recorder, and superintendent of schools.

Subd. 3. [CITY AND TOWN OFFICERS.] Each city and town shall purchase from the revisor of statutes, for the use of each justice of the peace, judge of the municipal court, clerk of the municipal court, and clerk of the city or town, as the case may be, (SUCH) *the* number of copies (AS) *the* city or town (SHALL DETERMINE) *determines* is needed.

Subd. 4. [STATE DEPARTMENTS.] A department, agency, board, commission, or other instrumentality of the state listed in this section may purchase from the revisor of statutes any additional copies which may be required.

Subd. 5. [SALE PRICE.] The sale price for each edition of Minnesota Statutes is (NOT LESS THAN) the actual cost (THEREOF) of *composition, printing, binding, and distribution of all books ordered*, but (IN NO EVENT) *not* less than (\$100) \$75. The sale (PRICE) *prices* of each edition of the *Laws of Minnesota (SESSION LAWS IS) and supplement to the Minnesota Statutes* are not less than the actual cost (THEREOF) of *composition, printing, binding and distribution of all books ordered*, but (IN NO EVENT) *not* less than (\$35) \$25. (NOTHING IN THIS SUBDIVISION) *The revisor of statutes shall (BE CONSTRUED TO) fix the sale prices of paper back editions of each of the publications (SHOULD THE REVISOR OF STATUTES DEEM IT DESIRABLE TO PUBLISH PAPER BACK COPIES) or pamphlets published pursuant to section 648.43. Receipts from the sale of the Minnesota Statutes, supple-*

ment to the Minnesota Statutes, Laws of Minnesota, and any pamphlets shall be deposited in the general fund.

(SUBD. 6. THE REVISOR OF STATUTES SHALL PROVIDE WITHOUT COST ONE COPY OF EACH EDITION OF MINNESOTA STATUTES AND ONE COPY OF EACH SUPPLEMENT TO MINNESOTA STATUTES TO EACH COUNTY LIBRARY MAINTAINED PURSUANT TO SECTION 375.33 OR 134.12, EXCEPT IN 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. 371. Laws 1976, Chapter 337, Section 1, Subdivision 2, as amended by Laws 1978, Chapter 793, Section 82, is amended to read:

Subd. 2. The council shall consist of five members of the house of representatives appointed by the speaker, five members of the senate appointed by the committee on committees, and twelve citizens appointed by the governor. At least 50 percent of those appointed by the governor and by the speaker of the house shall be women. Members shall serve for two years or until the expiration of their legislative terms; *except, in order to establish staggered membership terms for the citizen members, the governor shall appoint six citizens for three-year terms and six citizens for two-year terms starting July 1, 1981.* The compensation of non-legislator members, their removal from office and the filling of vacancies shall be as provided in section 15.059. The persons appointed by the governor shall be representative of a range of economic interests and vocations and shall include persons who are not regularly employed on a full-time or part-time basis outside their homes.

Sec. 372. Laws 1976, Chapter 337, Section 1, Subdivision 3, is amended to read:

Subd. 3. The council shall study all matters relating to the economic status of women in Minnesota, including (MATTERS OF CREDIT, FAMILY SUPPORT AND INHERITANCE LAWS RELATING TO ECONOMIC SECURITY OF THE HOMEMAKER, EDUCATIONAL OPPORTUNITIES, CAREER COUNSELING, CONTRIBUTION OF WOMEN TO MINNESOTA'S PER CAPITA AND FAMILY INCOME AND STATE REVENUES, JOB AND PROMOTION OPPORTUNITIES) *economic security of homemakers and women in the labor force, opportunities for education and vocational training, employment*

opportunities, the contributions of women to the economy, their access to benefits and services provided to citizens of this state, and laws and business practices constituting barriers to the full participation by women in the economy. In addition, the council shall study the adequacy of programs (,) and services (AND FACILITIES) relating to families in Minnesota, including single-parent families and members beyond the nuclear or immediate family.

Sec. 373. Laws 1976, Chapter 337, Section 1, Subdivision 4, as amended by Laws 1978, Chapter 793, Section 83, is amended to read:

Subd. 4. The council shall report its findings and recommendations to the governor and the legislature not later than December 15 (, 1977,) of each even-numbered year and shall supplement its findings and recommendations not later than (JUNE 30, 1978 AND JUNE 30, 1981) December 15 of each odd-numbered year. The report shall recommend (ANY NECESSARY CHANGES IN LAWS AND PROGRAMS) *legislation and administrative action* designed to enable women to achieve full participation in the economy. The report shall also recommend methods to encourage the development of coordinated, inter-departmental goals and objectives and the coordination of programs, services and facilities among all state departments and public and private providers of services related to children, youth and families.

Sec. 374. Laws 1978, Chapter 510, Section 2, is amended to read:

Sec. 2. [SPANISH-SPEAKING PEOPLE.]

For purposes of sections 3 to (8) 7, the term "Spanish-speaking person" means a person who uses Spanish as a primary method of communication, or who is a spouse of a person who does.

Sec. 375. Laws 1978, Chapter 510, Section 5, is amended to read:

Sec. 5. [POWERS.]

The council shall have power to contract in its own name. 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 sections 1 to 7.

The council shall appoint, subject to the approval of the governor, an executive director who shall be experienced in adminis-

trative activities and familiar with the problems and needs of Spanish-speaking people. The council may delegate to the executive director any powers and duties under sections 1 to 7 which do not require council approval. The executive director and council staff shall serve in the unclassified service (AND). The executive director may be removed at any time by a majority vote of the entire council. The executive director shall recommend to the council the appropriate staffing patterns 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.

Sec. 376. [ADVISORY TASK FORCE ON INDEPENDENT LIVING.]

Subdivision 1. [DEFINITION.] For the purposes of this section, "independent living programs and services" means any appropriate service or cluster of services that will maximize the ability of a handicapped individual to live independently or function within the family and community and, if appropriate, to secure and maintain appropriate employment.

Subd. 2. [MEMBERSHIP.] The advisory task force on independent living shall consist of the governor; the executive director of the council for the handicapped; the commissioners of economic security and public welfare; two members of the house of representatives appointed in the same manner as is customary in the case of members of standing committees of the house; two members of the senate appointed in the same manner as is customary in the case of members of standing committees of the senate; and seven advocates or disabled persons representing the areas of visual impairment, hearing impairment, mobility impairment, mental retardation, mental health, epilepsy and special learning disabilities, appointed to the task force by the chairperson of the council for the handicapped. The necessary administrative support shall be provided by the council for the handicapped. The executive director of the council for the handicapped shall chair the task force meetings.

Subd. 3. [DUTIES.] The task force shall study all existing and proposed independent living programs and services in order to ascertain how they may be better integrated or coordinated with each other and with community residential programs so that service gaps and duplications will be minimized and services will be equitably available to the various categories of disabilities. Programs and services to be studied shall include but need not be limited to: the division of vocational rehabilitation's independent living program, the department of public welfare's semi-independent living program, the regional service centers for the hearing impaired, and the mental health non-residential community programs. The task force shall report its findings and recommendations to the governor and the legislature by December 31, 1981. The task force report shall:

(a) Describe each independent living program or service studied by the task force;

(b) Identify and describe any state plans, court decrees or interagency agreements relating directly to independent living programs or services;

(c) Identify current and potential funding resources for independent living programs and services and describe restrictions affecting the use of this funding;

(d) Identify significant service gaps that prevent independent living programs or services from achieving their full potential;

(e) Identify areas of service duplication;

(f) Identify inequities with regard to the availability of independent living programs and services available to the various categories of disabilities;

(g) Recommend specific improvements in integration or coordination that will minimize or eliminate identified service gaps, duplications, or inequities in independent living programs and that will foster closer cooperation with community residential services; and

(h) Recommend specific legislative, regulatory, or policy changes necessary to allow implementation of the recommended improvements.

Subd. 4. [EFFECTIVE DATE; REPEALER.] This section is effective the day following final enactment and is repealed January 1, 1982.

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections 3.86; 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 363.073, Subdivisions 1 and 2; 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 378. [REPEALER.]

Laws 1961, Chapter 66, Section 1, as amended by Laws 1971, Chapter 867, Section 1, and Laws 1977, Chapter 310, Section 17, are repealed. Laws 1976, Chapter 337, Section 4, as amended by Laws 1978, Chapter 793, Section 84; Laws 1978, Chapter 510, Section 10; Laws 1981, Chapter 151, Section 1, are repealed, effective the day following enactment.

Sec. 379. [EFFECTIVE DATE.]

Sections 280 and 283 are effective the day following final enactment. Sections 345 to 351 are effective January 1, 1982. Sections 281, 282, and 284 to 312 are effective for the license year commencing March 1, 1982 and thereafter."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; creating, abolishing, modifying, and transferring agencies and functions; creating a department of energy, planning and development; transferring all the functions of the state planning agency, energy agency, and department of economic development, and the staff of the crime control planning board, to the department of energy, planning and development; abolishing the state planning agency, energy agency, and department of economic development; creating an advisory committee on energy policy development; amending Minnesota Statutes 1980, Sections 3.3005, Subdivision 3; 3.304, by adding a subdivision; 3.922, Subdivision 1; 4.10; 4.11, Subdivisions 4, 5 and 8; 4.12; 4.125; 4.13; 4.17; 4.18, Subdivision 2; 4.191; 4.26, Subdivision 1; 4.27; 4.29; 4.35; 4.36, Subdivisions 2, 3, 4, and 5; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 15.01; 15.057; 15.50, Subdivision 2; 15A.081, Subdivision 1; 16.014, Subdivision 1; 16.084; 16.086, Subdivisions 1 and 2; 16.125, Subdivision 2; 16.756, Subdivision 1; 16A.123; 17.59, Subdivision 5, as amended; 17A.04, Subdivision 5; 17B.15; 18.023, Subdivision 11; 18.024, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 40.071; 43.09, Subdivision 2a; 43.46, Subdivisions 2 and 3; 60A.15, Subdivision 1; 84.023, Subdivision 2; 84.54; 85.016; 85.017; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 85A.04, Subdivision 1, and by adding a subdivision; 86.72, Subdivision 3; 86A.06; 86A.09, Subdivisions 1, 2, 3, and 4; 89.43; 92.35; 92.36; 92.37; 97.40, Subdivision 1; 97.482, Subdivision 1; 98.45, Subdivision 6; 98.46, Subdivisions 2 to 12, 14 to 19, and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 104.03, Subdivision 1; 104.35, Subdivisions 2 and 3; 105.484; 105.485, Subdivision 3; 114A.03, Subdivision 1; 115A.07, Subdivision 1; 115A.12, Subdivision 2; 115A.15, Subdivision 5; 116C.03, Subdivisions 2, 3, and 4; 116C.69, Subdivisions 2, 2a and 3; 116F.06, Subdivision 2; 116H.05; 116H.06; 116H.07; 116H.08; 116H.085; 116H.087; 116H.088, Subdivision 1; 116H.089; 116H.09, Subdivisions 1,

4, and 5; 116H.10; 116H.11; 116H.12, Subdivisions 1, 1b, 2, 4, 5, 6, and 9; 116H.121, Subdivisions 1 and 2; 116H.122; 16H.123; 116H.124; 116H.126; 116H.127; 116H.128; 116H.129, Subdivisions 1, 4, 5, 6, and 8; 116H.13; 116H.14; 116H.15, Subdivision 2; 116H.17; 116H.18; 116H.19, Subdivision 1; 116H.23; 120.78, Subdivision 1; 124.225, Subdivision 4a; 126.111, Subdivision 2; 137.31, Subdivision 6; 138.93, Subdivision 4; 139.16; 139.17, and by adding a subdivision; 139.18, Subdivisions 1, 3 and 4; 139.19, Subdivisions 3, 4, 5 and 6; 145.834; 145.835, Subdivision 1; 145.836, Subdivision 1; 145.837, Subdivision 1; 145.845; 145.912, Subdivision 15; 160.262, Subdivisions 1 and 3; 160.265, Subdivision 1; 174.03, Subdivision 7; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 204A.06, Subdivision 1b; 216B.241, Subdivision 2; 222.62; 222.65; 223.03, as amended; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 245.783, Subdivision 2; 268.014; 270.66; 271.02; 273.74, Subdivisions 2 and 5; 275.53, Subdivisions 1, 3, and 4; 284.28, Subdivision 8; 290.06, Subdivision 14; 290.431; 298.48, Subdivision 4; 299A.03, Subdivision 5; 299A.04; 300.49, Subdivision 1; 301.071, Subdivision 2; 301.75; 301.77, Subdivision 1; 301A.01, Subdivision 1; 301A.05; 301A.07, Subdivision 1; 322A.16; 322A.71; 325F.19, Subdivisions 3 and 6; 325F.20, Subdivision 1; 325F.21, Subdivision 2; 325F.23, Subdivision 1; 325F.24, Subdivision 3a; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 336.9-407; 345.42, Subdivision 1; 345.53; 352E.04; 354.43, Subdivision 3; 355.06; 362.12, Subdivision 1; 362.13; 362.132; 362.40, Subdivisions 8, 9, and 10; 362.41, Subdivision 5; 362.42; 362.51, Subdivisions 8 and 10; 362A.06; 402.045; 402.062, Subdivision 1; 402.095; 451.09, Subdivision 2; 453.52, Subdivision 3; 462.375; 462.384, Subdivision 7; 462.385, Subdivisions 1 and 3; 462.386, Subdivision 1; 462.387; 462.39, Subdivisions 2 and 3; 462.391, Subdivisions 2, 3, and 4; 462.395; 462.396, Subdivision 1; 462.398; 462.421, Subdivision 21; 462A.05, Subdivision 15b; 473.204, Subdivision 2; 473.411, Subdivision 1; 473.857, Subdivision 2; 473H.06, Subdivision 5; 474.01, Subdivisions 6, 7, and 8; 480.0595; 546.27; 611.23; 611.24; 611.26, Subdivisions 1 to 5; 638.08; 641.24; and 648.39; proposing new law coded as Minnesota Statutes, Chapter 116J; proposing new law coded in Minnesota Statutes, Chapters 85, 97, 116H, 270 and 611; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; repealing Minnesota Statutes 1980, Sections 3.86; 4.11, Subdivisions 1, 2, 3, 6, and 7; 4.15; 4.16; 7.07; 16.014, Subdivision 3; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 116H.001; 116H.02, Subdivisions 2 and 4; 116H.03; 116H.09, Subdivisions 2 and 3; 116H.12, Subdivision 3b; 126.52, Subdivision 12; 168B.11; 254A.06; 299A.03; 362.07; 362.08; 362.09; 362.10; 362.11; 362.12, Subdivisions 2 and 3; 362.15; 362.17; 362.18; 362.19; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 462.711; 473.556, Subdivision 15; 473.571, Subdivisions 2, 3, and 4; 480.053; 481.15, Subdivision 3; 483.01; 483.02; 648.45; 648.46; Laws 1961, Chapter 66, Section 1, as amended; Laws 1976, Chapter 337, Section 4, as amended; Laws 1977,

Chapter 310, Section 17; Laws 1978, Chapter 510, Section 10; and Laws 1981, Chapter 151, Section 1."

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

House Conferees: PHYLLIS L. KAHN, MICHAEL R. SIEBEN, DAVID P. BATTAGLIA, DEAN E. JOHNSON and GARY W. LAIDIG.

Senate Conferees: WILLIAM P. LUTHER, GERALD L. WILLET, HUBERT H. HUMPHREY, III, FRANKLIN J. KNOLL and ROBERT O. ASHBACH.

The Speaker resumed the Chair.

Voss moved that the House refuse to adopt the Conference Committee report on H. F. No. 1443, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Voss motion and the roll was called. There were 22 yeas and 104 nays as follows:

Those who voted in the affirmative were:

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|----------|----------|----------|----------|--------|
| Ainley | Jennings | Nysether | Sherman | Wieser |
| Dempsey | Kvam | Osthoff | Sherwood | Wigley |
| Fjoslien | Ludeman | Piepho | Stowell | |
| Hanson | McDonald | Rees | Voss | |
| Hoberg | Niehaus | Schafer | Welker | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ellingson | Kahn | Nelson, K. | Shea |
| Anderson, B. | Erickson | Kaley | Norton | Sieben, M. |
| Anderson, G. | Esau | Kalis | Novak | Simoneau |
| Anderson, I. | Evans | Knickerbocker | O'Connor | Skoglund |
| Anderson, R. | Ewald | Kostohryz | Ogren | Stadum |
| Battaglia | Forsythe | Laidig | Olsen | Staten |
| Begich | Friedrich | Lehto | Onnen | Stumpf |
| Berkelman | Greenfield | Lemen | Otis | Sviggum |
| Blatz | Gruenes | Levi | Peterson, B. | Swanson |
| Brandl | Gustafson | Long | Peterson, D. | Tomlinson |
| Byrne | Halberg | Luknic | Pogemiller | Valan |
| Carlson, D. | Harens | Mann | Redalen | Valento |
| Carlson, L. | Hauge | Marsh | Reding | Vanasek |
| Clark, J. | Haukoos | McCarron | Reif | Vellenga |
| Clark, K. | Heap | McEachern | Rice | Weaver |
| Clawson | Heinritz | Mehrkens | Rodriguez, C. | Welch |
| Dahlvang | Himle | Metzen | Rodriguez, F. | Wenzel |
| Dean | Hokanson | Minne | Rose | Wynia |
| Drew | Johnson, C. | Munger | Rothenberg | Zubay |
| Eken | Johnson, D. | Murphy | Sarna | Spkr. Sieben, H. |
| Elioff | Jude | Nelsen, B. | Searles | |

The motion did not prevail.

Kahn moved that the report of the Conference Committee on H. F. No. 1443 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1443, A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1980, Sections 3.005, Subdivision 3; 3.304, by adding a subdivision; 4.16, by adding subdivisions; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 16A.123; 17.59, by adding a subdivision; 17A.04, Subdivision 5; 17B.15, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivision 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 43.46, Subdivisions 2 and 3; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 97.49, Subdivision 1; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, 19 and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 116C.69, Subdivisions 2 and 2a; 139.16; 139.17; 139.18; 139.19; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 179.72, Subdivision 3; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 270.66; 271.02; 284.28, Subdivision 8; 290.431; 299A.03, Subdivisions 1, 8 and 13; 322A.16; 322A.71; 352E.04; 354.43, Subdivision 3; 362.10; 362.12, Subdivisions 1a and 2; 362.121; 362.125; 362.13; 480.0595; 546.27; 638.08; and 648.39; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; proposing new law coded in Minnesota Statutes, Chapters 85; 116H; 270; 299A; and 362; repealing Minnesota Statutes 1980, Sections 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 299A.03, Subdivisions 1, 2, 3, 5, 6, 7, 9, 10, 11 and 14; 362.07; 362.08; 362.09; 362.11; 362.12, Subdivisions 3 and 4; 362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 473.56, Subdivision 15; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

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 79 yeas and 51 nays as follows:

Those who voted in the affirmative were:

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|--------------|-----------|-------------|-----------|----------|
| Anderson, B. | Battaglia | Brandl | Clark, J. | Dahlvang |
| Anderson, G. | Berkelman | Byrne | Clark, K. | Eken |
| Anderson, I. | Blatz | Carlson, L. | Clawson | Elioff |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Ellingson | Jude | Metzen | Peterson, D. | Stumpf |
| Ewald | Kahn | Minne | Pogemiller | Swanson |
| Forsythe | Kaley | Munger | Redalen | Tomlinson |
| Greenfield | Kalis | Murphy | Reding | Valan |
| Gustafson | Knickerbocker | Nelsen, B. | Rice | Vanasek |
| Halberg | Kostohryz | Nelson, K. | Rodriguez, C. | Vellenga |
| Harens | Laidig | Norton | Rodriguez, F. | Weaver |
| Hauge | Lehto | Novak | Sarna | Welch |
| Heinitz | Lemen | O'Connor | Shea | Wenzel |
| Himle | Long | Ogren | Sieben, M. | Wynia |
| Hokanson | Mann | Osthoff | Simoneau | Zubay |
| Johnson, C. | McCarron | Otis | Skoglund | Spkr. Sieben, H. |
| Johnson, D. | McEachern | Peterson, B. | Staten | |

Those who voted in the negative were :

| | | | | |
|--------------|-----------|----------|------------|---------|
| Aasness | Evans | Kvam | Piepho | Stadum |
| Ainley | Fjoslien | Levi | Rees | Stowell |
| Anderson, R. | Friedrich | Ludeman | Reif | Sviggum |
| Begich | Gruenes | Luknic | Rose | Valento |
| Carlson, D. | Hanson | Marsh | Rothenberg | Voss |
| Dean | Haukoos | McDonald | Schafer | Welker |
| Dempsey | Heap | Mehrkens | Schoenfeld | Wigley |
| Den Ouden | Hoberg | Niehaus | Schreiber | |
| Drew | Hokr | Nysether | Searles | |
| Erickson | Jennings | Olsen | Sherman | |
| Esau | Kelly | Onnen | Sherwood | |

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

SPECIAL ORDERS

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

GENERAL ORDERS

There being no objection the bills on General Orders were continued one day.

MOTIONS AND RESOLUTIONS

Rice moved that the names of Gustafson, O'Connor and Clark, J., be added as authors on H. F. No. 1502. The motion prevailed.

Voss moved that his name be stricken as an author on H. F. No. 581. The motion prevailed.

Begich moved that the name of Clawson be added as an author on H. F. No. 581. The motion prevailed.

Haukoos, Knickerbocker, and Peterson, B., introduced :

House Resolution No. 19, A house resolution recognizing persons engaged in the law enforcement profession, and paying special tribute to peace officers who have sacrificed their lives in the course of performing law enforcement duties.

SUSPENSION OF RULES

Haukoos moved that the Rules be so far suspended that House Resolution No. 19 be now considered and be placed upon its adoption. The motion prevailed.

HOUSE RESOLUTION NO. 19

A house resolution recognizing persons engaged in the law enforcement profession; and paying special tribute to peace officers who have sacrificed their lives in the course of performing law enforcement duties.

Whereas, the Congress of the United States has designated May 10 through 16 as Police Week by resolution and by the same resolution has designated May 15 as Peace Officers' Memorial Day; and

Whereas, law enforcement officers throughout the State of Minnesota and the United States do faithfully and unselfishly protect all citizens without regard to race, creed or religion; and

Whereas, the law enforcement profession is the front line of defense against crime in any form; and

Whereas, law enforcement officers without regard to their personal safety make possible the security and well-being of the citizenry at large; *Now, Therefore*,

Be It Resolved by the Minnesota House of Representatives that the State of Minnesota honors and recognizes persons engaged in the law enforcement profession and pays special tribute to those officers who have made the supreme sacrifice by giving their lives while performing law enforcement duties to insure the continuance of security and safety for all law abiding citizens.

Be It Further Resolved that two copies of this resolution shall be enrolled by the Chief Clerk of the House of Representatives, to be authenticated by his signature and that of the Speaker, with one copy to be transmitted to the Minnesota Police and Peace Officers Association and one copy to the Minnesota Law Enforcement Memorial Association.

Haukoos moved that House Resolution No. 19 be now adopted. The motion prevailed and the resolution was adopted.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Saturday, May 16, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Saturday, May 16, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTY-SIXTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, MAY 16, 1981

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

Prayer was offered by Pastor Hans Rognstad, Norwegian Memorial Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherman |
| Ainley | Evans | Kelly | O'Connor | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, R. | Friedrich | Laidig | Osthoff | Stadum |
| Battaglia | Greenfield | Lehto | Otis | Staten |
| Begich | Gruenes | Lemen | Peterson, B. | Stowell |
| Berkelman | Gustafson | Levi | Peterson, D. | Stumpf |
| Blatz | Halberg | Long | Piepho | Sviggum |
| Brandl | Hanson | Ludeman | Pogemiller | Swanson |
| Brinkman | Harens | Luknic | Redalen | Tomlinson |
| Byrne | Hauge | Mann | Reding | Valan |
| Carlson, D. | Haukoos | Marsh | Rees | Valento |
| Carlson, L. | Heap | McCarron | Reif | Vanasek |
| Clark, J. | Heinitz | McDonald | Rice | Vellenga |
| Clark, K. | Himle | McEachern | Rodriguez, C. | Voss |
| Clawson | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Dahlvang | Hokanson | Metzen | Rose | Welch |
| Dean | Hokr | Minne | Rothenberg | Welker |
| Dempsey | Jacobs | Munger | Samuelson | Wenzel |
| Den Ouden | Jennings | Murphy | Sarna | Wieser |
| Drew | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Eken | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Elioff | Jude | Niehaus | Schreiber | Zubay |
| Ellingson | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Clawson 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. 546 and 802 and S. F. No. 140 have been placed in the members' files.

S. F. No. 140 and H. F. No. 1305, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Munger moved that the rules be so far suspended that S. F. No. 140 be substituted for H. F. No. 1305 and that the House File be indefinitely postponed. The motion prevailed.

SECOND READING OF SENATE BILLS

S. F. No. 140 was read for the second time.

INTRODUCTION AND FIRST READING
OF HOUSE BILLS

The following House Files were introduced:

Pogemiller, Norton, Rose, Lehto and Greenfield introduced:

H. F. No. 1508, A bill for an act relating to occupations and professions; providing for the licensing of burglar alarm contractors; requiring the commissioner of public safety to promulgate rules establishing performance and maintenance standards for burglar alarms; prescribing penalties; appropriating money; amending Minnesota Statutes 1980, Section 326.338, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 326.

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

Reif and Carlson, D., introduced:

H. F. No. 1509, A bill for an act relating to agriculture; prohibiting the trafficking in skunks; setting a penalty; proposing new law coded in Minnesota Statutes, Chapter 145.

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

Sarna; Sieben, H.; Anderson, R.; Evans and Anderson, I., introduced:

H. F. No. 1510, A bill for an act relating to outdoor recreation; creating the citizen's advisory sportsmen's council on Minnesota's outdoor recreational resources; prescribing its powers and duties; providing for a surcharge on fish and game licenses to fund the council; appropriating money; repealing Minnesota Statutes 1980, Section 86A.10.

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

Ludeman introduced:

H. F. No. 1511, A bill for an act relating to public employment labor relations; extending the trade union democracy act to public employee organizations; clarifying the definition of "employer"; providing supervisory and confidential employees, principals, and assistant principals with meet and confer rights rather than collective bargaining rights; authorizing bargaining over union security arrangements and grievance procedures; limiting mandatory arbitration to situations in which a strike threatens public health, welfare, or safety; modifying bargaining unit requirements; clarifying situations where area bargaining is authorized; removing the fee limitation for contract arbitrators; requiring written opinions from contract arbitrators and publication thereof; extending final offer arbitration where provided; removing certain political disabilities of mediators and public employees; amending Minnesota Statutes 1980, Sections 179.18; 179.19; 179.20; 179.21; 179.23; 179.24; 176.63, Subdivisions 4, 7, 9, and 18; 179.64, Subdivision 1; 179.65, Subdivisions 2, 3, 6, and by adding a subdivision; 179.66, Subdivision 4; 179.68, Subdivision 2; 179.69, Subdivisions 1, 3, and 3a; 179.70, Subdivision 1; 179.71, Subdivisions 2, 3, 4, and 5; 179.72, Subdivisions 3, 5, 6, 7b, 9, and 10; 179.73, Subdivisions 1 and 2; 179.74, Subdivision 4; 179.741, Subdivisions 1, 2, 3, and 4; 204A.18, Subdivision 3; 471.705, by adding a subdivision; Laws 1979, Chapter 332, Article I, Section 116, as amended; and proposing new law coded in Minnesota Statutes, Chapter 179; repealing Minnesota Statutes 1980, Sections 179.03; 179.22; 179.63, Subdivisions 9a, 11, and 19; 179.742; 179.743; and 179.76.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Osthoff, Wynia, Reif, Berkelman and Peterson, D., introduced:

H. F. No. 1512, A bill for an act relating to health; directing the commissioner of health to establish certain regional screening programs related to the use of diethylstilbestrol; proposing new law coded in Minnesota Statutes, Chapter 145.

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

Peterson, B.; Himle; Peterson, D.; Hokr and Clark, K., introduced:

H. F. No. 1513, A bill for an act relating to housing; increasing per diem compensation for attendance of commissioners at meetings of certain housing authorities; amending Minnesota Statutes 1980, Section 462.441.

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

Peterson, B.; Munger; Ludeman; Vanasek and Lemen introduced:

H. F. No. 1514, A bill for an act relating to publicly owned lands; directing the commissioner of natural resources to take certain actions and make recommendations intended to stabilize the acreage of publicly owned lands within the state; amending Minnesota Statutes 1980, Section 84.027, by adding a subdivision.

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

Johnson, C., and Zubay introduced:

H. F. No. 1515, A bill for an act relating to education; establishing area task forces and a statewide council on the condition and future of post-secondary education; providing for a long range comprehensive planning process; requiring institutional, area, and statewide reports; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 136A.

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

Onnen introduced:

H. F. No. 1516, A bill for an act relating to marriage; providing for nonceremonial marriage; amending Minnesota Statutes 1980, Section 517.01.

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

Stumpf, Eken, Nysether and Munger introduced:

H. F. No. 1517, A bill for an act relating to natural resources; changing and clarifying administrative provisions regarding watershed districts; increasing per diem for district managers; stating procedures for adopting rules by managers; requiring revision of certain plans every ten years; allowing cash bonds; permitting use of a map to show an assessment area; clarifying emergency procedures; amending Minnesota Statutes 1980, Sections 105.71, Subdivision 1a, and by adding subdivisions; 106.271; 106.471, Subdivision 1; 112.35, Subdivision 19, and by adding a subdivision; 112.37, Subdivision 1; 112.39, Subdivision 1; 112.42, Subdivisions 5 and 6; 112.43, Subdivisions 1, 3, and by adding a subdivision; 112.46; 112.47; 112.48, Subdivisions 1, 2, and 4; 112.49, Subdivisions 1 and 7; 112.58; 112.61, Subdivision 3; 112.62, Subdivision 1; 112.64; 112.65, Subdivision 2; and 112.801, Subdivision 8.

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

Kelly, Long, Lemen, Gustafson and Vanasek introduced:

H. F. No. 1518, A bill for an act relating to crimes; elevating the positions of certain substances in the Schedules of Controlled Substances; increasing penalties for prohibited acts relating to certain controlled substances; amending Minnesota Statutes 1980, Sections 152.02, Subdivisions 2 and 3; 152.12, Subdivision 2; and 152.15, Subdivisions 1, 2 and 4.

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

Harens introduced:

H. F. No. 1519, A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, Article IV, Section 4; changing the terms of legislators and permitting petitions for elections; providing for implementation of petitions for elections; proposing new law coded as Minnesota Statutes, Chapter 3C.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Peterson, D.; Rees; Osthoff; Stumpf and Kostohryz introduced:

H. A. No. 38, A proposal to study current laws relating to the manufactured housing industry.

The advisory was referred to the Committee on General Legislation and Veterans Affairs.

Harens and Sviggum introduced:

H. A. No. 39, A proposal for general legislation on mobile home shelters.

The advisory was referred to the Committee on General Legislation and Veterans Affairs.

Wenzel introduced:

H. A. No. 40, A proposal to study natural gas pricing practices.

The advisory was referred to the Committee on Regulated Industries.

Evans; Rice; Murphy; Anderson, R., and Eken introduced:

H. A. No. 41, A proposal to study the sources of high unemployment in west central Minnesota.

The advisory was referred to the Committee on Labor-Management Relations.

Zubay, Kaley, Hokanson, Shea and Sviggum introduced:

H. A. No. 42, A proposal to examine sequence and methodology of state hospital closures.

The advisory was referred to the Committee on Health and Welfare.

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. 2, A bill for an act relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies; amending Minnesota Statutes 1980, Sections 609.11, Subdivision 1, and by adding subdivisions; 609.135, Subdivision 1; 609.185; 609.19; 609.195; 609.20; repealing Minnesota Statutes 1980, Section 609.11, 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1421, A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1980, Sections 15.38; 123.742, by adding a subdivision; 123.743; 136A.121, Subdivisions 4 and 5; and 144A.61, Subdivision 3; repealing Minnesota Statutes 1980, Section 123.939.

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. 157, A bill for an act relating to public welfare; providing that every birth to a minor shall be reported within three working days to the commissioner of public welfare; amending Minnesota Statutes 1980, Section 257.33.

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. 586, A bill for an act relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; amending Minnesota Statutes 1980, Sections 518B.01, Subdivision 6; 595.02; 609.348; 609.35; 626.556, Subdivision 2; and 629.341, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 609.

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. 396, A bill for an act relating to the military; requiring the adjutant general to furnish an American flag upon request of the person disposing of the remains of a deceased person who served six years or more in the Minnesota national guard; proposing new law coded in Minnesota Statutes, Chapter 192.

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 Files, herewith returned:

H. F. No. 986, A bill for an act relating to financial institutions; savings associations; increasing the loan term of direct reduction loans; providing for the organization, operation, conversion, merger, reorganization, consolidation, and dissolution of mutual and capital stock associations; granting the commissioner certain supervisory powers; providing certain examination and reporting requirements; authorizing the issuance and sale of capital certificates; authorizing the payment of dividends on capital stock; authorizing the issuance of certain accounts to married persons or minors as sole owners thereof; defining

terms; prescribing penalties; amending Minnesota Statutes 1980, Sections 51A.02, Subdivisions 2 and 4, and by adding subdivisions; 51A.03; 51A.04; 51A.07; 51A.08; 51A.09; 51A.10; 51A.11; 51A.12; 51A.13; 51A.15, Subdivision 7; 51A.19, Subdivision 1, and by adding subdivisions; 51A.20; 51A.21, Subdivision 5, and by adding subdivisions; 51A.22; 51A.50; 51A.52; 51A.53; proposing new law coded in Minnesota Statutes, Chapter 51A; repealing Minnesota Statutes 1980, Sections 51A.06, Subdivisions 1 and 2; and 51A.49.

H. F. No. 1160, A bill for an act relating to commerce; exempting certain real estate brokers and salespersons from the licensing requirements for mobile home manufacturers and dealers; setting a penalty; amending Minnesota Statutes 1980, Sections 82.34, Subdivision 7; and 327.55, 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:

H. F. No. 493, A bill for an act relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money; amending Minnesota Statutes 1980, Sections 412.321, Subdivision 1; 412.351; 412.361, Subdivision 3; 429.021, Subdivision 1; and 474.02, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 16, 116H, 216B, 465, and 475.

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. 900, A bill for an act relating to open space and recreation; authorizing the issuance of state bonds and expenditure of the proceeds for the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units and for the acquisition and betterment of state parks, trails, forest, fish and wildlife management, scientific and natural areas, water accesses, wild, scenic and recreational rivers, and canoe and boating routes by the commissioner of natural resources; changing the terms of certain grants administered by the state planning agency; appropriating money; amending Minnesota Statutes 1980, Section

4.36, Subdivision 2; repealing Laws 1979, Chapter 301, Section 6, Subdivision 1.

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. 353, A bill for an act relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

PATRICK E. FLAHAVER, Secretary of the Senate

Schoenfeld moved that the House refuse to concur in the Senate amendments to H. F. No. 353, 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. 3, A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

PATRICK E. FLAHAVER, Secretary of the Senate

McCarron moved that the House refuse to concur in the Senate amendments to H. F. No. 3, that the Speaker appoint a Con-

ference 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. 937, A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Petty, Frank and Mrs. Kronebusch.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wynia 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. 937. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to :

S. F. No. 179, A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Chmielewski, Lessard and Belanger.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Ainley 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. 179. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1154, A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Chmielewski, Rued and Lessard.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carlson, D., 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. 1154. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 368, A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; encouraging the use of bond proceeds for housing for persons and families of low income; providing that multifamily housing loans may be used to acquire structures for conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1 and 2; and 462C.05, Subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Berglin, Messrs. Humphrey and Belanger.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark, K., 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. 368. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 31, A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Dieterich, Stumpf and Belanger.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wynia 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. 31. The motion prevailed.

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. 769, A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; limiting the means by which the commissioner may acquire certain abandoned railroad right-of-way; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, Subdivision 2, and by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

The Senate has appointed as such committee Messrs. Penny, Stern and Pillsbury.

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. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

The Senate has appointed as such committee Messrs. Nelson, Penny, Willet, Keefe and Stumpf.

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. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

The Senate has appointed as such committee Messrs. Luther, Willet, Menning, Purfeerst and Ashbach.

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. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

PATRICK E. FLAHAVER, Secretary of the Senate

Wynia moved that the House refuse to concur in the Senate amendments to H. F. No. 1143, 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. 810.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 810, A bill for an act relating to pollution; authorizing water pollution control fund grants for certain wastewater treatment projects; amending Minnesota Statutes 1980, Section 116.18, Subdivision 1.

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

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1154:

Carlson, D.; Murphy and Lehto.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 353:

Schoenfeld, Jude, Shea, Kalis and Erickson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 3:

McCarron, Samuelson and Kaley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 31:

Hanson, Kelly and Harens.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 937:

Wynia, Swanson and Valan.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 179:

Ainley, Osthoff and Sherwood.

The Speaker announced the appointment of the following members of the House to the Conference Committee on S. F. No. 368:

Clark, K.; Schreiber and Staten.

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

REPORTS OF STANDING COMMITTEES

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 301, A bill for an act relating to taxation; income; providing a deduction for certain funeral expenses of a spouse or dependent; amending Minnesota Statutes 1980, Section 290.09, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE I

Section 1. Minnesota Statutes 1980, Section 297.02, Subdivision 1, is amended to read:

Subdivision 1. [RATES.] A tax is hereby imposed upon the sale of cigarettes in this state or having cigarettes in possession in this state with intent to sell and upon any person engaged in business as a distributor thereof, at the following rates, subject to the discount provided in section 297.03:

(1) On cigarettes weighing not more than three pounds per thousand, (NINE) 11.5 mills on each such cigarette;

(2) On cigarettes weighing more than three pounds per thousand, (18) 23 mills on each such cigarette.

Sec. 2. Minnesota Statutes 1980, Section 297.13, Subdivision 1, is amended to read:

297.13 [REVENUE, DISPOSAL.]

Subdivision 1. [CIGARETTE TAX APPORTIONMENT ACCOUNT.] Notwithstanding any other provisions of law, (FIVE AND ONE-HALF) *four and three-tenths* percent of the revenues received from taxes, penalties and interest under sections 297.01 to 297.13 shall be deposited by the commissioner of revenue in the general fund and credited to a special account to be known as the "natural resources account," which is hereby created. Expenditures shall be made from said account only as may be authorized by law to carry out the provisions of this act and in conformance with the provisions of chapter 16. (FIVE AND ONE-HALF) *four and three-tenths* percent shall be deposited in the general fund and credited to the "natural resources acceleration" account for the purposes provided in Laws 1969, Chapter 879, Section 4. The balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner in the general fund and credited to the general fund.

Sec. 3. Minnesota Statutes 1980, Section 297.22, Subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon the use or storage by consumers of cigarettes in this state, and upon such consumers, at the following rates:

(1) On cigarettes weighing not more than three pounds per thousand, (NINE) *11.5* mills on each such cigarette;

(2) On cigarettes weighing more than three pounds per thousand, (18) *23* mills on each such cigarette.

Sec. 4. Minnesota Statutes 1980, Section 297.32, Subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon all tobacco products in this state and upon any person engaged in business as a distributor thereof, at the rate of (20) *27* percent of the wholesale sales price of such tobacco products except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes in section 297.02, subdivision 1, clause (1), subject to the discount provided in section 297.35, subdivision 1. Such tax shall be imposed at the time the distributor (1) brings, or causes to be brought, into this state from without the state tobacco products for sale; (2) makes, manufactures, or fabricates tobacco products in this state for sale in this state; or (3) ships or transports tobacco products to retailers in this state, to be sold by those retailers.

Sec. 5. Minnesota Statutes 1980, Section 297.32, Subdivision 2, is amended to read:

Subd. 2. A tax is hereby imposed upon the use or storage by consumers of tobacco products in this state, and upon such consumers, at the rate of (20) 27 percent of the cost of such tobacco products, except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes in section 297.22, subdivision 1, clause (1).

The tax imposed by this subdivision shall not apply if the tax imposed by subdivision 1 on such tobacco products has been paid.

This tax shall not apply to the use or storage of tobacco products in quantities of:

1. Not more than 50 cigars;
2. Not more than 10 oz. snuff or snuff powder;
3. Not more than 1 lb. smoking or chewing tobacco or other tobacco products not specifically mentioned herein, in the possession of any one consumer.

Sec. 6. Minnesota Statutes 1980, Section 297A.25, Subdivision 1, is amended to read:

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, *but does not include the following:*

- (i) *chewing gum and candy products;*
- (ii) *carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than noncarbonated and noneffervescent bottled water sold in individual containers of one gallon or more in size;*

(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 pros-

thetic 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 to Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) Articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value,

but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 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 news-gathering 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, sub-contractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(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. 7. Minnesota Statutes 1980, Section 340.47, Subdivision 1, is amended to read:

Subdivision 1. [ON INTOXICATING LIQUORS.] There shall be levied and collected on all intoxicating liquors manu-

factured, 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) 32 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) 92 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) \$1.84 per gallon;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of (\$3.08) \$3.60 per gallon;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of (\$1.50) \$1.74 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) \$5.10 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 1/16 shall be taxed at the same rate as shall be taxed for 1/16 of a gallon; provided, however, that the contents of miniatures containing two fluid ounces or less shall be taxed (12) 14 cents.

Sec. 8. Minnesota Statutes 1980, 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) eight 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) 24 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) 49 cents per liter;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of (81) 94 cents per liter;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of (40) 47 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) \$1.35 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) 14 cents.

Sec. 9. Minnesota Statutes 1980, Section 340.47, Subdivision 2, is amended to read:

Subd. 2. [ON FERMENTED MALT BEVERAGES.] An excise tax is hereby assessed, imposed, and levied upon the sale, either directly or indirectly of fermented malt beverages other than for shipment in interstate or foreign commerce. Such tax shall not be imposed or collected upon fermented malt beverages given away by a brewery for consumption only upon the brewery premises, for which no charge of any kind is made or collected; nor shall fermented malt liquors distributed to brewery employees for consumption only upon the brewery premises pursuant to a contract of employment be subject to such tax. Such tax shall be levied and collected at the rate of (\$2) \$2.32 per barrel of 31 gallons, containing not more than 3.2 percent of alcohol by weight, and a tax of (\$4) \$4.64 per barrel of 31 gallons containing more than 3.2 percent of alcohol by weight, and at a proportional rate for fractional parts thereof. All the receipts from these taxes shall be paid into the general fund by the commissioner of revenue. Any brewer producing and selling within this state fermented malt beverages shall receive a credit of \$2 per barrel on the first 75,000 barrels, regardless of alcohol content.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 5 and 7 to 9 are effective the day following final enactment. Section 6 is effective for sales made after June 30, 1981.

Delete the title and insert:

"A bill for an act relating to taxation, increasing the rate of the tax on cigarettes, little cigars, tobacco products, and alcoholic beverages, imposing the sales tax on candy and soft drinks; amending Minnesota Statutes 1980, Sections 297.02, Subdivision 1; 297.13, Subdivision 1; 297.22, Subdivision 1; 297.32, Subdivisions 1 and 2; 297A.25, Subdivision 1; 340.47, Subdivisions 1, 11a, and 2."

With the recommendation that when so amended the bill be re-referred to the Committee on Appropriations.

The report was adopted.

Eken 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 OF STANDING COMMITTEES, Continued

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 16, A bill for an act relating to taxation; income tax; providing a credit to certain employed students; amending Minnesota Statutes 1980, Section 290.06, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 16A.15, Subdivision 1, is amended to read:

Subdivision 1. [REDUCTION.] In case the commissioner of finance shall discover at any time that the probable receipts from taxes or other sources for any appropriation, fund, or item will be less than was anticipated, and that consequently the amount available for the remainder of the (TERM OF THE APPROPRIATION OR FOR ANY ALLOTMENT PERIOD) *bien-nium* will be less than the amount estimated or allotted therefor, he shall, with the approval of the governor, and after notice to the agency concerned, reduce the amount allotted or to be allotted so as to prevent a deficit. In like manner he shall request reduction of the amount allotted or to be allotted to any agency by the amount of any saving which can be effected upon previous spending plans through a reduction in prices or other cause.

Sec. 2. Minnesota Statutes 1980, Section 16A.15, Subdivision 3, is amended to read:

Subd. 3. [PAYMENT WITHIN ALLOTMENT AND ENCUMBRANCE; EXCEPTIONS.] No payment shall be made without prior obligation. No obligation shall be incurred against any (FUND,) allotment (,) or appropriation unless the commissioner of finance shall first certify that there is a sufficient unencumbered balance in such (FUND,) allotment (,) or appropriation to meet the same. Every expenditure or obligation authorized or incurred in violation of the provisions of this chapter shall be presumed invalid and shall be ineligible for payment until its validity is established as hereinafter provided. Every payment made in violation of the provisions of this chapter shall be deemed illegal, and every official authorizing or making such payment, or taking part therein, and every person receiving such payment, or any part thereof, shall be jointly and severally liable to the state for the full amount so paid or received. If any appointive officer or employee of the state shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of this chapter or take part therein, it shall be grounds for his removal by the officer appointing him, and, if the appointing officer be other than the governor and shall fail to remove such officer or employee, the governor may exercise such power of removal, after giving notice of the charges and opportunity for hearing thereon to the accused officer or employee and to the officer appointing him. Claims presented against existing appropriations without prior allotment or encumbrance may, upon investigation, review, and approval by the commissioner of finance be determined valid where the services, materials, and supplies for which payment is claimed have been actually rendered or furnished to the state in good faith without collusion and without intent to defraud. Thereafter the commissioner of finance may draw his warrant in payment of such claims in the same manner in which other claims, properly allotted and encumbered prior to inception thereof, are paid.

Subject to approval by the commissioner of finance and pursuant to increases authorized by section 16.07, subdivision 1, the payment amount for materials and supplies may exceed the obligation amount.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; authorizing the commissioner of finance to reduce the allotment to an agency to prevent a deficit during

the biennium; amending Minnesota Statutes 1980, Section 16A.15, Subdivisions 1 and 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, I., from the Committee on Taxes to which was referred:

H. F. No. 1263, A bill for an act relating to state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; amending Minnesota Statutes 1980, Sections 16A.128 and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16; repealing Minnesota Statutes 1980, Sections 16A.67; 16A.75 to 16A.754; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

Reported the same back with the following amendment:

Page 4, line 19, delete "*five*" and insert "*four*"

Amend the title

Page 1, line 12, delete "16" and insert "16A"

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 16 and 1263 were 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 has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1434, A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; amending Minnesota Statutes 1980, Sections 12.14; 43.491, Subdivision 2; 46.131, Subdivision 3; 161.242, Subdivision 4; 169.451; 173.25; 174.255, by adding a subdivision; 216B.62, Subdivision 3, and by adding a subdivision; 237.295,

Subdivision 2, and by adding a subdivision; 239.10; 239.52; 326.241, Subdivision 3; 326.244, Subdivision 2; 340.11, Subdivision 14; 340.113, Subdivision 2; 340.119, Subdivision 3; 340.-402; 340.493, Subdivision 2; 340.62; 360.021, Subdivisions 1 and 2; 360.305, by adding subdivisions; 388.14; 388.19, Subdivision 1; and 414.051; proposing new law coded in Minnesota Statutes, Chapter 138.

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. 1443, A bill for an act relating to the organization and operation of state government; appropriating money for the general legislative, judicial, and administrative expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1980, Sections 3.005, Subdivision 3; 3.304, by adding a subdivision; 4.16, by adding subdivisions; 5.08, Subdivision 2; 9.061, Subdivision 5; 11A.20, Subdivision 3; 16A.123; 17.59, by adding a subdivision; 17A.04, Subdivision 5; 17B.15, Subdivision 1; 18.51, Subdivision 2; 18.52, Subdivision 5; 18.54, Subdivisions 1; 19.19, Subdivisions 1 and 2; 19.20, Subdivision 4; 27.041, Subdivision 2; 28A.08; 32.075; 32.59; 43.46, Subdivisions 2 and 3; 85.05, Subdivisions 1 and 2; 85.22, Subdivision 2a; 97.49, Subdivision 1; 98.46, Subdivisions 2, 2a, 3, 4, 5, 5a, 6, 7, 8, 9, 9a, 10, 11, 12, 14, 15, 16, 17, 18, 19 and by adding a subdivision; 98.47, Subdivision 1; 98.50, Subdivision 5; 99.28, Subdivision 5; 100.273, Subdivision 7; 100.35, Subdivisions 1 and 5; 101.44; 116C.69, Subdivisions 2 and 2a; 139.16; 139.17; 139.18; 139.19; 176.131, Subdivision 10; 176.183, Subdivision 2; 179.71, Subdivision 2; 179.72, Subdivision 3; 223.03; 223.12, Subdivision 1; 231.16; 232.02, Subdivisions 1, 2, and 3; 233.08; 270.66; 271.02; 284.28, Subdivision 8; 290.431; 299A.03, Subdivisions 1, 8 and 13; 322A.16; 322A.71; 352F.04; 354.43, Subdivision 3; 362.10; 362.12, Subdivisions 1a and 2; 362.121; 362.125; 362.13; 480.0595; 546.27; 638.08; and 648.39; Laws 1976, Chapter 337, Section 1, Subdivisions 2, as amended, 3, and 4, as amended; Laws 1978, Chapter 510, Sections 2 and 5; proposing new law coded in Minnesota Statutes, Chapters 85; 116H; 270; 299A; and 362; repealing Minnesota Statutes 1980, Sections 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 299A.03, Subdivisions 1, 2, 3, 5, 6, 7, 9, 10, 11 and 14; 362.07; 362.08; 362.09; 362.11; 362.12, Subdivisions 3 and 4;

362.23; 362.45, Subdivision 2; 363.073, Subdivisions 1 and 2; 473.56, Subdivision 15; 648.45; 648.46; Laws 1976, Chapter 337, Section 4, as amended; and Laws 1978, Chapter 510, Section 10.

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. FLAHAVER, 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. 1190, A bill for an act relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; providing for a seven-member board of commissioners in certain counties; amending Minnesota Statutes 1980, Section 375.055, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 375; repealing Laws 1965, Chapter 843.

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. 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. 515, A bill for an act relating to coroners; eliminating the requirement of filing a certificate of no inquest; amending Minnesota Statutes 1980, Section 390.17.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Reif moved that the House concur in the Senate amendments to H. F. No. 515 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 515, A bill for an act relating to judicial proceedings; eliminating the requirement of filing a certificate of no inquest; prescribing the duties of court referees; continuing

and abolishing certain referee positions; amending Minnesota Statutes 1980, Sections 260.031, Subdivision 1; 390.17; 484.70, Subdivision 1 and by adding subdivisions; and 525.10; repealing Minnesota Statutes 1980, Sections 484.67; and 484.70, Subdivisions 2, 3, 4 and 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Ewald | Knickerbocker | O'Connor | Simoneau |
| Anderson, B. | Fjoslien | Kostohryz | Ogren | Skoglund |
| Anderson, G. | Forsythe | Kvam | Osthoff | Stadum |
| Anderson, I. | Friedrich | Laidig | Otis | Staben |
| Anderson, R. | Greenfield | Lehto | Peterson, D. | Stowell |
| Battaglia | Gruenes | Lemen | Piepho | Stumpf |
| Begich | Gustafson | Levi | Pogemiller | Sviggum |
| Berkelman | Halberg | Long | Redalen | Swanson |
| Blatz | Hanson | Ludeman | Reding | Tomlinson |
| Brandl | Harens | Luknic | Rees | Valan |
| Byrne | Hauge | Mann | Reif | Valento |
| Carlson, D. | Haukoos | Marsh | Rice | Vanasek |
| Carlson, L. | Heap | McCarron | Rodriguez, C. | Vellenga |
| Clark, J. | Heinitz | McDonald | Rodriguez, F. | Voss |
| Clark, K. | Himle | McEachern | Rose | Weaver |
| Clawson | Hokanson | Mehrkena | Rothenberg | Welch |
| Dahlvang | Hokr | Metzen | Samuelson | Welker |
| Dempsey | Jacobs | Minne | Sarna | Wenzel |
| Den Ouden | Jennings | Munger | Schafer | Wieser |
| Drew | Johnson, C. | Murphy | Schoenfeld | Wigley |
| Eken | Johnson, D. | Nelsen, B. | Schreiber | Wynia |
| Elioff | Jude | Nelson, K. | Searles | Zubay |
| Ellingson | Kahn | Niehaus | Shea | Spkr. Sieben, H. |
| Erickson | Kaley | Norton | Sherman | |
| Esau | Kalis | Novak | Sherwood | |
| Evans | Kelly | 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. 826, A bill for an act relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Clark, K., moved that the House concur in the Senate amendments to H. F. No. 826 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 826, A bill for an act relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test.

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 95 yeas and 27 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, G. | Evans | Knickerbocker | O'Connor | Sherman |
| Anderson, I. | Ewald | Kvam | Ogren | Sieben, M. |
| Anderson, R. | Fjoslien | Laidig | Osthoff | Simoneau |
| Battaglia | Forsythe | Lehto | Otis | Skoglund |
| Begich | Greenfield | Levi | Peterson, D. | Staten |
| Berkelman | Gruenes | Long | Piepho | Stumpf |
| Blatz | Gustafson | Luknic | Pogemiller | Swanson |
| Brandl | Halberg | Mann | Reding | Tomlinson |
| Byrne | Hanson | Marsh | Rice | Valan |
| Carlson, L. | Hauge | McCarron | Rodriguez, C. | Vanasek |
| Clark, J. | Heap | McEachern | Rodriguez, F. | Vellenga |
| Clark, K. | Himle | Mehrkens | Rose | Voss |
| Clawson | Hokanson | Metzen | Rothenberg | Weaver |
| Dahlvang | Jacobs | Minne | Samuelson | Welch |
| Dempsey | Johnson, C. | Munger | Sarna | Wenzel |
| Drew | Johnson, D. | Murphy | Schoenfeld | Wieser |
| Eken | Jude | Nelson, K. | Schreiber | Wigley |
| Elioff | Kahn | Norton | Searles | Wynia |
| Ellingson | Kelly | Novak | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-------------|----------|------------|---------|---------|
| Aasness | Haukoos | Lemen | Redalen | Valento |
| Ainley | Heinitz | Ludeman | Rees | Welker |
| Carlson, D. | Hokr | McDonald | Schafer | Zubay |
| Den Ouden | Jennings | Nelsen, B. | Stadum | |
| Esau | Kaley | Niehaus | Stowell | |
| Friedrich | Kalis | Nysether | Swiggum | |

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. 818, A bill for an act relating to game and fish; increasing the amount set aside from any increased deer license

fees for deer habitat improvement; restricting the taking of bear to adult bear; amending Minnesota Statutes 1980, Sections 97.49, Subdivision 1a; and 100.27, Subdivision 2.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Peterson, C. C.; Lessard and Engler.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Reding 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. 818. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 690.

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. 690

A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

May 13, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 690, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 690 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 490.124, Subdivision 9, is amended to read:

Subd. 9. [SURVIVORS' ANNUITY.] Upon the death of a judge prior to retirement, *or upon the death of a person who has qualified for an annuity but who ceases to be a judge prior to retirement and has not received a refund of contributions pursuant to subdivision 12*, his surviving spouse or, if there be no surviving spouse, his dependent children, shall receive an annuity, payable monthly, equal to 60 percent of the normal retirement annuity which would have been payable to the judge *or former judge* had the date of his death been the normal retirement date, provided that the surviving spouse or dependent children shall receive an annuity of not less than 25 percent of the judge's *or former judge's* final average compensation.

If a judge, whose surviving spouse was not entitled to survivors benefits provided solely for judges under statutes in effect prior to January 1, 1974, shall have died prior to retirement on or after May 23, 1973 and before January 1, 1974, his surviving spouse and dependent children, if any, shall be entitled to survivors benefits as provided hereunder as if such judge had died on January 1, 1974.

Sec. 2. Minnesota Statutes 1980, Section 490.124, Subdivision 12, is amended to read:

Subd. 12. [REFUND.] Any person who ceases to be a judge but who does not qualify for a retirement annuity or other benefit under section 490.121 shall be entitled to a refund in an amount equal to all his contributions to the judges' retirement fund plus interest computed to the first day of the month in which the refund is processed based on fiscal year balances at the rate of five percent per annum compounded annually. (THE SURVIVING SPOUSE, OR IF THERE IS NO SURVIVING SPOUSE, THEN THE ESTATE, OF ANY PERSON WHO HAS CEASED TO BE A JUDGE AND HAS DIED PRIOR TO RECEIVING A RETIREMENT ANNUITY OR OTHER RETIREMENT BENEFITS SHALL BE ENTITLED TO RECEIVE A REFUND IN AN AMOUNT EQUAL TO ALL THE CONTRIBUTIONS MADE BY THE PERSON TO THE JUDGES RETIREMENT FUND PLUS INTEREST COMPUTED TO THE DATE OF DEATH AT THE RATE OF FIVE PERCENT PER ANNUM COMPOUNDED ANNUALLY.)

Sec. 3. [PUBLIC EMPLOYEES POLICE AND FIRE FUND; CLARIFICATION OF COVERAGE FOR CERTAIN PERSONS.]

Any person who was deemed to be an employee serving on less than a full time basis as a firefighter within the meaning of Minnesota Statutes, Section 353.64, Subdivisions 1 and 3 pursuant to Laws 1980, Chapter 341, Section 7, and who has any period of prior service with the person's current employer as a full time employee of the public works department and who has as part of the person's duties as an employee the secondary responsibility of providing service as a firefighter shall be deemed eligible for pension coverage by the public employees police and fire fund for that prior service. Any contributions made by the person or on behalf of the person to the public employees retirement association for any period of this prior service shall be transferred to the public employees police and fire fund. If the amount of those contributions were less than those required pursuant to Minnesota Statutes, Section 353.65, Subdivisions 2 and 3, the person shall be entitled on or prior to July 1, 1983 to pay the difference between the amount of employee and employer and employer additional contributions which were actually made and the amount of employee and employer contributions required pursuant to Minnesota Statutes, Section 353.65, Subdivisions 2 and 3, on the actual salary amounts paid, plus interest at the rate of six percent per annum compounded annually from the date payment otherwise would have been made as a regular contribution to the date payment is made. If full required contributions are not transferred or paid subsequent with interest, the person's service credit in the public employees police and fire fund shall be prorated accordingly.

Sec. 4. [SURVIVOR BENEFITS FOR SURVIVORS OF CERTAIN DECEASED TEACHERS.]

Notwithstanding any provision of law to the contrary, any deceased basic member of the teachers retirement association who was born on June 6, 1927, and who died on December 16, 1980, shall be deemed to have completed 30 years of allowable service and to have filed a valid election of a joint and survivor annuity, and the surviving spouse of the deceased member shall be entitled to the second portion of a joint and survivor annuity pursuant to Minnesota Statutes, Section 354.46, Subdivision 2, in lieu of any other survivor benefit which the surviving spouse may be entitled to receive. The survivor annuity pursuant to this section shall accrue on the first day of the month next following the effective date of this section.

Sec. 5. [RETROACTIVE EFFECT OF CERTAIN PROVISIONS.]

Notwithstanding any law to the contrary, the provisions of Minnesota Statutes, Section 352.85, Subdivision 1, shall apply to any former employee of the department of military affairs who has retired from the Minnesota state retirement system subsequent to January 1, 1978 but prior to the effective date of Laws 1980, Chapter 607, Article XV, Section 22. The retirement

annuity payable to any person to whom this section applies shall be recomputed in accordance with the provisions of Minnesota Statutes, Section 352.85, Subdivision 1, and the recomputed retirement annuity shall accrue on the first day of the month next following the effective date of this section and shall be payable as soon as practicable thereafter.

Sec. 6. [RETROACTIVE EFFECT OF CERTAIN PROVISIONS.]

Sections 1 and 2 shall apply retroactively to any person living on the effective date of this section who ceased to be a judge prior to retirement and who has not received a refund pursuant to Minnesota Statutes, Section 490.124, Subdivision 12.

Sec. 7. [EFFECTIVE DATE.]

Sections 1, 2 and 6 are effective on July 1, 1981. Sections 3, 4 and 5 are effective on the day following final enactment."

Delete the title and insert:

"A bill for an act relating to retirement; providing survivor benefit coverage for certain former judges on deferred status; clarifying retirement coverage for certain members of the public employees police and fire fund; providing survivor benefits for survivors of certain deceased teachers; providing for retroactive effect of a special retirement program for the military affairs department; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12."

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

Senate Conferees: COLLIN C. PETERSON, ALLAN H. SPEAR and DENNIS R. FREDERICKSON.

House Conferees: LEO J. REDING, JOHN J. SARNA and JOHN R. KALEY.

Reding moved that the report of the Conference Committee on S. F. No. 690 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 690, A bill for an act relating to retirement; contributions and benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1980, Section 490.124, Subdivisions 9 and 12.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ewald | Kelly | Nysether | Sherman |
| Ainley | Fjoslien | Knickerbocker | O'Connor | Sherwood |
| Anderson, G. | Forsythe | Kostohryz | Ogren | Sieben, M. |
| Anderson, I. | Friedrich | Kvam | Olsen | Simoneau |
| Anderson, R. | Greenfield | Laidig | Onnen | Skoglund |
| Battaglia | Gruenes | Lehto | Osthoff | Stadum |
| Begich | Gustafson | Lemen | Otis | Staten |
| Berkelman | Halberg | Levi | Peterson, B. | Stowell |
| Blatz | Hanson | Long | Peterson, D. | Sviggum |
| Brandl | Harens | Ludeman | Piepho | Swanson |
| Brinkman | Hauge | Luknic | Pogemiller | Valan |
| Byrne | Haukoos | Mann | Redalen | Valento |
| Carlson, D. | Heap | Marsh | Reding | Vanasek |
| Carlson, L. | Heinitz | McCarron | Rees | Vellenga |
| Clark, J. | Himle | McDonald | Reif | Voss |
| Clawson | Hoberg | McEachern | Rice | Weaver |
| Dahlvang | Hokanson | Mehrkens | Rodriguez, C. | Welker |
| Dempsey | Hokr | Metzen | Rodriguez, F. | Wenzel |
| Den Ouden | Jacobs | Minne | Rose | Wieser |
| Drew | Jennings | Munger | Rothenberg | Wigley |
| Eken | Johnson, C. | Murphy | Samuelson | Wynia |
| Elioff | Johnson, D. | Nelsen, B. | Sarna | Zubay |
| Ellingson | Jude | Nelson, K. | Schafer | Spkr. Sieben, H. |
| Erickson | Kahn | Niehaus | Schoenfeld | |
| Esau | Kaley | Norton | Schreiber | |
| Evans | Kalis | Novak | Searles | |

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. 445.

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. 445

A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

May 13, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 445, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 445 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1974, Chapter 435, Section 3.12, is amended to read:

Sec. 3.12. [COURT HOUSE AND CITY HALL.] (a)
[COURT HOUSE AND CITY HALL (COMMITTEE) ADMINISTRATION.]

(1) *Notwithstanding the provisions of Minnesota Statutes, Chapter 374, the Saint Paul city hall and Ramsey county court house building (IS IN CHARGE OF A JOINT COMMITTEE OF SEVEN MEMBERS APPOINTED AS FOLLOWS):*

((A) THE MAYOR OF THE CITY OF SAINT PAUL IS EX-OFFICIO A MEMBER OF AND THE CHAIRMAN OF THE COMMITTEE;)

((B) THREE MEMBERS OF THE COMMITTEE ARE APPOINTED ANNUALLY BY THE PRESIDENT OF THE SAINT PAUL CITY COUNCIL FROM THE MEMBERS OF THE COUNCIL, AND THREE MEMBERS ARE APPOINTED ANNUALLY BY THE CHAIRMAN OF THE BOARD OF COUNTY COMMISSIONERS FROM THE MEMBERS OF THE BOARD.)

((2) THE COMMITTEE HAS ENTIRE CHARGE OF THE BUILDING AND MAY APPOINT THE JANITOR, CUSTODIAN AND OTHER EMPLOYEES THAT IT CONSIDERS NECESSARY FOR THE PROPER CARE AND MANAGEMENT OF THE BUILDING AND AT THE COMPENSATION THAT THE COMMITTEE DETERMINES.)

((3) THE EXPENSE OF KEEPING THE BUILDING IN REPAIR AND THE NECESSARY EXPENSE OF HEATING AND MAINTAINING IT SHALL BE PAID EQUALLY BY THE CITY AND COUNTY; ONE-HALF THEREOF OUT OF

THE TREASURY OF THE CITY, AND ONE-HALF OUT OF THE TREASURY OF THE COUNTY) shall be administered and operated by the Ramsey county board of commissioners. The board shall set terms and conditions for the occupancy of the building by the city of Saint Paul, provided that Saint Paul shall be entitled to continued occupancy of the areas which it occupied as of January 1, 1981, unless both parties otherwise agree. The city of Saint Paul shall pay rent to Ramsey county in an amount equal to its proportional square foot exclusive usage or occupancy of the building, multiplied by the total expenses of maintaining, heating and operating the building. No later than April 1 of each year, the board of county commissioners shall determine the proportional square foot usage or occupancy of the city and county, respectively, and shall notify the city council of its rent, based upon the projected expenses for maintaining, heating and operating the building in the next year. Costs of improvements to exclusive space shall be borne by the occupant. Costs of improvements to nonexclusive space shall be shared and apportioned in the same manner as the annual rental payments. The rent shall be payable in equal monthly installments, and any shortfall or overpayment of rent, based upon actual expenses shall be paid by the city or refunded by the county by March 1 of the succeeding year.

(b) [SATURDAY CLOSING.] (1) [AUTHORITY.] Ramsey county and the city of Saint Paul may jointly, by resolution adopted by both the board of commissioners and the city council, close the building containing the principal offices of the city and the county, known as the city hall and court house, on Saturday.

(2) [EFFECT OF CLOSING.] An act authorized, required or permitted by law or contract to be performed at or in the city hall and court house on Saturday may be performed on the next succeeding regular business day and no liability or loss of rights on the part of any person shall result from the closing.

(3) [OPEN, ADDITIONAL HOURS.] The city hall and court house may be kept open for the transaction of business on the next business day following each Saturday until 9:00 p.m.

(c) [ROOMS FOR LAW LIBRARY.] In Ramsey county, the (COURT HOUSE AND CITY HALL COMMITTEE) board of county commissioners may provide rooms in the court house and city hall for the use of a law library and the (COMMITTEE) board may install its library therein by purchase, leasing or securing it from an individual or association upon the terms and conditions that to it is for the interest of the people.

Sec. 2. Minnesota Statutes 1980, Section 260.019, Subdivision 3, is amended to read:

Subd. 3. The chief judge shall (NOT) designate any judge to hear cases arising under sections 260.011 to 260.301 as his

principal or exclusive assignment for *no* more than (THREE) *six* years out of any (SIX) 12 year period.

Sec. 3. Minnesota Statutes 1980, Section 484.65, Subdivision 1, is amended to read:

Subdivision 1. In the fourth judicial district, a family court division of the district court is hereby created to be presided over by a district court judge appointed by the chief judge of the judicial district to serve for a term not exceeding (TWO) *six* years. The judge appointed to this office shall be designated as the district court judge, family court division. No judge may be appointed to serve consecutive terms as the district court judge, family court division.

Sec. 4. [REPEALER.]

Laws 1980, Chapter 612, Section 5, is repealed.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 and 4 are effective for the county fiscal year beginning January 1, 1982 after the filing of local approval certificates pursuant to Minnesota Statutes, Section 645.021, Subdivision 3, by both the city council of the city of St. Paul and the board of county commissioners of Ramsey county.

Sections 2 and 3 shall become effective the day after final enactment and be applicable to incumbent juvenile court and family court judges."

Delete the title in its entirety and insert:

"A bill for an act relating to local government; changing responsibilities for the administration of the Ramsey county court house and Saint Paul city hall building; authorizing appointment of district court judges to hear cases arising under the juvenile court act for terms up to six years; lengthening the term of the presiding judge of Hennepin County family court division; amending Minnesota Statutes 1980, Sections 260.19, Subdivision 3; 484.65, Subdivision 1; Laws 1974, Chapter 435, Section 3.12; and repealing Laws 1980, Chapter 612, Section 5."

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

Senate Conferees: ROBERT J. TENNESSEN, JACK DAVIES and PETER P. STUMPF.

House Conferees: KATHLEEN A. BLATZ, JAMES I. RICE and RANDY C. KELLY.

Blatz moved that the report of the Conference Committee on S. F. No. 445 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 445, A bill for an act relating to courts; providing service periods on Hennepin and Ramsey County district courts, juvenile divisions or family division; authorizing appointment of district court judges to hear cases arising under the juvenile court or family court act for terms up to four years; amending Minnesota Statutes 1980, Sections 260.019, Subdivision 3; 484.64, Subdivision 1; and 484.65, Subdivisions 1 and 6.

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 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Sherman |
| Ainley | Evans | Kelly | Ogren | Sherwood |
| Anderson, B. | Ewald | Knickerbocker | Olsen | Sieben, M. |
| Anderson, G. | Fjoslien | Kostohryz | Onnen | Simoneau |
| Anderson, I. | Forsythe | Kvam | Osthoff | Skoglund |
| Anderson, R. | Friedrich | Lehto | Otis | Stadum |
| Battaglia | Gruenes | Lemen | Peterson, B. | Staten |
| Begich | Gustafson | Levi | Peterson, D. | Stowell |
| Berkelman | Halberg | Long | Piepho | Sviggum |
| Blatz | Hanson | Ludeman | Pogemiller | Swanson |
| Brandl | Harens | Luknic | Redalen | Valan |
| Brinkman | Hauge | Mann | Reding | Valento |
| Carlson, D. | Haukoos | Marsh | Rees | Vanasek |
| Carlson, L. | Heap | McCarron | Reif | Vellenga |
| Clark, K. | Heinitz | McDonald | Rice | Voss |
| Clawson | Himle | McEachern | Rodriguez, C. | Weaver |
| Dahlvang | Hoberg | Mehrkens | Rodriguez, F. | Welch |
| Dean | Hokanson | Metzen | Rose | Welker |
| Dempsey | Hokr | Minne | Rothenberg | Wenzel |
| Den Ouden | Jacobs | Munger | Samuelson | Wieser |
| Drew | Jennings | Murphy | Sarna | Wigley |
| Eken | Johnson, C. | Nelsen, B. | Schafer | Zubay |
| Elioff | Johnson, D. | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Ellingson | Jude | Niehaus | Schreiber | |
| Erickson | Kaley | Novak | Searles | |

Those who voted in the negative were:

| | | | | |
|-----------|------------|------|--------|-------|
| Byrne | Greenfield | Kahn | Norton | Wynia |
| Clark, J. | | | | |

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. 1212.

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. 1212

A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

May 15, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1212, 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. 1212 be further amended as follows:

Page 2, delete lines 10 and 11 and insert *"liquor store unless the city council has first held a public hearing on the proposed transfer. Exceptions to the provisions of this section shall include funds for capital improvements, bonding costs and construction and repairs which can be amortized and paid from funds generated by the operation of the liquor store."*

Page 2, line 14, after *"publish"* insert *"a balance sheet using generally accepted accounting procedures and"*

Amend the title as follows:

Page 1, line 5, after *"statement"* insert *"and balance sheet"*

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

Senate Conferees: CHARLES R. DAVIS, JAMES C. PEHLER and RANDOLPH W. PETERSON.

House Conferees: JOHN T. CLAWSON, PAUL A. OGREN and WILLIAM D. DEAN.

Clawson moved that the report of the Conference Committee on S. F. No. 1212 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1212, A bill for an act relating to municipalities; discontinuance of unprofitable municipal liquor stores; restricting expenditure of public funds for liquor store operation; publication of operating statement; amending Minnesota Statutes 1980, Section 340.353, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 426 and 471.

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 106 yeas and 17 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Anderson, B. | Forsythe | Kvam | Onnen | Stadum |
| Anderson, G. | Greenfield | Laidig | Osthoff | Stowell |
| Anderson, I. | Gruenes | Lemen | Otis | Stumpf |
| Anderson, R. | Gustafson | Levi | Peterson, B. | Swanson |
| Battaglia | Halberg | Long | Peterson, D. | Tomlinson |
| Begich | Hanson | Luknic | Pogemiller | Valan |
| Berkelman | Hauge | Mann | Reding | Valento |
| Brandl | Heap | Marsh | Rees | Vanasek |
| Brinkman | Heinitz | McCarron | Reif | Vellenga |
| Byrne | Himle | McDonald | Rice | Voss |
| Carlson, L. | Hoberg | McEachern | Rodriguez, F. | Weaver |
| Clark, J. | Hokanson | Metzen | Rose | Welch |
| Clawson | Hokr | Minne | Samuelson | Wenzel |
| Dahlvang | Jacobs | Munger | Sarna | Wieser |
| Den Ouden | Johnson, C. | Murphy | Schoenfeld | Wigley |
| Drew | Johnson, D. | Nelsen, B. | Schreiber | Wynia |
| Eken | Jude | Nelson, K. | Searles | Zubay |
| Elioff | Kahn | Norton | Shea | Spkr. Sieben, H. |
| Ellingson | Kaley | Novak | Sherman | |
| Erickson | Kelly | O'Connor | Sieben, M. | |
| Evans | Knickerbocker | Ogren | Simoneau | |
| Fjoslien | Kostohryz | Olsen | Skoglund | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|----------|---------------|--------|
| Aasness | Haukoos | Ludeman | Piepho | Welker |
| Ainley | Jennings | Mehrkens | Rodriguez, C. | |
| Dempsey | Kalis | Niehaus | Schafer | |
| Friedrich | Lehto | Nysether | Sviggum | |

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. 660.

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. 660

A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

May 12, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 660, 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. 660 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 238.08, Subdivision 5, is amended 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. *A member of the commission may, by ordinance adopted in the manner provided by section 412.191, subdivision 4, adopt by reference the joint cable communication franchise in the manner provided by section 471.62.* 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. 2. Minnesota Statutes 1980, Section 375.58, Subdivision 3, is amended to read:

Subd. 3. At the option of the county board, the following positions may be excluded from the jurisdiction of the county personnel department:

(a) Any or all positions subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and (393.07, SUBDIVISION 5) *256.012*;

(b) Positions designated as temporary or seasonal;

(c) Positions held by special deputies and volunteers serving without pay;

(d) Positions held by students in training.

Sec. 3. Minnesota Statutes 1980, Section 375.62, is amended to read:

375.62 [CIVIL SERVICE AND MERIT SYSTEM RELATIONSHIPS.]

Unless a county board has elected to exclude any or all positions otherwise subject to merit systems established pursuant to sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and (393.07, SUBDIVISION 5) *256.012*, from the jurisdiction of the personnel department, the provisions of sections 12.22, subdivision 3, 144.071, 387.31 to 387.45, and (393.07, SUBDIVISION 5) *256.012* and any rules and regulations promulgated pursuant to those sections shall be superseded insofar as they are inconsistent; provided that no positions subject to merit systems established pursuant to sections 12.22, subdivision 3; 144.071; and (393.07, SUBDIVISION 5) *256.012*, shall be removed from existing merit system coverage and placed under a personnel department established pursuant to sections 375.56 to 375.71, until that personnel department is certified (BY THE UNITED STATES CIVIL SERVICE COMMISSION AS MEETING THE OPERATING STANDARDS OF A MERIT SYSTEM) *in accordance with the United States office of personnel management's standards for a merit system of personnel administration.* Nothing in section 387.43, shall be construed to prohibit the inclusion of sheriff's department personnel in a personnel system established pursuant to sections 375.56 to 375.69.

Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to local government; providing for adoption of certain joint cable franchises; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 238.08, Subdivision 5; 375.58, Subdivision 3; and 375.62."

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

Senate Conferees: ROBERT J. SCHMITZ, EARL W. RENNEKE and ERIC D. PETTY.

House Conferees: TOM REES, LYNDON R. CARLSON and DOROTHY I. HOKR.

Rees moved that the report of the Conference Committee on S. F. No. 660 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 660, A bill for an act relating to counties; providing correct references to certain civil service procedures; amending Minnesota Statutes 1980, Sections 375.58, Subdivision 3; and 375.62.

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 was 122 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Aasness | Eken | Hokr | Marsh | Piepho |
| Ainley | Elioff | Jacobs | McDonald | Pogemiller |
| Anderson, B. | Ellingson | Jennings | McEachern | Reding |
| Anderson, G. | Erickson | Johnson, C. | Metzen | Rees |
| Anderson, I. | Esau | Johnson, D. | Minne | Reif |
| Anderson, R. | Evans | Jude | Munger | Rice |
| Battaglia | Fjoslien | Kahn | Murphy | Rodriguez, C. |
| Begich | Forsythe | Kaley | Nelsen, B. | Rodriguez, F. |
| Berkelman | Friedrich | Kalis | Nelson, K. | Rose |
| Blatz | Greenfield | Kelly | Niehaus | Rothenberg |
| Brandl | Hanson | Knickerbocker | Norton | Sarna |
| Brinkman | Gustafson | Kostohryz | Novak | Schoenfeld |
| Byrne | Halberg | Kvam | Nysether | Searles |
| Carlson, L. | Hanson | Laidig | O'Connor | Shea |
| Clark, J. | Harens | Lehto | Ogren | Sherman |
| Clawson | Hauge | Lemen | Olsen | Sieben, M. |
| Dahlvang | Haukoos | Levi | Onnen | Simoneau |
| Dean | Heap | Long | Osthoff | Skoglund |
| Dempsey | Heinitz | Ludeman | Otis | Stadum |
| Den Ouden | Hoberg | Luknic | Peterson, B. | Staten |
| Drew | Hokanson | Mann | Peterson, D. | Stowell |

| | | | | |
|-----------|----------|--------|--------|------------------|
| Stumpf | Valan | Voss | Wieser | Spkr. Sieben, H. |
| Sviggum | Valento | Weaver | Wigley | |
| Swanson | Vanasek | Welch | Wynia | |
| Tomlinson | Vellenga | Wenzel | Zubay | |

Those who voted in the negative were:

Schafer Welker

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

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 301, A bill for an act relating to taxation; income; providing a deduction for certain funeral expenses of a spouse or dependent; amending Minnesota Statutes 1980, Section 290.09, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE I

Section 1. Minnesota Statutes 1980, Section 297.02, Subdivision 1, is amended to read:

Subdivision 1. [RATES.] A tax is hereby imposed upon the sale of cigarettes in this state or having cigarettes in possession in this state with intent to sell and upon any person engaged in business as a distributor thereof, at the following rates, subject to the discount provided in section 297.03:

(1) On cigarettes weighing not more than three pounds per thousand, (NINE) 11.5 mills on each such cigarette;

(2) On cigarettes weighing more than three pounds per thousand, (18) 23 mills on each such cigarette.

Sec. 2. Minnesota Statutes 1980, Section 297.13, Subdivision 1, is amended to read:

Subdivision 1. [CIGARETTE TAX APPORTIONMENT ACCOUNT.] Notwithstanding any other provisions of law,

(FIVE AND ONE-HALF) *four and three-tenths* percent of the revenues received from taxes, penalties and interest under sections 297.01 to 297.13 shall be deposited by the commissioner of revenue in the general fund and credited to a special account to be known as the "natural resources account," which is hereby created. Expenditures shall be made from said account only as may be authorized by law to carry out the provisions of this act and in conformance with the provisions of chapter 16. (FIVE AND ONE-HALF) *four and three-tenths* percent shall be deposited in the general fund and credited to the "natural resources acceleration" account for the purposes provided in Laws 1969, Chapter 879, Section 4. The balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner in the general fund and credited to the general fund.

Sec. 3. Minnesota Statutes 1980, Section 297.22, Subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon the use or storage by consumers of cigarettes in this state, and upon such consumers, at the following rates:

- (1) On cigarettes weighing not more than three pounds per thousand, (NINE) *11.5* mills on each such cigarette;
- (2) On cigarettes weighing more than three pounds per thousand, (18) *23* mills on each such cigarette.

Sec. 4. Minnesota Statutes 1980, Section 297.32, Subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon all tobacco products in this state and upon any person engaged in business as a distributor thereof, at the rate of (20) *27* percent of the wholesale sales price of such tobacco products except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes in section 297.02, subdivision 1, clause (1), subject to the discount provided in section 297.35, subdivision 1. Such tax shall be imposed at the time the distributor (1) brings, or causes to be brought, into this state from without the state tobacco products for sale; (2) makes, manufactures, or fabricates tobacco products in this state for sale in this state; or (3) ships or transports tobacco products to retailers in this state, to be sold by those retailers.

Sec. 5. Minnesota Statutes 1980, Section 297.32, Subdivision 2, is amended to read:

Subd. 2. A tax is hereby imposed upon the use or storage by consumers of tobacco products in this state, and upon such con-

sumers, at the rate of (20) 27 percent of the cost of such tobacco products, except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes in section 297.22, subdivision 1, clause (1).

The tax imposed by this subdivision shall not apply if the tax imposed by subdivision 1 on such tobacco products has been paid.

This tax shall not apply to the use or storage of tobacco products in quantities of:

1. Not more than 50 cigars;
2. Not more than 10 oz. snuff or snuff powder;
3. Not more than 1 lb. smoking or chewing tobacco or other tobacco products not specifically mentioned herein, in the possession of any one consumer.

Sec. 6. Minnesota Statutes 1980, Section 297A.25, Subdivision 1, is amended to read:

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, *but does not include the following:*

(i) *chewing gum and candy products;*

(ii) *carbonated beverages, beverages commonly referred to as soft drinks containing less than 15 percent fruit juice, or bottled water other than noncarbonated and noneffervescent bottled water sold in individual containers of one gallon or more in size;*

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property (except as provided in section 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. 7. Minnesota Statutes 1980, Section 340.47, Subdivision 1, is amended to read:

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) 32 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) 92 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) \$1.84 per gallon;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of (\$3.08) \$3.60 per gallon;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of (\$1.50) \$1.74 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) \$5.10 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 1/16 shall be taxed at the same rate as shall be taxed for 1/16 of a gallon; provided, however, that the contents of miniatures containing two fluid ounces or less shall be taxed (12) 14 cents.

Sec. 8. Minnesota Statutes 1980, 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) *eight* 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) 24 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) 49 cents per liter;

(4) On all wines containing more than 24 percent of alcohol by volume, the sum of (81) 94 cents per liter;

(5) On all natural and artificial sparkling wines containing alcohol, the sum of (40) 47 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) \$1.35 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) 14 cents.

Sec. 9. Minnesota Statutes 1980, Section 340.47, Subdivision 2, is amended to read:

Subd. 2. [ON FERMENTED MALT BEVERAGES.] An excise tax is hereby assessed, imposed, and levied upon the sale, either directly or indirectly of fermented malt beverages other than for shipment in interstate or foreign commerce. Such tax shall not be imposed or collected upon fermented malt beverages given away by a brewery for consumption only upon the brewery premises, for which no charge of any kind is made or collected; nor shall fermented malt liquors distributed to brewery employees for consumption only upon the brewery premises pursuant to a contract of employment be subject to such tax. Such tax shall be levied and collected at the rate of (\$2) \$2.32 per barrel of 31 gallons, containing not more than 3.2 percent of alcohol by weight, and a tax of (\$4) \$4.64 per barrel of 31 gallons containing more than 3.2 percent of alcohol by weight, and at a proportional rate for fractional parts thereof. All the receipts from these taxes shall be paid into the general fund by the commissioner of revenue. Any brewer producing and selling within this state fermented malt beverages shall receive a credit of \$2 per barrel on the first 75,000 barrels, regardless of alcohol content.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 5 and 7 to 9 are effective the day following final enactment. Section 6 is effective for sales made after June 30, 1981.

ARTICLE II

APPROPRIATIONS

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 article, to be available for the fiscal years indicated for each purpose. The figures "1982", and "1983", wherever used in this article, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

| | 1982 | 1983 | TOTAL |
|---------------|--------------|--------------|--------------|
| General | \$38,694,520 | \$59,192,400 | \$97,886,920 |

APPROPRIATIONS Available for the Year Ending June 30

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

Sec. 2. EDUCATION AIDS

| | | |
|-------------------------------------|------------|------------|
| Subdivision 1. Foundation Aid | 16,100,000 | 19,715,500 |
|-------------------------------------|------------|------------|

The appropriation for the first year is for aid for fiscal year 1982 payable in fiscal year 1982. The appropriation for the second year includes \$1,800,000 for aid for fiscal year 1982 payable in fiscal year 1983, and \$17,917,500 for aid for fiscal year 1983 payable in fiscal year 1983. These amounts are added to the amounts appropriated for foundation aid in the law enacted at the 1981 regular session styled as House File No. 70.

| | | |
|------------------------------|--|---------|
| Subd. 2. Summer School | | 162,000 |
|------------------------------|--|---------|

This appropriation is for 1982 summer school programs and shall be added to the amount appropriated for 1982 summer school programs in the law enacted

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

at the 1981 regular session styled as
House File No. 70

| | | |
|--|-----------|-----------|
| Subd. 3. Special Education Aid | 6,509,520 | 7,399,900 |
|--|-----------|-----------|

The appropriation for the first year is for aid for fiscal year 1982 payable in fiscal year 1982. The appropriation for the second year includes \$723,280 for aid for fiscal year 1982 payable in fiscal year 1983, and \$6,676,620 for aid for fiscal year 1983 payable in fiscal year 1983. These appropriations are added to the amounts appropriated for special education aid in the law enacted at the 1981 regular session styled as House File No. 70.

| | | |
|--|-----------|-----------|
| Sec. 3. HIGHER EDUCATION COORDINATING BOARD | 5,435,000 | 3,565,000 |
|--|-----------|-----------|

\$3,685,000 the first year and \$1,815,000 the second year is for scholarships and grants-in-aid, and \$1,750,000 the first year and \$1,750,000 the second year is for private college contracts.

Sec. 4. PUBLIC WELFARE

| | | |
|---|------------|------------|
| Medical Assistance for Nursing Home Residents and Others | 10,650,000 | 28,350,000 |
|---|------------|------------|

This appropriation shall be added to the amounts appropriated for medical assistance in the law enacted at the 1981 regular session styled as House File No. 1446, Section 2, Subdivision 4, and is for the purpose of providing for reserved bed days for residents of long term care facilities; paying for restorative and maintenance therapy; increasing the amount of liquid assets that the spouse of a person residing in a nursing home may retain; establishing a drug formulary; increasing the amount of money available in fiscal year 1983 for paying the costs of care of elderly residents of nursing homes; changing the base year for vendor reimbursements from the

| | 1982 | 1983 |
|--|------|------|
| | \$ | \$ |

50th percentile of 1978 usual and customary fees to the 50th percentile of 1980 usual and customary fees; and changing the percentage increase on limits for payments to medical assistance vendors from 8 percent in the first year to 10 percent in each year of the biennium.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 5. A law enacted at the 1981 regular session styled as House File No. 70, as added in Article I, Section 21, Subdivision 1, is amended to read:

Sec. 21. [124.2122.] [BASIC FOUNDATION AID.]

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be (\$1,318) \$1,338 for 1980 payable 1981 levies and for foundation aid for the 1981-1982 school year. The formula allowance shall be (\$1,400) \$1,422 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year.

Sec. 6. Minnesota Statutes 1980, Section 124.32, Subdivision 1, as amended by a law enacted at the 1981 regular session styled as House File No. 70, Article III, Section 11, is amended to read:

Subdivision 1. ((A) FOR THE 1981-1982 AND 1982-1983 SCHOOL YEARS,) The state shall pay to any district for the employment in its educational program for handicapped children (65) 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a prorata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

((B) BEGINNING IN THE 1983-1984 SCHOOL YEAR AND EACH YEAR THEREAFTER, THE STATE SHALL PAY TO ANY DISTRICT FOR THE EMPLOYMENT IN ITS EDUCATIONAL PROGRAM FOR HANDICAPPED CHILDREN 70 PERCENT OF THE SALARY OF ESSENTIAL PERSONNEL FOR THE NORMAL SCHOOL YEAR FOR EACH FULL TIME PERSON EMPLOYED, OR A PRO RATA

AMOUNT FOR A PART TIME PERSON OR A PERSON EMPLOYED FOR A LIMITED TIME, WHETHER THE ESSENTIAL PERSONNEL ARE EMPLOYED BY A DISTRICT ALONE OR JOINTLY WITH ANOTHER DISTRICT.)

Sec. 7. Minnesota Statutes 1980, Section 256B.02, Subdivision 8, as amended by a law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 26, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

(1) Inpatient hospital services.

(2) Skilled nursing home services and services of intermediate care facilities. (PAYMENT SHALL BE MADE ONLY FOR DAYS ON WHICH THE ELIGIBLE INDIVIDUAL IS IN THE NURSING HOME OR FACILITY.)

(3) Physicians' services.

(4) Outpatient hospital or clinic services.

(5) Home health care services.

(6) Private duty nursing services.

(7) (NO PAYMENTS SHALL BE MADE PURSUANT TO THIS CHAPTER DIRECTLY TO PHYSICAL THERAPISTS, OCCUPATIONAL THERAPISTS, SPEECH PATHOLOGISTS AND AUDIOLOGISTS. PRESCRIBED RESTORATIVE THERAPY AND SPECIALIZED MAINTENANCE THERAPY WHICH MUST BE PROVIDED BY PHYSICAL THERAPISTS, OCCUPATIONAL THERAPISTS, SPEECH PATHOLOGISTS AND AUDIOLOGISTS IN A NURSING HOME, BOARDING CARE HOME OR SUPERVISED LIVING FACILITY SHALL BE INCLUDED IN THE PER DIEM RATE OF THE FACILITY. SPECIALIZED MAINTENANCE THERAPY WHICH MUST BE PROVIDED BY A THERAPIST SHALL NOT INCLUDE AMBULATION, PASSIVE RANGE OF MOTION, TRANSFER AND ACTIVITIES OF DAILY LIVING, AND TEACHING AND FOLLOW-UP WHICH ARE CONSIDERED NURSING CARE SERVICES. PAYMENTS TO MEDICARE-CERTIFIED REHABILITATION AGENCIES SHALL BE LIMITED TO PAYMENTS FOR PHYSICIAN SERVICES AND PRESCRIBED RESTORATIVE THERAPY PROVIDED BY PHYSICAL THERAPISTS, OCCUPATIONAL THERAPISTS, SPEECH PATHOLOGISTS AND AUDIOLOGISTS) *Physical therapy and related services.*

- (8) Dental services, excluding cast metal restorations.
- (9) Laboratory and x-ray services.

(10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. (THE COMMISSIONER SHALL PRESCRIBE A DRUG FORMULARY. PAYMENTS FOR PRESCRIBED DRUGS SHALL BE LIMITED AS FOLLOWS, UNLESS PRIOR AUTHORIZATION FOR EXCEPTIONS IS RECEIVED FROM THE COMMISSIONER: (A) ONE PRESCRIPTION PER MAINTENANCE DRUG PER MONTH; AND (B) THREE PRESCRIPTIONS PER MONTH PER RECIPIENT. "DRUG FORMULARY" MEANS THE LIST OF DRUGS APPROVED BY THE COMMISSIONER UPON THE ADVICE OF THE DRUG FORMULARY COMMITTEE THAT ARE REIMBURSABLE UNDER THE STATE MEDICAL ASSISTANCE PROGRAM. PROMULGATION AND PUBLICATION OF THE FORMULARY SHALL BE EXEMPT FROM THE REQUIREMENTS OF CHAPTER 15. THE FORMULARY SHALL NOT INCLUDE: (A) DRUGS LACKING FDA APPROVAL FOR SAFETY AND EFFICACY; (B) OVER-THE-COUNTER DRUGS, EXCEPT FOR ANTACIDS, ACETAMINOPHEN, FAMILY PLANNING PRODUCTS, ASPIRIN, INSULIN, PRENATAL VITAMINS, AND VITAMINS FOR CHILDREN UNDER AGE 7; (C) NUTRITIONAL PRODUCTS; (D) ANORECTICS; AND (E) DRUGS FOR WHICH MEDICAL VALUE HAS NOT BEEN ESTABLISHED. THE DRUG FORMULARY COMMITTEE SHALL REVIEW ALL DRUGS AND ADVISE THE COMMISSIONER AS TO THEIR INCLUSION OR EXCLUSION FROM THE DRUG FORMULARY. THE FORMULARY COMMITTEE SHALL BE COMPRISED OF ONE REPRESENTATIVE EACH OF: THE UNIVERSITY OF MINNESOTA'S SCHOOL OF DENTISTRY, SCHOOL OF MEDICINE AND COLLEGE OF PHARMACY; THE MINNESOTA MEDICAL ASSOCIATION; THE MINNESOTA STATE PHARMACEUTICAL ASSOCIATION; THE DEPARTMENT OF HEALTH, AND THE DEPARTMENT OF PUBLIC WELFARE. THE COMMISSIONER OR HIS AGENT SHALL SERVE AS SECRETARY TO THE COMMITTEE.) *The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall not be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of public welfare, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two*

year terms and shall serve without compensation. Promulgation of the formulary shall be consistent with the requirements of section 15.0412, subdivision 5.

(11) Diagnostic, screening, and preventive services.

(12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

(13) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion.

(14) Transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory.

(15) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care.

(16) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

Sec. 8. Minnesota Statutes 1980, Section 256B.03, as amended by a law enacted in the 1981 regular session styled as House File No. 1446, Article II, Section 27, is amended to read:

256B.03 [PAYMENTS TO VENDORS.]

Subdivision 1. [GENERAL LIMIT.] All payments for medical assistance hereunder must be made to the vendor.

Subd. 2. [LIMIT ON ANNUAL INCREASE TO LONG-TERM CARE PROVIDERS.] Notwithstanding the provisions of sections 256B.42 to 256B.48, *a law enacted in the 1981 regular session styled as House File No. 1446, Article II, Section 2,* and rules promulgated under those sections, rates paid to a skilled nursing facility or an intermediate care facility, including boarding care facilities and supervised living facilities, except state owned and operated facilities, for (THE FIRST) rate (YEAR) *years* beginning during the biennium ending June 30, 1983, shall not exceed by more than (EIGHT) *ten* percent the final rate allowed to the facility for the preceding rate year.

Notwithstanding provisions of Minnesota Statutes, Section 256B.45, Subdivision 1, the commissioner shall not increase the percentage for investment allowances.

Sec. 9. Minnesota Statutes 1980, Section 256B.06, Subdivision 1, as amended by a law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 28, is amended to read:

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. For the purposes of this section, "homestead" means the house owned and occupied by the applicant as his dwelling place, together with the land upon which it is situated and an area no greater than two contiguous lots in a platted or laid out city or town or the smallest parcel allowed under applicable zoning regulations in unplatted land. 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 or unless sale of the real estate would net an insignificant amount of income applicable to the family's needs, or unless the commissioner determines that sale of the real estate would cause undue hardship; and

(8) Who individually does not own more than \$2,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$4,000 in cash or liquid assets, plus \$200 for each additional legal dependent (*, EXCEPT THAT*). *When only one spouse resides, or will reside after applying for medical assistance, in a nursing home, or is receiving or will receive alternative care under the alternative care grants program in a county with preadmission screening under section 256B.091, the cash or liquid asset amount for two family members is \$10,000.* The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to Minnesota Statutes, Chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, Subdivision 1e; 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 (husband 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 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, and shall disregard income of disabled persons that is also disregarded in determining eligibility for supplemental aid under section 256D.37, subdivision 1, unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver. 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; and

(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. 10. Minnesota Statutes 1980, Section 256B.08, is amended to read:

256B.08 [APPLICATION.]

An applicant for medical assistance hereunder, or a person acting in his behalf, shall file his application with a county agency in such manner and form as shall be prescribed by the state agency. *When a married applicant resides in a nursing home or applies for medical assistance for nursing home services, the county agency shall consider an application on behalf of the applicant's spouse only upon specific request of the applicant or upon specific request of the spouse and separate filing of an application.*

Sec. 11. A law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 2, Subdivision 1, is amended to read:

Subdivision 1. *Notwithstanding the provisions of a law enacted at the 1981 regular session styled as House File No. 1446, Article II, Section 2, Subdivision 2, Clause (c) all payments for vendors of medical care under (MEDICAL ASSISTANCE AND) general assistance medical care shall be (LIMITED TO) based upon this standard: the 50th percentile of usual and customary fees based upon medical assistance billings during calendar year 1978. All payments for vendors of medical care under medical assistance shall be limited to the 50th percentile of usual and customary fees based upon billings during calendar year 1980 for physician services, dental care, vision care, podiatric services, chiropractic care, physical therapy, occupational therapy, speech pathologists, audiologists, mental health centers, psychologists, public health clinics, and independent laboratory and x-ray services.*

Sec. 12. [BUDGET REVIEW CONTINUED.]

The policy of the 72nd legislature shall be to continue to review the 1982-83 state budget during the interim between the 1981 and 1982 sessions in order to find cost savings to further reduce expenditures in the biennium budget.

Sec. 13. [EFFECTIVE DATE; EFFECT.]

Section 5 is effective only if the amounts appropriated in section 2, subdivision 1 of this article are available to the department of education to pay school districts the increased aid amounts required by section 5 of this article. Section 6 of this article is effective only if the amounts appropriated in section 2, subdivision 3 of this article are available to the department of education to pay school districts the increased aid amounts required by section 6 of this article. If sections 5 and 6 of this article become effective, they shall supersede Article I, Section 21, Subdivision 1, and Article III, Section 11, respectively of the law enacted at the 1981 regular session styled as House File No. 70."

Delete the title and insert:

"A bill for an act relating to taxation; increasing the rate of the tax on cigarettes, little cigars, tobacco products, and alcoholic beverages; imposing the sales tax on candy and soft drinks; supplementing appropriations for the expenses of state government with certain conditions; amending Minnesota Statutes 1980, Sections 124.32, Subdivision 1, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 297.02, Subdivision 1; 297.13, Subdivision 1; 297.22, Subdivision 1; 297.32, Subdivisions 1

and 2; 297A.25, Subdivision 1; 340.47, Subdivisions 1, 1a, and 2; amending laws enacted at the 1981 regular session styled as H. F. No. 70, Article I, Section 21, Subdivision 1; and H. F. No. 1446, Article II, Section 2, Subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 301 was read for the second time.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 407

A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; amending Minnesota Statutes 1980, Section 60C.09, Subdivision 1.

May 14, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 407, 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. 407 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 60C.03, is amended by adding a subdivision to read:

Subd. 8. "Insolvent insurer" means an insurer licensed to transact insurance in this state, either at the time the policy was issued, or when the insured event occurred, and against whom an order of liquidation with a finding of insolvency has been entered after the effective date of this section by a court of competent jurisdiction, in the insurer's state of domicile or of this state, under the provisions of Minnesota Statutes, Chapter 60B, and which order of liquidation has not been stayed or been the subject of a writ of supersedeas or other comparable order.

Sec. 2. Minnesota Statutes 1980, Section 60C.09, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] A covered claim is any unpaid claim, including one for unearned premium, which:

(a) Arises out of *and is within the coverage of* an insurance policy issued by a member insurer if such insurer becomes an insolvent insurer after the effective date of this section;

(b) Arises out of a class of business which is not excepted from the scope of Laws 1971, Chapter 145 by section 60C.02; *and*

((C) HAS BEEN APPROVED IN THE LIQUIDATION OF THE INSURER ISSUING THE POLICY, CARRIED OUT UNDER CHAPTER 60B OR UNDER SIMILAR LAWS OF ANOTHER STATE OR COUNTRY; AND)

((D)) (c) Is made by:

(i) A policyholder, or an insured beneficiary under a policy, who, at the time of the insured event, was a resident of this state; or

(ii) A person designated in the policy as having an insurable interest in or related to property situated in this state at the time of the insured event; or

(iii) An obligee or creditor under any surety bond, who, at the time of default by the principal debtor or obligor, was a resident of this state; or

(iv) A third party claimant under a liability policy or surety bond, if: (a) the insured or the third party claimant was a resident of this state at the time of the insured event; (b) the claim is for bodily or personal injuries suffered in this state by a person who when he suffered the injuries was a resident of this state; or (c) the claim is for damages to real property situated in this state at the time of damage; or

(v) A direct or indirect assignee of a person who except for the assignment might have claimed under (i), (ii) or (iii).

Sec. 3. Minnesota Statutes 1980, Section 60C.10, Subdivision 3, is amended to read:

Subd. 3. If the board finds that a claim for which the claimant has requested payment out of the fund is not a covered claim or the board reduces the amount of or rejects the (AWARD UNDER SUBDIVISION 2) *claim*, the board shall notify the claimant in writing of his rights under section 60C.12.

Sec. 4. [REPEALER.]

Minnesota Statutes 1980, Section 60C.10, Subdivision 2, is repealed."

Delete the title and insert:

"A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; defining an insolvent insurer; amending Minnesota Statutes 1980, Sections 60C.03, by adding a subdivision; 60C.09, Subdivision 1; and 60C.10, Subdivision 3; repealing Minnesota Statutes 1980, Section 60C.10, Subdivision 2."

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

House Conferees: ANN WYNIA, ROBERT L. ELLINGSON and JOHN R. KALEY.

Senate Conferees: IRVING M. STERN, OTTO T. BANG, JR. and JACK DAVIES.

Wynia moved that the report of the Conference Committee on H. F. No. 407 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 407, A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; amending Minnesota Statutes 1980, Section 60C.09, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|-----------|
| Aasness | Carlson, L. | Fjoslien | Hokanson | Laidig |
| Ainley | Clark, J. | Forsythe | Hokr | Lehto |
| Anderson, B. | Clawson | Friedrich | Jacobs | Lemen |
| Anderson, G. | Dahlvang | Greenfield | Jennings | Levi |
| Anderson, I. | Dean | Gruenes | Johnson, C. | Long |
| Anderson, R. | Dempsey | Gustafson | Johnson, D. | Ludeman |
| Battaglia | Den Ouden | Halberg | Jude | Luknic |
| Begich | Drew | Hanson | Kahn | Mann |
| Berkelman | Eken | Hauge | Kaley | Marsh |
| Blatz | Elioff | Haukoos | Kalis | McCarron |
| Brandl | Ellingson | Heap | Kelly | McDonald |
| Brinkman | Erickson | Heinitz | Knickerbocker | McEachern |
| Byrne | Esau | Himle | Kostohryz | Metzen |
| Carlson, D. | Evans | Hoberg | Kvam | Minne |

| | | | | |
|------------|---------------|------------|-----------|------------------|
| Munger | Otis | Rose | Staten | Welch |
| Murphy | Peterson, B. | Rothenberg | Stowell | Welker |
| Nelsen, B. | Peterson, D. | Samuelson | Stumpf | Wenzel |
| Nelson, K. | Piepho | Sarna | Sviggum | Wieser |
| Niehaus | Pogemiller | Schafer | Swanson | Wigley |
| Norton | Redalen | Schoenfeld | Tomlinson | Wynia |
| Novak | Reding | Searles | Valan | Zubay |
| Nysether | Rees | Shea | Valento | Spkr. Sieben, H. |
| Ogren | Reif | Sieben, M. | Vanasek | |
| Olsen | Rice | Simoneau | Vellenga | |
| Onnen | Rodriguez, C. | Skoglund | Voss | |
| Osthoff | Rodriguez, F. | Stadum | Weaver | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 691

A bill for an act relating to court reporting; permitting the use of electronic recording equipment in certain district court proceedings; amending Minnesota Statutes 1980, Sections 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484.

May 14, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 691, 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. 691 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [484.72] [ELECTRONIC RECORDING OF COURT PROCEEDINGS.]

Subdivision 1. [AUTHORIZATION.] Except as provided in subdivision 4, electronic recording equipment may be used to record court proceedings in lieu of a court reporter. However, at the request of any party to any proceedings, the court may, in its discretion, require a competent stenographer who meets minimum qualifications promulgated by the supreme court, to make a complete stenographic record of the proceedings.

Subd. 2. [APPOINTMENT OF OPERATOR, COSTS AND PAYMENT.] The court shall have the authority to appoint a

person or persons to operate and monitor electronic recording equipment. The person or persons may be paid on a salary basis, on a contract basis, or such other basis as the court deems appropriate.

Subd. 3. [SPECIFICATION FOR ELECTRONIC RECORDING EQUIPMENT; QUALIFICATIONS FOR OPERATOR.] For the purpose of this section the state court administrator shall promulgate specifications for acceptable electronic recording equipment used to record court proceedings and minimum qualifications for the persons who operate and monitor the equipment.

Subd. 4. [LIMITATIONS ON USE OF ELECTRONIC RECORDING EQUIPMENT.] A competent stenographer who meets minimum qualifications promulgated by the supreme court, shall make a complete stenographic record of the following court proceedings:

(1) Felony and gross misdemeanor offenses, except arraignments and first appearance in district court as specified in rule 8 of the rules of criminal procedure.

(2) District court jury trials.

(3) Contested district court trials and fact-finding hearings. Where required by statute or court rule, electronic recording equipment may be used in addition to the services of a competent stenographer.

Subd. 5. [MALFUNCTION OF ELECTRONIC RECORDING.] If, when electronic recording equipment is used, a malfunction occurs in the recording process so that the recording is incomplete, the court may declare a mistrial if the malfunction is discovered during the trial. If the malfunction is discovered in the course of preparing a transcript after a verdict has been entered, the court may grant a new trial upon motion of any party.

Sec. 2. Minnesota Statutes 1980, Section 486.02, is amended to read:

486.02 [STENOGRAPHIC RECORD.]

(SUCH REPORTER) Except as provided in section 1, a competent stenographer who meets minimum qualifications promulgated by the supreme court, shall make a complete stenographic record of all testimony given and all proceedings had before the judge upon the trial of issues of fact, with or without a jury, or before any referee appointed by such judge. In so doing he shall take down all questions in the exact language thereof, and all answers thereto precisely as given by the witness or by

the sworn interpreter. He shall also record, verbatim, all objections made, and the grounds thereof as stated by counsel, all rulings thereon, all exceptions taken, all motions, orders, and admissions made and the charge to the jury. When directed so to do by the judge, he shall make a like record of any other matter or proceeding, and shall read to such judge or referee any record made by him, or transcribe the same, without charge, for any purpose in furtherance of justice.

Sec. 3. Minnesota Statutes 1980, Section 486.03, is amended to read:

486.03 [FURNISH TRANSCRIPT; FILE RECORD.]

As soon as the trial is ended the reporter or operator of electronic recording equipment shall file his stenographic report, or tape recording, thereof with the clerk, or elsewhere, if the judge shall so direct; and, upon request of any person interested and payment or tender of his fees therefor, he shall furnish a transcript of such record in the words and figures represented by the characters used in making the same and for that purpose he may take and retain such record so long as may be necessary, when it shall be returned to the files.

Sec. 4. Minnesota Statutes 1980, Section 484.545, Subdivision 2, is amended to read:

Subd. 2. (THE JUDGES, BY ORDER FILED WITH THE COUNTY AUDITORS ON OR BEFORE THE FIRST MONDAY IN AUGUST, 1975, AND ANNUALLY ON OR BEFORE THE FIRST MONDAY IN JANUARY THEREAFTER SHALL FIX AND ESTABLISH THE SALARY OF EACH LAW CLERK NOT TO EXCEED \$15,000 PER YEAR WITHOUT THE APPROVAL OF THE COUNTY BOARD OF EACH OF THE COUNTIES INVOLVED, AND SHALL APPORTION THE TOTAL SALARIES PAID AMONG THE SEVERAL COUNTIES TO WHICH THE JUDGES ARE ASSIGNED, ACCORDING TO THE POPULATION OF EACH COUNTY.) *Notwithstanding any law to the contrary, in all judicial districts, except the fourth judicial district, a salary range for law clerks shall be established annually by the judicial district administrator with the approval of a majority of judges of the district. The salary for each law clerk shall be set within that range annually by the district administrator after consultation with the chief judge.*

Nothing herein shall change the manner by which law clerk salaries are paid, the proportions among the various counties of a judicial district by which the funds are allocated or any statutory provision related to law clerk compensation other than the manner of setting salary. Each county shall be required by the order to pay a specified amount thereof in monthly installments which shall be such proportion of the whole salaries as the popu-

lation of the county is to the total population of the counties to which the judge is assigned as determined by the last census.

Sec. 5. Minnesota Statutes 1980, Section 484.545, is amended by adding a subdivision to read:

Subd. 4. All law clerks in every judicial district, shall serve without tenure at the pleasure of the appointing judge or judges.

Sec. 6. [EFFECTIVE DATE.]

Section 1, subdivisions 3 and 4 are effective the day after final enactment. Section 1, subdivisions 1, 2 and 5, and sections 2 and 3 are effective upon promulgation of the specifications and qualifications as provided in section 1, subdivision 3."

Delete the title and insert:

"A bill for an act relating to courts; permitting the use of electronic recording equipment in certain district court proceedings; permitting all judicial districts except Hennepin county to set salaries of law clerks; clarifying that all law clerks are unclassified employees and without tenure; amending Minnesota Statutes 1980, Sections 484.545, Subdivision 2, and by adding a subdivision; 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484."

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

House Conferees: KENNETH P. ZUBAY, TAD JUDE and RICHARD M. O'CONNOR.

Senate Conferees: NANCY BRATAAS, GENE MERRIAM and BOB LESSARD.

Zubay moved that the report of the Conference Committee on H. F. No. 691 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 691, A bill for an act relating to court reporting; permitting the use of electronic recording equipment in certain district court proceedings; amending Minnesota Statutes 1980, Sections 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484.

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 4 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | Nysether | Sherman |
| Ainley | Fjoslien | Knickerbocker | O'Connor | Sieben, M. |
| Anderson, B. | Forsythe | Kostohryz | Ogren | Skoglund |
| Anderson, G. | Friedrich | Kvam | Olsen | Stadum |
| Anderson, I. | Greenfield | Laidig | Onnen | Staten |
| Battaglia | Gruenes | Lehto | Osthoff | Stowell |
| Begich | Halberg | Lemen | Otis | Stumpf |
| Berkelman | Hanson | Levi | Peterson, B. | Sviggum |
| Blatz | Harens | Long | Peterson, D. | Swanson |
| Brandl | Hauge | Ludeman | Piepho | Tomlinson |
| Brinkman | Haukoos | Luknic | Pogemiller | Valan |
| Byrne | Heap | Mann | Redalen | Valento |
| Carlson, D. | Heinitz | Marsh | Reding | Vanasek |
| Carlson, L. | Himle | McDonald | Rees | Vellenga |
| Clark, J. | Hoberg | McEachern | Reif | Voss |
| Clawson | Hokanson | Mehrkens | Rice | Weaver |
| Dahlvang | Hokr | Metzen | Rodriguez, F. | Welch |
| Dean | Jacobs | Minne | Rose | Welker |
| Dempsey | Jennings | Munger | Rothenberg | Wenzel |
| Den Ouden | Johnson, C. | Murphy | Samuelson | Wieser |
| Drew | Johnson, D. | Nelsen, B. | Sarna | Wigley |
| Elioff | Jude | Nelson, K. | Schafer | Wynia |
| Ellingson | Kahn | Niehaus | Schoenfeld | Zubay |
| Erickson | Kaley | Norton | Searles | Sprk. Sieben, H. |
| Esau | Kalis | Novak | Shea | |

Those who voted in the negative were:

Gustafson McCarron Rodriguez, C. Simoneau

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 936

A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

May 13, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 936, 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. 936 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 90.031, Subdivision 4, is amended to read:

Subd. 4. The executive council may formulate and establish, from time to time, (SUCH) rules (AND REGULATIONS AS) it deems advisable for the transaction of timber business of the state, *including approval of the sale of timber on any tract in a lot exceeding \$20,000 when the sale is in the best interests of the state, and may abrogate, modify, or suspend (SUCH) rules (AND REGULATIONS) at its pleasure.*

Sec. 2. Minnesota Statutes 1980, Section 90.041, is amended by adding a subdivision to read:

Subd. 4. In May of each year, the commissioner shall hold a public meeting in each forest area to inform the public of the manner in which the cutting list for that area for the next fiscal year is proposed to be allocated between informal, intermediate and regular auction sales. The public shall be afforded an opportunity to provide written and oral comments concerning the proposed allocation.

Sec. 3. Minnesota Statutes 1980, Section 90.101, Subdivision 1, is amended to read:

Subdivision 1. The commissioner may sell the timber on any tract of state land in lots not exceeding (\$7,500) *\$20,000* in appraised value and may determine the number of sections or fractional sections of land to be covered by any one permit issued to the purchaser of timber on state lands, or in any one contract or other instrument relating thereto. No timber shall be sold, except to the highest bidder at public auction, and the minimum price shall be the appraised value as fixed by the report of the state appraiser. All sales shall be held in the county in which the tract is located and no sale shall be held in more than one location on any one day.

Sec. 4. [90.121] [INTERMEDIATE AUCTION SALES; MAXIMUM LOTS OF \$7,000.]

The commissioner may sell the timber on any tract of state land in lots not exceeding \$7,000 in appraised value, in the same manner as timber sold at public auction under section 90.101, and related laws, subject to the following special exceptions and limitations:

(1) sales shall be at the forest office or other public facility most accessible to potential bidders or close to where the tract is located;

(2) the commissioner's list describing the tract, quantity of timber, and appraised price shall be compiled not less than 30 days before the date of sale and a copy of the list posted not less than 30 days before the date of the sale;

(3) notice of the sale shall be published once, not less than one week before the date of the sale;

(4) no bidder may be awarded more than 25 percent of the total tracts offered at the first round of bidding unless fewer than four tracts are offered, in which case not more than one tract shall be awarded to one bidder. Any tract not sold shall be available for a period of 90 days for purchase by persons eligible under this section at the appraised value;

(5) the bond or deposit required pursuant to section 90.161 or 90.173 shall be given or deposited before any cutting begins or not later than nine months after the date of sale, whichever is earlier;

(6) in lieu of the placing of the marks M I N on cut products as prescribed under section 90.151, subdivision 2, all landings of cut products shall be legibly marked with the name of the permit holder and the assigned permit number;

(7) no person may hold more than four permits issued under this section and no sale may be made to a person holding four permits which are still in effect or to a person having more than 20 employees;

(8) the permit may not exceed one year in duration;

(9) if the purchaser for good and sufficient reason is unable to cut the timber within the one year permit period, the commissioner may grant one extension for a period of up to one year from the date of expiration of the original permit without interest, and one additional extension of one year with interest;

(10) if all cut timber, equipment, and buildings, are not removed at the end of any 120 day extension period which the commissioner may grant for removal, the commissioner may grant a second period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of a request by the permit holder for hardship reasons only.

The auction sale procedure set forth in this section constitutes an additional alternative timber sale procedure available to the commissioner and is not intended to replace other authority

possessed by the commissioner to sell timber in lots of \$7,000 or less.

Sec. 5. Minnesota Statutes 1980, Section 90.151, Subdivision 11, is amended to read:

Subd. 11. Except as authorized under section 90.191, any permit (FAILING) *which fails to conform to the requirements of this section or, in the case of a permit issued under section 4, which fails to conform to the requirements of section 4,* shall be void (ON ITS FACE).

Sec. 6. Minnesota Statutes 1980, Section 90.151, Subdivision 13, is amended to read:

Subd. 13. The commissioner may grant extensions of timber permits and contracts (, WHETHER ISSUED BEFORE OR AFTER JULY 1, 1967,) for (SUCH) periods as the commissioner deems advisable, provided that (1) for permits issued on or after May 15, 1975 the total of (SUCH) *the* extensions shall not exceed three years from the date of the expiration of the original permit, and (2) for permits issued prior to May 15, 1975 the total of (SUCH) *the* extensions and the original permit term shall not exceed ten years from date of issuance of the permit. All extensions granted pursuant to this subdivision shall be subject to all the provisions of this chapter. The commissioner shall include in each extension a condition that the purchaser shall pay to the state interest at the rate of (SIX) *eight* percent of the unpaid purchase price for each year of (SUCH) extension or portion thereof to the date of the seasonal scale report of products cut as computed on the sale price of the timber cut, or if not cut, upon the official estimate thereof; however, the purchaser is not required to pay interest totaling \$1 or less.

Sec. 7. Minnesota Statutes 1980, Section 90.161, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided by law the purchaser of any state timber, before any timber permit to him shall become effective for any purpose, shall within 90 days from the date of purchase give a good and valid bond to the state of Minnesota equal to the value of all timber covered or to be covered by the permit, as shown by the sale price bid therefor and the appraisal report thereof as to quantity, *less the amount of any payment pursuant to section 90.14,* which bond shall be conditioned upon the faithful performance by the purchaser and his successors in interest of all the terms and conditions of the permit and all requirements of law in respect to such sales; and the bond shall be approved in writing by the commissioner and filed for record in his office.

Sec. 8. Minnesota Statutes 1980, Section 90.173, is amended to read:

90.173 [PURCHASER'S OR ASSIGNEE'S CASH DEPOSIT IN LIEU OF BOND.]

In lieu of filing the bond required by section 90.161 or 90.171, as security for the issuance or assignment of a timber permit the person required to file (SUCH) *the* bond may deposit with the state treasurer cash, a certified check, (OR) a cashier's check, a postal, bank, or express money order, assignable bonds or notes of the United States, or an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit, in the same amount as would be required for a bond. *If securities listed in this section are deposited, the par value of the securities shall be not less than the amount required for the timber sale bond, and the person required to file the timber sale bond shall submit an agreement authorizing the commissioner to sell or otherwise take possession of the security in the event of default under the timber sale. All of the conditions of the timber sale bond shall equally apply to (SUCH) the deposit with the state treasurer. In the event of a default the state may take from (SUCH) the deposit the sum of money to which it is entitled; the remainder, if any, shall be returned to the person making (SUCH) the deposit and shall bear interest at the rate determined pursuant to section 549.09 if not returned within 30 days from the date of the default. (SUCH) Sums of money as may be required by the state treasurer to carry out the terms and provisions of this section are (HEREBY) appropriated from the general fund to the state treasurer for (SUCH) these purposes. When cash is deposited for a bond, it shall be applied to the amount due when a statement is prepared and transmitted to the permit holder pursuant to section 90.181. Any balance due to the state shall be shown on the statement and shall be paid as provided in section 90.181. Any amount of the deposit in excess of the amount determined to be due pursuant to section 90.181 shall be returned to the permit holder when a final statement is transmitted pursuant to that section. All or part of a cash bond may be withheld from application to an amount due on a non-final statement if it appears that the total amount due on the permit will exceed the bid price.*

Sec. 9. Minnesota Statutes 1980, Section 90.181, Subdivision 2, is amended to read:

Subd. 2. [DEFERRED PAYMENTS.] If the amount of the statement is not paid within 30 days of the date thereof, it shall bear interest at the rate (OF SIX PERCENT PER ANNUM FROM DATE) *determined pursuant to section 549.09, except that the purchaser shall not be required to pay (SUCH) interest that totals \$1 or less. If the amount is not paid within 60 days, the commissioner shall place the account in the hands of the attorney general who shall proceed to collect the same. When deemed in the best interests of the state, the commissioner shall*

(DEEM IT FOR THE BEST INTEREST OF THE STATE HE SHALL) take possession of the timber for which (SUCH) *an* amount is due wherever it may be found and sell the same informally or at public auction after giving (SUCH NOTICE AS HE DEEMS) reasonable *notice*. The proceeds of (SUCH) *the* sale shall be applied, first, to the payment of the expenses of seizure and sale; and, second, to the payment of the amount due for (SUCH) *the* timber, with interest; and the surplus, if any, shall belong to the state; and, in case a sufficient amount is not realized to pay (SUCH) *these* amounts in full, the balance shall be collected by the attorney general. Neither payment of (SUCH) *the* amount, nor the recovery of judgment therefor, nor satisfaction of (SUCH) *the* judgment, nor the seizure and sale of (SUCH) timber, shall release the sureties on any bond given pursuant to this chapter, or preclude the state from afterwards claiming that (SUCH) *the* timber was cut or removed contrary to law and recovering damages for the trespass thereby committed, or from prosecuting the offender criminally.

Sec. 10. Minnesota Statutes 1980, Section 90.191, Subdivision 1, is amended to to read:

Subdivision 1. The commissioner may sell the timber on any tract of state land in lots not exceeding (\$1,500) \$3,000 in appraised value, without formalities but for not less than the full appraised value thereof, to any (INDIVIDUAL) *person*. No sale shall be made under this section to any person holding two permits issued hereunder which are still in effect; *except that (1) a partnership as defined in chapter 323, which may include spouses but which shall provide evidence that a partnership exists, may be holding two permits for each of not more than three partners who are actively engaged in the business of logging or who are the spouses of persons who are actively engaged in the business of logging with that partnership; and (2) a corporation, a majority of whose shares and voting power are owned by natural persons related to each other within the fourth degree of kindred according to the rules of the civil law or their spouses or estates, may be holding two permits for each of not more than three shareholders who are actively engaged in the business of logging or who are the spouses of persons who are actively engaged in the business of logging with that corporation.*

Sec. 11. [EXTENSION OF CERTAIN TIMBER PERMITS.]

The commissioner of natural resources may extend for an additional period of not to exceed one year any timber permit issued pursuant to Minnesota Statutes, Section 90.191, which expires during 1981. This extension shall be in addition to any extension previously granted pursuant to section 90.191; shall be made without additional charge, and shall otherwise be subject to the requirements of section 90.191.

Sec. 12. Minnesota Statutes 1980, Section 282.04, Subdivision 1, as amended to read:

Subdivision 1. [TIMBER SOLD FOR CASH.] The county auditor may sell dead, down and mature timber upon any tract that may be approved by the natural resources commissioner. Such sale of timber products shall be made for cash at not less than the appraised value determined by the county board to the highest bidder after not less than one week's published notice in an official paper within the county. Any timber offered at such public sale and not sold may thereafter be sold at private sale by the county auditor at not less than the appraised value thereof, until such time as the county board may withdraw such timber from sale. The appraised value of the timber and the forestry practices to be followed in the cutting of said timber shall be approved by the commissioner of natural resources. Payment of the full sale price of all timber sold on tax-forfeited lands shall be made in cash at the time of the timber sale. The county board may require final settlement on the basis of a scale of cut products. Any parcels of land from which timber is to be sold by scale of cut products shall be so designated in the published notice of sale above mentioned, in which case the notice shall contain a description of such parcels, a statement of the estimated quantity of each species of timber thereon and the appraised price of each specie of timber for 1,000 feet, per cord or per piece, as the case may be. In such cases any bids offered over and above the appraised prices shall by percentage, the percent bid to be added to the appraised price of each of the different species of timber advertised on the land. The purchaser of timber from such parcels shall pay in cash at the time of sale at the rate bid for all of the timber shown in the notice of sale as estimated to be standing on the land, and in addition shall pay at the same rate for any additional amounts which the final scale shows to have been cut or was available for cutting on the land at the time of sale under the terms of such sale. Where the final scale of cut products shows that less timber was cut or was available for cutting under terms of such sale than was originally paid for, the excess payment shall be refunded from the forfeited tax sale fund upon the claim of the purchaser, to be audited and allowed by the county board as in case of other claims against the county. No timber, except hardwood pulpwood, may be removed from such parcels of land or other designated landings until scaled by a person or persons designated by the county board and approved by the commissioner of natural resources. Landings other than the parcel of land from which timber is cut may be designated for scaling by the county board by written agreement with the purchaser of the timber. The county board may, by written agreement with the purchaser and with a consumer designated by him when the timber is sold by the county auditor, and with the approval of the commissioner of natural resources, accept the consumer's scale of cut products delivered at the consumer's landing. No timber shall be removed until fully paid for in cash. Small amounts of green standing, dead, down,

dying, insect infected or diseased timber not exceeding (\$1,500) \$3,000 in appraised valuation may be sold for not less than the full appraised value at private sale to individual persons without first publishing notice of sale or calling for bids, provided that in case of such sale involving a total appraised value of more than \$200 the sale shall be made subject to final settlement on the basis of a scale of cut products in the manner above provided and not more than two such sales, directly or indirectly to any individual shall be in effect at one time. As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations or organized subdivisions of the state at public or private vendue, and at such prices and under such terms as the county board may prescribe, for use as cottage and camp sites and for agricultural purposes and for the purpose of taking and removing of hay, stumpage, sand, gravel, clay, rock, marl, and black dirt therefrom, and for garden sites and other temporary uses provided that no leases shall be for a period to exceed ten years; provided, further that any leases involving a consideration of more than \$300 per year, except to an organized subdivision of the state shall first be offered at public sale in the manner provided herein for sale of timber. Upon the sale of any such leased land, it shall remain subject to the lease for not to exceed one year from the beginning of the term of the lease. Any rent paid by the lessee for the portion of the term cut off by such cancellation shall be refunded from the forfeited tax sale fund upon the claim of the lessee, to be audited and allowed by the county board as in case of other claims against the county. The county auditor, with the approval of the county board is authorized to grant permits, licenses, and leases to tax-forfeited lands for the depositing of stripping, lean ores, tailings, or waste products from mines or ore milling plants, upon such conditions and for such consideration and for such period of time, not exceeding 15 years, as the county board may determine; said permits, licenses, or leases to be subject to approval by the commissioner of natural resources. Any person who removes any timber from tax-forfeited land before said timber has been scaled and fully paid for as provided in this subdivision is guilty of a misdemeanor. The county auditor may, with the approval of the county board and the commissioner of natural resources, and without first offering at public sale, grant leases, for a term not exceeding 25 years, for the removal of peat from tax-forfeited land upon such terms and conditions as the county board may prescribe.

Provided, however, that no lease for the removal of peat shall be made by the county auditor pursuant to this section without first holding a public hearing on his intention to lease. One printed notice in a legal newspaper in the county at least ten days before the hearing, and posted notice in the courthouse at least 20 days before the hearing shall be given of the hearing.

Notwithstanding any contrary provision in section 2, in 1981 the meetings required by that section shall be held not later than July 1, 1981.

Sec. 14. [EFFECTIVE DATE.]

Sections 2, 11 and 13 are effective the day following final enactment. The remaining sections of this act are effective August 1, 1981."

Delete the title and insert:

"A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for intermediate auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; permitting extension of certain timber permits; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.041, by adding a subdivision; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.161, Subdivision 1; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90."

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

House Conferees: ARLENE I. LEHTO, WILLARD M. MUNGER and MYRON E. NYSETH.

Senate Conferees: MARV HANSON, BOB LESSARD and GERALD L. WILLET.

Lehto moved that the report of the Conference Committee on H. F. No. 936 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 936, A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

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 | Erickson | Kalis | Nysether | Sieben, M. |
| Ainley | Esau | Kelly | Ogren | Simoneau |
| Anderson, B. | Evans | Kostohryz | Olsen | Skoglund |
| Anderson, G. | Fjoslien | Kvam | Onnen | Stadum |
| Anderson, I. | Forsythe | Laidig | Osthoff | Staten |
| Anderson, R. | Friedrich | Lehto | Otis | Stowell |
| Battaglia | Greenfield | Lemen | Peterson, B. | Stumpf |
| Begich | Gruenes | Levi | Peterson, D. | Sviggum |
| Berkelman | Gustafson | Long | Piepho | Swanson |
| Blatz | Hanson | Ludeman | Pogemiller | Tomlinson |
| Brandl | Harens | Luknic | Redalen | Valan |
| Brinkman | Hauge | Mann | Reding | Valento |
| Byrne | Haukoos | Marsh | Rees | Vanasek |
| Carlson, D. | Heap | McCarron | Reif | Vellenga |
| Carlson, L. | Heinitz | McDonald | Rice | Voss |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Weaver |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Welch |
| Clawson | Hokanson | Metzen | Rose | Welker |
| Dahlvang | Hokr | Minne | Rothenberg | Wenzel |
| Dean | Jacobs | Munger | Samuelson | Wieser |
| Dempsey | Jennings | Murphy | Sarna | Wigley |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wynia |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Zubay |
| Eken | Jude | Niehaus | Searles | Spkr. Sieben, H. |
| Elioff | Kahn | Norton | Shea | |
| Ellingson | Kaley | Novak | Sherman | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 487

A bill for an act relating to the capitol area architectural and planning board; providing for disposition of tax-forfeited property within the capitol area; amending Minnesota Statutes 1980, Section 15.50, Subdivision 6.

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 487, 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. 487 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1974, Chapter 435, Section 3.02, Subdivision 2, as amended by Laws 1978, Chapter 745, Section 1, is amended to read:

Subd. 2. [APPOINTMENT OF CIVIL SERVICE COMMISSION, TERMS.]

(a) The board of county commissioners of Ramsey county shall by majority vote, appoint three persons as the first members of a civil service commission to serve for terms of two, four and six years. *On or before August 1, 1981, the board shall appoint two additional members to serve on the civil service commission, making a total of five commission members. One new member shall serve for a term of five years and the other for three.* As the term of each commissioner expires, the board of county commissioners shall fill the vacancy for a term of six years.

(b) No person may act as a member of the civil service commission while holding a public office, or while holding office in a political party *above the state legislative district level*, nor for two years after having held this kind of public or political office.

(c) Each member of the commission must be a resident of the county.

(d) The board of county commissioners shall fill a vacancy occurring within a term for the unexpired portion of the term.

(e) Each commissioner shall hold office until his successor has been appointed and has qualified.

(f) The commission shall organize by electing one of its members as chairman and one as secretary. The commission shall hold regular meetings at least once a month and may hold the additional meetings that may be necessary to discharge the duties of the commission. Twenty-four hours notice of special meetings shall be given members.

Sec. 2. Laws 1974, Chapter 435, Section 3.02, Subdivision 6, as amended by Laws 1978, Chapter 745, Section 1, Laws 1979, Chapter 313, Section 2, and Laws 1981, Chapter 52, Section 1, is amended to read:

Subd. 6. [CLASSIFICATION OF SERVICE.]

(a) [DEFINITION OF COVERAGE.] The officers and employees of Ramsey County and of a county or joint county and city agency, board, commission or committee supported in whole or in part by taxation upon the taxable property of the county, or appointed by the judges of the district court or pro-

bate court for the county, or by a board or agency composed of representatives of the county and a city in the county and employees employed in hospitals, preventoria, county nursing homes, and the welfare department are divided into the unclassified and classified service.

(b) [UNCLASSIFIED SERVICE.] The unclassified service comprises:

(1) An officer elected by popular vote or a person appointed to fill a vacancy in such an office.

(2) The head or principal administrative officer of a separate department or agency created by law, the director of the welfare department.

(3) A chief deputy or principal assistant for each elected public official and for the county engineer and veterans' service officer.

(4) Each doctor, intern, student nurse and intern dietician employed by the county or a county agency.

(5) Each member of the teaching staff, supervisor and principal in the employ of the county, actually engaged in teaching or the supervision of teaching.

(6) A member of a board or commission appointed by the county, or the county and the city, or acting in an advisory capacity.

(7) A weed inspector, election judge, election clerk or other employee employed by the county for a limited period of time.

(8) A special police officer or special deputy sheriff serving without pay.

(9) A judge, court administrator, court reporter, receiver, referee, examiner or assistant examiner of titles, public defender, arbiter, juror, clerk of probate court or a person appointed by the district or probate courts to make or conduct a special inquiry of a judicial and temporary character.

(10) The director of court services and three principal assistants or division supervisors.

(11) The employees of the municipal court of Ramsey County and the judicial district administrator's office.

(12) The principal administrative officer of the detention and corrections department, his first assistant, the superin-

tendent of each departmental facility and his first assistant or chief deputy.

(13) The chief executive officer of St. Paul-Ramsey Hospital and seven principal assistants.

(14) The executive secretary or the principal administrative officer of the county and seven principal assistants, appointed and terminated by the executive secretary or the principal administrative officer, except that until January 1, 1980 such appointments and terms shall be submitted to the Ramsey County government study commission. Such consideration shall be advisory only.

(15) The Ramsey County Sheriff, his chief deputy, (TWO) *three* principal assistants and a personal secretary.

(16) The Ramsey County attorney, his first assistant, one principal assistant, and a personal secretary.

(c) [CLASSIFIED SERVICE.] (1) The classified service includes all other offices or employments in the county and county agencies, and all officers and employees not expressly placed in the unclassified service.

(2) Each employee in the classified service is placed in a graded division except an employee whose position is in a certified bargaining unit as defined under the public employment labor relations act and an employee in an ungraded division established by the county board. The ungraded division, if one is established, includes each employee in a construction trade who is engaged in the work of repair, alteration or construction of buildings for which trade there is a generally established and recognized scale of wages inside the county.

(3) (A) The superintendent and assistant superintendent of the Ramsey County nursing home are in the classified service.

(B) The provisions of Minnesota Statutes, Section 393.07, Subdivision 5, are hereby superseded insofar as they may be inconsistent with this section.

Sec. 3. Laws 1974, Chapter 435, Section 3.11, is amended to read:

Sec. 3.11. [ABSTRACT CLERK.]

((A)) *Subdivision 1.* [TERM.] In Ramsey county an abstract clerk shall be elected at the general election for county officers and his term of office is for four years and until his successor is elected and qualified.

((B)) *Subd. 2.* [DUTIES.] ((1)) The abstract clerk of Ramsey county has the sole and exclusive power, and it is his official duty to make out all official abstracts of title affecting real property inside the county, as an official thereof, and the register of deeds shall have no power or authority in the premises whatsoever.

((2)) The duties of the Ramsey county abstract clerk do not impair the power of any private person, company or corporation to make out abstracts of title as provided by the general laws of this state.

((C)) *Subd. 3.* [DUTIES AND FEES.] ((1) (A)) The records and indices in the office of county abstract clerk are public records, open to inspection, but only to the extent in this (SUBSECTION) *section* provided.

((B)) *Subd. 4.* Each record, index, abstract, copy, plat, bookkeeping record, or paper of any type whatsoever, prepared in the office, is the property of the county for the use of the county abstract clerk and his successors in office, and, at the end of the term of an abstract clerk, shall be turned over to his successor in office.

((C)) *Subd. 5.* The county abstract clerk shall permit, without fee and within reasonable business hours as not to interfere with the conduct of the work of the office, and under supervision to assure the safety of the records, inspection of the tract index as hereinafter defined, by a party interested in the ownership of a particular parcel of land, or his agent or attorney. There is no right on the part of anyone to make general or indiscriminate searches of the records or to copy a part thereof to make abstracts of title or abstract books or in any manner to deprive the abstract clerk of the fees provided by law for his official duties.

((D)) *Subd. 6.* Whoever destroys, attempts to destroy, deface, or alter any record in the office of the county abstract clerk is guilty of a gross misdemeanor.

((2) (A)) *Subd. 7.* The county abstract clerk shall maintain, current as of 8 o'clock a.m. each business day, abstract indices to the land of the county, including a tract and miscellaneous system of indices, correctly indexing each instrument filed of record in the office of the register of deeds in the county which in any manner affects the title to real property inside the county. He shall maintain currently correct as of each day, indices to all judgments in any court which are a lien on real property inside the county and all federal tax liens. He shall maintain the other and further abstract records and indices that the board of county commissioners of the county directs.

((B)) *Subd. 8.* The county abstract clerk shall furnish, within ten days, upon demand of anyone and proffer of his fees, a complete, true and perfect abstract of title to a parcel of land in the county.

((C)) *Subd. 9.* The county abstract clerk shall, without fee and within reasonable hours as not to interfere with the conduct of his office and under reasonable supervision to assure the safety of the public records, permit the use of records in the office by duly authorized representatives of other state, county, municipal or federal governmental agencies for public purposes.

((D)) *Subd. 10.* The county abstract clerk shall furnish to anyone, within 48 hours of demand, and without fee, an oral report of the apparent ownership and apparent unsatisfied encumbrance as to a parcel of land inside the county, but he shall not be responsible under the bond herein required, for the correctness of a report furnished without fee.

((E)) *Subd. 11.* The county abstract clerk shall not be required, without demand and proffer of fees as herein set forth, to furnish a report of personal judgments in a court against a person, firm or corporation.

((F)) *Subd. 12.* The county abstract clerk and his deputies and employees shall not be permitted to practice law, or demand or receive a fee for an opinion as to the condition of the title to a parcel of real estate, save as to reports of the apparent record ownership, nor to prepare or execute papers incident to the transfer of title to real property or in any manner act as advisor or counsellor at law or as agent for the sale of real property or in any manner assume the function of lawyer, real estate broker or advisor.

((G)) *Subd. 13.* The county abstract clerk may appoint a deputy county abstract clerk to act in his stead and behalf, and for whose acts the county abstract clerk is responsible.

((3)) *Subd. 14.* The board of county commissioners in Ramsey county shall appoint each year a committee to inspect the records and the conduct of the office of the county abstract clerk, the committee to consist of an accountant representing the office of the county auditor, a representative of the county attorney's office and one member of the board, each of whom will serve without further compensation than provided by law for their respective positions. The committee shall inspect the records of the office of county abstract clerk at least once each year and report to the board of county commissioners on the fees collected, the public service rendered, the condition of the public records therein contained and the general conduct of the office. *The committee shall before January 1, 1982 complete a comprehensive audit of the records of the office of the abstract clerk*

for calendar years 1980 and 1981. The county abstract clerk shall permit the committee to inspect each record of whatsoever nature having to do with his conduct of the office upon demand at any time.

((4)) Subd. 15. The county abstract clerk (MAY) shall charge, collect and retain for (HIS OWN) the use of the county, fees for his services (TO) which shall be set by the county board. (IF THE COUNTY BOARD DOES NOT SET THE FEES TO BE CHARGED, THE COUNTY ABSTRACT CLERK MAY SET THE FEES) The county board shall also set the compensation of the abstract clerk, the deputy and employees and appropriately incorporate them into the Ramsey county civil service system.

((5)) Subd. 16. Before the county abstract clerk enters upon his duties, he shall give bond to the county, at county expense, in the penal sum of \$5,000, to be approved by the county board, conditioned that he will faithfully discharge the duties of his office, and shall give bond to the public, in the penal sum of \$10,000, at his own expense, to be approved by the county board, conditioned that he shall pay all damages suffered by anyone through any error deficiency in any abstract of title or registered property report issued by his office.

((6)) Subd. 17. The board of county commissioners of Ramsey county shall fill each vacancy in the office of county abstract clerk, for whatever cause, by appointment. The person so appointed shall give the bond and take the oath required by law, and shall hold for the remainder of the unexpired term, and until his successor qualifies.

Subd. 18. The office of county abstract clerk is an agency of Ramsey county for the purposes of the Ramsey county civil service statute and the public employment labor relations act and for all other purposes provided by law.

Sec. 4. Laws 1980, Chapter 612, Section 3, is amended to read:

Sec. 3. [SAINT PAUL AND MINNEAPOLIS, (CITY) CITIES OF; EMPLOYMENT OF UNIVERSITY OR COLLEGE STUDENTS.]

Notwithstanding any contrary provisions of the Saint Paul city charter and the Minneapolis city charter or, 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 and the city of Minneapolis 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 substantially 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. 5. Minnesota Statutes 1980, Section 15.50, Subdivision 6, is amended to read:

Subd. 6. (a) The city of Saint Paul shall have the power to convey without compensation therefor to the state any property owned by it within the boundaries of the capitol area pursuant to the plan adopted by the board; and the state shall have the authority to transfer to the city of Saint Paul without compensation any property acquired by it for the purposes of Laws 1969, Chapter 1150, which lies within the street lines of the streets to be established as a part of the city's portion of said plan.

(b) The tax-forfeited lands which are held by the state in trust for the several taxing subdivisions of the state and which are within the boundaries of the capitol area as fixed by the plan recommended to the governor by the governor's advisory committee or by the plan adopted by the board as provided in Laws 1969, Chapter 1150, shall not, *except as provided in this subdivision*, be subject to sale or repurchase under any act, now in effect or hereafter enacted unless it shall be expressly provided in such act that the provisions of Laws 1969, Chapter 1150, shall be superseded, modified or repealed.

The following procedure shall be used with respect to the tax-forfeited lands within the boundaries of the capitol area:

(1) *When the state gains custody of the tax-forfeited lands in the capitol area which are to be held in trust for taxing subdivisions of the state, the Ramsey county board of commissioners shall compile a list of these lands after the fee ownership has been recorded in the county recorder's office and submit the list to the board. The list shall include a property description of the tax-forfeited parcel and a listing of the buildings or structures thereon.*

(2) *Within 90 calendar days after receipt of the Ramsey county board of commissioners' list, the board, at its discretion, may: (i) direct the commissioner of revenue to release the tax-forfeited parcel from the trust for the taxing subdivision of the state, which action shall vest unencumbered title to the property in the name of the state; or (ii) authorize the parcel to be disposed of pursuant to chapter 282, provided that the parcel*

be thereafter utilized in accord with a portion or all of the standards, policies or guidelines in the board's comprehensive use plan.

(3) If the board fails to act within the prescribed 90-day period, the tax-forfeited parcel's disposition shall be governed by chapter 282.

(4) Unless and until the commissioner of revenue releases a tax-forfeited parcel from the trust for the taxing subdivision and during the aforementioned 90-day waiting period, the Ramsey county board of commissioners is authorized to maintain the parcel to minimize risks to persons and property contiguous to the parcel. If the parcel is conveyed from the trust to the state, the commissioner of administration shall assume these maintenance responsibilities.

(d) The commissioner of revenue shall (HAVE POWER), upon application by the board (TO), release any lands referred to in clause (b) from the trust in favor of the taxing subdivisions of the state. Upon the execution of such release, the commissioner shall certify the fact of such release to the county auditor of Ramsey county. The forms of such release and certificate shall be prescribed by the attorney general.

(e) Neither any member of the board, nor any person employed or retained by the board shall have any financial interest, direct or indirect, in any business enterprise or activity, or in the construction or maintenance of facilities for such enterprise or activity, within the capitol area for which approval of the board is in any way required by law. Any person violating the provisions of this paragraph shall be guilty of a gross misdemeanor.

Sec. 6. Minnesota Statutes 1980, Section 140.21, is amended to read:

140.21 [LIBRARY FEE.]

Subdivision 1. The clerk of the district court of the second judicial district and the clerk of the probate court of the second judicial district shall collect a law library fee from each plaintiff and person commencing a civil action in district court or commencing a proceeding in probate court, at the time of the filing of the first paper and in the manner in which other fees are collected and in addition thereto, and shall collect a law library fee from each defendant and each other adverse or intervening party, when his appearance is entered in the action or when the first paper on his part is filed.

Subd. 2. The law library trustees shall, with the approval of the Ramsey county board of commissioners, set the amount of the library fee.

Subd. 3. The law library fee is a cost in the action and taxable as such, and is to be allotted for the support of the library.

Sec. 7. Minnesota Statutes 1980, Section 488A.20, Subdivision 4, is amended to read:

Subd. 4. [DISPOSITION OF FINES, FEES AND OTHER MONEYS; ACCOUNTS.] (a) Except as otherwise provided herein and except as otherwise provided by law, the administrator shall pay to the Ramsey county treasurer all fines and penalties collected by him, all fees collected by him for services of himself, all sums forfeited to the court as hereinafter provided, and all other moneys received by the administrator.

(b) The administrator of court shall for each fine or penalty, provide the county treasurer with the name of the municipality or other subdivision of government where the offense was committed and the total amount of the fines or penalties collected for each such municipality or other subdivision of government.

(c) The state of Minnesota and any governmental subdivision within the jurisdictional area of the municipal court herein established may present cases for hearing before said municipal court. In the event (THAT) the court takes jurisdiction of a prosecution for the violation of a statute or ordinance by *the state or a governmental subdivision other than a city or town in Ramsey county*, all fines, penalties and forfeitures collected shall be paid over to the county treasurer except where a different disposition is provided by law, *and the following fees shall be taxed to the state or governmental subdivision other than a city or town within Ramsey County which would be entitled to payment of the fines, forfeitures or penalties in any case, and shall be paid to the administrator of the court for disposing of the matter. The administrator shall deduct the fees from any fine collected for the state of Minnesota or a governmental subdivision other than a city or town within Ramsey County and transmit the balance in accordance with the law, and the deduction of the total of the fees each month from the total of all the fines collected is hereby expressly made an appropriation of funds for payment of the fees:*

(1) *In all cases where the defendant is brought into court and pleads guilty and is sentenced, or the matter is otherwise disposed of without a trial \$5*

(2) *In arraignments where the defendant waives a preliminary examination \$10*

(3) *In all other cases where the defendant stands trial or has a preliminary examination by the court. . . . \$15*

(4) *The court shall have the authority to waive the collection of fees in any particular case.*

(d) At the beginning of the first day of any month, the amount in the hands of the administrator which is owing to any municipality or county shall not exceed \$5,000.

(e) On or before the last day of each month, the county treasurer shall pay over to the treasurer of each municipality or subdivision of government in Ramsey county one-half of all fines or penalties collected during the previous month from those imposed for offenses committed within such municipality or subdivision of government in violation of a statute, an ordinance, charter provision, rule or regulation of a city. All other fines and forfeitures and all fees and costs collected by the county municipal court shall be paid to the treasurer of Ramsey county who shall dispense the same as provided by law.

(f) Amounts represented by checks issued by the administrator or received by the administrator which have not cleared by the end of the month may be shown on the monthly account as having been paid or received, subject to adjustment on later monthly accounts.

(g) The administrator may receive negotiable instruments in payment of fines, penalties, fees, or other obligations as conditional payments, and is not held accountable therefor but if collection in cash is made and then only to the extent of the net collection after deduction of the necessary expense of collection.

Sec. 8. Minnesota Statutes 1980, Section 488A.23, Subdivision 6, is amended to read:

Subd. 6. [EXEMPTIONS FROM FEES; NO TRIAL FEES.] No filing fees, trial fees or fees for other services are payable by the (STATE,) county (OR CITY).

Sec. 9. Minnesota Statutes 1980, Section 488A.30, Subdivision 1, is amended to read:

Subdivision 1. [JUDGES.] (a) The judges of the municipal court shall serve as judges of the conciliation court for such periods and in such rotation as the judges may determine. While so serving they shall act and be known as conciliation judges.

(b) The municipal judge who conducts the conciliation court hearing shall act upon any applications to vacate a judg-

ment or an order for judgment whatever the grounds may be and shall sign the certificate upon a removed cause, but any other municipal judge may act upon such an application or sign such a certificate in the event that the judge who conducted the hearing has not previously denied the application and cannot act upon the application promptly or sign the certificate due to expiration of his term, death, disability, absence from the courthouse or any other cause.

(c) A majority of the judges of the municipal court may appoint attorneys to act as referees in conciliation court. A majority of the judges of the municipal court shall establish qualifications for the office, specify the duties and length of service of such referees (, AND). *The board of Ramsey county commissioners is authorized to fix the compensation (NOT TO) of such referees. The compensation shall not exceed (\$50) \$75 per day or any part thereof. This compensation is payable out of the county treasury at the same time and in the same manner as salaries of the judges of conciliation court.*

Sec. 10. Minnesota Statutes 1980, Section 488A.31, Subdivision 1, is amended to read:

Subdivision 1. [FILING FEE.] An action is commenced against each defendant when the complaint is filed with the administrator of conciliation court and a filing fee (OF \$3) *set by the board of Ramsey County commissioners* is paid to the administrator or the prescribed affidavit in lieu of filing fee is filed. *No filing fee is payable by the county.*

Sec. 11. Minnesota Statutes 1980, Section 488A.31, Subdivision 5, is amended to read:

Subd. 5. [COUNTERCLAIM.] (a) The defendant may interpose as a counterclaim any claim within the jurisdiction of the court which he has against the plaintiff whether or not arising out of the transaction or occurrence which is the subject matter of the plaintiff's claim.

(b) The counterclaim shall be interposed by filing with the administrator a brief statement of the amount, date of accrual and nature of the counterclaim, verified by the defendant, his attorney or agent, and paying (A FILING FEE OF \$3) *the filing fee set by the board of Ramsey County commissioners* to the administrator. The administrator shall draw up the counterclaim on request. *No filing fee is payable by the county.*

(c) The administrator shall note the filing of the counterclaim on the original claim, promptly notify the plaintiff by mail of the filing and set the counterclaim for hearing on the same date as the original claim.

(d) The counterclaim shall be filed not less than five days before the date set for court hearing. The judge, in his discretion, may thereafter allow the filing of a written or oral counterclaim before or after hearing the merits of the claim and counterclaim. The judge, in his discretion, may require the payment of absolute or conditional costs up to (\$25) \$50 by the defendant to the plaintiff as a condition of allowing late filing in the event that a continuance is requested by the plaintiff and is granted because of such late filing.

(e) If the defendant has a counterclaim which exceeds the jurisdiction of the court and the defendant files an affidavit by himself, his attorney or agent with the administrator not less than five days before the date set for court hearing showing that he has filed with the administrator of a specified other court of competent jurisdiction a complaint seeking recovery from the plaintiff on the counterclaim and stating the nature and amount thereof, the administrator shall strike the action from the calendar and so advise the plaintiff by mail. If the plaintiff not less than 30 days nor more than three years after the filing of such an affidavit shall file an affidavit showing that he has not been served with a summons in the other action or that the other action has been finally determined, the administrator shall again set the cause for court hearing and summon the defendant in the same manner as for the initial hearing and the court shall proceed to hear and determine plaintiff's claim. If no such counter-affidavit is filed by plaintiff within three years, his original claim is dismissed without prejudice without any further action by the administrator or any judge. Prior to the expiration of this three year period the plaintiff's original claim may be dismissed by plaintiff or by court order at a hearing upon motion of the defendant.

Sec. 12. Minnesota Statutes 1980, Section 488A.33, Subdivision 5, is amended to read:

Subd. 5. [VACATION OF ORDER FOR JUDGMENT WITHIN (TEN) 20 DAYS.] When a default judgment or a judgment of dismissal on the merits has been ordered for failure to appear, the judge, within (TEN) 20 days after notice thereof was mailed, may vacate the order for judgment ex parte and grant a new hearing, if the defaulting party shows lack of notice, mistake, inadvertence, or excusable neglect as the cause of his failure to appear. Absolute or conditional costs not exceeding (\$25) \$50 to the other party may be ordered as a prerequisite to that relief. The administrator shall notify the other party by mail of the new hearing date.

Sec. 13. Minnesota Statutes 1980, Section 488A.33, Subdivision 8, is amended to read:

Subd. 8. [VACATION OF JUDGMENT AFTER (TEN) 20 DAYS.] When a defendant shows that he did not receive a sum-

mons before the hearing within sufficient time to permit a defense and that he did not receive notice of the order for default judgment within sufficient time to permit him to make application for relief within (TEN) 20 days or shows other good cause, a judge may vacate a default judgment after notice to the plaintiff and grant a new hearing on the merits with or without payment of absolute or conditional costs. The administrator shall notify the parties by mail of the new hearing date.

Sec. 14. Minnesota Statutes 1980, Section 488A.34, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR REMOVAL OF CAUSE.] No cause shall be so removed unless all the following acts are performed by the aggrieved party within (TEN) 20 days after the date the administrator mailed to him notice of the order for judgment:

(a) Serve on the opposing party or his attorney a demand for removal of the cause to the municipal court for trial de novo stating whether trial by a jury of six persons or by the court without a jury is demanded. Service shall be made upon a party in accordance with the provisions for personal service of a summons in the municipal court or shall be made upon the party's attorney in accordance with the provisions for service of a notice of motion upon an attorney in the municipal court. The demand shall show the office address of the attorney for each party and the residence address of each party who does not have an attorney.

(b) File with the administrator of conciliation court the original demand for removal and proof of service thereof. If the opposing party or his attorney cannot be found and service of the demand be made within the (TEN-DAY) 20 day period, the aggrieved party may file with the administrator within the (TEN-DAY) 20 day period the original and a copy of the demand, together with an affidavit by himself or his attorney showing that due and diligent search has been made and that the opposing party or his attorney cannot be found and the filing of this affidavit shall serve in lieu of making service and filing proof of service. When such an affidavit is filed, the administrator shall mail the copy of the demand to the opposing party at his last known address.

(c) File with the administrator of conciliation court an affidavit by the aggrieved party or his attorney stating that the removal is made in good faith and not for the purpose of delay.

(d) Pay to the administrator of conciliation court (\$6) *the fee set by the board of Ramsey County commissioners* when the demand is for trial by court, plus \$6 additional when the demand is for trial by a jury of six. *The above fee is not payable by the county.*

Sec. 15. [EFFECTIVE DATES.]

(a) Sections 1 and 5 are effective the day following final enactment.

(b) Section 2 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3 by the governing body of Ramsey County.

(c) Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Section 3 is effective January 1, 1982 without local approval.

(d) Section 4 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3 by the governing body of the city of Minneapolis."

Delete the title and insert:

"A bill for an act relating to state and local government; providing for the appointment of additional members to the Ramsey County civil service commission; establishing an additional principal assistant position in the unclassified service for the Ramsey County Sheriff's Office; designating the office of county abstract clerk as an agency of Ramsey County; regulating the clerk's salary; providing for the employment of university or college students in the city of Minneapolis; providing for the disposition of tax-forfeited property within the capitol area; authorizing the clerk of probate court in the second district to collect a certain library fee; requiring fees to be taxed to the state and certain other government subdivisions in certain criminal prosecutions; requiring the state and the city of St. Paul to pay fees in civil actions; providing for compensation for Ramsey County conciliation court referees; amending Minnesota Statutes 1980, Sections 15.50, Subdivision 6; 140.21; 488A.20, Subdivision 4; 488A.23, Subdivision 6; 488A.30, Subdivision 1; 488A.31, Subdivisions 1 and 5; 488A.33, Subdivisions 5 and 8; 488A.34, Subdivision 2; Laws 1980, Chapter 612, Section 3; Laws 1974, Chapter 435, Sections 3.02, Subdivisions 2 and 6, as amended; and 3.11."

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

House Conferees: THOMAS J. HARENS, RICHARD J. KOSTOHRZY and JOHN DREW.

Senate Conferees: PETER P. STUMPF, GERALD L. WILLET and TIMOTHY J. PENNY.

Rose moved that the House refuse to adopt the Conference Committee report on H. F. No. 487, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Rose motion and the roll was called. There were 57 yeas and 63 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-----------|---------------|------------|---------------|----------|
| Aasness | Forsythe | Lehto | Otis | Sviggum |
| Ainley | Friedrich | Ludeman | Peterson, B. | Valento |
| Brandl | Gruenes | Mann | Piepho | Vellenga |
| Brinkman | Halberg | McCarron | Reding | Voss |
| Clark, J. | Hauge | Munger | Rodriguez, C. | Welker |
| Dempsey | Hoberg | Nelsen, B. | Rose | Wieser |
| Den Ouden | Hokr | Nelson, K. | Rothenberg | Wigley |
| Erickson | Johnson, D. | Niehaus | Samuelson | Wynia |
| Esau | Kahn | Norton | Schafer | Zubay |
| Evans | Knickerbocker | O'Connor | Sherman | |
| Ewald | Kvam | Olsen | Simoneau | |
| Fjoslien | Laidig | Onnen | Stowell | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|---------------|------------------|
| Anderson, B. | Dean | Jude | Nysether | Sieben, M. |
| Anderson, G. | Drew | Kalis | Ogren | Skoglund |
| Anderson, I. | Eken | Kelly | Osthoff | Stadum |
| Anderson, R. | Elioff | Long | Peterson, D. | Stumpf |
| Battaglia | Ellingson | Luknic | Pogemiller | Swanson |
| Begich | Greenfield | Marsh | Redalen | Tomlinson |
| Berkelman | Gustafson | McDonald | Rees | Valan |
| Blatz | Harens | McEachern | Rice | Vanasek |
| Byrne | Heap | Mehrkens | Rodriguez, F. | Welch |
| Carlson, D. | Heinitz | Metzen | Sarna | Wenzel |
| Carlson, L. | Hokanson | Minne | Schoenfeld | Spkr. Sieben, H. |
| Clawson | Jacobs | Murphy | Searles | |
| Dahlvang | Johnson, C. | Novak | Shea | |

The motion did not prevail.

Harens moved that the report of the Conference Committee on H. F. No. 487 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 487, A bill for an act relating to the capitol area architectural and planning board; providing for disposition of tax-forfeited property within the capitol area; amending Minnesota Statutes 1980, Section 15.50, Subdivision 6.

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 100 yeas and 20 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|-----------|----------|-------------|
| Aasness | Anderson, G. | Battaglia | Blatz | Byrne |
| Ainley | Anderson, I. | Begich | Brandl | Carlson, D. |
| Anderson, B. | Anderson, R. | Berkelman | Brinkman | Carlson, L. |

| | | | | |
|------------|---------------|------------|---------------|------------------|
| Clark, J. | Hanson | Long | Ogren | Stadum |
| Clawson | Harens | Ludeman | Olsen | Staten |
| Dahlvang | Hauge | Luknic | Osthoff | Stowell |
| Dean | Heap | Mann | Otis | Stumpf |
| Drew | Heinitz | Marsh | Peterson, D. | Sviggum |
| Eken | Hoberg | McEachern | Pogemiller | Swanson |
| Elioff | Hokanson | Mehrkens | Redalen | Tomlinson |
| Ellingson | Hokr | Metzen | Rees | Valan |
| Erickson | Jacobs | Minne | Rice | Vanasek |
| Evans | Johnson, C. | Munger | Rodriguez, F. | Vellenga |
| Ewald | Jude | Murphy | Sarna | Voss |
| Fjoslien | Kahn | Nelsen, B. | Schoenfeld | Wenzel |
| Forsythe | Kalis | Nelson, K. | Searles | Wieser |
| Friedrich | Kelly | Niehaus | Shea | Wigley |
| Greenfield | Knickerbocker | Novak | Sherman | Wynia |
| Gruenes | Kostohryz | Nysether | Sieben, M. | Zubay |
| Gustafson | Lehto | O'Connor | Skoglund | Sprk. Sieben, H. |

Those who voted in the negative were :

| | | | | |
|-------------|----------|--------------|---------------|----------|
| Dempsey | Laidig | Onnen | Rodriguez, C. | Schafer |
| Den Ouden | Lemen | Peterson, B. | Rose | Simoneau |
| Esau | McCarron | Piepho | Rothenberg | Valento |
| Johnson, D. | Norton | Reding | Samuelson | Welker |

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

Eken 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.

Hanson was excused from 6:30 until 8:00 p.m.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1143:

Brandl, Begich and Dempsey.

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. 70, A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a property accounting system for AVTI's; providing a new aid and levy authorization for certain capital expenditures; providing for certain alternative projects; modifying certain provisions relating to teacher mobility and early retirement programs; providing for the transfer of proceeds from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; decreasing the state's obligation and changing eligibility standards for the maximum effort school aid program; appropriating money; amending Minnesota Statutes 1980, Sections 3.9278, Subdivision 1; 3.9279, Subdivisions 10 and 12; 116H.126, Subdivisions 2, 4 and 5; 120.03, by adding a subdivision; 120.0751, Subdivision 5; 120.17, Subdivisions 3b, 4, 5a, 6, 7, 9 and by adding a subdivision; 120.78, Subdivision 1; 121.90; 121.902, by adding a subdivision; 121.904, Subdivision 7 and by adding a subdivision; 121.906, Subdivisions 2 and 3; 121.912, Subdivision 1; 121.917, Subdivision 4; 121.931, Subdivision 6; 121.934, Subdivision 7; 121.935, Subdivisions 2 and 6; 121.936, Subdivisions 2 and 3 and by adding a subdivision; 121.937, Subdivision 1; 121.938, Subdivision 2; 122.22, Subdivisions 3, 4, 5, 8, 9, 11, 13, 14, and 20, and by adding a subdivision; 122.531, Subdivisions 1, 2, 3a, 5, and 6; 123.35, Subdivision 15; 123.36, Subdivision 13; 123.39, Subdivision 1; 123.702, Subdivision 1; 123.703, Subdivision 3; 123.705; 123.937; 124.01, Subdivision 1; 124.11, Subdivisions 1, 2a, 2b, 2c, 4, 5, and by adding a subdivision; 124.14, Subdivisions 2, 3, and 4, and by adding a subdivision; 124.17, Subdivisions 1, 2, 2c and by adding a subdivision; 124.20; 124.212, Subdivision 1, and by adding a subdivision; 124.213; 124.214, Subdivision 2; 124.223; 124.225, Subdivisions 1, 1a, 3, 4a, 6, 7a, 8a, 8b, 9, 11, and 11a; 124.245, Subdivisions 1 and 2, and by adding subdivisions; 124.247, Subdivision 3; 124.26, Subdivisions 1, 4 and by adding subdivisions; 124.271, Subdivisions 2, 4, 5 and by adding subdivisions; 124.32, Subdivisions 1, 1a, 1b, 5, 6, 9 and by adding a subdivision; 124.38, Subdivision 7; 124.39, Subdivision 5; 124.40, Subdivision 2; 124.41; 124.42, Subdivisions 1 and 2; 124.43, Subdivisions 1, 2, 3, 4 and 5; 124.474; 124.476; 124.561, Subdivisions 2a, 3a and by adding subdivisions; 124.562, by adding a subdivision; 124.5621, Subdivisions 2, 5, 6 and 12; 124.5622, Subdivisions 3, 4 and 5; 124.5623, Subdivisions 3, 4 and 5; 124.5624; 124.565, Subdivisions 3, 4, 6 and 7; 124.572, Subdivisions 3 and 8, and by adding subdivisions; 124.573, Subdivisions 2, 3a, 5 and by adding a subdivision; 124.574, Subdivisions 2, 4 and 8; 124.646, Subdi-

vision 1; 125.60, Subdivisions 2a and 7; 125.611, Subdivisions 1, 3, 5, 8, 9 and 10; 126.262, Subdivision 8; 126.54, Subdivision 1; 134.35, Subdivision 1; 134.351, Subdivision 5 and by adding subdivisions; 134.36; 275.125, Subdivisions 1, 2a, 2c, 6b, 6c, 7a, 8, 9, 11a, 19 and 20, and by adding subdivisions; 298.28, Subdivision 1; 354.094, Subdivisions 1, 2 and 3, and by adding a subdivision; 354.66, Subdivision 9; 354A.091, Subdivisions 1, 2 and 3, and by adding a subdivision; 354A.094, Subdivision 9; 375.335, Subdivision 4 and by adding subdivisions; Laws 1967, Chapter 822, Section 1, as amended; Laws 1973, Chapter 683, Section 26, Subdivision 1, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapters 3, 120, 121 and 124; repealing Minnesota Statutes 1980, Sections 116H.126, Subdivisions 1 and 7; 120.06, Subdivision 2; 120.17, Subdivision 3c; 120.78, Subdivision 2; 121.13; 121.49, Subdivision 2; 121.495, Subdivision 6; 122.22, Subdivisions 10, 12, 15 and 16; 122.531, Subdivision 7; 123.40, Subdivision 5; 124.01, Subdivisions 2, 3 and 4; 124.212, Subdivisions 2, 4, 5, 5a, 6c, 7c, 7d, 8a, 9, 9a, 9b, 20, 20a and 21; 124.225, Subdivisions 2, 4, 5, 7 and 8; 124.26, Subdivision 3; 124.247, Subdivision 5; 124.271, Subdivision 1a; 124.561, Subdivision 4; 124.562, Subdivisions 3 and 4; 124.566; 124.571; 126.263; 126.268, Subdivision 1; 126.52, Subdivision 12; 275.125, Subdivisions 2b, 7b, and 14.”

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. 1446, A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards; amending Minnesota Statutes 1980, Sections 16.851, by adding a subdivision; 144A.08, by adding a subdivision; 145.913, by adding a subdivision; 145.914, Subdivision 2; 241.021, by adding subdivisions; 241.13; 241.69, Subdivision 4; 245.0313; 245.765, Subdivision 1; 245.802, by adding a subdivision; 245.812, by adding a subdivision; 246.151; 246.54; 254A.03, by adding a subdivision; 256.73, Subdivision 2; 256.76, Subdivision 1; 256.87; 256.872; 256.873; 256.875; 256.877; 256B.02, Subdivision 8; 256B.03; 256B.06, Subdivision 1; 256B.091, by adding a subdivision; 256B.15; 256B.17; 256D.01, Subdivision 1; 256D.02, Subdivisions 4 and 8; 256D.03, Subdivision 2; 256D.04; 256D.05,

Subdivision 1; 256D.06, Subdivision 2, and by adding subdivisions; 256D.14; 357.021, Subdivision 2, and by adding a subdivision; 393.07, Subdivision 10; 401.04; 401.12; 517.08, Subdivision 1b, and by adding a subdivision; 518.54, by adding subdivisions; 518.551; 518.611; 518.64, Subdivision 1 and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 144; 145; 241; 245; 256D; 257 and 609; repealing Minnesota Statutes 1980, Sections 256.87, Subdivision 3; 256D.02, Subdivisions 9 and 10; and 256D.11."

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. 487, A bill for an act relating to state and local government; providing for the appointment of additional members to the Ramsey County civil service commission; establishing an additional principal assistant position in the unclassified service for the Ramsey County Sheriff's Office; designating the office of the county abstract clerk as an agency of Ramsey County; regulating the clerk's salary; providing for the employment of university or college students in the city of Minneapolis; providing for the disposition of tax-forfeited property within the capitol area; authorizing the clerk of probate court in the second district to collect a certain library fee; requiring fees to be taxed to the state and certain other government subdivisions in certain criminal prosecutions; requiring the state and the city of St. Paul to pay fees in civil actions; providing for compensation for Ramsey County conciliation court referees; amending Minnesota Statutes 1980, Sections 15.50, Subdivision 6; 140.21; 488A.20, Subdivision 4; 488A.23, Subdivision 6; 488A.30, Subdivision 1; 488A.31, Subdivisions 1 and 5; 488A.33, Subdivisions 5 and 8; 488A.34, Subdivision 2; Laws 1980, Chapter 612, Section 3; Laws 1974, Chapter 435, Sections 3.02, Subdivisions 2 and 6, as amended; and 3.11."

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. 936, A bill for an act relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for special auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; amending Minnesota Statutes 1980, Sections 90.031, Subdivision 4; 90.101, Subdivision 1; 90.151, Subdivisions 11 and 13; 90.173; 90.181, Subdivision 2; 90.191, Subdivision 1; 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 90.

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. 407, A bill for an act relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; defining an insolvent insurer; amending Minnesota Statutes 1980, Sections 60C.03, by adding a subdivision; 60C.09, Subdivision 1; and 60C.10, Subdivision 3; repealing Minnesota Statutes 1980, Section 60C.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. 691, A bill for an act relating to courts; permitting the use of electronic recording equipment in certain district court proceedings; permitting all judicial districts except Hennepin county to set salaries of law clerks; clarifying that all law clerks are unclassified employees and without tenure; amending Minnesota Statutes 1980, Sections 484.545, Subdivision 2, and by adding a subdivision; 486.02 and 486.03; and proposing new law coded in Minnesota Statutes, Chapter 484."

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. 359.

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. FLAHAVER, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 359

A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' com-

compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

May 16, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 359, report that we have agreed upon the items in dispute and recommend as follows:

The Senate concur in the House amendments and that S. F. No. 359 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 10A.01, Subdivision 18, is amended to read:

Subd. 18. “Public official” means any:

- (a) Member of the legislature;
- (b) Constitutional officer in the executive branch and his chief administrative deputy;
- (c) Member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) Commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) Individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) Executive director of the state board of investment;
- (g) Executive director of the Indian affairs intertribal board;
- (h) Commissioner of the iron range resources and rehabilitation board;
- (i) Director of mediation services;

- (j) Deputy of any official listed in clauses (e) to (i);
- (k) Judge of *the workers' compensation court of appeals*;
- (l) Hearing examiner or *compensation judge* in the state office of administrative hearings or *hearing examiner in the department of economic security*;
- (m) Solicitor general or deputy, assistant or special assistant attorney general;
- (n) Individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or
- (o) Member or chief administrative officer of the metropolitan council, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission.

Sec. 2. Minnesota Statutes 1980, Section 15.052, Subdivision 1, is amended to read:

Subdivision 1. A state office of 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 and *compensation judges* to serve in his office as necessary to fulfill the duties prescribed in this section. All hearing examiners and *compensation judges* 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. *All workers' compensation judges shall be learned in the law, shall have demonstrated knowledge of workers' compensation laws 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. 3. Minnesota Statutes 1980, Section 15.052, Subdivision 2, is amended to read:

Subd. 2. When regularly appointed hearing examiners or *compensation judges* are not available, the chief hearing examiner may contract with qualified individuals to serve as hearing

examiners or compensation judges. Such temporary hearing examiners or compensation judges shall not be employees of the state.

Sec. 4. Minnesota Statutes 1980, 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. *All hearings required to be conducted under chapter 176 shall be conducted by a compensation judge assigned by the chief hearing examiner.* In assigning hearing examiners or compensation judges 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. *Only compensation judges shall be assigned to workers' compensation matters.* 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 impartial manner (; AND (4)). *Except in the case of workers' compensation hearings involving claims for compensation it shall also be the duty of the chief hearing examiner to 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. 5. Minnesota Statutes 1980, Section 15.052, Subdivision 4, is amended to read:

Subd. 4. The chief hearing examiner shall (PROMULGATE) *adopt* rules to govern the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings (AND), contested case hearings, *and workers' compensation hearings.* *Temporary rule-making authority is granted to the chief hearing examiner for the purpose of implementing sections 2 to 6, 103 to 122, 127 to 135, and 141.* (SUCH) The 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, subdivisions 4 to 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. 6. Minnesota Statutes 1980, Section 15.052, Subdivision 5, is amended to read:

Subd. 5. The office of 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 or under chapter 176. *In cases arising under chapter 176, the chief hearing examiner, in consultation with the compensation judge, shall decide the method of recording.*

Court reporters serving in the court reporter system of the office of 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. 7. Minnesota Statutes 1980, Section 15A.083, is amended by adding a subdivision to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals shall be 90 percent of the salary for district judges as provided in subdivision 1. Salaries of compensation judges shall be 75 percent of the salary of district court judges as provided in subdivision 1.

Sec. 8. Minnesota Statutes 1980, Section 43.064, is amended to read:

43.064 [OTHER SALARIES SET BY COMMISSIONER OF EMPLOYEE RELATIONS.]

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), (4), and (5) and for classified hearing examiners in the office of administrative hearings 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 the subsequent act that the provisions of this section shall not be applicable or shall be superseded, amended, or repealed.

Sec. 9. Minnesota Statutes 1980, Section 79.01, Subdivision 2, is amended to read:

Subd. 2. [INSURER.] The word "insurer" means any insurance carrier authorized by license issued by the commissioner of insurance to transact the business of workers' compensation insurance in this state (. FOR PURPOSES OF THIS SUBDIVISION "INSURER" DOES NOT INCLUDE) *and includes* a political subdivision providing self insurance or establishing a pool under section 471.981, subdivision 3.

Sec. 10. Minnesota Statutes 1980, Section 79.01, Subdivision 3, is amended to read:

Subd. 3. [INSURANCE.] The word "insurance" means workers' compensation insurance and insurance covering any part of the liability of an employer exempted from insuring his liability for compensation, as provided in section 176.181 (.) *and includes* a program of self insurance, self insurance revolving fund or pool established under section 471.981 (IS NOT INSURANCE FOR PURPOSES OF THIS SUBDIVISION).

Sec. 11. Minnesota Statutes 1980, Section 79.071, is amended by adding a subdivision to read:

Subd. 1a. If the legislature enacts amendments to the workers' compensation laws of this state which indicate a reduction

in the schedule of rates, or the commissioner determines that the loss experience of Minnesota workers' compensation insurers indicates a change in the existing schedule of rates, the commissioner may, in his discretion, order a change in the schedule of rates or order a hearing to determine whether and by what percentage the schedule of rates should be changed. A hearing held pursuant to this subdivision is not subject to the contested case proceeding requirements of sections 79.071 and 79.072, notwithstanding section 79.076.

Sec. 12. Minnesota Statutes 1980, Section 79.071, is amended by adding subdivisions to read:

Subd. 8. When an insurer's estimate of amounts required to be reserved is based in any part on the operation of section 176.645, any assumption as to reserves required due to the operation of section 176.645, shall, for the purposes of determining rates, be offset by an assumption that the amount initially reserved shall be invested and yield a return equal to the annual percentage increase in the statewide average weekly wage. With respect to other reserved amounts, the commissioner shall, in determining rates, cause those rates to fully reflect the investment earnings of insurers which arise from revenues derived from the sale of workers' compensation insurance, either by use of a discount rate of no less than six percent in determining the reserves necessary for all claims, or by the use of an alternative methodology which the commissioner finds is more appropriate. Insurers shall provide the commissioner with any information which he deems necessary to arrive at the determination required by this subdivision.

Subd. 9. In no case shall more than one insurer reserve amounts in anticipation of losses on a single claim, nor shall an insurer reserve amounts in anticipation of losses which are the responsibility of the reinsurance association.

Subd. 10. No modification by an insurer or the association of an experience rating plan, an experience rating plan formula or an experience rating factor is effective unless approved by the commissioner of insurance.

Sec. 13. Minnesota Statutes 1980, Section 79.25, is amended to read:

79.25 [(ASSOCIATION) COMMISSIONER TO FIX PREMIUM RATES.]

(SUBDIVISION 1.) When any rejected risk is called to its attention and it appears that the risk is in good faith entitled to coverage the **(ASSOCIATION) commissioner of insurance** shall fix the initial premium therefor and may fix an additional charge to compensate the agent of record for his services and,

upon its payment, the (ASSOCIATION) commissioner of insurance shall enter into a service contract with one or more qualified (DESIGNATE A MEMBER) members of the association, or qualified group self-insurance administrators licensed pursuant to section 176.181, subdivision 2, clause (2) (a), whose duty it shall be to issue a policy, or a group self-insurance administration contract, containing the usual and customary provisions found in such policies or contracts therefor, but for which undertaking all members of the association shall be reinsurers as among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by that member bears to the total compensation insurance written in this state during the preceding year by all the members of the association. The assigned risk plan shall be treated as a group self-insurer member of the reinsurance association for the purposes of sections 79.34 to 79.40 and shall be deemed to have selected the higher retention limit provided in section 79.34, subdivision 2. A qualified member or group self-insurance administrator shall possess sufficient financial, professional, administrative and personnel resources to serve the policies or self-insurance contracts contemplated in the service contract.

Subd. 2. An insurer that issues a policy pursuant to this section shall not receive an expense allowance that exceeds the expense allowance approved by the commissioner for other insurers.

Sec. 14. [79.251] [ADMINISTRATION OF ASSIGNED RISK PLAN.]

Subdivision 1. [ASSIGNED RISK PLAN REVIEW BOARD.] (1) An assigned risk plan review board is created for the purposes of review of the operation of sections 79.24 to 79.27. The board shall have all the usual powers and authorities necessary for the discharge of its duties under this section and may contract with individuals in discharge of those duties.

(2) The board shall consist of five members to be appointed by the commissioner of insurance. Two members shall be insureds holding policies issued pursuant to section 79.25. Two members shall be members of the association. The commissioner shall be the fifth member and shall vote.

Initial appointments shall be made by September 1, 1981 and terms shall be for three years duration. Removal, the filling of vacancies and compensation of the members other than the commissioner shall be as provided in section 15.059.

(3) The assigned risk review board shall audit the reserves established by insurers (a) for individual cases arising under policies issued under section 79.25 and (b) for the total book of business issued under section 79.25.

(4) *The assigned risk review board shall monitor the operations of sections 79.24 to 79.27 and shall periodically make recommendations to the commissioner, and to the governor and legislature when appropriate, for improvement in the operation of those sections.*

(5) *All members of the association issuing policies under 79.25 shall pay and the commissioner shall receive and disburse, on behalf of the board, a .25 percent assessment on premiums for policies issued under section 79.25 for the purpose of defraying the costs of the assigned risk review board.*

Subd. 2. [APPROPRIATE MERIT RATING PLAN.] The commissioner shall develop an appropriate merit rating plan which shall be applicable to all insureds holding policies issued pursuant to section 79.25 whose premium is less than the amount necessary to qualify for experience rating and to the insurers issuing those policies. The plan shall provide a maximum merit payment equal to ten percent of earned premium. The actual payment may vary with insured's loss experience.

Sec. 15. Minnesota Statutes 1980, Section 79.26, is amended to read:

79.26 [(ASSOCIATION) COMMISSIONER TO ADOPT RULES.]

The (ASSOCIATION SHALL) commissioner of insurance may make and adopt such rules as may be necessary to carry this law into effect (, SUBJECT TO AN APPEAL TO THE COMMISSIONER AS IN ALL OTHER CASES). Temporary rule-making authority is granted.

Sec. 16. Minnesota Statutes 1980, Section 79.27, is amended to read:

79.27 [APPLICATION.]

As a prerequisite to the transaction of workers' compensation insurance in this state every insurance carrier shall file with the commissioner of insurance written authority permitting the (ASSOCIATION) commissioner of insurance to act in its behalf, as provided in sections 79.24 to 79.27.

Sec. 17. Minnesota Statutes 1980, Section 79.34, Subdivision 1, is amended to read:

Subdivision 1. 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; *provided, that all affiliated insurers within a holding company system as defined in sections 60D.01 to 60D.13 shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association.* Each self-insurer approved pursuant to section 176.181 and each political subdivision which self-insures shall, 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; *provided, that (a) all affiliated companies within a holding company system, as determined by the commissioner in a manner consistent with the standards and definitions in sections 60D.01 to 60D.13, shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association, and (b) all group self-insurers granted authority to self-insure pursuant to section 176.181 shall be considered a single entity for purposes of the exercise of all the rights and duties of membership in the reinsurance association.* 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 this chapter or chapter 176 or any other law.

Sec. 18. Minnesota Statutes 1980, Section 79.34, Subdivision 2, is amended to read:

Subd. 2. 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. 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) *The lesser retention limit shall be increased to the nearest \$10,000, on January 1, (1981) 1982 and on each January 1 thereafter by the percentage increase in the statewide average weekly wage, as determined in accordance with section 176.011, subdivision 20. On January 1, 1982 and on each January 1 thereafter, the greater retention limit shall be increased by the amount necessary to re-*

tain a \$200,000 difference between the two retention limits. Ultimate loss as used in this section means the actual loss amount which a member is obligated to pay and which is paid by the member for workers' compensation benefits payable under chapter 176 and shall not include claim expenses, assessments, damages or penalties. 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 reinsure 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) (d) when the reinsurance or contract is limited to all the claims of a specific insured of a member which are reimbursed or indemnified by a reinsurer which, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the insured of the member so long as any subsequent contract or reinsurance of the reinsurer relating to the claims of the insured of a member is not inconsistent with the bases

of exception provided under clauses (a), (b) and (c) above; or (e) when the reinsurance or contract is limited to all claims of a specific self-insurer member which are reimbursed or indemnified by a reinsurer which, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the self-insurer member so long as any subsequent contract or reinsurance of the reinsurer relating to the claims of the self-insurer member are not inconsistent with the bases for exception provided under clauses (a), (b) and (c) above.

Whenever it appears to the commissioner that any member that chooses the higher retention limit has participated in the transfer of liability to any other entity or reinsured or otherwise contracted for reimbursement or indemnification of losses below its retention limit in a manner inconsistent with the bases for exception provided under clauses (a), (b), (c), (d), and (e), the commissioner may, after giving notice and an opportunity to be heard, order the member to pay to the state of Minnesota an amount not to exceed twice the difference between the reinsurance premium for the higher and lower retention limit applicable to the member for each year in which the prohibited reinsurance or contract was in effect. Any member subject to this penalty provision shall continue to be bound by its selection of the higher retention limit for purposes of membership in the reinsurance association.

Sec. 19. Minnesota Statutes 1980, 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) *the prefunded limit*, together with incurred or estimated to be incurred operating and administrative expenses for the period to which this premium applies and actual claim payments to be made by members, during the period to which this premium applies, for claims in excess of (\$500,000 **FOR THE PERIOD TO WHICH THIS PREMIUM IS APPLICABLE**) *the prefunded limit in effect at the time the loss was incurred. The prefunded limit shall be \$2,500,000 on and after October 1, 1979, provided that the prefunded limit shall be increased on January 1, 1983 and on each January 1 thereafter by the percentage increase in the statewide average weekly wage, to the nearest \$100,000, as determined in accordance with section 176.011, subdivision 20.* Each member shall be charged a proportion of the total premium in an amount equal to its proportion of the total standard earned premium of all members during the period to which the reinsurance association premium will apply, as determined by the commissioner. 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**) *member shall (INCLUDE AN AMOUNT) also be charged a premium determined by the board to equitably distribute excess or deficient premiums from previous periods including any excess or deficient premiums resulting from a retroactive change in the prefunded limit.* An equitable basis for determining standard earned premium for self-insurers shall be established by the commissioner. The premiums charged to members shall not be unfairly discriminatory as defined in section 79.074. 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. 20. Minnesota Statutes 1980, 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 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) *the prefunded limit*, 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, 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

(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. 21. [79.50.] [PURPOSES.]

The purposes of chapter 79 are to:

(a) *Promote public welfare by regulating insurance rates so that premiums are not excessive, inadequate, or unfairly discriminatory;*

(b) *Promote quality and integrity in the data bases used in workers' compensation insurance ratemaking;*

(c) *Prohibit price fixing agreements and anticompetitive behavior by insurers;*

(d) *Promote price competition and provide rates that are responsive to competitive market conditions;*

(e) *Provide a means of establishment of proper rates if competition is not effective;*

(f) *Define the function and scope of activities of data service organizations;*

(g) *Provide for an orderly transition from regulated rates to competitive market conditions; and*

(h) *Encourage insurers to provide alternative innovative methods whereby employers can meet the requirements imposed by section 176.181.*

Sec. 22. [79.51] [RULES.]

Subdivision 1. [ADOPTION; WHEN.] The commissioner shall adopt rules to implement provisions of chapter 79. The rules shall be finally adopted after May 1, 1982. By January 15, 1982, the commissioner shall provide the legislature a descrip-

tion and explanation of the intent and anticipated effect of the rules on the various factors of the rating system.

Subd. 2. [TRANSITION PERIOD; RULES GOVERN.] Insurance rates from July 1, 1983, to December 31, 1985, shall be determined in accordance with rules adopted by the commissioner. The rules shall require (1) that a hearing be held pursuant to the provisions of section 79.071 to consider any petition requesting modification of rates and (2) that following the hearing the commissioner shall adopt a schedule of rates.

Subd. 3. [RULES; SUBJECT MATTER.] (a) The commissioner in issuing rules shall consider:

(1) Data reporting requirements, including types of data reported, such as loss and expense data;

(2) Experience rating plans;

(3) Retrospective rating plans;

(4) General expenses and related expense provisions;

(5) Minimum premiums;

(6) Classification systems and assignment of risks to classifications;

(7) Loss development and trend factors;

(8) The workers' compensation reinsurance association;

(9) Restrictions, prohibitions, and requirements with respect to the activities of the workers' compensation insurers rating association of Minnesota during the period from July 1, 1983 to January 1, 1986;

(10) Requiring substantial compliance with the rules mandated by this section as a condition of workers' compensation carrier licensure;

(11) Imposing limitations on the functions of workers' compensation data service organizations consistent with the introduction of competition;

(12) The rules contained in the workers' compensation rating manual adopted by the workers' compensation insurers rating association; and

(13) Any other factors that the commissioner deems relevant to achieve the purposes of chapter 79.

(b) *The rules shall provide for the following:*

(1) *Competition in workers' compensation insurance rates in such a way that the advantages of competition are introduced with a minimum of employer hardship during the transition period;*

(2) *Adequate safeguards against excessive or discriminatory rates in workers' compensation during the transition period;*

(3) *Encouragement of workers' compensation insurance rates which are as low as reasonably necessary, but shall make provision against inadequate rates, insolvencies and unpaid benefits;*

(4) *Assurances that employers are not unfairly relegated to the assigned risk pool;*

(5) *Requiring all appropriate data and other information from insurers for the purpose of issuing rules and making legislative recommendations pursuant to this section; and*

(6) *Preserving a framework for risk classification, data collection, and other appropriate joint insurer services where these will not impede the introduction of competition in premium rates.*

(c) *The rules shall expire on January 1, 1986.*

Subd. 4. [ADVISORY COMMITTEE.] The commissioner shall appoint an advisory committee which shall offer recommendations regarding rulemaking under this section. The advisory committee shall include representatives of insurers, employers, and employees.

Sec. 23. [79.52] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] The following words or phrases shall have the meanings ascribed to them for the purposes of chapter 79, unless the context clearly indicates that a different meaning is intended.

Subd. 2. [MARKET.] "Market" means any reasonable grouping or classification of employers.

Subd. 3. [DATA SERVICE ORGANIZATION.] "Data service organization" means any entity which has ten or more members or is controlled directly or indirectly by ten or more insurers and is engaged in collecting data for use in insurance ratemaking or other activities permitted by chapter 79. Affiliated members or insurers shall be counted as a single unit for the

purpose of this definition. The workers' compensation insurers rating association of Minnesota shall be considered a data service organization.

Subd. 4. [CLASSIFICATION PLAN; CLASSIFICATION.] *"Classification plan" or "classification" means the plan, system, or arrangement for rating insurance policyholders.*

Subd. 5. [RATES.] *"Rates" means the cost of insurance per exposure base unit.*

Subd. 6. [BASE PREMIUM.] *"Base premium" means the amount of premium which an employer would pay for insurance derived by applying rates to an exposure base prior to the application of any merit rating or discount factors.*

Subd. 7. [PREMIUM.] *"Premium" means the price charged to an insured for insurance for a specified period of time, regardless of the timing of actual payments.*

Subd. 8. [DISCOUNT FACTOR.] *"Discount factor" means any factor which is applied to the base premium and which is based upon insurer expenses or other factors not related to the risk of loss.*

Subd. 9. [MERIT RATING.] *"Merit rating" means a system or form of rating by which base premium is modified on the basis of loss experience or other factors which are reasonably related to loss or risk of loss and which may be reasonably affected by the action or activities of the insured. The sensitivity of a merit rating system to loss experience may vary by the size of risk. Merit rating shall include both prospective and retrospective methods for modifying base premium.*

Subd. 10. [LOSS DEVELOPMENT FACTORS.] *"Loss development factors" means factors applied to recorded incurred losses to estimate the amount of ultimate loss payments that will have been made for losses during the applicable period, when all claims are paid.*

Subd. 11. [TREND OR TRENDING.] *"Trend" or "trending" means any procedure employing data for the purpose of projecting or forecasting the future value of that data or other data, or the factors resulting from such a procedure.*

Subd. 12. [INTERESTED PARTY.] *"Interested party" means any person, or association acting on behalf of its members, directly affected by a change in the schedule of rates and includes the staff of the insurance division.*

Subd. 13. [INSURER.] "Insurer" means any insurer licensed to transact the business of workers' compensation insurance in this state.

Subd. 14. [INSURANCE.] "Insurance" means workers' compensation insurance.

Subd. 15. [RATING PLAN.] "Rating plan" means every manual, and every other rule including discount factors and merit rating necessary for the calculation of an insured's premium from an insurer's rates. An insurer may choose to adopt for use the rating plan of the data service organization in which it maintains membership.

Sec. 24. [79.53] [PREMIUM CALCULATION.]

Each insurer shall establish premiums to be paid by an employer according to its filed rates and rating plan as follows:

Rates shall be applied to an exposure base to yield a base premium which may be further modified by merit rating, premium discounts, and other appropriate factors contained in the rating plan of an insurer to produce premium. Nothing in this chapter shall be deemed to prohibit the use of any premium, provided the premium is not excessive, inadequate or unfairly discriminatory.

Sec. 25. [79.54] [COMPETITIVE MARKET PRESUMPTION.]

A competitive market is presumed to exist until the commissioner, after a hearing on the record, determines that a reasonable degree of competition does not exist and issues an order to that effect. The order shall include the conditions and procedures under which a determination of insufficient competition shall expire.

Sec. 26. [79.55] [STANDARDS FOR RATES.]

Subdivision 1. [GENERAL STANDARDS.] Premiums shall not be excessive, inadequate, or unfairly discriminatory.

Subd. 2. [EXCESSIVENESS.] No premium is excessive in a competitive market. In the absence of a competitive market, premiums are excessive if the expected underwriting profit, together with expected income from invested reserves for the market in question, that would accrue to an insurer would be unreasonably high in relation to the risk undertaken by the insurer in transacting the business.

Subd. 3. [INADEQUACY.] Premiums are inadequate if, together with the investment income associated with an insurer's Minnesota workers' compensation insurance business,

they are clearly insufficient to sustain projected losses and expenses of the insurer and (a) if their continued use could lead to an insolvent situation for the insurer; or (b) if their use destroys or lessens competition or is likely to destroy or lessen competition.

Subd. 4. [UNFAIR DISCRIMINATION.] Premiums are unfairly discriminatory if differentials for insureds fail to reasonably reflect the differences in expected losses and expenses to the insurer attributable to the insureds. Rates are not unfairly discriminatory solely because different premiums result for insureds with like loss exposures but different expense factors, or like expense factors but different loss exposures, provided that rates reflect the differences with reasonable accuracy.

Sec. 27. [79.56] [FILING RATES AND RATING INFORMATION.]

Subdivision 1. [AFTER EFFECTIVE DATE.] Each insurer shall file with the commissioner a complete copy of its rates and rating plan, and all changes and amendments thereto, within 15 days after their effective dates. An insurer need not file a rating plan if it uses a rating plan filed by a data service organization. If an insurer uses a rating plan of a data service organization but deviates from it, then all deviations must be filed by the insurer.

Subd. 2. [BEFORE EFFECTIVE DATE.] The commissioner may order an insurer to file rates at least 30 days before the effective date of the rates (a) if the commissioner determines, based upon reasonable evidence, that an order is appropriate because of the insurer's financial condition or (b) due to a prior finding of unfairly discriminatory rating practices; or (c) due to a prior finding of inadequate rates. The order may require that supplementary rate and supporting information be included in a filing.

Subd. 3. [PENALTIES.] Any insurer using a rate or a rating plan which has not been filed shall be subject to a fine of up to \$100 for each day the failure to file continues. The commissioner may, after a hearing on the record, find that the failure is willful. A willful failure to meet filing requirements shall be punishable by a fine of up to \$500 for each day during which a willful failure continues. These penalties shall be in addition to any other penalties provided by law.

Subd. 4. [PUBLIC INSPECTION.] All filings shall be open to public inspection during normal business hours at the offices of the insurance division.

Sec. 28. [79.57.] [FILING RATES; NONCOMPETITIVE MARKET.]

Upon making a determination that a market is not competitive, the commissioner shall require rates for use in that market to be filed 30 days prior to their effective date. The filing shall include, in a form prescribed by the commissioner, an explanation of the rates and any data supporting the use of the rates which are not on file with a data service organization.

The commissioner may issue an order for a hearing at any time prior to the effective date of the rates and the rates shall not become effective until the commissioner has ruled on the rates following the hearing.

The commissioner may disapprove the rates subsequent to their effective date, except that rates so disapproved shall remain effective until the commissioner issues an order following a hearing.

Sec. 29. [79.58] [DISAPPROVAL OF RATES OR RATING PLANS.]

Subdivision 1. [RATES.] A rate filed by an insurer may be disapproved by the commissioner subsequent to its effective date. Following a disapproval and prior to a refiling the insurer shall use the rates as reasonably established by the commissioner.

The commissioner shall disapprove a rate if, after a hearing on the record, he finds that:

(a) The premium is inadequate or unfairly discriminatory; or

(b) A competitive market for workers' compensation does not exist and rates are excessive; or

(c) The insurer failed to comply with filing requirements.

A rehearing shall be held within 30 days of any disapproval under this section at the request of the insurer whose rates are disapproved.

Subd. 2. [RATING PLANS.] The commissioner may disapprove a rating plan of a data service organization if, after a hearing, the commissioner finds that it is unfairly discriminatory. Any order of disapproval shall require the data service organization to use an alternative rating plan until approval of a rating plan by the commissioner. The commissioner shall not approve any rating plan based upon any data other than Minnesota data, except that other data may be utilized as a supplement to Minnesota data when the commissioner determines that an exceptional case requires such data to establish the statistical credibility of an occupational classification.

Sec. 30. [79.59] [INSURERS AND DATA SERVICE ORGANIZATIONS; PROHIBITED ACTIVITIES.]

Subdivision 1. [MONOPOLIZATION.] No insurer or data service organization shall attempt to monopolize or combine or conspire with any other person to monopolize the business of insurance.

Subd. 2. [AGREEMENT PROHIBITED.] No insurer shall agree with any other insurer or with a data service organization to adhere to or to use any rate, rating plan, rating schedule, rating rule, or underwriting rule except as specifically authorized by chapter 79 or for the purpose of creating experience modifications for employers with employees in more than one state.

Subd. 3. [TRADE RESTRAINT.] No insurer or data service organization shall make an agreement with any other insurer, data service organization, or other person which has the purpose or the effect of restraining trade or of substantially lessening competition.

Subd. 4. [EXCEPTIONS.] The fact that insurers writing not more than 25 percent of the workers' compensation premiums in Minnesota use the same rates, rating plans, rating schedules, rating rules, underwriting rules, or similar materials shall not alone constitute a violation of subdivisions 1 or 2.

Two or more insurers under common ownership or operating under common management or control may act in concert between or among themselves with respect to matters authorized under chapter 79 as if they constituted a single insurer, provided that the rating plan of such insurers shall be considered to be a single plan for the purposes of determining unfair discrimination.

Subd. 5. [ADDITIONAL PROHIBITION.] In addition to other prohibitions contained in this chapter, no data service organization shall:

(a) Refuse to supply any service for which it is licensed or any data, except for data identifiable to an individual insurer, to any insurer authorized to do business in this state which offers to pay the usual compensation for the service or data;

(b) Require the purchase of any specific service as a condition to obtaining any other services sought;

(c) Participate in the development or distribution of rates, rating plans, or rating rules except as specifically authorized by this chapter or by rules adopted pursuant to this chapter; or

(d) Refuse membership to any licensed insurer.

Sec. 31. [79.60] [INSURERS; REQUIRED AND PERMITTED ACTIVITY.]

Subdivision 1. [REQUIRED ACTIVITY.] Each insurer shall perform the following activities:

(a) Maintain membership in and report loss experience data to a licensed data service organization in accordance with the statistical plan and rules of the organization as approved by the commissioner;

(b) Establish a plan for merit rating which shall be consistently applied to all insureds, provided that members of a data service organization may use merit rating plans developed by that data service organization;

(c) Provide an annual report to the commissioner containing the information and prepared in the form required by the commissioner; and

(d) Keep a record of the premiums and losses paid under each workers' compensation policy written in Minnesota in the form required by the commissioner.

Subd. 2. [PERMITTED ACTIVITY.] In addition to any other activities not prohibited by chapter 79, insurers may:

(a) Through licensed data service organizations, individually, or with insurers commonly owned, managed, or controlled, conduct research and collect statistics to investigate, identify, and classify information relating to causes or prevention of losses;

(b) Develop and use classification plans and rates based upon any reasonable factors; and

(c) Develop rules for the assignment of risks to classifications.

Sec. 32. [79.61] [DATA SERVICE ORGANIZATIONS; REQUIRED AND PERMITTED ACTIVITY.]

Subdivision 1. [REQUIRED ACTIVITY.] Any data service organization shall perform the following activities:

(a) File statistical plans, including classification definitions, amendments to the plans, and definitions, with the commissioner for approval, and assign each compensation risk written by its members to its approved classification for reporting purposes;

(b) *Establish requirements for data reporting and monitoring methods to maintain a high quality data base;*

(c) *Prepare and distribute a periodic report, in a form prescribed by the commissioner, on ratemaking including, but not limited to the following elements:*

(i) *development factors and alternative derivations;*

(ii) *trend factors and alternative derivations and applications;*

(iii) *pure premium relativities for the approved classification system for which data are reported, provided that the relativities for insureds engaged in similar occupations and presenting substantially similar risks shall, if different, differ by at least ten percent; and*

(iv) *an evaluation of the effects of changes in law on loss data.*

The report shall also include explicit discussion and explanation of methodology, alternatives examined, assumptions adopted, and areas of judgment and reasoning supporting judgments entered into, and the effect of various combinations of these elements on indications for modification of an overall pure premium rate level change. The pure premium relativities and rate level indications shall not include a loading for expenses or profit and no expense or profit data or recommendations relating to expense or profit shall be included in the report or collected by a data service organization;

(d) *Collect, compile, summarize, and distribute data from members or other sources pursuant to a statistical plan approved by the commissioner;*

(e) *Prepare merit rating plan and calculate any variable factors necessary for utilization of the plan. Such a plan may be used by any of its members, at the option of the member provided that the application of a plan shall not result in rates that are unfairly discriminatory;*

(f) *Provide loss data specific to an insured to the insured at a reasonable cost;*

(g) *Distribute information to an insured or interested party that is filed with the commissioner and is open to public inspection; and*

(h) *Assess its members for operating expenses on a fair and equitable basis.*

Subd. 2. [PERMITTED ACTIVITY.] In addition to any other activities not prohibited by chapter 79, any data service organization may:

(a) Collect and analyze data in order to investigate, identify, and classify information relating to causes or prevention of losses;

(b) Make inspections for the sole purpose of reporting and maintaining data quality;

(c) Contract with another data service organization to fulfill any of the above requirements; and

(d) Prepare and file with the commissioner a rating plan for use by any of its members, provided that no member may be required to use any part of the plan.

Sec. 33. [79.62] [DATA SERVICE ORGANIZATIONS; LICENSING, EXAMINATION.]

Subdivision 1. [LICENSE REQUIRED.] No data service organization shall provide any service and no insurer shall use the services of a data service organization unless the organization is licensed by the commissioner.

Subd. 2. [PROCEDURE; APPLICATION.] A data service organization shall apply for a license in a form and manner prescribed by the commissioner. The application of a data service organization shall include:

(a) A copy of its constitution, articles of incorporation, by-laws, and other rules pertaining to the conduct of its business;

(b) A plan and narrative describing how it will perform the activities required by section 32;

(c) A statement showing its technical qualifications; and

(d) Any other information that the commissioner may reasonably require.

Subd. 3. [ISSUANCE.] The commissioner, upon finding that the applicant organization is qualified to provide the services required and proposed, or has contracted with a licensed data service organization to purchase these services which are required by chapter 79 but are not provided directly by the applicant, and that all requirements of law are met, shall issue a license. Licenses shall remain in effect until the licensee withdraws from business or until the license is suspended or revoked.

Subd. 4. [SUSPENSION; REVOCATION.] The commissioner may, after a hearing on the record, revoke or suspend the license of a data service organization if he finds that the organization is not in compliance with the requirements of chapter 79 or rules issued thereunder.

Subd. 5. [LICENSEE EXAMINATION.] The commissioner may examine any licensed data service organization to determine whether its activities and practices comply with law. The cost of the examination shall be paid by the examined organization.

Sec. 34. [79.63] [ASSIGNED RISK PLAN.]

Subdivision 1. [ADMINISTRATION.] The commissioner shall appoint a licensed data service organization to administer the assigned risk plan. The appointed data service organization shall submit to the commissioner for approval a plan and rules for administering the assigned risk plan, including a method or formula by which the organization is to be paid for administrative services.

Subd. 2. [REJECTION; NOTICE.] An insurer that refuses to write insurance for an applicant shall furnish the applicant a written notice of refusal and shall file a copy of the notice of refusal with the data service organization appointed pursuant to subdivision 1. Servicing insurers designated pursuant to subdivision 3 shall accept and insure any applicant for workers' compensation insurance assigned pursuant to subdivision 3.

Subd. 3. [ASSIGNMENT.] An insurer or insurers shall be designated by the data service organization appointed pursuant to subdivision 1 to issue a policy of workers' compensation insurance to an applicant which has been refused insurance. A policy shall contain the usual and customary provisions of workers' compensation insurance policies, but for which undertaking all insurers doing workers' compensation business in this state shall be reinsurers among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by each insurer bears to the total compensation insurance written in this state during that calendar year by all insurers.

An insurer that issues a policy pursuant to this section shall receive an expense allowance which shall be adequate for services rendered, as approved by the commissioner.

Subd. 4. [PENALTY.] The commissioner may revoke the license of an insurer or agent for refusing or failing to provide an applicant with written refusal pursuant to subdivision 2 or for any other violation of this section or of the approved rules of a data service organization.

Subd. 5. [ASSIGNED RISK RATES.] Insureds served by the workers' compensation insurance assigned risk plan shall be charged premiums based upon a rating plan, rates, and a merit rating plan adopted by the commissioner by rule. This rating plan shall include a feature by which rates shall vary in relation to the number or proportion of insureds in the assigned risk plan in the preceding calendar year. This relationship shall be such that assigned risk rates shall vary upward as the number or proportion of insureds in the assigned risk plan decreases and downward as the number or proportion increases. Assigned risk premiums shall not be lower than the rates generally charged by insurers for the business.

Sec. 35. Minnesota Statutes 1980, Section 60C.04, is amended to read:

60C.04 [CREATION.]

All insurers subject to the provisions of Laws 1971, Chapter 145 shall form an organization to be known as the Minnesota insurance guaranty association. All insurers defined as member insurers in section 60C.03, subdivision 6, are and shall remain members of the association as a condition of their authority to transact insurance business or to execute surety bonds in this state. The association shall perform its functions under a plan of operation established and approved under section 60C.07 and shall exercise its powers through a board of directors established under section 60C.08. For purposes of administration and assessment the association shall be divided into (FOUR) *five* separate accounts: (1) the automobile insurance account, (2) the township mutuals account, (3) the fidelity and surety bond account (AND), (4) the account for all other insurance to which Laws 1971, Chapter 145 applies, and (5) *the workers' compensation insurance account.*

Sec. 36. Minnesota Statutes 1980, Section 60C.09, Subdivision 2, is amended to read:

Subd. 2. [LIMITATION OF AMOUNT.] Payment of a covered claim is limited to the amount by which the allowance on any claim exceeds \$100 and is less than \$300,000. The limitation on the amount of payment for a covered claim does not apply to claims for workers' compensation insurance. In no event is the association obligated to the policyholder or claimant in an amount in excess of the obligation of the insurer under the policy from which the claim arises.

Sec. 37. Minnesota Statutes 1980, Section 79.071, Subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt a schedule of workers' compensation insurance rates for use in this state for each classification under which business is written until Janu-

ary 1, 1986. The schedule of rates shall not be excessive, inadequate, or unfairly discriminatory. In adopting a schedule of rates, the commissioner may act on the written petition of the association or any other interested party requesting that a hearing be held for modification of the schedule of rates. The commissioner may include the expense of a reasonable charge for the services of an agent of record, for the service of rejected risks as set forth in sections 79.24 to 79.27.

Sec. 38. Minnesota Statutes 1980, Section 175.007, is amended to read:

175.007 [ADVISORY COUNCIL ON WORKERS' COMPENSATION; CREATION.]

Subdivision 1. The commissioner (OF LABOR AND INDUSTRY) shall appoint (, AFTER CONSULTATION WITH THE JUDGES OF THE WORKERS' COMPENSATION COURT OF APPEALS,) an advisory council on workers' compensation, which shall consist of five representatives of employers and five representatives of employees and three members representing the general public. *The council may consult with the judges of the workers' compensation court of appeals (SHALL BE NONVOTING MEMBERS OF THE ADVISORY COUNCIL).* The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.

Subd. 2. The advisory council shall study and present to the legislature and the governor, on or before November 15 of each even numbered year, its findings relative to the costs, methods of financing, and the formula to be used to provide supplementary compensation to workers who have been determined permanently and totally disabled prior to July 1, 1969, and its findings relative to alterations in the scheduled benefits for permanent partially disabled, and other aspects of the workers' compensation act. *The council shall also study and present to the legislature and the governor on or before November 15 of 1981 and by November 15 of each even numbered year thereafter a report on the financial, administrative and personnel needs of the workers' compensation division.*

Sec. 39. Minnesota Statutes 1980, Section 175.11, Subdivision 1, is amended to read:

Subdivision 1. The workers' compensation division (AND THE WORKERS' COMPENSATION COURT OF APPEALS) shall (EACH) have a seal for the authentication of its orders and proceedings, upon which shall be inscribed the words, "Workers' Compensation Division of Minnesota" (OR "WORKERS' COMPENSATION COURT OF APPEALS OF MINNESOTA" RESPECTIVELY), as the division (OR WORKERS'

COMPENSATION COURT OF APPEALS) may prescribe. The courts of this state shall take judicial notice of such seal (AND OF THE SIGNATURES OF THE JUDGES OF THE WORKERS' COMPENSATION COURT OF APPEALS); and in all cases copies of orders, proceedings, or records of the division (OR WORKERS' COMPENSATION COURT OF APPEALS), certified by (A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS UNDER HIS SEAL) *the commissioner*, shall be received in evidence, with the same force and effect given to the originals.

Sec. 40. Minnesota Statutes 1980, Section 175.14, is amended to read:

175.14 [TRAVELING EXPENSES.]

The (WORKERS' COMPENSATION JUDGES OF THE COURT OF APPEALS AND THE) commissioner (OF LABOR AND INDUSTRY) and the officers, assistants, and employees of the (WORKERS' COMPENSATION COURT OF APPEALS AND) department shall be paid out of the state treasury their actual and necessary expenses while traveling on the business of the (WORKERS' COMPENSATION COURT OF APPEALS OR) department. Vouchers for such expenses shall be itemized and sworn to by the persons incurring the expense, and be subject to the approval of (THE WORKERS' COMPENSATION COURT OF APPEALS OR) the commissioner of labor and industry.

Sec. 41. Minnesota Statutes 1980, Section 175.17, is amended to read:

175.17 [POWERS AND DUTIES, (WORKERS' COMPENSATION COURT OF APPEALS, AND) COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY.]

(1) (THE WORKERS' COMPENSATION COURT OF APPEALS SHALL PRINCIPALLY EXERCISE APPELLATE JURISDICTION UNDER THE LAWS RELATING TO WORKERS' COMPENSATION AND THE LAWS GOVERNING EMPLOYEES OF THE STATE, A COUNTY, OR OTHER GOVERNMENTAL SUBDIVISION WHO CONTRACT TUBERCULOSIS;)

((2)) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall administer the laws relating to workers' compensation and the laws governing employees of the state, a county, or other governmental subdivisions who contract tuberculosis;

((3)) (2) The (WORKERS' COMPENSATION COURT OF APPEALS AND THE) commissioner (OF THE DEPART-

MENT OF LABOR AND INDUSTRY) shall (JOINTLY PRESCRIBE) *adopt* reasonable and proper rules (AND REGULATIONS) governing rules of practice before the workers' compensation division in (NONAPPELLATE) matters *which are not before a compensation judge;*

(4) THE WORKERS' COMPENSATION COURT OF APPEALS SHALL PRESCRIBE RULES OF PRACTICE BEFORE IT IN APPELLATE MATTERS;)

(5) (3) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall collect, collate, and publish statistical and other information relating to work under (ITS) *the department's* jurisdiction and make public reports in his judgment necessary, including such other reports as may be required by law;

(6) (4) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall establish and maintain branch offices as needed for the conduct of the affairs of the workers' compensation division.

Sec. 42. [175A.01] [CREATION.]

Subdivision 1. [MEMBERSHIP, APPOINTMENT, QUALIFICATIONS.] The workers' compensation court of appeals as previously constituted is reconstituted as an independent agency in the executive branch.

The workers' compensation court of appeals shall consist of five judges each serving in the unclassified service. The five judges shall be learned in the law. Each judge of the workers' compensation court of appeals shall be 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 expire on the first Monday in January of the year in which they expire. The terms of the judges shall be staggered. The judges of the workers' compensation court of appeals as now created shall be the judges of the workers' compensation court of appeals until the expiration of the terms for which they have been appointed and qualified. They shall be selected on the basis of their experience with and knowledge of workers' compensation and the workers' compensation laws of Minnesota. The judges of the workers' compensation court of appeals 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.

Subd. 2. [JURISDICTION.] The workers' compensation court of appeals shall have statewide jurisdiction. Except for

an appeal to the supreme court or any other appeal allowed under this subdivision, the workers' compensation court of appeals shall be the sole, exclusive, and final authority for the hearing and determination of all questions of law and fact arising under the workers' compensation laws of the state in those cases that have been appealed to the workers' compensation court of appeals and in any case that has been transferred by the district court to the workers' compensation court of appeals. The workers' compensation court of appeals shall have no jurisdiction in any case that does not arise under the workers' compensation laws of the state or in any criminal case, provided that the workers' compensation court of appeals shall exercise appellate jurisdiction under the laws governing employees of the state, a county, or other governmental subdivision who contract tuberculosis and under chapter 352E.

Subd. 3. [OATH.] Each judge of the workers' compensation court of appeals before entering upon the duties of his office, shall take the oath prescribed by law.

Sec. 43. [175A.02] [OFFICERS.]

The judges of the workers' compensation court of appeals shall choose a chief judge from among their number. The chief judge shall appoint one of the judges to serve as the administrator, who shall be custodian of the court's files and records and shall coordinate and make hearing assignments. The judge who is appointed the administrator may delegate the duties of administrator to an employee chosen to be the assistant administrator. The clerk of district court in each county shall be the clerk of the workers' compensation court of appeals in that county. Filing fees and library fees deposited with the clerk of district court in his capacity as clerk of the workers' compensation court of appeals and in cases originally commenced in district court and transferred to the workers' compensation court of appeals shall be retained by the clerk of district court. The workers' compensation court of appeals clerk in each county shall be subject to the supervision of the administrator in workers' compensation court of appeals matters.

Sec. 44. [175A.03] [POLITICAL NONPARTICIPATION.]

Every judge of the workers' compensation court of appeals and every officer or employee of the workers' compensation court of appeals who by solicitation or otherwise exerts his influence, directly or indirectly, to induce other officers or employees of the state to adopt his political views, or to favor any particular person or candidate for office, or to contribute funds for campaign or political purposes, shall be removed from his office or position by the authority appointing him.

Sec. 45. [175A.04] [OFFICE.]

The workers' compensation court of appeals shall maintain its main office within the Minneapolis-St. Paul metropolitan area and be provided by the commissioner of administration with suitable rooms and necessary furniture. The offices of the workers' compensation court of appeals and the department of labor and industry shall be in separate buildings. The court may hold sessions at any other place in the state when their convenience and that of the parties interested so requires.

Sec. 46. [175A.05] [QUORUM.]

A majority of the judges of the workers' compensation court of appeals shall constitute a quorum for the exercise of the powers conferred and the duties imposed on the workers' compensation court of appeals and all appeals shall be heard by at least three of the five judges. A vacancy shall not impair the ability of the remaining judges of the workers' compensation court of appeals to exercise all the powers and perform all of the duties of the workers' compensation court of appeals.

Sec. 47. [175A.06] [SESSIONS TO BE PUBLIC.]

The hearings of the workers' compensation court of appeals shall be open to the public and may be adjourned from time to time. All the proceedings of the court shall be shown on its records, which shall be public records.

Sec. 48. [175A.07] [POWERS.]

Subdivision 1. [PROCESS; PROCEDURES.] The workers' compensation court of appeals shall keep such record of all its proceedings as it deems appropriate and shall issue necessary processes, writs, warrants, and notices which the workers' compensation court of appeals is required or authorized to issue. Notices and other documents required to be served or filed on the workers' compensation court of appeals shall be served on the administrator of the court or his delegate.

Subd. 2. [PERSONNEL.] The judges of the workers' compensation court of appeals shall appoint in the manner provided by law all personnel required by the workers' compensation court of appeals. The commissioner of administration shall provide the court with necessary additional staff and administrative services, and the court shall reimburse the commissioner for the cost of these services.

Subd. 3. [POWER TO REVIEW.] The workers' compensation court of appeals shall have the powers of review provided in chapter 176.

Subd. 4. [RULES.] The workers' compensation court of appeals shall prescribe rules of practice before it in appellate matters.

Sec. 49. [175A.08] [SEAL.]

The workers' compensation court of appeals shall have a seal for the authentication of its orders and proceedings, upon which shall be inscribed the words, "Workers' Compensation Court of Appeals of Minnesota" as the court of appeals may prescribe. The courts of this state shall take judicial notice of such seal and of the signatures of the judges of the workers' compensation court of appeals; and in all cases copies of orders, proceedings, or records of the workers' compensation court of appeals, certified by a judge of the workers' compensation court of appeals under its seal, shall be received in evidence, with the same force and effect given to the originals.

Sec. 50. [175A.09] [TRAVEL EXPENSES.]

The workers' compensation judges of the court of appeals and the officers, assistants, and employees of the workers' compensation court of appeals shall be paid out of the state treasury their actual and necessary expenses while traveling on the business of the workers' compensation court of appeals. Vouchers for such expenses shall be itemized and sworn to by the persons incurring the expense, and be subject to the approval of the workers' compensation court of appeals.

Sec. 51. [175A.10] [APPEALS AND REVIEWS.]

Unless an appeal is taken to the district court, the right of appeal provided in chapter 176 shall be the exclusive remedy for reviewing the actions of the commissioner, the workers' compensation division or a compensation judge in a matter arising under chapter 176. On any appeal taken by an employee or an employer or insurer to the workers' compensation court of appeals, or the supreme court, the decision of the workers' compensation court of appeals, or the decision of the supreme court on its review, as the case may be, shall be final and conclusive as to all parties to the proceedings as to all matters at issue determined by a decision. In all cases the decision of the workers' compensation court of appeals on appeal, or of the supreme court on review, as the case may be, shall stand in lieu of the order of the commissioner or the division or the compensation judge from whom the appeal was taken.

Sec. 52. [176.001] [INTENT OF THE LEGISLATURE.]

It is the intent of the legislature that chapter 176 be interpreted so as to assure the quick and efficient delivery of indemnity and medical benefits to injured workers at a reasonable cost to the employers who are subject to the provisions of chapter 176.

Sec. 53. Minnesota Statutes 1980, Section 176.011, Subdivision 6, is amended to read:

Subd. 6. (1) "Court of appeals" means the workers' compensation court of appeals of Minnesota.

(2) "Division" means the workers' compensation division of the department of labor and industry.

(3) "Department" means the department of labor and industry.

(4) "Commissioner", unless the context clearly indicates otherwise, means the commissioner of labor and industry.

Sec. 54. Minnesota Statutes 1980, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

(1) an alien;

(2) a minor;

(3) a sheriff, deputy sheriff, constable, marshal, policeman, firefighter, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime and any person requested or commanded to aid an officer in arresting any person, or in retaking any person who has escaped from lawful custody, or in executing any legal process in which case, for purposes of calculating compensation payable under this chapter, the daily wage of the person requested or commanded to assist an officer or to execute a legal process shall be the prevailing wage for similar services where the services are performed by paid employees;

(4) a county assessor;

(5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;

(6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), nor shall it include an executive officer of a closely held corporation who is referred to in section 176.012;

(7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of these institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services where the services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of the injury or death for similar services where the services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earnings, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services

as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(13) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota school for the deaf or the Minnesota braille and sight-saving school, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(14) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law, is an employee within the meaning of this subdivision. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(15) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of public welfare for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose.

In the event it is difficult to determine the daily wage as (HEREIN) provided *in this subdivision*, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 55. Minnesota Statutes 1980, Section 176.021, Subdivision 1, is amended to read:

Subdivision 1. [LIABILITY FOR COMPENSATION.] Except as excluded by this chapter all employers and employees are subject to the provisions of this chapter.

Every (SUCH) employer is liable for compensation according to the provisions of this chapter and is liable to pay compensation in every case of personal injury or death of his employee arising out of and in the course of employment without regard

to the question of negligence (, UNLESS). *The burden of proof of these facts is upon the employee.*

If the injury was intentionally self-inflicted or (WHEN) the intoxication of the employee is the proximate cause of the injury, then the employer is not liable for compensation. The burden of proof of (SUCH) these facts is upon the employer.

Sec. 56. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 1a. [BURDEN OF PROOF.] All disputed issues of fact arising under chapter 176 shall be determined by a preponderance of the evidence. Preponderance of the evidence means evidence produced in substantiation of a fact which, when weighed against the evidence opposing the fact, has more convincing force and greater probability of truth.

Questions of law arising under chapter 176 shall be determined in accordance with the rules of construction generally applied to all other civil matters.

Sec. 57. Minnesota Statutes 1980, Section 176.021, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.] All employers shall commence payment of (THE) compensation at the time and in the manner prescribed by this chapter without the necessity of any agreement or any order of the division. Except (THOSE OF) for medical, burial, and other non-periodic benefits, payments shall be made as nearly as (MAY BE) possible at the intervals when the wage was payable (;), provided, however, that payments for permanent partial disability (IN CASES IN WHICH RETURN TO WORK OCCURS PRIOR TO FOUR WEEKS FROM THE DATE OF INJURY SHALL BE MADE BY LUMP SUM PAYMENT,) shall be governed by subdivision 3a (AND THE PROVISIONS OF SECTION 176.165 SHALL NOT APPLY, WITHOUT THE NECESSITY OF ANY AGREEMENT, OR ORDER OF THE DIVISION, UPON CESSATION OF PAYMENTS FOR TEMPORARY TOTAL DISABILITY AND UPON THE EMPLOYEE'S RETURN TO WORK. IN CASES IN WHICH RETURN TO WORK DOES NOT OCCUR PRIOR TO FOUR WEEKS AFTER INJURY, PAYMENTS FOR PERMANENT PARTIAL DISABILITY SHALL BE MADE ACCORDING TO THE FOLLOWING SCHEDULE: 25 PERCENT OF THE AMOUNT DUE AFTER FOUR WEEKS FROM THE DATE OF INJURY, 25 PERCENT AFTER EIGHT WEEKS, 25 PERCENT AFTER 12 WEEKS AND 25 PERCENT AFTER 16 WEEKS, PROVIDED THAT ANY AND ALL PAYMENTS REMAINING SHALL BE PAID UPON THE CESSATION OF PAYMENTS FOR TEMPORARY TOTAL DISABILITY AND UP-

ON THE EMPLOYEE'S RETURN TO WORK). If doubt exists (AT THAT TIME) as to the eventual permanent partial disability, payment, *pursuant to subdivision 3a*, shall be then made *when due* for the minimum permanent partial disability ascertainable (IN LUMP SUM), and further (LUMP SUM) payment shall be made upon any later ascertainment of greater permanent partial disability. At the time of (THE) *any* tender of the lump sum payment, the employee and employer shall be furnished with a copy of the medical report upon which the payment is based, together with a statement by the insurer as to whether the tendered payment is for minimum permanent partial disability or final and eventual disability. Compensation for permanent partial disability is payable (CONCURRENTLY AND) in addition to compensation for temporary total disability and temporary partial disability (AS SET FORTH IN) *pursuant to section 176.101, subdivisions 1 and 2, (AND) as provided in subdivision 3a. Compensation for permanent partial disability is payable concurrently and in addition to compensation for permanent total disability (AS DEFINED IN) pursuant to section 176.101, subdivision 5 (; AND SUCH), as provided in subdivision 3a. Compensation for permanent partial disability shall (NOT) be (DEFERRED) withheld pending completion of payment for temporary total and temporary partial disability but shall not be withheld pending payment of compensation for (OR) permanent total disability, and no credit shall be taken for payment of permanent partial disability against liability for temporary total or permanent total disability. Liability on the part of an employer or his insurer for disability of a temporary total, temporary partial, and permanent total nature shall be considered as a continuing product and part of the employee's inability to earn or reduction in earning capacity due to injury or occupational disease and shall be payable accordingly, subject to subdivision 3a. Permanent partial disability is payable for functional loss of use or impairment of function, permanent in nature, and payment therefore shall be separate, distinct, and in addition to payment for any other compensation, subject to subdivision 3a. The right to receive temporary total, temporary partial, permanent partial or permanent total disability payments shall vest in the injured employee or his dependents under this chapter or, if none, in his legal heirs at the time the disability can be ascertained and the right shall not be abrogated by the employee's death prior to the making of the payment.*

Sec. 58. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 3a. [PERMANENT PARTIAL BENEFITS, PAYMENT.] Payments for permanent partial disability as provided in section 176.101, subdivision 3, shall be made in the following manner:

(a) *If the employee returns to work, payment shall be made by lump sum;*

(b) *If temporary total payments have ceased, but the employee has not returned to work, payment shall be made at the same intervals as temporary total payments were made;*

(c) *If temporary total disability payments cease because the employee is receiving payments for permanent total disability or because the employee is retiring or has retired from the work force, then payment shall be made by lump sum;*

(d) *If the employee completes a rehabilitation plan pursuant to section 176.102, but the employer does not furnish the employee with work he can do in his permanently partially disabled condition, and the employee is unable to procure such work with another employer, then payment shall be made by lump sum.*

Sec. 59. Minnesota Statutes 1980, Section 176.021, is amended by adding a subdivision to read:

Subd. 8. [AMOUNTS ADJUSTED.] Amounts of compensation payable by an employer or his insurer under this chapter may be rounded to the nearest dollar amount. An employer or insurer who elects to make such adjustments shall do so for all compensation payments under this chapter.

Sec. 60. Minnesota Statutes 1980, Section 176.041, is amended by adding a subdivision to read:

Subd. 6. [COMMISSIONER OF LABOR AND INDUSTRY; ADDITIONAL POWERS.] Whenever an employee is covered by subdivision 2, 3 or 4, the commissioner may enter into agreements with the appropriate agencies of other states for the purpose of resolving conflicts of jurisdiction or disputes concerning workers' compensation coverage. An agreement entered into pursuant to this subdivision may be appealed in the same manner and within the same time as if the appeal were from an order or decision of a compensation judge to the workers' compensation court of appeals or the district court.

Sec. 61. Minnesota Statutes 1980, Section 176.061, Subdivision 1, is amended to read:

Subdivision 1. [ELECTION OF REMEDIES.] Where an injury or death for which (COMPENSATION IS) benefits are payable occurs under circumstances which create a legal liability for damages on the part of a party other than the employer and at the time of such injury or death that party was insured or self-insured in accordance with this chapter, the employee, in case of injury, or his dependents, in case of death, may proceed either at law against that party to recover damages or against the

employer for (COMPENSATION) *benefits*, but not against both.

Sec. 62. Minnesota Statutes 1980, Section 176.061, Subdivision 3, is amended to read:

Subd. 3. [ELECTION TO RECEIVE (COMPENSATION) *BENEFITS FROM EMPLOYER; SUBROGATION.*] If the employee or his dependents elect to receive (COMPENSATION) *benefits from the employer, or the special compensation fund, (SUCH) the employer, or the special compensation fund,* is subrogated to the right of the employee or his dependents to recover damages against the other party. The employer, *or the attorney general on behalf of the special compensation fund,* may bring legal proceedings against such party and recover the aggregate amount of (COMPENSATION) *benefits* payable (BY HIM) *to or on behalf of* the employee or his dependents, together with (THE) costs, disbursements, and reasonable attorney's fees of the action.

If an action as provided in this chapter prosecuted by the employee, the employer, or (BOTH JOINTLY) *the attorney general on behalf of the special compensation fund,* against the third person, results in judgment against the third person, or settlement by the third person, the employer shall have no liability to reimburse or hold the third person harmless on the judgment or settlement in absence of a written agreement to do so executed prior to the injury.

Sec. 63. Minnesota Statutes 1980, Section 176.061, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION OF SUBDIVISIONS 1, 2, AND 3.] The provisions of subdivisions 1, 2, and 3 apply only where the employer liable for (COMPENSATION) *benefits* and the other party legally liable for damages are insured or self-insured and engaged, in the due course of business *in, (a) (IN) furtherance of a common enterprise, or (b) in the accomplishment of the same or related purposes in (OPERATION) operations* on the premises where the injury was received at the time thereof.

Sec. 64. Minnesota Statutes 1980, Section 176.061, Subdivision 5, is amended to read:

Subd. 5. [CUMULATIVE REMEDIES.] Where an injury or death for which (COMPENSATION IS) *benefits are* payable is caused under circumstances which create a legal liability for damages on the part of a party other than the employer, that party being then insured or self-insured in accordance with this chapter, and the provisions of subdivisions 1, 2, 3, and 4 do not apply, or the party other than the employer is not then insured or self-insured as provided by this chapter, legal pro-

ceedings may be taken by the employee or his dependents in accordance with clause (a), or by his employer, or by the attorney general on behalf of the special compensation fund, in accordance with clause (b), against the other party to recover damages, notwithstanding the payment by the employer, or the special compensation fund or (HIS) their liability to pay (COMPENSATION) benefits.

(a) If an action against the other party is brought by the injured employee or his dependents and a judgment is obtained and paid or settlement is made with the other party, the employer or the special compensation fund may deduct from the (COMPENSATION) benefits payable (BY HIM) the amount actually received by the employee or dependents or paid on their behalf in accordance with subdivision 6. If the action is not diligently prosecuted or if the court deems it advisable in order to protect the interests of the employer, or the special compensation fund, upon application the court may grant the employer, or the special compensation fund, the right to intervene in any such action for the prosecution thereof. If the injured employee or his dependents (AGREE TO RECEIVE COMPENSATION) or any party on their behalf receives benefits from the employer, or the special compensation fund, or institute proceedings to recover the same or accept from the employer, or the special compensation fund, any payment on account of the (COMPENSATION) benefits, the employer, or the special compensation fund, is subrogated to the rights of the employee or his dependents. This employer, or the attorney general on behalf of the special compensation fund, may maintain an action or continue an action already instituted. This action may be maintained in the name of the employee or the names of the dependents, or in the name of the employer or in the name of the attorney general on behalf of the special compensation fund against such other party for the recovery of damages. If the action is not diligently prosecuted by the employer, or the attorney general on behalf of the special compensation fund, or the court deems it advisable in order to protect the interest of the employee, the court, upon application, may grant to the employee or his dependents the right to intervene in the action for the prosecution thereof. The proceeds of such action or settlement thereof shall be paid in accordance with subdivision 6.

(b) If an employer, being then insured, sustains damages due to a change in workers' compensation insurance premiums, whether by a failure to achieve a decrease or by a retroactive or prospective increase, as a result of the injury or death of his employee which was caused under circumstances which created a legal liability for damages on the part of a party other than the employer, the employer, notwithstanding other remedies provided, may maintain an action against the other party for recovery of such premiums. This cause of action may be brought either by joining in an action described in clause (a) or by a separate action. Damages recovered under this clause shall be

for the benefit of the employer and the provisions of subdivision 6 shall not be applicable to such damages.

(c) The third party is not liable to any person other than the employee or his dependents, or his employer, or *the special compensation fund*, for any damages resulting from the injury or death.

A co-employee working for the same employer is not liable for a personal injury incurred by another employee unless the injury resulted from the gross negligence of the co-employee or was intentionally inflicted by the co-employee.

Sec. 65. Minnesota Statutes 1980, Section 176.061, Subdivision 6, is amended to read:

Subd. 6. [COSTS, ATTORNEY FEES, EXPENSES.] The proceeds of all actions for damages or settlement thereof under this section; except for damages received under subdivision 5, clause (b) received by the injured employee or his dependents or by the employer, or *the special compensation fund*, as provided by subdivision 5, shall be divided as follows:

(a) After deducting the reasonable cost of collection, including but not limited to attorneys fees and burial expense in excess of the statutory liability, then

(b) One-third of the remainder shall in any event be paid to the injured employee or his dependents, without being subject to any right of subrogation.

(c) Out of the balance remaining, the employer, or *the special compensation fund*, shall be reimbursed in an amount equal to all (COMPENSATION) *benefits* paid under this chapter to or on behalf of the employee or his dependents by the employer, or *special compensation fund*, less the product of the costs deducted under clause (a) divided by the total proceeds received by the employee or his dependents from the other party multiplied by all (COMPENSATION) *benefits* paid by the employer, or *the special compensation fund*, to the employee or his dependents.

(d) Any balance remaining shall be paid to the employee or his dependents, and shall be a credit to employer, and *the special compensation fund*, for any (COMPENSATION) *benefits* which employer is obligated to pay, but has not paid, and for any (COMPENSATION) *benefits* that such employer shall be obligated to make in the future.

There shall be no reimbursement or credit to *the employer*, or *the special compensation fund*, for interest or penalties.

Sec. 66. Minnesota Statutes 1980, Section 176.061, Subdivision 7, is amended to read:

Subd. 7. [MEDICAL TREATMENT.] The liability of an employer, or the special compensation fund, for medical treatment under this chapter shall not be affected by the fact that his employee was injured through the fault or negligence of a third party, against whom the employee may have a cause of action which may be sued under this chapter, but the employer, or the attorney general on behalf of the special compensation fund, shall have a separate additional cause of action against such third party to recover any amounts paid (BY HIM) for medical treatment under this section resulting from the negligence of such third party. This separate cause of action of the employer, or the attorney general on behalf of the special compensation fund, may be asserted in a separate action brought by the employer, or the attorney general on behalf of the special compensation fund, against such third party or in the action commenced by the employee or the employer, or the attorney general on behalf of the special compensation fund, under this chapter, but in the latter case the cause of action shall be separately stated, the amount awarded thereon shall be separately set out in the verdict, and the amount recovered by suit or otherwise as reimbursement for medical expenses shall be for the benefit of the employer, or the special compensation fund, to the extent that the employer, or the special compensation fund, has paid or will be required to pay for medical treatment of the injured employee and shall not affect the amount of periodic compensation to be paid.

Sec. 67. Minnesota Statutes 1980, Section 176.081, Subdivision 1, is amended to read:

Subdivision 1. No claim for legal services or disbursements pertaining to any demand made or suit or proceeding brought under the provisions of this chapter is an enforceable lien against the compensation or is valid or binding in any other respect unless approved in writing by the division, (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY,) a compensation judge, a judge of the district court, or the workers' compensation court of appeals, if the claim arises out of a proceeding for compensation under this chapter, or by the judge presiding at the trial in an action for damages, or by a judge of the district court in a settlement of a claim for damages without trial. The division, a compensation judge, a judge of the district court or the workers' compensation court of appeals shall in matters before (HIM) them, including settlement proceedings, have authority to approve a fee of up to 25 percent of the first \$4,000 of compensation awarded to the employee and up to 20 percent of the next (\$20,000) \$27,500 of compensation awarded to employee. (THE WORKERS' COMPENSATION COURT OF AP-

PEALS JUDGE SHALL HAVE AUTHORITY ONLY TO APPROVE FEES IN SETTLEMENTS UPON APPEAL BEFORE THEM UP TO 25 PERCENT OF THE FIRST \$4,000 OF COMPENSATION AWARDED TO THE EMPLOYEE AND UP TO 20 PERCENT OF THE NEXT \$20,000 OF COMPENSATION AWARDED TO THE EMPLOYEE.) If the employer or his insurer or the defendant is given written notice of such claims for legal services or disbursements, the same shall be a lien against the amount paid or payable as compensation, subject to determination of the amount and approval provided by this chapter. *Provided, however, that in no case shall fees be calculated on the basis of any undisputed portion of compensation awards. Allowable fees under this chapter shall be based solely upon genuinely disputed portions of claims.*

Sec. 68. Minnesota Statutes 1980, Section 176.081, Subdivision 2, is amended to read:

Subd. 2. Any application for attorney fees in excess of the amount (WHICH A COMPENSATION JUDGE OR THE WORKERS' COMPENSATION COURT OF APPEALS MAY AUTHORIZE) *authorized in subdivision 1* shall be made to the (COMMISSIONER OF LABOR AND INDUSTRY) *workers' compensation court of appeals*. The application shall set forth the fee requested and the basis for such request and whether or not a hearing is requested. The application, with affidavit of service upon the employee, shall be filed by the attorney requesting the fee. If a hearing is requested by an interested party, a hearing shall be set with notice of such hearing served upon known interested parties. In all cases the employee shall be served with notice of hearing.

Sec. 69. Minnesota Statutes 1980, Section 176.081, Subdivision 3, is amended to read:

Subd. 3. An employee who is dissatisfied with his attorney fees, may file an application for review by the (COMMISSIONER OF LABOR AND INDUSTRY) *workers' compensation court of appeals*. Such application shall state the basis for the need of review and whether or not a hearing is requested. A copy of such application shall be served upon the attorney for the employee by the (COMMISSIONER) *court administrator* and if a hearing is requested by either party, the matter shall be set for hearing. The notice of hearing shall be served upon known interested parties. The attorney for the employee shall be served with a notice of the hearing. The (COMMISSIONER OF LABOR AND INDUSTRY) *workers' compensation court of appeals* shall have the authority to raise the question of the issue of the attorney fees at any time upon (HIS) *its* own motion and shall have continuing jurisdiction over attorney fees.

Sec. 70. Minnesota Statutes 1980, Section 176.081, Subdivision 4, is amended to read:

Subd. 4. The review of a determination by the commissioner (OF LABOR AND INDUSTRY) or the workers' compensation court of appeals shall be only by supreme court by certiorari upon the ground that it is arbitrary and unwarranted by the evidence. There shall be no review under sections 176.421 and 176.442.

Sec. 71. Minnesota Statutes 1980, Section 176.081, Subdivision 6, is amended to read:

Subd. 6. The (COMMISSIONER OF LABOR AND INDUSTRY) workers' compensation court of appeals may (PRESCRIBE) adopt reasonable and proper rules (AND REGULATIONS) to effect (HIS AND THE DIVISION'S) its obligations under this section (WITHOUT REGARD TO THE JOINT PRESCRIPTION REQUIRED UNDER SECTION 175.17, SUBDIVISION 3).

Sec. 72. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 7a. At any time prior to one day before a matter is to be heard, a party litigating a claim made pursuant to this chapter may serve upon the adverse party a reasonable offer of settlement of the claim, with provision for costs and disbursements then accrued. If before the hearing the adverse party serves written notice that the offer is accepted, either party may then file the offer and notice of acceptance, together with the proof of service thereof, and thereupon judgment shall be entered.

If an offer by an employer or insurer is not accepted by the employee, it shall be deemed withdrawn and evidence thereof is not admissible, except in a proceeding to determine attorney's fees. Notwithstanding the provisions of subdivision 7, if the judgment finally obtained by the employee is less favorable than the offer, the employer shall not be liable for any part of the attorney's fees awarded pursuant to this section.

If an offer by an employee is not accepted by the employer or insurer, it shall be deemed withdrawn and evidence thereof is not admissible, except in a proceeding to determine attorney's fees. Notwithstanding the provisions of subdivision 7, if the judgment finally obtained by the employee is at least as favorable as the offer, the employer shall pay an additional 25 percent, over the amount provided in subdivision 7, of that portion of the attorney's fee which has been awarded pursuant to this section that is in excess of \$250.

The fact that an offer is made but not accepted does not preclude a subsequent offer.

Sec. 73. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 9. An attorney who is hired by an employee to provide legal services with respect to a claim for compensation made pursuant to this chapter shall prepare a retainer agreement in which the provisions of this section are specifically set out and provide a copy of this agreement to the employee. The retainer agreement shall provide a space for the signature of the employee. A signed agreement shall raise a conclusive presumption that the employee has read and understands the statutory fee provisions. No fee shall be awarded pursuant to this section in the absence of a signed retainer agreement.

Sec. 74. Minnesota Statutes 1980, Section 176.081, is amended by adding a subdivision to read:

Subd. 10. An attorney who knowingly violates any of the provisions of this chapter with respect to authorized fees for legal services in connection with any demand made or suit or proceeding brought under the provisions of this chapter is guilty of a gross misdemeanor.

Sec. 75. Minnesota Statutes 1980, Section 176.101, Subdivision 3, is amended to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] For permanent partial disability compensation shall be that named in the following schedule, subject to a maximum compensation equal to the statewide weekly wage:

(1) For the loss of a thumb, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 65 weeks;

(2) For the loss of a first finger, commonly called index finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 40 weeks;

(3) For the loss of a second finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 35 weeks;

(4) For the loss of a third finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 25 weeks;

(5) For the loss of a fourth finger, commonly called the little finger, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 20 weeks;

(6) The loss of the first phalange of the thumb or of any finger, is considered equal to the loss of one-half of the thumb or finger and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the thumb or finger;

(7) The loss of one and one-half or more phalanges is considered equal to the loss of the entire finger or thumb; but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand;

(8) For the loss of a great toe, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 35 weeks;

(9) For the loss of a toe other than a great toe, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 15 weeks;

(10) The loss of the first phalange of any toe is considered equal to the loss of one-half of the toe, and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the toe;

(11) The loss of one and one-half or more phalanges is considered equal to the loss of the entire toe;

(12) For the loss of a hand, not including the wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(13) For the loss of a hand, including wrist movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(14) For the loss of an arm, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 270 weeks;

(15) Amputation of the arm below the elbow is considered the loss of a hand, including wrist movement, if enough of the forearm remains to permit the use of an effective artificial member, otherwise it is considered the loss of an arm;

(16) For the loss of a foot, not including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 140 weeks;

(17) For the loss of a foot, including ankle movement, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 165 weeks;

(18) For the loss of a leg, if enough of the leg remains to permit the use of an effective artificial member, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(19) For the loss of a leg so close to the hip that no effective artificial member can be used, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(20) Amputation of a leg below the knee is considered as equal to the loss of a foot, including ankle movement, if enough of the lower leg remains to permit the use of an effective artificial member, otherwise it is considered as equal to the loss of a leg;

(21) For the loss of an eye, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 160 weeks;

(22) For the complete permanent loss of hearing in one ear, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 85 weeks;

(23) For the complete permanent loss of hearing in both ears, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 170 weeks;

(24) For the loss of an eye and a leg, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(25) For the loss of an eye and an arm, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(26) For the loss of an eye and a hand, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 450 weeks;

(27) For the loss of an eye and a foot, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 400 weeks;

(28) For the loss of two arms, other than at the shoulder, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(29) For the loss of two hands, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(30) For the loss of two legs, other than so close to the hips that no effective artificial member can be used, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(31) For the loss of two feet, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(32) For the loss of one arm and the other hand, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(33) For the loss of one hand and one foot, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(34) For the loss of one leg and the other foot, $66 \frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(35) For the loss of one leg and one hand, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(36) For the loss of one arm and one foot, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(37) For the loss of one arm and one leg, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(38) For loss of the voice mechanism, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(39) For head injuries, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury for the proportion of 500 weeks which is represented by its percentage of the permanent partial disability to the entire body as is determined from competent testimony at a hearing before a compensation judge (, THE COMMISSIONER,) or *as determined by the workers' compensation court of appeals in cases on appeal*;

(40) For permanent partial disability resulting from injury to any internal organ until such time as the commissioner of labor and industry shall promulgate a schedule of internal organs and thereafter for internal organs covered by the schedule of internal organs established by the commissioner (OF LABOR AND INDUSTRY), 66 $\frac{2}{3}$ percent of the daily wage at time of injury for that proportion of 500 weeks, not to exceed 500 weeks, as determined by the commissioner (OF LABOR AND INDUSTRY), which is the proportionate amount of permanent partial disability caused to the entire body by the injury as is determined from competent testimony at a hearing before a compensation judge (, THE COMMISSIONER,) or the workers' compensation court of appeals;

(41) For disfigurement or scarring not resulting from the loss of a member or other injury specifically compensated, affecting the employability or advancement opportunity of the injured person in the employment in which he was injured or other employment for which the employee is then qualified or for which the employee has become qualified, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury during the period the parties agree to or the compensation judge or the workers' compensation court of appeals in cases on appeal determines, not exceeding 90 weeks;

(42) For permanent partial disability resulting from injury to the back, 66 $\frac{2}{3}$ percent of the daily wage at the time of injury for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge, the commissioner, or the workers' compensation court of appeals;

(43) When an employee sustains concurrent injuries resulting in concurrent disabilities he shall receive compensation only for the injury which entitled him to the largest amount of compensation, but this does not affect liability for disfigurement affecting the employability of the injured person or liability for the concurrent loss of more than one member, for which members compensations are provided in the specific schedule and in subdivision 5;

(44) In all cases of permanent partial disability it is considered that the permanent loss of the use of a member is equivalent to and draws the same compensation as the loss of that member, but the compensation in and by this schedule provided shall be in lieu of all other compensation in these cases, except as otherwise provided by this section;

In the event a worker has been awarded or is entitled to receive compensation for loss of use of a member under any workers' compensation law, and thereafter sustains loss of the member under circumstances entitling him to compensation therefor under this subdivision, the amount of compensation awarded, or that he is entitled to receive, for the loss of use, is to be deducted from the compensation due under the schedules of this section for the loss of the member, provided, that the amount of compensation due for the loss of the member caused by the subsequent accident is in no case less than 25 percent of the compensation payable under the schedule of this section for the loss of the member;

(45) In cases of permanent partial disability due to injury to a member, resulting in less than total loss of the member, not otherwise compensated in this schedule, compensation shall be paid at the prescribed rate during that part of the time specified in the schedule for the total loss of the member which the extent of the injury to the member bears to its total loss;

(46) In cases of permanent partial disability caused by simultaneous injury to two or more members, the applicable schedules in this subdivision shall be increased by 15 percent. This clause shall not apply when the injuries are compensated under paragraphs 22 to 37 inclusive, of this subdivision. In cases of partial disability due to injury to both eyes resulting in less than total loss of vision in one or both eyes compensation shall be paid at the prescribed rate during that part of 450 weeks which the extent of the combined injury to both eyes bears to the complete loss of industrial vision;

(47) The commissioner (OF LABOR AND INDUSTRY WITH THE WORKERS' COMPENSATION COURT OF APPEALS) may make or revise rules for the determination of the extent of the impairment of the industrial use of one or both eyes taking into account all primary coordinate factors of vision. These rules shall be made or revised after consultation with ex-

perts on industrial vision and after public notice to and hearing of interested parties;

(48) For permanent partial disability resulting from injury to the body as a whole due to burns, 66 2/3 percent of the daily wage at the time of injury, for that proportion of 350 weeks which is represented by the percentage of the permanent partial disability as is determined from competent testimony at a hearing before a compensation judge (, THE COMMISSIONER,) or *as determined by the workers' compensation court of appeals in cases on appeal*, the compensation to be paid in addition to the compensation as employee would otherwise be entitled to for loss of use of a member in accordance with this section;

(49) In all cases of permanent partial disability not enumerated in this schedule the compensation shall be 66 2/3 percent of the difference between the daily wage of the worker at the time of the injury and the daily wage he is able to earn in his partially disabled condition, subject to a maximum equal to the statewide average weekly wage, and continue during disability, not to exceed 350 weeks; and if the employer does not furnish the worker with work which he can do in his permanently partially disabled condition and he is unable to secure such work with another employer after a reasonably diligent effort, the employee shall be paid at his or her maximum rate of compensation for total disability.

Sec. 76. Minnesota Statutes 1980, Section 176.102, is amended by adding a subdivision to read:

Subd. 1a. [SURVIVING SPOUSE.] Upon the request of a qualified dependent surviving spouse, rehabilitation services shall be provided through the rehabilitation services section of the workers' compensation division. For the purposes of this subdivision a qualified dependent surviving spouse is a dependent surviving spouse, as determined under section 176.111, who is in need of rehabilitation assistance to become self-supporting. A spouse who is provided rehabilitation services under this subdivision is not entitled to compensation under subdivision 11.

Sec. 77. Minnesota Statutes 1980, Section 176.105, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of labor and industry (MAY) shall by rule establish a schedule of degrees of disability resulting from different kinds of injuries.

Sec. 78. Minnesota Statutes 1980, Section 176.111, Subdivision 6, is amended to read:

Subd. 6. [SPOUSE, NO DEPENDENT CHILD.] (a) If the deceased employee leaves a dependent surviving spouse and

no dependent child, there shall be paid to the (DEPENDENT SURVIVING) spouse (50 PERCENT OF THE DAILY WAGE AT THE TIME OF THE INJURY OF THE DECEASED), at the option of the spouse, either:

(1) A lump sum settlement equal to ten full years of compensation at 50 percent of the daily wage at the time of the injury of the deceased, computed without regard to section 176.645; or

(2) Weekly workers' compensation benefits at 50 percent of the daily wage at the time of the injury for a period of ten years, including adjustments as provided in section 176.645.

(b) A dependent surviving spouse who has not accepted a lump sum settlement pursuant to clause (a) (1) and who remarries shall receive the lesser of either:

(1) A lump sum settlement equal to two full years of compensation at 50 percent of the daily wage at the time of the injury of the deceased, computed without regard to section 176.645; or

(2) The remaining weekly workers' compensation benefits pursuant to clause (a) (2) at 50 percent of the daily wage, including adjustments as provided in section 176.645.

Sec. 79. Minnesota Statutes 1980, Section 176.111, Subdivision 7, is amended to read:

Subd. 7. [SPOUSE, ONE DEPENDENT CHILD.] (a) If the deceased employee (LEAVE) leaves a surviving spouse and one dependent child, there shall be paid to the surviving spouse for the benefit of (SUCH) the spouse and child 60 percent of the daily wage at the time of the injury of the deceased until the child is no longer a dependent as defined in subdivision 1. At that time there shall be paid to the dependent surviving spouse, at the option of the spouse, either:

(1) A lump sum settlement equal to ten full years of compensation at a rate which is $16 \frac{2}{3}$ percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent, computed without regard to section 176.645; or

(2) Weekly benefits at a rate which is $16 \frac{2}{3}$ percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent, for a period of ten years, including adjustments as provided in section 176.645.

(b) A surviving spouse who remarries shall receive:

(1) *Compensation, for the benefit of the dependent child, according to the allocation provided in subdivision 10, until the child is no longer a dependent as defined in subdivision 1; and*

(2) *A lump sum settlement, for the benefit of the surviving spouse, equal to two full years of weekly benefits in an amount which equals the difference between the benefit otherwise payable under clause (a) and the amount payable to the dependent child pursuant to clause (b) (1).*

Sec. 80. Minnesota Statutes 1980, Section 176.111, Subdivision 8, is amended to read:

Subd. 8. [SPOUSE, TWO DEPENDENT CHILDREN.] (a) If the deceased employee (LEAVE) leaves a surviving spouse and two dependent children, there shall be paid to the surviving spouse for the benefit of (SUCH) the spouse and (SUCH) children 66 2/3 percent of the daily wage at the time of the injury of the deceased until the youngest dependent child is no longer dependent. At that time the dependent surviving spouse shall be paid, at the option of the spouse, either:

(1) *A lump sum settlement equal to ten full years of compensation at a rate which is 25 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the last surviving child was a dependent, computed without regard to section 176.645; or*

(2) *Weekly benefits at a rate which is 25 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent, for a period of ten years, adjusted according to section 176.645.*

(b) *A surviving spouse who remarries shall receive compensation, for the benefit of the children, allocated according to subdivision 10, until the youngest dependent child is no longer dependent as defined in subdivision 1 and, for the benefit of the surviving spouse, a lump sum settlement equal to two full years of weekly benefits in an amount which equals the difference between the benefit otherwise payable pursuant to clause (a) and the amount payable to the dependent children allocated according to subdivision 10, computed without regard to section 176.645.*

Sec. 81. Minnesota Statutes 1980, Section 176.111, is amended by adding a subdivision to read:

Subd. 8a. [LAST WEEKLY BENEFIT PAYMENT.] *For the purposes of subdivisions 7 and 8, "last weekly workers' compensation benefit payment" means the workers' compensation benefit which would have been payable without the application of subdivision 21.*

Sec. 82. Minnesota Statutes 1980, Section 176.111, Subdivision 10, is amended to read:

Subd. 10. [ALLOCATION OF COMPENSATION.] In all cases where compensation is payable to the surviving spouse for the benefit of the surviving spouse and dependent children, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY), compensation judge, or workers' compensation court of appeals or *district court* in cases upon appeal (MAY) shall determine what portion of the compensation (SHALL BE APPLIED) applies for the benefit of (ANY SUCH CHILD) dependent children and may order (THE SAME) that portion paid to a guardian. *This subdivision shall not be construed to increase the combined total of weekly government survivor benefits and workers' compensation beyond the limitation established in section 176.111, subdivision 21.*

Sec. 83. Minnesota Statutes 1980, Section 176.111, Subdivision 21, is amended to read:

Subd. 21. [DEATH, BENEFITS; COORDINATION WITH GOVERNMENTAL SURVIVOR BENEFITS.] The following provision shall apply to any dependent entitled to receive weekly compensation benefits under this section as the result of the death of an employee, and who is also receiving or entitled to receive benefits under any government survivor program:

The combined total of weekly government survivor benefits and workers' compensation death benefits provided under this section shall not exceed 100 percent of the weekly wage being earned by the deceased employee at the time of the injury causing his death; provided, however, that no state workers' compensation death benefit shall be paid for any week in which the survivor benefits paid under the federal program, by themselves, exceed 100 percent of such weekly wage provided, however, the workers' compensation benefits payable to a dependent surviving spouse shall not be reduced on account of any governmental survivor benefits payable to decedent's children if the support of the children is not the responsibility of the dependent surviving spouse.

For the purposes of this subdivision "dependent" means dependent surviving spouse together with all dependent children and any other dependents. For the purposes of this subdivision, mother's insurance benefits received pursuant to 42 U.S.C., 402 (g), are benefits under a government survivor program.

Sec. 84. Minnesota Statutes 1980, Section 176.131, Subdivision 10, is amended to read:

Subd. 10. The special compensation fund is created for the purposes provided in this chapter in the following manner:

(1) In every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to monetary benefits of dependency compensation, the employer shall pay to the commissioner (OF LABOR AND INDUSTRY) the sum of \$5,000 for the benefit of the special compensation fund; in every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to at least \$5,000 in monetary benefits of dependency compensation, the employer shall pay to the commissioner (OF LABOR AND INDUSTRY) for the benefit of the special compensation fund the difference between the amounts actually paid for the dependency benefits and \$5,000; but in no event shall the employer pay the commissioner (OF LABOR AND INDUSTRY) less than \$1,000;

(2) When an employee suffers a personal injury which results in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability or death and which entitles him or *his* dependents to compensation under sections 176.101 or 176.111, the employer shall, in addition to compensation provided therein, pay to the commissioner (OF LABOR AND INDUSTRY) for the benefit of the special compensation fund a lump sum without interest deduction equal to (SEVEN) a percent of the total compensation (,) *determined as provided in this subdivision* as soon as the amount payable for the particular injury is determined, or arrived at by agreement of the parties, and the amount is approved by the commissioner (OF LABOR AND INDUSTRY).

The provisions of clauses (1) and (2) shall apply to all workers' compensation payments, exclusive of medical costs, paid under sections 176.101 and 176.111 for all injuries or death occurring on or after June 1, 1971.

Personal injuries that occurred prior to June 1, 1971 shall be assessed at the rate in effect on the date of occurrence.

(THE SEVEN PERCENT OF THE TOTAL COMPENSATION REQUIRED TO BE PAID BY THE EMPLOYER TO THE COMMISSIONER OF LABOR AND INDUSTRY FOR THE BENEFIT OF THE SPECIAL COMPENSATION FUND AS PROVIDED IN CLAUSE (2) OF THIS SUBDIVISION SHALL REMAIN FIXED AT SAID SEVEN PERCENT FOR THE PERIOD FROM JUNE 1, 1971, TO JUNE 1, 1972. EFFECTIVE JUNE 1, 1972, THROUGH JUNE 1, 1975, AND THEREAFTER ON JANUARY 1, BEGINNING IN 1976, THE RATE SHALL BE ADJUSTED ON THE FOLLOWING BASIS: IF THE BALANCE IN THE SPECIAL COMPENSATION FUND AS OF APRIL 30 IN ANY YEAR THROUGH 1975 AND AS OF SEPTEMBER 30, 1975, AND EACH SEPTEMBER 30 THEREAFTER, IS BELOW \$1,000,000, THE

RATE OF PAYMENT SHALL BE INCREASED BY TWO PERCENT OVER THE THEN PREVAILING RATE. IF THE BALANCE IS AT LEAST \$1,000,000 BUT BELOW \$1,500,000, THE RATE WILL BE INCREASED BY ONE PERCENT. IF THE BALANCE IS AT LEAST \$1,500,000 BUT BELOW \$2,000,000, THERE SHALL BE NO CHANGE. IF THE BALANCE IS AT LEAST \$2,000,000 BUT LESS THAN \$2,500,000, THE RATE SHALL BE DECREASED BY ONE PERCENT. IF THE BALANCE IS AT LEAST \$2,500,000, THE RATE SHALL BE DECREASED BY TWO PERCENT. IF THE BALANCE IS \$3,000,000 OR MORE THE COMMISSIONER OF LABOR AND INDUSTRY SHALL WITHIN 30 DAYS DETERMINE THE PERCENT OF DECREASE, WHICH SHALL BE NOT LESS THAN TWO PERCENT NOR MORE THAN FIVE PERCENT.)

In determining the percentage of the total compensation required to be paid by the employer to the commissioner for the benefit of the special compensation fund as provided in clause (2) beginning September 30, 1981 and each September 30 thereafter, the commissioner shall use the following schedule:

| <i>Balance in the Fund</i> | <i>Permissible Range of Rate Adjustment</i> |
|---|---|
| <i>Less than \$2,000,000</i> | <i>+1 percent to +7 percent</i> |
| <i>At least \$2,000,000 but less than \$3,000,000</i> | <i>0 percent to +6 percent</i> |
| <i>At least \$3,000,000 but less than \$4,000,000</i> | <i>-2 percent to +4 percent</i> |
| <i>At least \$4,000,000 but less than \$5,000,000</i> | <i>-5 percent to +3 percent</i> |
| <i>At least \$5,000,000 but less than \$6,000,000</i> | <i>-6 percent to +2 percent</i> |
| <i>\$6,000,000 or more</i> | <i>-7 percent to +2 percent</i> |

In determining the actual adjustment, the commissioner shall take into account his estimate of the likely amount of expenditures to be made from the fund in the next calendar year.

Sums paid to the commissioner (OF LABOR AND INDUSTRY) pursuant to the provisions hereof, shall be deposited with the state treasurer for the benefit of the special compensation fund and be used to pay the benefits provided by this chapter. All money heretofore arising from the provisions of this section or similar law shall be transferred to this special compensation fund. Any interest or profit accruing from investment of these sums shall be credited to the special compensation fund.

The state treasurer shall be the custodian of this special fund and the workers' compensation division (AND), *compensation judges*, the workers' compensation court of appeals or *district court* in cases before (IT) *them* shall direct the distribution thereof, the same to be paid as other payments of compensation are paid. In case deposit is or has been made under the provisions of clause (1) and dependency later is shown, or if deposit is or has been made pursuant to either clause (1) or (2) by mistake or inadvertence, or under circumstances that justice requires a refund thereof, the state treasurer is authorized to refund the deposit under order of the workers' compensation division (OR), *a compensation judge*, the workers' compensation court of appeals or *a district court*. There is appropriated to the persons entitled to the refunds from the fund an amount sufficient to make the refund and payment.

Costs within the department (OF LABOR AND INDUSTRY) for the accounting, *investigation* and legal procedures necessary for the administration of the programs financed by the special compensation fund shall (BE PAID FROM THE MONEYS BIENNIALY APPROPRIATED TO THE DEPARTMENT AND NOT FROM THE SPECIAL COMPENSATION FUND) *come from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the fund shall be approved through the regular budget and appropriations process.*

Sec. 85. Minnesota Statutes 1980, Section 176.132, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT.] (a) The supplementary benefit payable under this section shall be the difference between the amount the employee receives on or after January 1, 1976, under section 176.101, subdivision 1 or subdivision 4, and 65 percent of the statewide average weekly wage as computed annually.

(b) In the event an eligible recipient is currently receiving no compensation or is receiving a reduced level of compensation because of a credit being applied as the result of a third party liability or damages, the employer or insurer shall compute the offset credit as if the individual were entitled to the actual benefit or 65 percent of the statewide average weekly wage as computed annually, whichever is greater. If this results in the use of a higher credit than otherwise would have been applied and the employer or insurer becomes liable for compensation benefits which would otherwise not have been paid, the additional benefits resulting shall be handled according to this section.

(c) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of a valid agreement in settlement of a claim, no supplementary benefit shall be payable under this section. *Attorney's fees shall*

be allowed in settlements of claims for supplementary benefits in accordance with this chapter.

(d) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of prior limitations in the maximum amount payable for permanent total disability or because of reductions resulting from the simultaneous receipt of old age or disability benefits, the supplementary benefit shall be payable for the difference between the actual amount of compensation currently being paid and 65 percent of the statewide average weekly wage as computed annually.

(e) In the event that an eligible recipient is receiving simultaneous benefits from any government disability program, the amount of supplementary benefits payable under this section shall be reduced by five percent. If the individual does not receive the maximum benefits for which he is eligible under other governmental disability programs due to the provisions of 42 U.S.C. 424a (d), this reduction shall not apply.

Sec. 86. Minnesota Statutes 1980, Section 176.133, is amended to read:

176.133 [ATTORNEYS FEES, SUPPLEMENTARY BENEFITS.]

(NO ATTORNEYS) *Attorney's fees (SHALL) may be (PERMITTED OR) approved by a compensation judge or by the workers' compensation court of appeals from the supplementary workers' compensation benefits provided by section 176.132 (, OR AMENDMENTS THERETO, UNLESS) if the case (SOLELY) involves the obtaining of supplementary workers' compensation benefits. When such fees are allowed an amount equal to 25 percent of that portion of the fee which is in excess of \$250 shall be added to the employee's benefit as provided in section 176.081 rather than deducted as a portion thereof. The fees shall be (SUBJECT) determined according to (THE LIMITATIONS CONTAINED IN) section 176.081.*

Sec. 87. Minnesota Statutes 1980, Section 176.136, is amended to read:

176.136 [MEDICAL FEE REVIEW.]

The commissioner of (LABOR AND INDUSTRY) *insurance shall by rule establish procedures for determining whether or not the charge for a health service is excessive. In order to accomplish this purpose, the commissioner of insurance shall consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups. The procedures established by the commissioner of insurance shall limit the charges allowable for medical,*

chiropractic, podiatric, surgical, hospital and other health care provider treatment or services, as defined and compensable under section 176.135, to the 75th percentile of usual and customary fees or charges based upon billings for each class of health care provider during all of the calendar year preceding the year in which the determination is made of the amount to be paid the health care provider for the billing. The procedures established by the commissioner for determining whether or not the charge for a health service is excessive shall be structured to encourage providers to develop and deliver services for rehabilitation of injured workers. The procedures shall incorporate the provisions of sections 144.701, 144.702, and 144.703 to the extent that the commissioner finds that these provisions effectively accomplish the intent of this section or are otherwise necessary to insure that quality hospital care is available to injured employees. If the commissioner of insurance, a compensation judge, the workers' compensation court of appeals or a district court determines that the charge for a health service or medical service is excessive, (HE MAY LIMIT) no payment (TO) in excess of the reasonable charge for that service shall be made under this chapter nor may the provider collect or attempt to collect from the injured employee or any other insurer or government amounts in excess of the amount payable under this chapter; however, the commissioner of insurance shall by rule establish procedures allowing for a provider to appeal such determination. The commissioner (MAY) of insurance shall contract with a review organization as defined in section 145.61 (IN MAKING ANY DETERMINATIONS AS TO WHETHER OR NOT A CHARGE IS EXCESSIVE) for the purposes listed in section 145.61, subdivision 5, and report to the legislature by January 15, 1983 and thereafter on January 15 of every odd-numbered year, regarding the delivery of medical and health care services, including rehabilitation services, under the workers' compensation laws of this state.

The commissioner of insurance shall also conduct a study of the qualifications and background of rehabilitation consultants and vendors providing services under section 176.102 for the purpose of determining whether there are adequate professional standards provided, including safeguards to protect against conflicts of interest.

The commissioner of insurance shall adopt temporary rules in order to implement the provisions of this subdivision. Notwithstanding the provisions of section 15.0412, subdivision 4, and any amendments, the temporary rules adopted by the commissioner of insurance pursuant to this subdivision may be extended for an additional 180 days if the procedures for adoption of a rule pursuant to section 15.0412, subdivisions 4 to 4g, or 4h, and other provisions of the administrative procedure act related to final agency action and rule adoption have not been concluded.

Sec. 88. [176.1361] [TESTIMONY OF PROVIDERS.]

When a compensation judge or the workers' compensation court of appeals has reason to believe that a medical or other provider of treatment services has submitted false testimony or a false report in any proceeding under this chapter, the compensation judge or the workers' compensation court of appeals shall refer the matter to an appropriate licensing body or other professional certifying organization for review and recommendations. Based upon their recommendation, the commissioner may bar the provider from making an appearance, and disallow the admission into evidence of written reports of the provider, in any proceeding under this chapter for a period not to exceed one year in the first instance and three years in the second instance, and may permanently bar the provider from appearance and his reports from admission in evidence thereafter.

Sec. 89. [176.152] [PERMANENT PARTIAL DISABILITY PANEL.]

Subdivision 1. [BINDING OPINION; PERMANENT PARTIAL DISABILITY DISPUTES.] Prior to a hearing before a compensation judge at which a significant issue of the extent of permanent partial disability is to be determined a permanent partial disability panel shall be constituted to render a determination on the dispute subject to the limitation in subdivisions 7 and 8.

Subd. 2. [PANEL LIST.] The administrator of the workers' compensation court of appeals shall compile and maintain a list of names of physicians, podiatrists, chiropractors and other health care providers qualified to determine the extent of permanent partial disability. Names may be added to the list and removed at any time by the administrator of the workers' compensation court of appeals. In maintaining the list the administrator of the workers' compensation court of appeals shall to the maximum extent possible select persons from varying geographical areas of the state.

Subd. 3. [PANEL SELECTION.] When a panel is required to be constituted by subdivision 1 the administrator of the workers' compensation court of appeals shall furnish the employer and employee parties to the dispute a list of seven appropriate health care providers from which the parties shall alternatively strike names until only three remain who shall constitute the panel. If both parties agree, the dispute may be decided by a single health care provider. If the parties are unable to agree on who shall strike the first name, priority shall be decided by a flip of the coin.

Subd. 4. [REPORT; CONCLUSION.] The compensation judge, or the chief hearing examiner in cases in which a com-

compensation judge has not yet been assigned, shall propound specific written questions to the panel at the time they are notified of their selection. The questions shall be framed in such a manner that answers to them shall resolve the dispute as to the extent of permanent partial disability. The panel's report shall be binding upon any compensation judge before whom a hearing may be held subsequent to the panel's report, but may be reviewed by the workers' compensation court of appeals or supreme court, only if the report is found to be arbitrary, capricious or based on fraud, in which case the workers' compensation court of appeals or supreme court shall remand the matter to a compensation judge for the seating of a new panel.

Subd. 5. [EXAM; REPORT.] At least one member of the panel shall personally examine the employee within 30 days of the panel's selection. After reviewing the examination report and all other available pertinent information the panel shall report its conclusions to the compensation judge within 45 days after their selection. The compensation judge may extend the time limit for good cause. The report of the panel shall include the examination report and a record of any other evidence or information considered by the panel.

Subd. 6. [COSTS; PAYMENT.] Any physician, podiatrist, chiropractor or other health care provider who agrees to serve on a panel constituted pursuant to this section shall be deemed to agree that any dispute concerning his fees for serving on the panel shall be decided by the compensation judge hearing the case. The judge's decision shall be binding on the health care provider. A consent form to this effect shall be provided for the signature of the health care provider. No fee shall be approved which is excessive under the standards issued pursuant to section 87 for similar services. The employer shall pay all the panel members' fees, unless the employee has proceeded in bad faith, in which case the employee may be ordered to pay the fees.

Subd. 7. [PILOT PROJECT; REPORT TO LEGISLATURE AND GOVERNOR.] The administrator of the workers' compensation court of appeals shall establish the permanent partial disability panel provided for in this section on a pilot basis in three counties of his choice, including at least one rural county. The administrator of the workers' compensation court of appeals shall report to the legislature and governor by January 1, 1983, on the number of cases reviewed, the number of health care providers participating, the number of cases settled prior to any hearing before a compensation judge, the cost of the program and his recommendations concerning the panel.

Subd. 8. [LIMITATION.] This section shall operate in lieu of section 176.155, subdivision 2, in the counties in which the medical panel is established pursuant to subdivision 7.

Sec. 90. Minnesota Statutes 1980, Section 176.161, subdivision 1, is amended to read:

Subdivision 1. [RESIDING OUTSIDE THE UNITED STATES.] In case a deceased employee for whose injury or death compensation is payable leaves surviving him an alien dependent residing outside the United States the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall direct the payment of all compensation due the dependent to be made to the duly accredited consular officer of the country of which the beneficiary is a citizen residing within the state, or to his designated representative residing within the state; or, if the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) believes that the interests of the dependent will be better served and at any time prior to the final settlement the dependent files with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) a power of attorney designating any other suitable person residing in this state to act as attorney in fact in such proceedings, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may appoint such person. If it appears necessary to institute proceedings to enforce payment of compensation due the dependent, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may permit the consular officer to institute these proceedings. If during the pendency of these proceedings, such power of attorney is filed by the alien dependent, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall then determine whether such attorney in fact be substituted to represent such dependent or if the consular officer or his representative continue therein. The person so appointed may carry on proceedings to settle all claims for compensation and receive for distribution to such dependent all compensation arising under this chapter. The settlement and distribution of the funds shall be made only on the written order of the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY). The person so appointed shall furnish a bond satisfactory to the (WORKERS' COMPENSATION COURT OF APPEALS) *commissioner*, conditioned upon the proper application of the money received by him. Before the bond is discharged, the person so appointed shall file with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) a verified account of his receipts and disbursements of such compensation.

Sec. 91. Minnesota Statutes 1980, Section 176.181, Subdivision 2, is amended to read:

Subd. 2. [COMPULSORY INSURANCE; SELF-INSURERS.] (1) Every employer, except the state and its municipal subdivisions, liable under this chapter to pay compensation shall insure payment of compensation with some insurance carrier authorized to insure workers' compensation liability in this state, or obtain a written order from the commissioner of insurance exempting the employer from insuring his liability for compen-

sation and permitting him to self-insure the liability. The terms, conditions and requirements governing self-insurance shall be established by the commissioner pursuant to chapter 15. The commissioner of insurance shall also adopt, pursuant to clause (2) (c), rules permitting two or more employers, *whether or not they are* in the same industry, to enter into agreements to pool their liabilities under this chapter for the purpose of qualifying as group self-insurers. With the approval of the commissioner of insurance, any employer may exclude medical, chiropractic and hospital benefits as required by this chapter. An employer conducting distinct operations at different locations may either insure or self-insure the other portion of his operations which may be determined by the commissioner of insurance to be a distinct and separate risk. An employer desiring to be exempted from insuring his liability for compensation shall make application to the commissioner of insurance, showing his financial ability to pay the compensation, whereupon by written order the commissioner of insurance may make an exemption as he deems proper. The commissioner of insurance may require further statements of financial ability of the employer to pay compensation. Upon ten days written notice the commissioner of insurance may revoke his order granting an exemption, in which event the employer shall immediately insure his liability. As a condition for the granting of an exemption the commissioner of insurance may require the employer to furnish security the commissioner of insurance considers sufficient to insure payment of all claims under this chapter. If the required security is in the form of currency or negotiable bonds, the commissioner of insurance shall deposit it with the state treasurer. In the event of any default upon the part of a self-insurer to abide by any final order or decision of the commissioner of labor and industry directing and awarding payment of compensation and benefits to any employee or the dependents of any deceased employee, then upon at least ten days notice to the self-insurer, the commissioner of insurance may by written order to the state treasurer require him to sell the pledged and assigned securities or a part thereof necessary to pay the full amount of any such claim or award with interest thereon. This authority to sell may be exercised from time to time to satisfy any order or award of the commissioner of labor and industry or any judgment obtained thereon. When securities are sold the money obtained shall be deposited in the state treasury to the credit of the commissioner of insurance and awards made against any such self-insurer by the commissioner of insurance shall be paid to the persons entitled thereto by the state treasurer upon warrants prepared by the commissioner of insurance and approved by the commissioner of finance out of the proceeds of the sale of securities. Where the security is in the form of a surety bond or personal guaranty the commissioner of insurance, at any time, upon at least ten days notice and opportunity to be heard, may require the surety to pay the amount of the award, the payments to be enforced in like manner as the award may be enforced.

(2)(a) No association, corporation, partnership, sole proprietorship, trust or other business entity shall provide services in the design, establishment or administration of a group self-insurance plan under rules adopted pursuant to this subdivision unless it is licensed to do so by the commissioner of insurance. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license shall be granted only when the commissioner of insurance is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner of insurance may issue a license subject to restrictions or limitations, including restrictions or limitations on the type of services which may be supplied or the activities which may be engaged in. The license is for a two year period.

(b) To assure that group self-insurance plans are financially solvent, administered in a fair and capable fashion, and able to process claims and pay benefits in a prompt, fair and equitable manner, entities licensed to engage in such business are subject to supervision and examination by the commissioner of insurance.

(c) To carry out the purposes of this subdivision, the commissioner of insurance may promulgate administrative rules, including emergency rules, pursuant to sections 15.0411 to 15.052. These rules may:

(i) establish reporting requirements for administrators of group self-insurance plans;

(ii) establish standards and guidelines to assure the adequacy of the financing and administration of group self-insurance plans;

(iii) establish bonding requirements or other provisions assuring the financial integrity of entities administering group self-insurance plans;

(iv) establish standards, including but not limited to minimum terms of membership in self-insurance plans, as necessary to provide stability for those plans;

(v) establish standards or guidelines governing the formation, operation, administration and dissolution of self-insurance plans; and

(vi) establish other reasonable requirements to further the purposes of this subdivision.

Sec. 92. Minnesota Statutes 1980, Section 176.181, Subdivision 3, is amended to read:

Subd. 3. [FAILURE TO INSURE, PENALTY.] Any employer who fails to comply with the provisions of subdivision 2

to secure payment of compensation is liable to the state of Minnesota for a penalty of (\$50) \$100, if the number of uninsured employees in his employment is less than five and for a penalty of (\$200) \$400 if the number of such uninsured employees in his employment is five or more. *If the commissioner determines that the failure to comply with the provisions of subdivision 2 was willful and deliberate, the employer shall be liable to the state of Minnesota for a penalty of \$500, if the number of uninsured employees in his employment is less than five, and for a penalty of \$2,000 if the number of his uninsured employees is five or more.* If the employer continues his non-compliance, he is liable for five times the lawful premium for compensation insurance for such employer for the period he fails to comply with such provisions, commencing ten days after notice has been served upon him by the commissioner of the department of labor and industry by certified mail. These penalties may be recovered jointly or separately in a civil action brought in the name of the state by the attorney general in any court having jurisdiction. Whenever any such failure occurs the commissioner of the department of labor and industry shall immediately certify the fact thereof to the attorney general. Upon receipt of such certification the attorney general shall forthwith commence and prosecute such action. All penalties recovered by the state in any such action shall be paid into the state treasury and credited to the special compensation fund. If an employer fails to comply with the provisions of subdivision 2, to secure payment of compensation after having been notified of his duty, the attorney general, upon request of the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY), may proceed against the employer in any court having jurisdiction for an order restraining him from having any person in his employment at any time when he is not complying with the provisions of subdivision 2.

Sec. 93. Minnesota Statutes 1980, Section 176.181, is amended by adding a subdivision to read:

Subd. 6. No employer shall be required to provide financial statements certified by an "independent certified public accountant" or "certified public accountant" as a condition of approval for group self-insurance.

Sec. 94. [176.182] [BUSINESS LICENSES OR PERMITS; COVERAGE REQUIRED.]

Every state or local licensing agency shall withhold the issuance of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

Neither the state nor any governmental subdivision thereof shall enter into any contract before receiving from all other contracting parties acceptable evidence of compliance with the

workers' compensation insurance coverage requirement of section 176.181, subdivision 2.

Sec. 95. Minnesota Statutes 1980, Section 176.191, is amended to read:

176.191 [DISPUTE BETWEEN TWO OR MORE EMPLOYERS OR INSURERS REGARDING LIABILITY.]

Subdivision 1. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner (OF LABOR AND INDUSTRY), compensation judge, or workers' compensation court of appeals upon appeal (MAY) *shall direct, unless action is taken under subdivision 2, that one or more of the employers or insurers make payment of the benefits pending a determination of liability.*

When liability has been determined, the party held liable for the benefits shall be ordered to reimburse any other party for payments which the latter has made, including interest at the rate of (FIVE) 12 percent a year. The claimant (MAY) *shall also be awarded a reasonable attorney fee, to be paid by the party held liable for the benefits.*

An order directing payment of benefits pending a determination of liability may not be used as evidence before a compensation judge, the workers' compensation court of appeals, or court in which the dispute is pending.

Subd. 2. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner (OF LABOR AND INDUSTRY MAY) *shall authorize, unless action is taken under subdivision 1, the special compensation fund established in section 176.131 to make payment of the benefits pending a determination of liability.*

The personal injury for which the commissioner (MAY) *shall order compensation from the special fund is not limited by section 176.131, subdivision 8.*

When liability has been determined, the party held liable for benefits shall be ordered to reimburse the special compensation fund for payments made, including interest at the rate of 12 percent a year.

Subd. 3. If a dispute exists as to whether an employee's injury is compensable under this chapter and the employee is otherwise covered by an insurer pursuant to chapters 62A, 62C and 62D, that insurer shall pay any medical costs incurred by the employee for the injury *and shall make any disability payments otherwise payable by that insurer in the absence of or in addition to workers' compensation liability.* If the injury is subsequently determined to be compensable pursuant to this chapter, the workers' compensation insurer shall be ordered to

reimburse the insurer that made the payments for all (MEDICAL) payments made *under this subdivision* by the insurer (FOR THE INJURY), including interest at a rate of 12 percent a year.

Subd. 4. If the employee's medical expenses for a personal injury are paid pursuant to any program administered by the commissioner of public welfare, or he receives subsistence or other payments pursuant to such a program, and it is subsequently determined that the injury is compensable pursuant to this chapter, the workers' compensation insurer shall reimburse the commissioner of public welfare for the (MEDICAL EXPENSES PAID AND ATTRIBUTABLE TO THE PERSONAL INJURY) payments made, including interest at a rate of 12 percent a year.

Amounts paid to an injured employee pursuant to such a program and attributable to the personal injury shall be deducted from any settlement or award of compensation or benefits under this chapter. The insurer shall attempt, with due diligence, to ascertain whether payments have been made to an injured employee pursuant to such a program prior to any settlement or issuance of a binding award and shall notify the commissioner when such payments have been made.

Sec. 96. Minnesota Statutes 1980, Section 176.221, is amended to read:

176.221 [PAYMENT OF COMPENSATION AND TREATMENT CHARGES, COMMENCEMENT.]

Subdivision 1. [(DENIAL OF LIABILITY, REQUEST FOR EXTENSION OF TIME) COMMENCEMENT OF PAYMENT.] (WITHIN 30 DAYS FROM THE DATE OF NOTICE TO OR KNOWLEDGE BY THE EMPLOYER OF AN INJURY COMPENSABLE UNDER THE CHAPTER, AND UNLESS WITHIN THAT 30 DAY PERIOD THE EMPLOYER OR THE INSURER FILES WITH THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY A DENIAL OF LIABILITY OR A REQUEST FOR AN EXTENSION OF TIME WITHIN WHICH TO DETERMINE LIABILITY, THE PERSON RESPONSIBLE FOR PAYMENT OF COMPENSATION, CHARGES FOR TREATMENT UNDER SECTION 176.135 OR RETRAINING EXPENSES UNDER 176.102, SUBDIVISION 9 SHALL BEGIN PAYMENT OF COMPENSATION OR CHARGES FOR TREATMENT.) *Within 14 days of notice to or knowledge by the employer of an injury compensable under this chapter the payment of compensation due pursuant to section 176.101, subdivision 1, shall commence. Commencement of payment by an employer or insurer does not waive any rights to any defense the employer may have on any claim or incident either with respect to the compensability of the claim under chapter 176 or the amount of the compensation due.*

Where there are multiple employers, the first employer shall pay, unless it is shown that the injury has arisen out of employment with the second or subsequent employer. When the employer determines that the disability is not a result of a personal injury, payment of compensation may be discontinued upon notice of discontinuance pursuant to section 176.241. Upon the determination, payments made may be recovered by the employer if the commissioner finds that the employee's claims of work related disability was not made in good faith.

Subd. 2. [GRANT OF EXTENSION.] Upon application made within (THE) 30 (DAY PERIOD REFERRED TO IN SUBDIVISION 1) days after the date on which the first payment was due, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may grant an extension of time within which to determine liability. The extension shall not exceed 30 days.

Subd. 3. [PAYMENTS TO SPECIAL COMPENSATION FUND.] Where an employer or insurer fails to begin payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9, or to file a denial of liability, or to request an extension of time within (THE) 30 (DAY PERIOD REFERRED TO IN SUBDIVISION 1) days after the date on which the first payment was due, he shall pay to the special compensation fund an amount equal to the total amount of compensation to which the employee is entitled because of the injury. In addition, each day subsequent to the end of the (30 DAY) period and until a compensation payment is made to the injured employee, the person responsible for payment of compensation shall pay to the special compensation fund an amount equal to the total compensation to which the injured employee is entitled.

Subd. 4. [FAILURE TO MAKE PAYMENTS AFTER EXTENSION.] Where an employer or insurer has been granted an extension of time within which to determine liability and fails to begin payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 or to file a denial of liability within such extended period, he shall make the payments provided in subdivision 3.

Subd. 5. [DOUBLE PAYMENTS TO SPECIAL COMPENSATION FUND.] Where an employer or insurer has failed to make the payments required by subdivision 3 or subdivision 4 within (60) 30 days from the end of the (30 DAY) period or the extended period, the division may require him to pay to the special compensation fund, each day subsequent to the end of the period and until a compensation payment is made to the injured employee, a sum equal to double the total amount of compensation to which the employee is entitled because of the injury. In addition, the person responsible for compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 shall pay to the special compensation fund

an amount equal to the total amount of compensation to which the employee is entitled.

Subd. 6. [ASSESSMENT OF PENALTIES.] The division shall assess the penalty payments provided for by subdivisions 3 to 5, and any increase in benefit payments provided by section 176.225, subdivision 5, against either the employer or the insurer depending upon to whom the delay is attributable in making payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9. The insurer is not liable for a penalty payment assessed against the employer.

Subd. 7. [INTEREST.] Any payment of compensation, charges for treatment under section 176.135 or retraining expenses under 176.102, subdivision 9 not made when due shall bear interest at the rate of eight percent per annum from the due date to the date the payment is made.

Subd. 8. [METHOD AND TIMELINESS OF PAYMENT.] *Payment of compensation under this chapter shall be by immediately payable negotiable instrument, or if by any other method, arrangements shall be available to provide for the immediate negotiability of the payment instrument.*

All payment of compensation shall be made within 14 days of an appropriate order by the division, unless the order is to be appealed, or where a different time period is provided by this chapter.

Sec. 97. Minnesota Statutes 1980, Section 176.225, is amended by adding a subdivision to read:

Subd. 5. [PENALTY.] *Where the employer is guilty of inexcusable delay in making payments, the payments which are found to be delayed shall be increased by 10 percent. Withholding amounts unquestionably due because the injured employee refuses to execute a release of his right to claim further benefits will be regarded as inexcusable delay in the making of compensation payments. If any sum ordered by the department to be paid is not paid when due, and no appeal of the order is made, the sum shall bear interest at the rate of 12 percent per annum. Any penalties paid pursuant to this section shall not be considered as a loss or expense item for purposes of a petition for a rate increase made pursuant to chapter 79.*

Sec. 98. Minnesota Statutes 1980, Section 176.231, Subdivision 2, is amended to read:

Subd. 2. [INITIAL REPORT, WRITTEN REPORT.] *Where subdivision 1 requires an injury to be reported within 48 hours, the employer may make his initial report by telephone,*

telegraph, or personal notice, and file a written report of the injury within seven days from its occurrence or within such time as the commissioner of labor and industry designates. All written reports of injuries required by subdivision 1 shall include the date of injury, amounts of payments made, if any, and the date of the first payment. The reports shall be in quadruplicate on a form designed by the commissioner, with two copies to the commissioner and one to the insurer.

If an insurer or self insurer repeatedly fails to pay benefits within three days of the due date, pursuant to section 176.221, the insurer or self insurer shall be ordered by the commissioner to explain, in person, the failure to pay benefits due in a reasonable time. If prompt payments are not thereafter made, the commissioner shall refer the insurer or self insurer to the commissioner of insurance for action pursuant to section 176.225, subdivision 4.

Sec. 99. Minnesota Statutes 1980, Section 176.231, Subdivision 7, is amended to read:

Subd. 7. [MEDICAL REPORTS.] If requested by the division (OR BY), a compensation judge, the workers' compensation court of appeals, or any member or employee thereof an employer, insurer, or employee shall file with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) the original or a verified copy of any medical report in his possession which bears upon the case and shall also file a verified copy of the same report with the agency or individual who made the request.

Sec. 100. Minnesota Statutes 1980, Section 176.241, Subdivision 1, is amended to read:

Subdivision 1. [NECESSITY FOR NOTICE AND SHOWING; CONTENTS.] Where an employee claims that the right to compensation continues. (OR REFUSES TO SIGN OR OBJECTS TO SIGNING A FINAL RECEIPT FOR COMPENSATION,) the employer may not discontinue payment of compensation until he provides the (DIVISION) employee with notice in writing of his intention to do so, together with a statement of facts clearly indicating the reasons for the discontinuance. A copy of the notice shall be provided to the division by the employer.

The notice to the employee and the copy to the division shall state the date of intended discontinuance (,) and the reason for the action (, AND THE FACT THAT THE EMPLOYEE OBJECTS TO THE DISCONTINUANCE). The notice to the employee and the copy to the division shall be accompanied by a statement of facts in support of the discontinuance of compensation payments and whatever medical reports are in the pos-

session of the employer bearing on the physical condition of the employee at the time of the proposed discontinuance.

Sec. 101. Minnesota Statutes 1980, Section 176.241, Subdivision 2, is amended to read:

Subd. 2. [CONTINUANCE OF EMPLOYER'S LIABILITY; SUSPENSION.] Except where the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) orders otherwise, until the *copy of the notice* and reports have been filed with the division, the liability of the employer to make payments of compensation continues.

When the division has received a *copy of the notice* of discontinuance, the statement of facts and available medical reports, the duty of the employer to pay compensation is suspended pending an investigation, hearing, and determination of the matter by the division as provided in the following subdivisions.

Sec. 102. Minnesota Statutes 1980, Section 176.241, Subdivision 3, is amended to read:

Subd. 3. [COPY OF NOTICE TO EMPLOYEE, INVESTIGATION, HEARING.] (WHEN THE DIVISION HAS RECEIVED A NOTICE OF DISCONTINUANCE, IT SHALL IMMEDIATELY SEND THE EMPLOYEE A COPY OF THE NOTICE AND SUPPORTING DOCUMENTS WHICH HAVE BEEN SUBMITTED IN CONJUNCTION WITH THE NOTICE.) *When the employer has reason to believe compensation may be terminated within the requirements of this chapter, notice shall be given to the employee informing the employee of his right to object to the discontinuance and providing instructions as to how to contact the employer or insurer regarding the discontinuance and the procedures related to initiation of a claim.* The commissioner (OF LABOR AND INDUSTRY) shall make an investigation to determine whether the right to compensation has terminated. If it appears from the investigation that the right to compensation may not have terminated, the commissioner (OF LABOR AND INDUSTRY) shall (SCHEDULE) *refer the matter to the chief hearing examiner in order that a hearing before a compensation judge may be scheduled, to determine the right of the employee, or his dependent, to further compensation.*

The hearing shall be held within a reasonable time after the division has received the notice of discontinuance. The (COMMISSIONER OF LABOR AND INDUSTRY) *compensation judge* shall give eight days notice of the hearing to interested parties.

Sec. 103. [176.262] [APPOINTMENT OF COMPENSATION JUDGES; LIMITATION.]

No attorney acting pursuant to section 176.261 shall be hired or appointed as a compensation judge for a period of two years following termination of service with the division.

Sec. 104. Minnesota Statutes 1980, Section 176.291, is amended to read:

176.291 [DISPUTES AND DEFAULTS; PROCEDURE.]

Where there is a dispute as to a question of law or fact in connection with a claim for compensation, or where there has been a default in the payment of compensation for a period of ten days, a party may present a verified petition to the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) stating the matter in dispute or the fact of default.

The petition shall also state:

- (1) names and residence of parties;
- (2) facts relating to the employment at the time of injury, including amount of wages received;
- (3) extent and character of injury;
- (4) notice to or knowledge by employer of injury;
- (5) facts which the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY AND WORKERS' COMPENSATION COURT OF APPEALS) by rule requires; and,
- (6) such other facts as are necessary for the information of the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY AND), *a compensation judge or the workers' compensation court of appeals.*

Sec. 105. Minnesota Statutes 1980, Section 176.301, Subdivision 1, is amended to read:

Subdivision 1. [TRIAL BY COURT; REFERENCE TO COMMISSIONER (OF THE DEPARTMENT OF LABOR AND INDUSTRY).] When issue has been joined in the district court action, the court may try the action itself without a jury, or refer the matter to the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY TO BE ASSIGNED FOR HEARING). In the latter case, *the commissioner shall refer the matter to the chief hearing examiner for assignment to a compensation judge (OR THE WORKERS' COMPENSATION COURT OF APPEALS UPON APPEAL SHALL HEAR THE CASE IN THE MANNER IN WHICH IT HEARS CASES ORIGINALLY).* The (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY SHALL REPORT THE FINDINGS AND

DECISION OF THE) compensation judge (, OR THE WORKERS' COMPENSATION COURT OF APPEALS) shall report his findings and decisions to the district court. The court may approve or disapprove such decision in the same manner as it approves or disapproves the report of a referee. The court shall enter judgment upon such decision.

Sec. 106. Minnesota Statutes 1980, Section 176.305, is amended to read:

176.305 [PETITIONS FILED WITH THE WORKERS' COMPENSATION DIVISION.]

Subdivision 1. [HEARINGS ON PETITIONS.] *The petitioner shall serve a copy of the petition on each adverse party personally or by first class mail. The original petition shall then be filed with the commissioner together with an appropriate affidavit of service.* When any petition has been filed with the workers' compensation division, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall, (PURSUANT TO HIS GENERAL RULES OR THOSE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR SPECIAL ORDER) *within ten days, (DIRECT THAT) refer the matter presented by the petition to a settlement judge. The settlement judge shall schedule a settlement conference if appropriate within 60 days. If a settlement conference is not appropriate, or if such a conference or conferences do not result in progress toward a settlement, the settlement judge shall certify the matter for a hearing before a compensation judge and shall refer the matter to the chief hearing examiner to be heard by a compensation judge (OR PRESENTED TO THE WORKERS' COMPENSATION COURT OF APPEALS IF IT IS A MATTER WITHIN ITS JURISDICTION. THE DIVISION SHALL HEAR PETITIONS TO COMMUTE FURTHER COMPENSATION).*

Subd. 2. [(SERVICE OF) COPY OF PETITION.] (WITHIN TEN DAYS AFTER A PETITION HAS BEEN FILED, THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY SHALL SERVE UPON EACH ADVERSE PARTY A COPY OF THE PETITION AND A NOTICE STATING WHETHER THE HEARING WILL BE HELD BEFORE A COMPENSATION JUDGE OR THAT THE PETITION HAS BEEN REFERRED TO THE WORKERS' COMPENSATION COURT OF APPEALS.) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall deliver the original petition and (COPIES OF THE NOTICE WHICH HAVE BEEN SERVED) *answer, after certification for a hearing before a compensation judge by a settlement judge, to the office of administrative hearings for assignment to a compensation judge (OR THE WORKERS' COMPENSATION COURT OF APPEALS DEPENDING UPON WHO WILL HEAR THE MATTER).*

Subd. 3. [TESTIMONY.] (UNLESS THE WORKERS' COMPENSATION COURT OF APPEALS ORDERS DIFFERENTLY, TESTIMONY TAKEN BEFORE A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR COMPENSATION JUDGE IS CONSIDERED AS THOUGH TAKEN BEFORE THE WORKERS' COMPENSATION COURT OF APPEALS.) Where the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* has substituted a compensation judge originally assigned to hear a matter, the testimony taken before the substitute compensation judge shall be considered as though taken before the judge before whom it was originally assigned.

Sec 107. [176.306] [SCHEDULED HEARINGS.]

Subdivision 1. [CHIEF HEARING EXAMINER.] The chief hearing examiner shall schedule workers' compensation hearings on as regular a schedule as may be practicable in no fewer than six widely separated locations throughout the state, including at least four locations outside of the seven county metropolitan area and Duluth, for the purpose of providing a convenient forum for parties to a compensation hearing and shall maintain a permanent office in Duluth staffed by at least one compensation judge.

Subd. 2. [DISTRICT ADMINISTRATORS; CLERKS OF COURT.] The judicial district administrators or the clerks of court of the county or district courts nearest to the locations selected by the chief hearing examiner pursuant to subdivision 3 shall provide suitable hearing rooms at the times and places agreed upon for the purpose of conducting workers' compensation hearings.

Sec. 108. Minnesota Statutes 1980, Section 176.311, is amended to read:

176.311 [REASSIGNMENT OF PETITION FOR HEARING.]

Where a petition is heard before a compensation judge, at any time before an award or order has been made in such proceeding, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* may reassign the petition for hearing before another compensation judge.

Sec. 109. Minnesota Statutes 1980, Section 176.321, Subdivision 1, is amended to read:

Subdivision 1. [FILING, SERVICE.] Within (TEN) twenty days after he has been served with a copy of the petition, an adverse party may file a verified answer to the petition. When

he files the answer, the party shall also serve a copy on the petitioner or his attorney.

Within five days after he has been served with a copy of the answer, the petitioner may file a verified reply admitting or denying new matter set forth in the answer.

Sec. 110. Minnesota Statutes 1980, Section 176.321, Subdivision 3, is amended to read:

Subd. 3. [EXTENSION OF TIME IN WHICH TO FILE ANSWER.] Upon showing of cause, the commissioner of the department of labor and industry may extend the time in which to file an answer or reply for not more than 30 additional days. *The time to file an answer or reply may also be extended upon agreement of the petitioner. If an answer is not filed and there has been no extension by order of the commissioner or by agreement, the failure to file an answer shall be treated as a default.*

Sec. 111. Minnesota Statutes 1980, Section 176.331, is amended to read:

176.331 [AWARD BY DEFAULT.]

Where an adverse party has failed to file and serve an answer, if the petitioner presents proof of such fact, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY OR) compensation judge shall enter whatever award or order to which petitioner is entitled on the basis of the facts alleged in the petition, but the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY OR) compensation judge may require proof of (ANY) *an* alleged fact. If the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) requires such proof, he shall *request the chief hearing examiner* to assign the matter to a compensation judge to summarily hear and determine the same and to promptly make an award or order.

Where in such a default case the petition does not state facts sufficient to support an award, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY OR) compensation judge shall give the petitioner or his attorney written notice of (SUCH FACT) *this deficiency*. The petitioner may thereupon file another petition as in the case of an original petition.

Sec. 112. Minnesota Statutes 1980, Section 176.341, Subdivision 1, is amended to read:

Subdivision 1. [TIME.] When the reply has been filed or the time has expired in which to file a reply (.) the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUS-

TRY) *chief hearing examiner shall fix a time and place for hearing the petition. The hearing shall be held (NOT LESS THAN TEN DAYS FROM THE TIME THE REPLY IS FILED OR THE EXPIRATION OF THE TIME IN WHICH THE REPLY COULD HAVE BEEN FILED OR AS SOON THEREAFTER AS THE PARTIES CAN BE HEARD) as soon as practicable and at a time and place determined by the chief hearing examiner to be the most convenient for the parties, keeping in mind the intent of chapter 176 as expressed in section 52 and the requirements of section 107.*

Sec. 113. Minnesota Statutes 1980, Section 176.351, is amended to read:

176.351 [TESTIMONIAL POWERS.]

Subdivision 1. [OATHS.] The compensation judge to whom a petition has been assigned for hearing shall administer an oath to each witness. (THE WORKERS' COMPENSATION COURT OF APPEALS SHALL ALSO ADMINISTER AN OATH TO EACH WITNESS APPEARING BEFORE IT.) The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may also administer an oath when required in the performance of his duties.

Subd. 2. [SUBPOENAS.] Upon his (OR ITS) own initiative, or upon written request of an interested party, (THE WORKERS' COMPENSATION COURT OF APPEALS, OR) the commissioner or compensation judge before whom a hearing is held may issue a subpoena for the attendance of a witness or the production of such books, papers, records and documents as are material in the cause and are designated in the subpoena. The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may also issue a subpoena for the attendance of a witness or the production of such books, papers, records, and documents as are material in the cause pending and are designated in the subpoena.

Subd. 3. [ADVANCEMENT OF FEES AND COSTS.] The person who applies for issuance of a subpoena shall advance the required service and witness fees. The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall pay for the attendance of witnesses who are subpoenaed by him (, OR THE WORKERS' COMPENSATION COURT OF APPEALS, OR A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR). *The chief hearing examiner shall pay for the attendance of witnesses who are subpoenaed by a compensation judge. The fees are the same as the service and witness fees in civil actions in district court.*

Subd. 4. [PROCEEDINGS AS FOR CONTEMPT OF COURT.] Where a person does not comply with an order or subpoena, the commissioner (OF THE DEPARTMENT OF

LABOR AND INDUSTRY, THE WORKERS' COMPENSATION COURT OF APPEALS,) or the commissioner or compensation judge concerned, may apply to the district court in the county in which the petition is pending for issuance of an order compelling obedience. Upon such an application, the district court shall compel obedience to the order or subpoena by attachment proceedings as for contempt in the case of disobedience of a similar order or subpoena issued by the district court.

Sec. 114. Minnesota Statutes 1980, Section 176.371, is amended to read:

176.371 [AWARD OR DISALLOWANCE OF COMPENSATION.]

The (WORKERS' COMPENSATION COURT OF APPEALS, OR A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge to whom a petition has been assigned for hearing, shall hear all competent evidence produced at the hearing, and, as soon after the hearing as possible, make (SUCH) findings of fact, conclusions of law, and award or disallowance of compensation or other order as the pleadings, evidence, (AND) this chapter *and rule* require.

Sec. 115. Minnesota Statutes 1980, Section 176.381, is amended to read:

176.381 [REFERENCE OF QUESTIONS OF FACT.]

Subdivision 1. [HEARING BEFORE WORKERS' COMPENSATION COURT OF APPEALS.] In the hearing of any matter before the workers' compensation court of appeals, the *chief judge of the workers' compensation court of appeals* may refer any question of fact to (A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) *the chief hearing examiner for assignment to a compensation judge* either to hear evidence and report it to the workers' compensation court of appeals or to hear evidence and make findings of fact and report them to the workers' compensation court of appeals. The workers' compensation court of appeals shall notify the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) of any matter referred to (A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) a compensation judge under this subdivision.

Subd. 2. [HEARING BEFORE COMPENSATION JUDGE.] In the hearing of any petition before a compensation judge, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* may refer any question of

fact to another compensation judge to hear evidence and report it to the original compensation judge.

Sec. 116. Minnesota Statutes 1980, Section 176.391, is amended to read:

176.391 [INVESTIGATIONS.]

Subdivision 1. [POWER TO MAKE.] Before, during, or after any hearing, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY,) or a compensation judge (, OR WORKERS' COMPENSATION COURT OF APPEALS, IF THE MATTER IS BEFORE IT,) may make an independent investigation of the facts alleged in the petition or answer.

Subd. 2. [APPOINTMENT OF PHYSICIANS, SURGEONS, AND OTHER EXPERTS.] The (WORKERS' COMPENSATION COURT OF APPEALS, OR A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge assigned to a matter, or the commissioner (OF LABOR AND INDUSTRY), may appoint one or more neutral physicians or surgeons from the list established by the commissioner to examine the injury of the employee and report thereon *except as provided otherwise pursuant to section 88*. Where necessary to determine the facts, the services of other experts may also be employed.

Subd. 3. [REPORTS.] The report of a physician, surgeon, or other expert shall be filed with the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) *and the compensation judge assigned to the matter if any*. The report shall be made a part of the record of the case and be open to inspection as such.

Subd. 4. [COMPENSATION.] The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY,) or compensation judge (, OR WORKERS' COMPENSATION COURT OF APPEALS, AS THE CASE MAY BE,) shall fix the compensation of a physician, surgeon, or other expert whose services are employed under this chapter. This compensation shall be paid initially out of the funds appropriated for the maintenance of the workers' compensation division, but shall be taxed as costs to either party, or both, or otherwise, as the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY,) or compensation judge (, OR THE WORKERS' COMPENSATION COURT OF APPEALS) directs.

Where a sum which has been taxed to a party has not been paid, it may be collected in the same manner as are costs generally.

Sec. 117. Minnesota Statutes 1980, Section 176.401, is amended to read:

176.401 [HEARINGS PUBLIC.]

All hearings before (THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR) a compensation judge are public.

Sec. 118. Minnesota Statutes 1980, Section 176.411, Subdivision 1, is amended to read:

Subdivision 1. [CONDUCT OF HEARINGS AND INVESTIGATIONS.] Except as otherwise provided by this chapter, when (THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) a compensation judge makes an investigation or conducts a hearing, (IT OR HE) *the compensation judge* is bound neither by the common law or statutory rules of evidence nor by technical or formal rules of pleading or procedure. The investigation or hearing shall be conducted in a manner to ascertain the substantial rights of the parties.

Findings of fact shall be based upon competent evidence only and shall comport with section 176.021.

Sec. 119. Minnesota Statutes 1980, Section 176.411, Subdivision 2, is amended to read:

Subd. 2. [DEPOSITIONS.] Except where (THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR) a compensation judge orders otherwise, depositions may be taken in the manner which the law provides for depositions in civil actions in district court.

Sec. 120. Minnesota Statutes 1980, Section 176.421, Subdivision 1, is amended to read:

Subdivision 1. [TIME FOR TAKING; GROUNDS.] When a petition has been heard before a (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge, within 30 days after a party in interest has been served with notice of an award or disallowance of compensation, or other order affecting the merits of the case, he may appeal to the workers' compensation court of appeals on any of the following grounds:

- (1) The order does not conform with this chapter; or

(2) The (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge committed an error of law; or

(3) The findings of fact and order were unwarranted by the evidence; or

(4) The findings of fact and order were procured by fraud, or coercion, or other improper conduct of a party in interest.

Sec. 121. Minnesota Statutes 1980, Section 176.421, Subdivision 4, is amended to read:

Subd. 4. [SERVICE AND FILING OF NOTICE; COST OF TRANSCRIPT.] Within the 30 day period for taking an appeal, the appellant shall:

(1) Serve a copy of the notice of appeal on each adverse party;

(2) File the original notice, with proof of service by admission or affidavit, with the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner*;

(3) In order to defray the cost of the transcript of the proceedings appealed from, pay to the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* the sum of \$10 or so much of that sum as is necessary to present the question raised on the appeal.

The appellant is liable for the cost of the transcript in excess of \$10, but is entitled to a refund of any part of that sum not used to pay the cost of the transcript.

Upon a showing of cause, the (COMMISSIONER) *chief hearing examiner* (OF THE DEPARTMENT OF LABOR AND INDUSTRY) may direct that a transcript be prepared without expense to the appellant, *in which case the cost of the transcript shall be paid by the office of administrative hearings.*

Sec. 122. Minnesota Statutes 1980, Section 176.421, Subdivision 5, is amended to read:

Subd. 5. [TRANSCRIPT.] When the notice of appeal has been filed with the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* and the transcription fee has been paid, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *chief hearing examiner* shall immediately prepare a typewritten transcript of the proceedings. The official reporter or other person

designated by the chief hearing examiner who transcribes the proceedings shall certify to their correctness.

Sec. 123. Minnesota Statutes 1980, Section 176.421, Subdivision 6, is amended to read:

Subd. 6. [POWERS OF WORKERS' COMPENSATION COURT OF APPEALS ON APPEAL.] On an appeal taken under this section, the workers' compensation court of appeals may:

(1) disregard the findings of fact which the (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge has made;

(2) examine the (TESTIMONY AND HEAR OTHER EVIDENCE) *record*;

(3) substitute for the findings of fact made by the (JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS OR) compensation judge such findings as the total evidence requires; and,

(4) make (SUCH) *an* award or disallowance of compensation or other order as the facts and findings require.

Sec. 124. Minnesota Statutes 1980, Section 176.421, Subdivision 7, is amended to read:

Subd. 7. [RECORD OF PROCEEDINGS.] At the division's own expense, the commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall make a complete record of all proceedings before himself (, THE WORKERS' COMPENSATION COURT OF APPEALS, A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS, OR COMPENSATION JUDGE). The commissioner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall provide a stenographer to make a record of the proceedings *before him*.

The (STENOGRAPHER) *commissioner* shall furnish a transcript of these proceedings to any person who requests it and who pays a reasonable charge (, THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *and* shall fix the amount of this charge.

Sec. 125. Minnesota Statutes 1980, Section 176.431, Subdivision 1, is amended to read:

Subdivision 1. [HEARING.] Where an appeal has been taken to the workers' compensation court of appeals under this chapter on the ground that the compensation judge has made an error of law, the workers' compensation court of appeals shall

grant a hearing, based on the record before the compensation judge, with an opportunity for oral argument. The (COMMISSIONER) chief hearing examiner (OF THE DEPARTMENT OF LABOR AND INDUSTRY) shall notify the workers' compensation court of appeals promptly of the taking of any appeal.

The workers' compensation court of appeals shall fix a time and place for the hearing (,) and (NOTIFY THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY WHO) shall give each party in interest at least five days written notice.

Sec. 126. Minnesota Statutes 1980, Section 176.441, Subdivision 1, is amended to read:

Subdivision 1. [DISPOSITION BY WORKERS' COMPENSATION COURT OF APPEALS.] Where an appeal has been taken to the workers' compensation court of appeals under this chapter, on either the ground that the findings or order or both were unwarranted by the evidence, or were procured by fraud, coercion, or other improper conduct of a party, the workers' compensation court of appeals may:

(1) grant a hearing (DE NOVO) based on the record before the compensation judge; or,

(2) (ASSIGN) remand the petition for a *de novo* hearing or a rehearing (,) and notify the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY, WHO SHALL SET) chief hearing examiner, who shall assign, the *de novo* hearing or the rehearing before a compensation judge; or,

(3) sustain, reverse, or modify the order appealed from.

Sec. 127. Minnesota Statutes 1980, Section 176.461, is amended to read:

176.461 [SETTING ASIDE AWARD.]

Except where a writ of certiorari has been issued by the supreme court and the matter is still pending in that court or where as a matter of law the determination of the supreme court cannot be subsequently modified, the workers' compensation court of appeals, for cause, at any time after an award, upon application of either party and not less than five days after written notice to all interested parties, may set the award aside and grant a new hearing (BEFORE ITSELF OR) and refer the matter for a determination on its merits to the chief hearing examiner for assignment to a compensation judge, who shall make such findings of fact, conclusions of law, and award or disallowance of compensation or other order as the pleadings and the evidence produced and the provisions of this chapter shall require.

Sec. 128. Minnesota Statutes 1980, Section 176.471, Subdivision 3, is amended to read:

Subd. 3. [SERVICE OF WRIT AND BOND; FILING FEE.] To effect a review upon certiorari, the party shall serve a writ of certiorari and a bond upon the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals* within the 30 day period referred to in subdivision 1. The party shall also at this time pay to the (SECRETARY OF THE COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator* the fee prescribed by rule 103.01 of the rules of civil appellate procedure which shall be disposed of in the manner provided by that rule.

Sec. 129. Minnesota Statutes 1980, Section 176.471, Subdivision 5, is amended to read:

Subd. 5. [BOND.] The bond required by subdivision 3 shall be executed in such amount and with such sureties as the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *workers' compensation court of appeals* directs and approves. The bond shall be conditioned to pay the cost of the review.

Sec. 130. Minnesota Statutes 1980, Section 176.471, Subdivision 6, is amended to read:

Subd. 6. [TRANSMITTAL OF FEE AND RETURN.] When the writ of certiorari has been served upon the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals*, the bond has been filed, and the filing fee has been paid, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator* shall immediately transmit to the clerk of the supreme court that filing fee and the return to the writ of certiorari and bond.

Sec. 131. Minnesota Statutes 1980, Section 176.471, Subdivision 8, is amended to read:

Subd. 8. [RETURN OF PROCEEDINGS TRANSMITTED TO COURT.] Within 30 days after the writ of certiorari, bond, and filing fee have been filed with the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals*, the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator* shall transmit to the clerk of the supreme court a true and complete return of the proceedings of the workers' compensation court of appeals under review, or such part of those proceedings as is necessary to allow the supreme court to review properly the questions presented.

The (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *workers' compensation court of appeals* shall certify the return of the proceedings under (HIS) *its seal*. The petitioner or relator shall pay to the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *administrator of the workers' compensation court of appeals* the reasonable expense of preparing the return.

Sec. 132. Minnesota Statutes 1980, Section 176.491, is amended to read:

176.491 [STAY OF PROCEEDINGS PENDING DISPOSITION OF CASE.]

Where a writ of certiorari has been perfected under this chapter, it stays all proceedings for the enforcement of the order being reviewed until the case has been finally disposed of either in the supreme court or, where the cause has been remanded (TO THE WORKERS' COMPENSATION DIVISION) for a new hearing *before a compensation judge* or further proceedings (,) before the workers' compensation court of appeals (OR COMPENSATION JUDGE).

Sec. 133. Minnesota Statutes 1980, Section 176.511, Subdivision 1, is amended to read:

Subdivision 1. [PARTIES NOT AWARDED COSTS.] Except as provided otherwise by this chapter and specifically by this section, in (HEARINGS) *appeals* before the workers' compensation court of appeals (, OR A JUDGE OF THE WORKERS' COMPENSATION COURT OF APPEALS,) or *hearings before a compensation judge*, costs shall not be awarded to either party.

Sec. 134. Minnesota Statutes 1980, Section 176.521, Subdivision 1, is amended to read:

Subdivision 1. [VALIDITY.] An agreement between an employee or his dependent and the employer or insurer to settle any claim, which is not upon appeal before the workers' compensation court of appeals, for compensation under this chapter is valid where it has been executed in writing and signed by the parties, and intervenors in the matter, and the division *or a compensation judge* has approved the settlement and made an award thereon. If the matter is upon appeal before the workers' compensation court of appeals *or district court*, the workers' compensation court of appeals *or district court* is the approving body.

Sec. 135. Minnesota Statutes 1980, Section 176.521, Subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] Settlements shall be approved only where the terms conform with this chapter.

The division, a *compensation judge*, and the workers' compensation court of appeals shall exercise discretion in approving or disapproving a proposed settlement.

The parties to the agreement of settlement have the burden of proving that the settlement is reasonable, fair, and in conformity with this chapter. A settlement agreement where both the employee or his dependent and the employer or insurer and intervenors in the matter are represented by an attorney shall be presumed to be reasonable, fair, and in conformity with this chapter.

Sec. 136. Minnesota Statutes 1980, Section 176.531, Subdivision 3, is amended to read:

Subd. 3. [PROMPT PAYMENT.] *It is the intent of this section (SHALL BE LIBERALLY CONSTRUED TO INSURE THE) that there be prompt payment of compensation.*

Sec. 137. Minnesota Statutes 1980, Section 176.645, is amended to read:

176.645 [ADJUSTMENT OF BENEFITS.]

Subdivision 1. [AMOUNT.] For injuries occurring after October 1, 1975 for which benefits are payable under section 176.101, subdivisions 1, 2 and 4, and section 176.111, subdivision 5, the (AMOUNT) total benefits due the employee or any dependents shall be adjusted in accordance with this section. On October 1, (1976) 1981, and (EACH OCTOBER 1) thereafter on the anniversary of the date of the employee's injury the (AMOUNT) total benefits due shall be adjusted by multiplying the (AMOUNT) total benefits due prior to each adjustment by a fraction, the denominator of which is the statewide average weekly wage for December 31, (21 MONTHS PRIOR) of the year two years previous to the adjustment and the numerator of which is the statewide average weekly wage for December 31, (NINE MONTHS PRIOR) of the year previous to the adjustment. For injuries occurring after October 1, 1975, all adjustments provided for in this section shall be included in computing any benefit due under this section. Any limitations of amounts due for daily or weekly compensation under this chapter shall not apply to adjustments made under this section. No adjustment increase made on October 1, 1977 or thereafter under this section shall exceed six percent a year. In those instances where the adjustment under the formula of this section would exceed this maximum the increase shall be deemed to be six percent.

Subd. 2. [TIME OF FIRST ADJUSTMENT.] For injuries occurring on or after October 1, 1981, the initial adjustment made pursuant to subdivision 1 shall be deferred until the first anniversary of the date of the injury.

Sec. 138. Minnesota Statutes 1980, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of employee relations shall meet and negotiate with the exclusive representative of each of the units specified in section 179.741, subdivision 1, in the manner prescribed by sections 179.61 to 179.76. The appropriate units provided for in section 179.741 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 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 examiner and compensation judge positions in the office of administrative hearings, and the positions of all confidential employees shall be excluded from any appropriate unit. The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more 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. 139. [REENACTMENT.]

Subdivision 1. Laws 1980, Chapter 556, Sections 6 to 13, are reenacted.

Subd. 2. All acts authorized by and complying with Laws 1980, Chapter 556, Sections 6 to 13, are legal and valid.

Sec. 140. [TRANSITION AND VALIDATION; WORKERS' COMPENSATION COURT OF APPEALS.]

Subdivision 1. [PURPOSE.] It is the purpose and intent of the legislature to constitute the workers' compensation court of appeals as an independent agency of the state and this act is not intended to affect any substantive rights beyond the extent necessary to accomplish said purpose. Any rules, decisions or other actions under chapter 175 and chapter 176 prior to the effective date of this section shall continue in full force and effect

unless this act expressly provides otherwise. Matters currently before the workers' compensation court of appeals shall not be affected by the provisions of this act.

Subd. 2. [PERSONNEL.] All personnel appointed by the commissioner of labor and industry to perform full time duties for the workers' compensation court of appeals are transferred to the workers' compensation court of appeals. The transfer shall not affect any other term or condition of the transferred employee's employment.

Sec. 141. [TRANSITION; COMPENSATION JUDGES.]

Subdivision 1. [PURPOSE.] It is the purpose and intent of this act to transfer the compensation judges, except for the three settlement judges and their support staff, but including other hearing reporters, and other judicial support staff in the workers' compensation division of the department of labor and industry, to the office of administrative hearings as a separate unit in order to provide for a completely objective hearing process with regard to workers' compensation matters. The offices of the transferred compensation judges shall be physically located in a building separate from the offices of the department of labor and industry.

Notwithstanding the provisions of any law to the contrary, the provisions of this act shall not be construed to require that hearings in workers' compensation matters be subject to the contested case procedures of sections 15.041 to 15.052. Any provision of chapter 176 which would conflict with the provisions of this act with regard to the hearing procedures to be followed in workers' compensation matters are subordinate to the provisions of this act.

Subd. 2. [PERSONNEL, EQUIPMENT.] All personnel appointed by the commissioner to perform full time duties as compensation judges, hearing reporters or in support of the functions of the compensation judges, except for the settlement judge or judges, their hearing reporters and support staff, are transferred to the office of administrative hearings. No employee transferred pursuant to this section shall suffer a diminution of total compensation by reason of such transfer.

All equipment and supplies used solely by the transferred personnel in the performance of their duties are transferred to the office of administrative hearings.

Subd. 3. [COOPERATION.] Beginning on the effective date of this act, the commissioner, the commissioner of administration and the chief hearing examiner shall cooperate in assuring a smooth transfer of the compensation judges and related personnel and equipment and supplies as provided in this act.

Subd. 4. [EFFECTIVE DATE.] The transfers required under this section are effective on July 1, 1981. The physical relocation of the offices of the compensation judges shall be accomplished by no later than January 1, 1982.

Sec. 142. [RATE REDUCTION.]

Subdivision 1. [AMOUNT.] Within 15 days following the date of final enactment the commissioner of insurance shall make a final determination as to the impact of the provisions of this act on the schedule of rates which will be in effect on June 2, 1981. The commissioner shall then issue an order, pursuant to the authority granted in section 11, reducing the schedule of rates and making other necessary changes to that schedule to reflect the actual savings which will result from this act. The reduction shall be equal to or greater than the sum of the following factors:

(a) a reduction of 20.9 percent as a reflection of the impact of section 12;

(b) a reduction of 15 percent as a reflection of the impact of changes in the benefits payable pursuant to chapter 176 and in the administration and operation of the Minnesota workers' compensation system provided by this act.

Subd. 2. [EXCEPTION.] The commissioner may reduce any of the changes in the schedule of rates required in subdivision 1, clause (a), if he finds that a previous rate order issued pursuant to section 79.071 has already incorporated the required reductions.

Sec. 143. [SEVERABILITY.]

If any provision of this act is found to be unconstitutional and void, the remaining provisions of the act shall remain valid, unless the court finds the valid provisions of the act are so essentially and inseparably connected with, and so dependent upon, the void provisions that the court cannot presume the legislature would have enacted the remaining valid provisions without the void one; or unless the court finds the remaining valid provisions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Sec. 144. [APPROPRIATIONS.]

Subdivision 1. The sum of \$150,000 is appropriated from the general fund to the legislative coordinating commission for the purpose of conducting, in cooperation with the commissioner of insurance, a thorough study of the flow of all premium dollars paid to workers' compensation insurers in the state of

Minnesota, including a closed compensation claim survey and an examination of insurer reserving practices, and the studies required under section 87. A report shall be made to the legislature by January 15, 1982.

Subd. 2. There is appropriated to the workers' compensation court of appeals for the fiscal years ending June 30 of the year indicated from the general fund in the state treasury:

| 1982 | 1983 |
|----------|----------|
| \$15,970 | \$15,970 |

Subd. 3. There is appropriated from the general fund to the commissioner of labor and industry for the fiscal year indicated for the purpose of hiring six additional support personnel and ancillary expenses needed in conjunction with the departmental improvements provided in section 96; and for the purpose of hiring four additional rehabilitation personnel.

| 1982 | 1983 |
|-----------|-----------|
| \$246,200 | \$246,200 |

Additional approved complement—6

Subd. 4. The sum of \$5,000 is appropriated from the general fund to the workers' compensation court of appeals for the purpose of conducting the study provided for in section 89, subdivision 7.

Subd. 5. [UNEXPENDED AND TRANSFERRED FUNDS.] Any appropriation to the department of labor and industry for the purposes of any of its functions, powers, or duties which are transferred by this act to the workers' compensation court of appeals or the office of administrative hearings is hereby transferred to the workers' compensation court of appeals or the office of administrative hearings, allocated to each agency or department in appropriate amounts as determined by the commissioner of finance. When the functions, powers and duties that are affected by this act are the responsibility of the department of labor and industry and another department or agency, the commissioner of finance shall allocate any appropriation to the department or agency between the department of labor and industry and the other departments or agencies affected, as may be appropriate.

The unexpended balance of any appropriation to the department of labor and industry for the purposes of any of its functions, powers, or duties which are transferred by this act to the workers' compensation court of appeals or the office of administrative hearings are hereby transferred to the workers' compen-

sation court of appeals and the office of administrative hearings, allocated to each agency or department in appropriate amounts as determined by the commissioner of finance. When the functions, powers and duties that are affected by this act are the responsibility of the department of labor and industry and another department or agency, the commissioner of finance shall allocate any unexpended appropriation to the department or agency between the department of labor and industry and the other departments or agencies affected, as may be appropriate.

Subd. 6. There is appropriated from the general fund to the commissioner of insurance for the fiscal year indicated for the purpose of hiring two additional personnel to assist in the discharge of his responsibilities under sections 9 to 37, 87, 142, and 144:

| 1982 | 1983 |
|----------|----------|
| \$51,300 | \$49,100 |

Additional approved complement—2.

Subd. 7. The following sums are appropriated from the general fund in the fiscal years indicated for the purposes of implementing the computerization of the records and information system of the department of labor and industry. The appropriations in this section shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30. The commissioner of insurance in consultation with the commissioners of labor and industry and of administration, shall propose a plan for implementation of this computerization no later than August 1, 1981. The commissioner of insurance shall consider use of the system evaluation and development methodology developed by the commissioner of administration pursuant to section 16.955, but this project is not subject to the requirements of that section. The installation and operation of computer equipment shall commence by October 1, 1981 and be completed by January 1, 1981.

| 1982 | 1983 |
|-----------|-----------|
| \$450,000 | \$100,000 |

Subd. 8. There is appropriated from the general fund to the chief hearing examiner for the fiscal years indicated the following sums for the purpose of funding the salary increase for compensation judges provided in section 7:

| 1982 | 1983 |
|----------|----------|
| \$68,970 | \$68,970 |

Subd. 9. The sum of \$90,000 is appropriated from the general fund to the chief hearing examiner for the purposes of section 141.

Sec. 145. [REPEALER.]

Minnesota Statutes 1980, Sections 79.071, Subdivision 1; 79.074, Subdivision 1; 79.075; 79.076; 79.08; 79.09; 79.11; 79.12; 79.13; 79.14; 79.15; 79.16; 79.17; 79.171; 79.18; 79.19; 79.20; 79.21; 79.22, Subdivision 1; 79.221; 79.23; 79.24; 79.25; 79.26; 79.27; 79.28; 79.29; 79.30; 79.31; 79.32; and 79.33 are repealed effective July 1, 1983. Minnesota Statutes 1980, Sections 79.071, Subdivisions 2, 3, 4, 5, 6, and 7; 79.072; and 79.073 are repealed effective January 1, 1986. Minnesota Statutes 1980, Sections 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2, are repealed.

Sec. 146. [EFFECTIVE DATE.]

Sections 11, 21, 22, 23, 35, 36, 37, 38, 53, 54, 141, and 142 are effective the day following final enactment. Sections 1 to 8, 12, 39 to 52, 55 to 95, 99 to 138, 140, and 143 to 145 are effective July 1, 1981. Sections 96 to 98 are effective October 1, 1981. Sections 9, 10, and 13 to 20 are effective January 1, 1982. Sections 24 to 34 are effective July 1, 1983. Section 139 is effective retroactively to April 12, 1980."

Delete the title and insert:

"A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; providing for transition to competitive workers' compensation insurance rates; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; transferring responsibility for the assigned risk plan to the commissioner of insurance; creating an assigned risk plan review board; permitting benefit payment transferring certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a prefunded limit; modifying filing procedures; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting

the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; defining employee in certain situations; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of insurance to develop a medical fee schedule; requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a pilot medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; providing for an offset against welfare payments; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; delaying first benefit adjustment under chapter 176; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; changing procedures; creating and abolishing duties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4 and 5; 15A.083, by adding a subdivision; 43.064; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1 and by adding subdivisions; 79.25; 79.26; 79.27; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.011, Subdivisions 6 and 9; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivi-

sion; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.321, Subdivisions 1 and 3; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179-74, Subdivision 4; reenacting Laws 1980, Chapter 556, Sections 6 to 13; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075; 79.076; 79.08; 79.09; 79.11; 79.12; 79.13; 79.14; 79.15; 79.16; 79.17; 79.171; 79.18; 79.19; 79.20; 79.21; 79.22, Subdivision 1; 79.221; 79.23; 79.24; 79.25; 79.26; 79.27; 79.28; 79.29; 79.30; 79.31; 79.32; 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2."

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

Senate Conferees: COLLIN C. PETERSON, FLORIAN CHMIELEWSKI, DONALD M. MOE, TOM A. NELSON and DUANE D. BENSON.

House Conferees: WAYNE A. SIMONEAU, JAMES I. RICE, JOSEPH R. BEGICH and FRED C. NORTON.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, R. | Fjoslien | Kelly | Onnen | Sherman |
| Battaglia | Forsythe | Kostohryz | Osthoff | Sherwood |
| Begich | Friedrich | Laidig | Otis | Simoneau |
| Blatz | Greenfield | Lehto | Peterson, B. | Skoglund |
| Brandl | Gruenes | Lemen | Piepho | Stadum |
| Byrne | Gustafson | Levi | Pogemiller | Staten |
| Carlson, D. | Halberg | Long | Redalen | Stowell |
| Clark, J. | Harens | Ludeman | Reding | Stumpf |
| Clark, K. | Hauge | Luknic | Rees | Sviggum |
| Clawson | Haukoos | Marsh | Reif | Swanson |
| Dahlvang | Heap | McCarron | Rice | Vanasek |
| Dean | Heinitz | McDonald | Rodriguez, C. | Vellenga |
| Dempsey | Himle | Mehrkens | Rodriguez, F. | Weaver |
| Den Ouden | Hoberg | Munger | Rose | Welker |
| Drew | Hokr | Murphy | Rothenberg | Wenzel |
| Eken | Jacobs | Nelsen, B. | Samuelson | Wieser |
| Elioff | Jennings | Niehaus | Sarna | Wigley |
| Ellingson | Johnson, D. | Nysether | Schafer | Wynia |
| Erickson | Jude | O'Connor | Schreiber | Zubay |
| Esau | Kaley | Ogren | Searles | Spkr. Sieben, H. |
| Ewald | Kalis | Olsen | Shea | |

Simoneau 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.

Simoneau moved that the report of the Conference Committee on S. F. No. 359 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 359, A bill for an act relating to workers' compensation; expressing the intent of the legislature with respect to chapter 176; transferring compensation judges from the workers' compensation division to a separate division within the office of administrative hearings; making the workers' compensation court of appeals a separate and independent agency with appellate review powers; providing for a discount assumption with respect to calculating reserves for claims of insurance companies; authorizing the commissioner of insurance to initiate a rate hearing; permitting benefit payment amounts to be rounded to whole dollars; clarifying certain provisions with respect to the Minnesota workers' compensation reinsurance association; redefining the maximum reinsurance liability limitation as a pre-funded limit; providing for a survey of closed compensation claims and an examination of insurer reserving practices; removing the exemption of political subdivisions from the definitions of insurer and insurance in chapter 79; providing for the design and implementation of an improved records and information system in the department of labor and industry; providing for the addition of rehabilitation and computer support personnel in the department of labor and industry; permitting the commissioner of labor and industry to negotiate with his counterparts in other states in jurisdictional disputes; establishing a preponderance of the evidence standard in factual determinations under chapter 176; granting subrogation rights to the special compensation fund in third party actions; providing for lump sum permanent partial disability payments on return to work and weekly payments if an employee could but does not return to work; limiting attorneys' fees to only disputed portions of claims; providing a procedure for settlement offers by any litigant in a disputed claim proceeding; requiring claimants' attorneys to provide their clients with written information regarding fees under chapter 176; providing a penalty for attorneys who violate the fee provisions of chapter 176; providing a ten year limitation on death benefits to dependents; providing rehabilitation opportunities for dependent surviving spouses; requiring the commissioner of labor and industry to adopt disability degree schedules; prohibiting combined workers' compensation and government survivor benefits from exceeding the limit provided in chapter 176; providing a new formula for determining assessments against employers and insurers for the special compensation fund; providing for payment of attorneys' fees in disputes over supplementary benefits; requiring the commissioner of labor and industry to utilize a medical fee schedule;

requiring the commissioner to review the quality of care and other aspects of medical delivery under workers' compensation; establishing a medical panel to resolve disputes over medical disability; providing for payment of wage replacement or disability payments by a group insurer under appropriate provisions pending resolution of liability dispute over compensability; providing for early payment of benefits and a penalty for delay; requiring benefit payments to be made by immediately negotiable instrument; providing that notices of discontinuance of benefit payments be sent directly to claimant by insurer; providing that division legal assistance employees be transferred to the attorney general; delaying first benefit adjustment under chapter 176 for 52 weeks from date of injury; mandating an insurance rate reduction by an amount reflecting cost savings due to benefit and administrative changes; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 18; 15.052, Subdivisions 1, 2, 3, 4, and 5; 15A.083, by adding a subdivision; 43.064; 60A.15, Subdivision 1; 60C.04; 60C.09, Subdivision 2; 79.01, Subdivisions 2 and 3; 79.071, Subdivision 1, and by adding subdivisions; 79.34, Subdivisions 1 and 2; 79.35; 79.36; 175.007; 175.11, Subdivision 1; 175.14; 175.17; 176.021, Subdivisions 1 and 3, and by adding subdivisions; 176.041, by adding a subdivision; 176.061, Subdivisions 1, 3, 4, 5, 6 and 7; 176.081, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 176.101, Subdivision 3; 176.102, by adding a subdivision; 176.105, Subdivision 1; 176.111, Subdivisions 6, 7, 8, 10 and 21, and by adding a subdivision; 176.131, Subdivision 10; 176.132, Subdivision 2; 176.133; 176.136; 176.161, Subdivision 1; 176.181, Subdivisions 2 and 3, and by adding a subdivision; 176.191; 176.221; 176.225, by adding a subdivision; 176.231, Subdivisions 2 and 7; 176.241, Subdivisions 1, 2 and 3; 176.261; 176.291; 176.301, Subdivision 1; 176.305; 176.311; 176.331; 176.341, Subdivision 1; 176.351; 176.371; 176.381; 176.391; 176.401; 176.411, Subdivisions 1 and 2; 176.421, Subdivisions 1, 4, 5, 6 and 7; 176.431, Subdivision 1; 176.441, Subdivision 1; 176.461; 176.471, Subdivisions 3, 5, 6 and 8; 176.491; 176.511, Subdivision 1; 176.521, Subdivisions 1 and 2; 176.531, Subdivision 3; 176.645; and 179.74, Subdivision 4; proposing new law coded as Minnesota Statutes, Chapter 175A; and proposing new law coded in Minnesota Statutes, Chapters 79 and 176; repealing Minnesota Statutes 1980, Sections 79.071, Subdivisions 1, 2, 3, 4, 5, 6, and 7; 79.072; 79.073; 79.074, Subdivision 1; 79.075 to 79.09; 79.11 to 79.21; 79.22, Subdivision 1; 79.221 to 79.33; 175.006, Subdivisions 1a and 2; 175.0061; 175.09; 176.111, Subdivision 11; and 176.441, Subdivision 2; reenacting Laws 1980, Chapter 556, Section 12.

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.

Simoneau 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:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Elioff | Kelly | Novak | Sherman |
| Anderson, G. | Ellingson | Knickerbocker | Nysether | Sieben, M. |
| Anderson, I. | Evans | Kostohryz | O'Connor | Simoneau |
| Anderson, R. | Ewald | Laidig | Ogren | Skoglund |
| Battaglia | Greenfield | Lehto | Onnen | Staten |
| Begich | Gruenes | Long | Osthoff | Stumpf |
| Berkelman | Gustafson | Luknic | Otis | Swanson |
| Blatz | Halberg | Mann | Peterson, D. | Vanasek |
| Brandl | Hanson | Marsh | Pogemiller | Vellenga |
| Byrne | Harens | McCarron | Redalen | Voss |
| Carlson, D. | Hauge | McEachern | Reding | Weaver |
| Carlson, L. | Hoberg | Mehrkens | Rice | Welch |
| Clark, J. | Hokanson | Metzen | Rodriguez, C. | Wenzel |
| Clark, K. | Jacobs | Minne | Rodriguez, F. | Wynia |
| Clawson | Johnson, C. | Munger | Rose | Spkr. Sieben, H. |
| Dahlvang | Johnson, D. | Murphy | Samuelson | |
| Dempsey | Jude | Nelson, K. | Sarna | |
| Drew | Kahn | Niehaus | Schoenfeld | |
| Eken | Kalis | Norton | Shea | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|--------------|------------|---------|
| Aasness | Friedrich | Lemen | Rees | Stowell |
| Ainley | Haukoos | Levi | Reif | Sviggum |
| Dean | Heinitz | Ludeman | Rothenberg | Valento |
| Den Ouden | Himle | McDonald | Schafer | Welker |
| Erickson | Hokr | Nelsen, B. | Schreiber | Wieser |
| Esau | Jennings | Olsen | Searles | Wigley |
| Fjoslien | Kaley | Peterson, B. | Sherwood | Zubay |
| Forsythe | Kvam | Piepho | Stadum | |

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. 964.

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. 964

A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by

the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

May 16, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 964, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendments.

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

Senate Conferees: LINDA BERGLIN, DONALD M. MOE and DENNIS R. FREDERICKSON.

House Conferees: RANDY W. STATEN, PAUL A. OGREN and KAREN CLARK.

Staten moved that the report of the Conference Committee on S. F. No. 964 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 964, A bill for an act relating to human rights; requiring certain state contractors to have affirmative action plans approved by the commissioner of human rights; amending Minnesota Statutes 1980, Section 363.073; proposing new law coded in Minnesota Statutes, Chapter 363.

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.

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

There were 97 yeas and 26 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|-----------|-----------|--------|
| Anderson, B. | Anderson, I. | Battaglia | Berkelman | Brandl |
| Anderson, G. | Anderson, R. | Begich | Blatz | Byrne |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Carlson, D. | Halberg | Lehto | Peterson, D. | Skoglund |
| Carlson, L. | Harens | Lemen | Pogemiller | Staten |
| Clark, J. | Hauge | Levi | Reding | Stumpf |
| Clark, K. | Heinitz | Long | Rees | Swanson |
| Clawson | Himle | Mann | Reif | Tomlinson |
| Dahlvang | Hokanson | McCarron | Rice | Valan |
| Dean | Hokr | McEachern | Rodriguez, C. | Vanasek |
| Drew | Jacobs | Metzen | Rodriguez, F. | Vellenga |
| Eken | Johnson, C. | Minne | Rose | Voss |
| Elioff | Johnson, D. | Munger | Rothenberg | Weaver |
| Ellingson | Jude | Murphy | Samuelson | Welch |
| Evans | Kahn | Nelson, K. | Sarna | Wenzel |
| Ewald | Kalis | Norton | Schoenfeld | Wigley |
| Fjoslien | Kelly | Novak | Searles | Wynia |
| Forsythe | Knickerbocker | Ogren | Shea | Spkr. Sieben, H. |
| Greenfield | Kostohryz | Olson | Sherman | |
| Gruenes | Kvam | Otis | Sieben, M. | |
| Gustafson | Laidig | Peterson, B. | Simoneau | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|----------|---------|--------|
| Aasness | Friedrich | Mehrkens | Schafer | Wieser |
| Ainley | Hoberg | Niehaus | Stadum | Zubay |
| Dempsey | Jennings | Nysether | Stowell | |
| Den Ouden | Ludeman | Onnen | Sviggum | |
| Erickson | Marsh | Piepho | Valento | |
| Esau | McDonald | Redalen | Welker | |

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

CALL OF THE HOUSE LIFTED

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

The Speaker called Wynia to the Chair.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 886.

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. 886

A bill for an act relating to health; prohibiting disciplinary action against a physician who administers demethyl sulfoxide under certain conditions; regulating the sale of dimethyl sul-

foxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

May 15, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 886, 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. 886 be further amended as follows:

Page 1, delete lines 14 to 24

Page 1, line 25, before "The" insert "*Subd. 2. [WRITTEN RELEASE.]*"

Page 2, line 3, delete "4" and insert "3"

Page 2, line 11, after "*pharmacy,*" insert "*or not licensed to practice medicine by the board of medical examiners pursuant to sections 147.01 to 147.33,*"

Page 3, after line 10, insert:

"Sec. 4. [SUNSET PROVISION.]

Sections 1 and 2 are repealed effective June 30, 1983."

Amend the title as follows:

Page 1, line 2, delete "prohibiting disciplinary action" and insert "requiring a written disclosure and labeling information regarding dimethyl sulfoxide;"

Page 1, delete line 3

Page 1, line 4, delete "under certain conditions;"

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

Senate Conferees: IRVING M. STERN, DUANE D. BENSON and RONALD R. DICKLICH.

House Conferees: KAREN CLARK, RICHARD J. WELCH and STEVE A. SVIGGUM.

Clark, K., moved that the report of the Conference Committee on S. F. No. 886 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 886, A bill for an act relating to health; prohibiting disciplinary action against a physician who administers dimethyl sulfoxide under certain conditions; regulating the sale of dimethyl sulfoxide; proposing new law coded in Minnesota Statutes, Chapters 147 and 151.

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 | Erickson | Knickerbocker | Olsen | Simoneau |
| Ainley | Esau | Kostohryz | Onnen | Skoglund |
| Anderson, B. | Evans | Kvam | Osthoff | Stadum |
| Anderson, G. | Ewald | Laidig | Otis | Staten |
| Anderson, I. | Fjoslien | Lehto | Peterson, B. | Stumpf |
| Anderson, R. | Forsythe | Lemen | Peterson, D. | Sviggum |
| Battaglia | Greenfield | Levi | Piepho | Swanson |
| Begich | Gruenes | Long | Pogemiller | Tomlinson |
| Berkelman | Gustafson | Ludeman | Redalen | Valan |
| Blatz | Halberg | Luknic | Reding | Valento |
| Brandl | Harens | Mann | Rees | Vanasek |
| Brinkman | Hauge | Marsh | Reif | Vellenga |
| Byrne | Haukoos | McCarron | Rice | Voss |
| Carlson, D. | Heinitz | McDonald | Rodriguez, C. | Weaver |
| Carlson, L. | Himle | McEachern | Rodriguez, F. | Welch |
| Clark, J. | Hoberg | Mehrkens | Rose | Welker |
| Clark, K. | Hokanson | Minne | Rothenberg | Wenzel |
| Clawson | Hokr | Munger | Samuelson | Wieser |
| Dahlvang | Jacobs | Murphy | Sarna | Wigley |
| Dean | Jennings | Nelsen, B. | Schafer | Wynia |
| Dempsey | Johnson, C. | Nelson, K. | Schoenfeld | Zubay |
| Den Ouden | Johnson, D. | Niehaus | Schreiber | Spkr. Sieben, H. |
| Drew | Jude | Norton | Searles | |
| Eken | Kaley | Novak | Sherman | |
| Elioff | Kalis | Nysether | Sherwood | |
| Ellingson | Kelly | Ogren | Sieben, M. | |

Those who voted in the negative were:

Kahn

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

The Speaker resumed the Chair.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 400.

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. 400

A bill for an act relating to peace officers; changing the designation of part-time officers and reserve officers; removing the hours of work limitation for certain part-time peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

May 15, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 400, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendments.

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

Senate Conferees: MYRTON O. WEGENER, WAYNE OLHOFT and GLEN TAYLOR.

House Conferees: ARLENE I. LEHTO, DAVID M. JENNINGS and ROBERT E. VANASEK.

Lehto moved that the report of the Conference Committee on S. F. No. 400 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 400, A bill for an act relating to peace officers, changing the designation of part-time officers and reserve of-

ficers; removing the hours of work limitation for certain part-time peace officers; permitting reserve peace officers to carry firearms in emergencies; providing for two members to the peace officers standards and training board from among elected city officials; authorizing the board to provide for training for certain part-time peace officers; authorizing the board to obtain criminal history data; amending Minnesota Statutes 1980, Sections 214.10, Subdivision 7; 626.84; 626.841; 626.843, Subdivision 1; 626.845, Subdivision 1; 626.846, Subdivisions 1 and 2; 626.8461; 626.8462; 626.8463; 626.8464; 626.8465, Subdivisions 1 and 2; 626.851, Subdivision 1; and 626.852.

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 | Erickson | Knickerbocker | Ogren | Sieben, M. |
| Ainley | Esau | Kostohryz | Olsen | Simoneau |
| Anderson, B. | Evans | Kvam | Onnen | Skoglund |
| Anderson, G. | Ewald | Laidig | Osthoff | Stadum |
| Anderson, I. | Fjoslien | Lehto | Otis | Staten |
| Anderson, R. | Forsythe | Lemen | Peterson, B. | Stowell |
| Battaglia | Greenfield | Levi | Peterson, D. | Stumpf |
| Begich | Gruenes | Long | Piepho | Sviggum |
| Berkelman | Gustafson | Ludeman | Pogemiller | Swanson |
| Blatz | Halberg | Luknic | Redalen | Tomlinson |
| Brandl | Harens | Mann | Reding | Valan |
| Brinkman | Hauge | Marsh | Rees | Valento |
| Byrne | Haukoos | McCarron | Rice | Vanasek |
| Carlson, D. | Heinitz | McDonald | Rodriguez, C. | Vellenga |
| Carlson, L. | Himle | McEachern | Rodriguez, F. | Voss |
| Clark, J. | Hoberg | Mehrkens | Rose | Weaver |
| Clark, K. | Hokanson | Metzen | Rothenberg | Welch |
| Clawson | Jacobs | Minne | Samuelson | Welker |
| Dahlvang | Jennings | Munger | Sarna | Wenzel |
| Dean | Johnson, C. | Murphy | Schafer | Wieser |
| Dempsey | Johnson, D. | Nelsen, B. | Schoenfeld | Wigley |
| Den Ouden | Jude | Nelson, K. | Schreiber | Wynia |
| Drew | Kahn | Niehaus | Searles | Zubay |
| Eken | Kaley | Norton | Shea | Spkr. Sieben, H. |
| Elioff | Kalis | Novak | Sherman | |
| Ellingson | Kelly | Nysether | Sherwood | |

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. 338.

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. 338

A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, Subdivision 7.

May 15, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 338, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 338 be further amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1980, Section 177.25, Subdivision 1, is amended to read:

Subdivision 1. No employer shall employ any of his employees for a workweek longer than 48 hours, unless such employee receives compensation for his employment in excess of 48 hours in a workweek at a rate of not less than one and one-half times the regular rate at which he is employed; (1) provided, however, that an employer if it is the State of Minnesota or a political subdivision may grant time off at the rate of one and one-half hours for each hour worked in excess of 48 hours in any week in lieu of monetary compensation; and, (2) provided, however, that no employer shall be deemed to have violated the overtime pay provisions of this section by employing any employees for a workweek in excess of that specified in this section without paying the compensation for overtime employment prescribed herein (a) if (SUCH) *the* employee is (SO) employed under an agreement meeting the requirement of section 7 (b) (2) of the Fair Labor Standards Act of 1938, as amended, or (b) *if the employee is employed as a sugarbeet hand laborer on a piece rate basis, provided that the regular rate of pay received per hour of work pursuant to applicable rules exceeds the ap-*

licable wage provided in section 179.24, subdivision 1, by at least 40 cents."

Renumber the sections

Page 2, line 23, delete "This act" and insert "Section 1 is effective the day following final enactment, except that the portion of clause (2) (b) relating to the regular rate of pay received per hour of work by a sugarbeet hand laborer shall only be effective until December 31, 1981. Section 2"

Further, amend the title:

Page 1, line 2, delete "public" and after the semicolon insert "regulating certain hours of work and rates of pay;"

Page 1, line 5, delete "Section" and insert "Sections 177.25, Subdivision 1; and"

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

Senate Conferees: TOM A. NELSON, CHARLES A. BERG and GERRY SIKORSKI.

House Conferees: LEO J. REDING and FRANK J. RODRIGUEZ, SR.

Reding moved that the report of the Conference Committee on S. F. No. 338 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 338, A bill for an act relating to public employment; eliminating certain part time adult vocational education instructors from the definition of public employee; amending Minnesota Statutes 1980, Section 179.63, 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. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|------------|-------------|
| Aasness | Brandl | Dempsey | Fjoslien | Heinitz |
| Ainley | Brinkman | Den Ouden | Forsythe | Himle |
| Anderson, B. | Byrne | Drew | Friedrich | Hoberg |
| Anderson, G. | Carlson, D. | Eken | Greenfield | Hokanson |
| Anderson, I. | Carlson, L. | Elioff | Gruenes | Hokr |
| Anderson, R. | Clark, J. | Ellingson | Gustafson | Jacobs |
| Battaglia | Clark, K. | Erickson | Halberg | Jennings |
| Begich | Clawson | Esau | Harens | Johnson, C. |
| Berkelman | Dahlyang | Evans | Hauge | Johnson, D. |
| Blatz | Dean | Ewald | Haukoos | Jude |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Kahn | McDonald | Onnen | Samuelson | Swanson |
| Kaley | McEachern | Osthoff | Schafer | Tomlinson |
| Kalis | Mehrkens | Otis | Schoenfeld | Valan |
| Kelly | Metzen | Peterson, B. | Schreiber | Valento |
| Knickerbocker | Minne | Peterson, D. | Searles | Vanasek |
| Kostohryz | Munger | Piepho | Shea | Vellenga |
| Kvam | Murphy | Pogemiller | Sherman | Weaver |
| Laidig | Nelsen, B. | Redalen | Sherwood | Welch |
| Lehto | Nelson, K. | Reding | Sieben, M. | Welker |
| Lemen | Niehaus | Rees | Simoneau | Wenzel |
| Levi | Norton | Reif | Skoglund | Wieser |
| Long | Novak | Rice | Stadum | Wigley |
| Ludeman | Nysether | Rodriguez, C. | Staten | Wynia |
| Luknic | O'Connor | Rodriguez, F. | Stowell | Zubay |
| Mann | Ogren | Rose | Stumpf | Spkr. Sieben, H. |
| Marsh | Olsen | Rothenberg | Sviggum | |

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1051, A bill for an act relating to health; changing the claim limitations on cost of removing nuisances; authorizing the commissioner of health to issue orders concerning well water quality; clarifying the commissioner's authority over water wells and exploratory boring to include repairs and abandonment; establishing a moratorium on certain uranium drilling; changing the penalties for violations; amending Minnesota Statutes 1980, Sections 145.22; 156A.02, Subdivisions 1, 2, and 3; 156A.03, Subdivisions 1 and 2; 156A.05; 156A.07, Subdivisions 1 and 4; and 156A.08.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Welch moved that the House concur in the Senate amendments to H. F. No. 1051 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1051, A bill for an act relating to health; changing the claim limitations on cost of removing nuisances; authorizing the commissioner of health to issue orders concerning well water quality; requiring a report to the legislature on groundwater thermal exchange; clarifying the commissioner's authority over water wells and exploratory boring to include repairs and abandonment; changing the penalties for violations; imposing a moratorium on certain uranium drilling; amending Minnesota Statutes 1980, Sections 145.22; 156A.02, Subdivisions 1, 2, and 3; 156A.03, Subdivisions 1 and 2; 156A.05; 156A.07, Subdivisions 1 and 4; 156A.071, Subdivision 7; and 156A.08; proposing new law coded in Minnesota Statutes, Chapter 156A.

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 111 yeas and 9 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Anderson, B. | Gustafson | Levi | Otis | Skoglund |
| Anderson, G. | Halberg | Long | Peterson, B. | Stadum |
| Battaglia | Hauge | Luknic | Peterson, D. | Staten |
| Begich | Haukoos | Mann | Piepho | Stumpf |
| Berkelman | Heap | McCarron | Pogemiller | Sviggun |
| Blatz | Heinitz | McDonald | Redalen | Swanson |
| Brandl | Himle | McEachern | Reding | Tomlinson |
| Brinkman | Hoberg | Mehrkens | Rees | Valento |
| Byrne | Hokanson | Metzen | Reif | Vanasek |
| Carlson, L. | Hokr | Minne | Rice | Vellenga |
| Clark, J. | Jacobs | Munger | Rodriguez, C. | Weaver |
| Clark, K. | Jennings | Murphy | Rodriguez, F. | Welch |
| Clawson | Johnson, C. | Nelsen, B. | Rose | Welker |
| Dahlvang | Johnson, D. | Nelson, K. | Rothenberg | Wenzel |
| Dempsey | Jude | Niehaus | Sarna | Wieser |
| Eken | Kahn | Norton | Schafer | Wigley |
| Elioff | Kaley | Novak | Schoenfeld | Wynia |
| Ellingson | Kelly | Nysether | Searles | Zubay |
| Erickson | Knickerbocker | O'Connor | Shea | Spkr. Sieben, H. |
| Ewald | Kvam | Ogren | Sherman | |
| Fjoslien | Laidig | Olsen | Sherwood | |
| Greenfield | Lehto | Onnen | Sieben, M. | |
| Gruenes | Lemen | Osthoff | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|----------|-----------|---------|
| Anderson, R. | Den Ouden | Forsythe | Marsh | Stowell |
| Carlson, D. | Evans | Kalis | Schreiber | |

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

MOTIONS AND RESOLUTIONS

Olsen moved that her name be stricken as an author on H. F. No. 301. The motion prevailed.

Onnen moved that the name of Lehto be added as an author on H. F. No. 1516. The motion prevailed.

Eken introduced:

House Concurrent Resolution No. 5, A house concurrent resolution relating to adjournment of the Senate and House of Representatives until 1982.

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

Eken 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.

Byrne was excused at 7:15 p.m. 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 bills as a Special Order to be acted upon immediately preceding Special Orders pending for today, Saturday, May 16, 1981:

S. F. Nos. 574, 278, 975, 568, 537, 885, 476, 1265, 1084, and 393 and H. F. No. 802.

SPECIAL ORDERS

S. F. No. 574, A bill for an act relating to judicial procedures; changing certain provisions relating to guardianship and conservatorship; amending Minnesota Statutes 1980, Sections 525.-539, Subdivision 3, and by adding a subdivision; 525.54; 525.541; 525.542; 525.543; 525.55; 525.551; 525.5515; 525.56, Subdivisions 3 and 4; 525.58; 525.591, Subdivisions 2 and 3; 525.618, Subdivision 1; 525.6185; 525.619; 525.6192; 525.6196; 525.6198; 525.62; 525.67; 525.69; and 525.703; proposing new law coded in Minnesota Statutes, Chapter 525; repealing Minnesota Statutes 1980, Section 525.504.

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 | Blatz | Dean | Ewald | Haukoos |
| Ainley | Brandl | Dempsey | Fjoslien | Heap |
| Anderson, B. | Brinkman | Den Ouden | Forsythe | Heinitz |
| Anderson, G. | Carlson, D. | Drew | Friedrich | Himle |
| Anderson, I. | Carlson, L. | Elioff | Greenfield | Hoberg |
| Anderson, R. | Clark, J. | Ellingson | Gruenes | Hokanson |
| Battaglia | Clark, K. | Erickson | Gustafson | Hokr |
| Begich | Clawson | Esau | Halberg | Jacobs |
| Berkelman | Dahlvang | Evans | Hauge | Jennings |

| | | | | |
|---------------|------------|--------------|---------------|------------------|
| Johnson, C. | Luknic | Nysether | Rodriguez, C. | Stumpf |
| Johnson, D. | Mann | O'Connor | Rodriguez, F. | Sviggum |
| Jude | Marsh | Ogren | Rose | Swanson |
| Kahn | McCarron | Olsen | Rothenberg | Tomlinson |
| Kaley | McDonald | Onnen | Samuelson | Valan |
| Kalis | McEachern | Osthoff | Sarna | Valento |
| Kelly | Mehrkena | Otis | Schafer | Vanasek |
| Knickerbocker | Metzen | Peterson, B. | Schoenfeld | Vellenga |
| Kostohryz | Minne | Peterson, D. | Schreiber | Weaver |
| Kvam | Munger | Piepho | Searles | Welch |
| Laidig | Murphy | Pogemiller | Shea | Wenzel |
| Lehto | Nelson, B. | Redalen | Sherman | Wieser |
| Lemen | Nelson, K. | Reding | Sherwood | Wigley |
| Levi | Niehaus | Rees | Sieben, M. | Wynia |
| Long | Norton | Reif | Skoglund | Zubay |
| Ludeman | Novak | Rice | Stowell | Spkr. Sieben, H. |

The bill was passed and its title agreed to.

S. F. No. 278, A bill for an act relating to transportation; extending the life of the joint commuter rail study commission and the deadline for its report; amending Laws 1980, Chapter 607, Article XIII, Section 2, Subdivisions 3 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 115 yeas and 5 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | Norton | Schoenfeld |
| Ainley | Evans | Knickerbocker | Novak | Schreiber |
| Anderson, B. | Ewald | Kostohryz | Nysether | Searles |
| Anderson, G. | Fjoslien | Kvam | Ogren | Shea |
| Anderson, I. | Forsythe | Laidig | Olsen | Sherman |
| Anderson, R. | Greenfield | Lehto | Onnen | Sherwood |
| Battaglia | Gruenes | Lemen | Osthoff | Sieben, M. |
| Begich | Gustafson | Levi | Otis | Skoglund |
| Berkelman | Halberg | Long | Peterson, B. | Stumpf |
| Blatz | Hauge | Luknic | Peterson, D. | Swanson |
| Brandl | Haukoos | Mann | Piepho | Tomlinson |
| Brinkman | Heap | Marsh | Pogemiller | Valan |
| Carlson, L. | Heinitz | McCarron | Reding | Valento |
| Clark, J. | Himle | McDonald | Rees | Vanasek |
| Clark, K. | Hoberg | McEachern | Reif | Weaver |
| Clawson | Hokanson | Mehrkena | Rice | Welch |
| Dahlvang | Jacobs | Metzen | Rodriguez, C. | Welker |
| Dean | Jennings | Minne | Rodriguez, F. | Wenzel |
| Dempsey | Johnson, C. | Munger | Rose | Wieser |
| Drew | Johnson, D. | Murphy | Rothenberg | Wigley |
| Eloff | Jude | Nelson, B. | Samuelson | Wynia |
| Ellingson | Kaley | Nelson, K. | Sarna | Zubay |
| Erickson | Kalis | Niehaus | Schafer | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|------|---------|---------|
| Den Ouden | Friedrich | Kahn | Ludeman | Sviggum |
|-----------|-----------|------|---------|---------|

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

S. F. No. 975 was reported to the House.

Voss moved to amend S. F. No. 975, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 47.20, Subdivision 1, is amended to read:

Subdivision 1. Pursuant to (SUCH) rules (AS) the commissioner of banks finds to be necessary and proper, if any, banks, savings banks, mutual savings banks, building and loan associations, and savings and loan associations organized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other banking institutions subject to the supervision of the commissioner of banks, and mortgagees or lenders approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home administration, are authorized:

(1) To make (SUCH) loans and advances of credit and purchases of obligations representing loans and advances of credit (AS) *which* are insured or guaranteed by the secretary of housing and urban development pursuant to the national housing act, as amended, or the administrator of veterans affairs pursuant to the servicemen's readjustment act of 1944, as amended, or the administrator of the farmers home administration pursuant to the consolidated farm and rural development act, Pub. L. 87-128, as amended, and to obtain (SUCH) *the* insurance or guarantees;

(2) To make (SUCH) loans secured by mortgages on real property *and loans secured by a share or shares of stock or a membership certificate or certificates issued to a stockholder or member by a cooperative apartment corporation* which the secretary of housing and urban development, the administrator of veterans affairs, or the administrator of the farmers home administration has insured or guaranteed or made a commitment to insure or guarantee, and to obtain (SUCH) *the* insurance or guarantees.

Sec. 2. Minnesota Statutes 1980, Section 47.20, Subdivision 2, is amended to read:

Subd. 2. For the purposes of this section the terms defined in this subdivision have the meanings given them:

(1) "Actual closing costs" mean reasonable charges for or sums paid for the following, whether or not retained by the mortgagee or lender:

(a) Any insurance premiums including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance, but excluding any charges or sums retained by the mortgagee or lender as self-insured retention.

(b) Abstracting, title examination and search, and examination of public records.

(c) The preparation and recording of any or all documents required by law or custom for closing a conventional or cooperative apartment loan.

(d) Appraisal and survey of real property securing a conventional loan or real property owned by a cooperative apartment corporation of which a share or shares of stock or a membership certificate or certificates are to secure a cooperative apartment loan.

(e) A single service charge, which includes any consideration, not otherwise specified herein as an "actual closing cost" paid by the borrower and received and retained by the lender for or related to the acquisition, making, refinancing or modification of a conventional or cooperative apartment loan, and also includes any consideration received by the lender for making a borrower's interest rate commitment or for making a borrower's loan commitment, whether or not an actual loan follows the commitment. The term service charge does not include forward commitment fees. The service charge shall not exceed one percent of the original bona fide principal amount of the conventional or cooperative apartment loan, except that in the case of a construction loan, the service charge shall not exceed two percent of the original bona fide principal amount of the loan. That portion of the service charge imposed because the loan is a construction loan shall be itemized and a copy of the itemization furnished the borrower. A lender shall not collect from a borrower the additional one percent service charge permitted for a construction loan if it does not perform the service for which the charge

is imposed or if third parties perform and charge the borrower for the service for which the lender has imposed the charge.

(f) Charges and fees necessary for or related to the transfer of real or personal property securing a conventional or cooperative apartment loan or the closing of a conventional or cooperative apartment loan paid by the borrower and received by any party other than the lender.

(2) "Contract for deed" means an executory contract for the conveyance of real estate, the original principal amount of which is less than \$100,000. A commitment for a contract for deed shall include an executed purchase agreement or earnest money contract wherein the seller agrees to finance any part or all of the purchase price by a contract for deed.

(3) "Conventional loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a mortgage upon real property containing one or more residential units or upon which at the time the loan is made it is intended that one or more residential units are to be constructed, and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration. The term mortgage does not include contracts for deed or installment land contracts.

(4) "Cooperative apartment loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a security interest on a share or shares of stock or a membership certificate or certificates issued to a stockholder or member by a cooperative apartment corporation, which may be accompanied by an assignment by way of security of the borrower's interest in the proprietary lease or occupancy agreement in property issued by the cooperative apartment corporation and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration.

(5) "Cooperative apartment corporation" means a corporation or association organized under sections 308.05 to 308.18 or chapter 317, the shareholders or members of which are entitled, solely by reason of their ownership of stock or membership certificates in the corporation or association, to occupy one or more residential units in a building owned or leased by the corporation or association.

((4)) (6) "Forward commitment fee" means a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of residential units, or a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of apartments as defined in section 515.02 to be created out of existing structures pursuant to the Minnesota condominium act, or a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make cooperative apartment loans to two or more credit worthy purchasers, including future purchasers, of a share or shares of stock or a membership certificate or certificates in a cooperative apartment corporation; provided, that the forward commitment rate of interest does not exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

((5)) (7) "Borrower's interest rate commitment" means a binding commitment made by a lender to a borrower wherein the lender agrees that, if a conventional or cooperative apartment loan is made following issuance of and pursuant to the commitment, the conventional or cooperative apartment loan shall be made at a rate of interest not in excess of the rate of interest agreed to in the commitment, provided that the rate of interest agreed to in the commitment is not in excess of the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower.

((6)) (8) "Borrower's loan commitment" means a binding commitment made by a lender to a borrower wherein the lender agrees to make a conventional or cooperative apartment loan pursuant to the provisions, including the interest rate, of the commitment, provided that the commitment rate of interest does not exceed the maximum lawful rate of interest effective as of the date the commitment is issued and the commitment when issued and agreed to shall constitute a legally binding obligation on the part of the mortgagee or lender to make a conventional or cooperative apartment loan within a specified time period in the future at a rate of interest not exceeding the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower; provided that a lender who issues a borrower's loan commitment pursuant to the provisions of a forward commitment is authorized to issue the borrower's loan commitment at a rate of interest not to exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

((7)) (9) "Finance charge" means the total cost of a conventional or cooperative apartment loan including extensions

or grant of credit regardless of the characterization of the same and includes interest, finders fees, and other charges levied by a lender directly or indirectly against the person obtaining the conventional or cooperative apartment loan or against a seller of real property securing a conventional loan or a seller of a share or shares of stock or a membership certificate or certificates in a cooperative apartment corporation securing a cooperative apartment loan, or any other party to the transaction except any actual closing costs and any forward commitment fee. The finance charges plus the actual closing costs and any forward commitment fee, charged by a lender shall include all charges made by a lender other than the principal of the conventional or cooperative apartment loan.

((8)) (10) "Lender" means any person making a conventional or cooperative apartment loan, or any person arranging financing for a conventional or cooperative apartment loan. The term also includes the holder or assignee at any time of a conventional or cooperative apartment loan.

((9)) (11) "Loan yield" means the annual rate of return obtained by a lender over the term of a conventional or cooperative apartment loan and shall be computed as the annual percentage rate as computed in accordance with sections 226.5 (b), (c) and (d) of Regulation Z, 12 C.F.R. section 226, but using the definition of finance charge provided for in this subdivision.

((10)) (12) "Monthly index of long term United States government bond yields" means the monthly unweighted average of the daily unweighted average of the closing bid yield quotations in the over the counter market for all outstanding United States treasury bond issues, based on available statistics, which are either maturing or callable in ten years or more. This index is expressed in terms of percentage interest per annum.

((11)) (13) "Monthly index of the federal national mortgage association auction yields" means the gross weighted average yield of accepted offers in the second free market system conventional home mortgage auction held by the federal national mortgage association in a month.

((12)) (14) "Person" means an individual, corporation, business trust, partnership or association or any other legal entity.

((13)) (15) "Residential unit" means any structure used principally for residential purposes or any portion thereof, and includes a unit in a townhouse or planned unit development, a condominium apartment, a non-owner occupied residence, and any other type of residence regardless of whether (SUCH) the unit is used as a principal residence, secondary residence, vacation residence or residence of some other denomination.

((14)) (16) "Vendor" means any person or persons who agree to sell real estate and finance any part or all of the purchase price by a contract for deed. The term also includes the holder or assignee at any time of the vendor's interest in a contract for deed.

Sec. 3. Minnesota Statutes 1980, Section 47.20, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of section 334.01, lenders are authorized to make conventional *or cooperative apartment* loans and purchases of obligations representing conventional *or cooperative apartment* loans pursuant to (SUCH) rules (AS) the commissioner of banks finds to be necessary and proper, if any, at an interest rate not in excess of the maximum lawful interest rate prescribed in subdivision 4 or 4a. Contract for deed vendors are authorized to charge interest on contracts for deed at an interest rate not in excess of the maximum lawful interest rate prescribed in subdivision 4 or 4a.

Sec. 4. Minnesota Statutes 1980, Section 47.20, Subdivision 4, is amended to read:

Subd. 4. No conventional *or cooperative apartment* loan or contract for deed shall be made at a rate of interest or loan yield in excess of a maximum lawful interest rate which is based upon the monthly index of long term United States government bond yields as compiled by the United States treasury department and published by the department in the monthly treasury bulletin. The maximum lawful interest rate shall be computed as follows:

(1) The maximum lawful rate of interest for a conventional *or cooperative apartment* loan or contract for deed made or contracted for during any calendar month is equal to the monthly index of long term United States government bond yields for the second preceding calendar month plus an additional two percent per annum rounded off to the nearest quarter of one percent per annum or rounded off to the highest quarter of one percent per annum if equidistant.

(2) On or before the 20th day of each month the commissioner of banking shall determine, based on available statistics, the monthly index of long term United States government bond yields for the preceding calendar month and shall determine the maximum lawful rate of interest for conventional *or cooperative apartment* loans or contracts for deed for the next succeeding month, as defined in clause (1) and shall cause the maximum lawful rate of interest to be published in a legal newspaper in Ramsey County on or before the 20th day of each month and in the state register on or before the last day of each month; the maximum lawful rate of interest to be effective on the first day of the next succeeding month.

(3) A contract rate within the maximum lawful interest rate applicable to a conventional *or cooperative apartment* loan or contract for deed at the time the loan is made shall be the maximum lawful interest rate for the term of the conventional *or cooperative apartment* loan or contract for deed.

(4) Contracts for deed executed pursuant to a commitment for a contract for deed, or conventional *or cooperative apartment* loans made pursuant to a borrower's interest rate commitment, or made pursuant to a borrower's loan commitment, or made pursuant to a commitment for conventional *or cooperative apartment* loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, which commitment provides for consummation within some future time following the issuance of the commitment may be consummated pursuant to the provisions, including the interest rate, of the commitment notwithstanding the fact that the maximum lawful rate of interest at the time the contract for deed or conventional *or cooperative apartment* loan is actually executed or made is less than the commitment rate of interest, provided the commitment rate of interest does not exceed the maximum lawful interest rate in effect on the date the commitment was issued. The refinancing of (a) an existing conventional *or cooperative apartment* loan, (b) a loan insured or guaranteed by the secretary of housing and urban development, the administrator of veterans affairs, or the administrator of the farmers home administration, or (c) a contract for deed by making a conventional *or cooperative apartment* loan is deemed to be a new conventional *or cooperative apartment* loan for purposes of determining the maximum lawful rate of interest under this subdivision. A borrower's interest rate commitment or a borrower's loan commitment is deemed to be issued on the date the commitment is hand delivered by the lender to, or mailed to the borrower. A forward commitment is deemed to be issued on the date the forward commitment is hand delivered by the lender to, or mailed to the person paying the forward commitment fee to the lender, or to any one of them if there should be more than one. A commitment for a contract for deed is deemed to be issued on the date the commitment is initially executed by the contract for deed vendor or his authorized agent.

(5) A contract for deed executed pursuant to a commitment for a contract for deed, or a loan made pursuant to a borrower's interest rate commitment, or made pursuant to a borrower's loan commitment, or made pursuant to a forward commitment for conventional *or cooperative apartment* loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, issued on or before July 31, 1983 at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the commitment was made continues to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

(6) This subdivision expires July 31, 1983.

Sec. 5. Minnesota Statutes 1980, Section 47.20, Subdivision 4a, is amended to read:

Subd. 4a. No conventional *or cooperative apartment* loan or contract for deed shall be made at a rate of interest or loan yield in excess of a maximum lawful interest rate which shall be based upon the monthly index of the federal national mortgage association auction yields as compiled by the federal national mortgage association. The maximum lawful interest rate shall be computed as follows:

(1) The maximum lawful rate of interest for a conventional *or cooperative apartment* loan or contract for deed made or contracted for during any calendar month is equal to the monthly index of the federal national mortgage association auction yields for the first preceding calendar month rounded off to the next highest quarter of one percent per annum.

(2) On or before the last day of each month the commissioner of banking shall determine, based on available statistics, the monthly index of the federal national mortgage association auction yields for that calendar month and shall determine the maximum lawful rate of interest for conventional *or cooperative apartment* loans or contracts for deed for the next succeeding month, as defined in clause (1) and shall cause the maximum lawful rate of interest to be published in a legal newspaper in Ramsey County on or before the first day of each month or as soon thereafter as practicable and in the state register on or before the last day of each month; the maximum lawful rate of interest to be effective on the first day of that month. If a federal national mortgage association free market system conventional home mortgage auction is not held in any month, the maximum lawful rate of interest determined by the commissioner of banks pursuant to the last auction is the maximum lawful rate of interest through the last day of the month in which the next auction is held.

(3) A contract rate within the maximum lawful interest rate applicable to a conventional *or cooperative apartment* loan or contract for deed at the time the loan is made is the maximum lawful interest rate for the term of the conventional *or cooperative apartment* loan or contract for deed.

(4) Contracts for deed executed pursuant to a commitment for a contract for deed, or conventional *or cooperative apartment* loans made pursuant to a borrower's interest rate commitment or made pursuant to a borrower's loan commitment, or made pursuant to a commitment for conventional *or cooperative apartment* loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a for-

ward commitment, which commitment provides for consummation within some future time following the issuance of the commitment may be consummated pursuant to the provisions, including the interest rate, of the commitment notwithstanding the fact that the maximum lawful rate of interest at the time the contract for deed or conventional *or cooperative apartment* loan is actually executed or made is less than the commitment rate of interest, provided the commitment rate of interest does not exceed the maximum lawful interest rate in effect on the date the commitment was issued. The refinancing of (a) an existing conventional *or cooperative apartment* loan, (b) a loan insured or guaranteed by the secretary of housing and urban development, the administrator of veterans affairs, or the administrator of the farmers home administration, or (c) a contract for deed by making a conventional *or cooperative apartment* loan is deemed to be a new conventional *or cooperative apartment* loan for purposes of determining the maximum lawful rate of interest under this subdivision. A borrower's interest rate commitment or a borrower's loan commitment is deemed to be issued on the date the commitment is hand delivered by the lender to, or mailed to the borrower. A forward commitment is deemed to be issued on the date the forward commitment is hand delivered by the lender to, or mailed to the person paying the forward commitment fee to the lender, or to any one of them if there should be more than one. A commitment for a contract for deed is deemed to be issued on the date the commitment is initially executed by the contract for deed vendor or his authorized agent.

(5) A contract for deed executed pursuant to a commitment for a contract for deed, or a loan made pursuant to a borrower's interest rate commitment, or made pursuant to a borrower's loan commitment, or made pursuant to a forward commitment for conventional *or cooperative apartment* loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, issued on or before November 30, 1982, at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the commitment was made continues to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

(6) This subdivision supersedes subdivision 4 from May 31, 1979 until November 30, 1982.

(7) This subdivision expires November 30, 1982.

Sec. 6. Minnesota Statutes 1980, Section 47.20, Subdivision 7, is amended to read:

Subd. 7. (1) No conventional loan made on or after the effective date of Laws 1977, Chapter 350 and prior to May 31, 1979 shall contain a provision requiring or permitting the imposition,

directly or indirectly, of any discount points, whether or not actually denominated at discount points, on any person. Conventional or cooperative apartment loans made on or after May 31, 1979 may contain provisions permitting discount points, if the loan does not provide a loan yield in excess of that permitted by subdivision 4 or 4a. The loan yield is computed using the amount resulting when the discount points are included in the finance charge.

(2) Forward commitment fees are not discount points within the meaning of this subdivision.

(3) No charges, fees, or sums permitted by this section which are paid to and received by a lender may be increased for purposes of evading compliance with this subdivision.

Sec. 7. Minnesota Statutes 1980, Section 47.20, Subdivision 13a, is amended to read:

Subd. 13a. Any contract for deed or cooperative apartment loan, having an interest rate in excess of the maximum lawful interest rate provided for in subdivision 4 or 4a as applicable is usurious. No contract for deed or cooperative apartment loan is unenforceable solely because the interest rate thereon is usurious. Persons who have paid usurious interest may recover an amount not to exceed five times the usurious portion of the interest paid under the contract for deed or cooperative apartment loan plus attorneys' fees from the person to whom the interest has been paid. The penalty provisions of chapter 334, do not apply to usurious contracts for deed or cooperative apartment loans.

Sec. 8. Minnesota Statutes 1980, Section 47.201, is amended to read:

47.201 [GRADUATED PAYMENT MORTGAGES AND COOPERATIVE APARTMENT LOANS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision shall have the meanings given them:

(1) "Financial institution" means a state bank or trust company, a national banking association, a state or federally chartered savings and loan association, a mortgage bank or mutual savings bank.

(2) "Graduated payment home loan" means a conventional or cooperative apartment loan made pursuant to section 47.20 and subject to the provisions therein, whereunder initial periodic repayments are lower than those under the standard conventional or cooperative apartment loan having equal period-

ic repayments, and gradually rise to be a predetermined point after which they remain constant.

Subd. 2. [AUTHORIZATION.] Notwithstanding the provisions of sections 334.01, subdivision 1, and 51A.37, subdivision 3, clause (d), any financial institution is authorized to make graduated payment home loans and purchases representing graduated payment home loans pursuant to such rules as the commissioner of banks finds to be necessary and proper, if any, at an interest rate not in excess of the maximum lawful interest rate prescribed in section 47.20, subdivision 4. Notwithstanding the provisions of section 334.01, subdivision 1, where initial repayments of a graduated payment home loan are less than the total accrued outstanding interest, the excess accrued and unpaid interest may be added to the outstanding loan balance on which interest accrues at the contracted rate.

Subd. 3. [GRADUATED PAYMENTS.] A (MORTGAGE) *graduated payment home loan* may provide that periodic repayments of principal and interest on (VARIABLE) *graduated payment home loans* may increase in amounts not exceeding the following:

- (a) 7.5 percent annually during a period of five years or less;
- (b) 6.5 percent annually during a period of six years;
- (c) 5.5 percent annually during a period of seven years;
- (d) 4.5 percent annually during a period of eight years;
- (e) 3.5 percent annually during a period of nine years; and
- (f) 3 percent annually during a period of ten years.

No (MORTGAGE) *graduated payment home loan* may provide for principal and interest increases after its first ten years. The increases in payments of principal and interest provided in clauses (a) to (f) are independent and one graduation period may not be used in conjunction with another period.

Subd. 4. [CHANGES RESTRICTED.] Payments of principal and interest may not be changed more than once a year. The first change may not occur until one year after the date of the first payment under the (MORTGAGE) *graduated payment home loan*.

Subd. 5. [CONVERSION RIGHTS.] Borrowers taking a (MORTGAGE WITH GRADUATED PAYMENTS) *graduated payment home loan* shall have the right to convert, at a time chosen by the borrower, to a standard nongraduated payment (MORTGAGE) *conventional loan or cooperative apartment loan*.

No assessment or penalties shall be made if the borrower chooses to convert at the interest rate and outstanding principal of the graduated payment (MORTGAGE) *home loan*.

Subd. 6. [DISCLOSURE.] Each prospective borrower shall receive materials explaining in reasonably simple terms the graduated payment (MORTGAGE) *home loan* offered and a comparable standard (MORTGAGE) *conventional loan or cooperative apartment loan* instrument with a fixed interest rate and level payments. The material shall include:

(a) A comparison of the terms of the graduated payment (MORTGAGE) *home loan* and a standard (MORTGAGE) *conventional loan or cooperative apartment loan*;

(b) Payment schedules for both types of instruments and the total payment in dollars over the full term of the loan;

(c) A description of the conversion option; and

(d) A prominent statement that borrowers have the option to elect a standard (MORTGAGE) *conventional loan or cooperative apartment loan* instrument.

Subd. 7. [SAVINGS AND LOAN ASSOCIATIONS; FIRST LIEN.] Capitalization of interest resulting from any negative amortization of a graduated payment home loan made by a savings and loan association shall not change the status of the mortgage as a first lien against the property securing the loan pursuant to section 51A.38, subdivision 5. The capitalization of interest in a negative amortization shall not be considered as a loan or debt separate from the graduated payment mortgage contracted for at the time of loan origination.

Sec. 9. [REPEALER.]

Minnesota Statutes 1980, Section 47.203, is repealed.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to financial institutions; authorizing the making and purchasing of cooperative apartment loans; prescribing certain requirements and conditions applicable to these loans; redefining the term "graduated payment home loan" to include cooperative apartment loans; eliminating the state override of the federal usury preemption on certain loans; amending Minnesota Statutes 1980, Sections 47.20, Subdivisions

1, 2, 3, 4, 4a, 7, and 13a; and 47.201; repealing Minnesota Statutes 1980, Section 47.203.”

The motion prevailed and the amendment was adopted.

Voss and Wynia moved to amend S. F. No. 975, as amended, as follows:

Page 7, strike lines 1 to 7

Renumber the remaining clauses accordingly

Page 7, line 36, strike “4 or”

Page 8, line 3, strike “4 or”

Page 8, strike lines 4 to 36

Page 9, strike lines 1 to 36

Page 10, strike lines 1 to 12

Page 10, line 13, delete “5” and insert “4”

Page 10, line 34, strike the comma

Page 12, strike lines 24 to 26

Page 12, line 27, delete “6” and insert “5”

Page 13, line 1, strike “4 or”

Page 13, after line 8, insert:

“Sec. 6. Minnesota Statutes 1980, Section 47.20, Subdivision 13, is amended to read:

Subd. 13. Any conventional loan having an interest rate or loan yield in excess of the maximum lawful interest rate provided for in subdivision (4 OR) 4a (AS APPLICABLE) shall be usurious and subject to the same penalties as a loan made in violation of section 334.01. Any lender intentionally violating any other provision of this section shall be fined not more than \$100 for each offense.”

Page 13, line 13, strike “4 or”

Page 13, line 13, strike “as applicable”

Page 14, line 12, strike “4” and insert “4a”

Page 15, after line 33, insert:

"Sec. 9. Minnesota Statutes 1980, Section 47.203 is amended to read:

47.203 [FEDERAL PREEMPTION OVERRIDE.]

The provisions of Pub. L. (96-211) 96-221, 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 (DECEMBER 31, 1981) *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 (DECEMBER 31, 1981) *the effective date of this section*.

Sec. 10. [47.204] [TEMPORARY REMOVAL OF MORTGAGE USURY LIMITS.]

Subdivision 1. [NO USURY LIMITS.] Notwithstanding any law to the contrary, no limitation on the rate or amount of interest, discount points, finance charges or other charges shall apply to a loan, mortgage, credit sale or advance which would have been exempt from the laws of this state pursuant to Pub. L. 96-221, Title V, Part A, Section 501, as amended as of the effective date of this section, but for section 47.203 and which is made in this state after the effective date of this section and before August 1, 1984.

Subd. 2. [ENFORCEABLE THROUGHOUT TERM.] If the rate or amount of interest, discount points, finance charges, or other charges are permitted by this section at the time the loan, mortgage, credit sale or advance is made, the rate or amount of interest, discount points, finance charges or other charges are permitted throughout the original term of the agreement and any extension agreed upon by the borrower and the lender or their respective successors in interest.

Sec. 11. Minnesota Statutes 1980, Section 47.21 is amended to read:

47.21 [LAWS PRESCRIBING TYPE OF SECURITY NOT TO APPLY.]

No other law in this state prescribing the nature, amount or form of security or requiring security upon which loans or advances of credit may be made, or prescribing or limiting interest rates upon loans or advances of credit, or prescribing or limiting the period for which loans or advances of credit may be made, shall be deemed to apply to loans, advances of credit or purchases made pursuant to section 47.20, subdivisions 1, 3 and (4) 4a.

(1) Such institutions may invest in notes or bonds secured by mortgage or trust deed insured pursuant to section 47.20, subdivision 1, clause (2), and in securities issued by national mortgage associations;

(2) The notes, bonds and other securities herein made eligible for investment may be used wherever, by statute, collateral is required as security for the deposit of public or other funds; or deposits are required to be made with any public official or department; or an investment of capital or surplus, or a reserve or other fund, is required to be maintained consisting of designated securities."

Page 15, line 34, delete "9" and insert "12"

Page 15, line 35, delete "47.203" and insert "47.20, Subdivision 4"

Page 15, line 36, delete "10" and insert "13"

Page 16, line 1, delete "9" and insert "12"

Further, amend the title as follows:

Page 1, line 10, delete "4,"

Page 1, line 10, after "7," insert "13,"

Page 1, line 10, after the first semicolon delete "and"

Page 1, line 10, before "repealing" insert "47.203; and 47.21; proposing new law coded in Minnesota Statutes, Chapter 47;"

Page 1, line 11, delete "47.203" and insert "47.20, Subdivision 4"

The motion prevailed and the amendment was adopted.

Voss moved to amend S. F. No. 975, as amended, as follows:

Page 12, before line 27, insert:

"Sec. 5. Minnesota Statutes 1980, Section 47.20 is amended by adding a subdivision to read:

Subd. 4b. Notwithstanding any other provision of this chapter including section 10, with respect to any conventional loan pursuant to which the mortgagee or lender shall receive any share of future appreciation of the mortgaged property, the following limitations shall apply:

(1) *The share of future appreciation of the mortgaged property which the lender or mortgagee may receive shall be limited to the proportionate amount produced by dividing the lesser of the acquisition cost or fair market value of the mortgaged property at the time the conventional loan is made into the original principal amount of the conventional loan; provided that in no event shall the annual rate of return obtained by the lender or mortgagee over the term of the conventional loan exceed the maximum lawful interest rate prescribed in subdivision 4a.*

(2) *The lender or mortgagee shall not receive any share of future appreciation of the mortgaged property except upon sale or transfer of the mortgaged property or any interest therein, whether by lease, deed, contract for deed or otherwise, whether for consideration or by gift or in the event of death, or otherwise, and whether voluntarily, involuntarily, or by operation of law, provided that if the mortgagor or mortgagors own the mortgaged property as co-tenants, the transfer of the mortgaged property or any interest therein from one of such co-tenants to another co-tenant, whether by reason of death or otherwise, shall not be considered a sale or transfer, and a taking by eminent domain shall not be considered a sale or transfer unless it is a total taking for which payment is made for the full value of the mortgaged property, and a casualty loss shall not be considered a sale or transfer unless the proceeds of any insurance claim made in connection with such casualty loss are applied to prepay the principal of the conventional loan.*

(3) *Before the loan is made, the lender shall disclose to the mortgagor or mortgagors the terms and conditions upon which the lender or mortgagee shall receive any share of future appreciation of the mortgaged property.*

The commissioner may from time to time make, amend and rescind rules, forms and orders necessary to carry out the provisions of this subdivision. The provisions of this subdivision shall not apply to loans made pursuant to the program authorized by Laws 1981, Chapter 97."

Renumber the remaining sections accordingly.

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Voss moved to amend S. F. No. 975, as amended, as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1980, Section 47.20, as amended by Laws 1981, Chapter 137, Section 6, is amended to read:

Subd. 6a. If the purpose of a conventional loan, or loan made pursuant to the authority granted in subdivision 1, clause (3) or (4), is to enable a borrower to purchase a one to four family dwelling for his or her primary residence, the lender shall consent to the subsequent transfer of the real estate and shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making conventional loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the real estate used as collateral, (2) executes an agreement in writing with the lender whereby the transferee assumes the obligations of the existing borrower under the loan instruments, and (3) executes an agreement in writing to pay interest on the remaining obligation at a new interest rate (WHICH WILL BE) *not to exceed* the (BANK'S) *lender's* current market rate of interest on similar loans at the time of the transfer, (BUT WHICH WILL BE NO GREATER THAN) the most recently published monthly index of the federal national mortgage association auction yields as compiled by the federal national mortgage association or the existing interest rate provided for by the terms of the note, whichever is greater. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument."

Renumber the remaining sections

Page 1, line 10, delete "*Section 1 is*" and insert "*Sections 1 and 2 are*"

Amend the title as follows:

Page 1, line 3, after "loans;" insert "providing for the determination of interest rates on certain mortgage instruments; amending Minnesota Statutes 1980, Section 47.20, Subdivision 6a, as amended;"

The motion prevailed and the amendment was adopted.

Welch was excused while in conference committee.

S. F. No. 975, A bill for an act relating to commerce; eliminating the state override of the federal usury preemption on certain loans; repealing Minnesota Statutes 1980, Section 47.203.

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 84 yeas and 24 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|-------------|---------------|------------------|
| Aasness | Evans | Johnson, C. | Niehaus | Sherman |
| Ainley | Ewald | Jude | Norton | Sherwood |
| Anderson, G. | Fjoslien | Kahn | O'Connor | Sieben, M. |
| Anderson, R. | Forsythe | Kaley | Ogren | Stowell |
| Battaglia | Friedrich | Kostohryz | Otis | Sviggum |
| Begich | Gruenes | Laidig | Peterson, B. | Swanson |
| Berkelman | Hanson | Lehto | Peterson, D. | Valan |
| Blatz | Harens | Lemen | Piepho | Valento |
| Brandl | Hauge | Levi | Reding | Vanasek |
| Carlson, L. | Haukoos | Ludeman | Reif | Vellenga |
| Clark, J. | Heap | Luknic | Rodriguez, F. | Voss |
| Dempsey | Heinitz | Mann | Rothenberg | Wieser |
| Den Ouden | Himle | Mehrkens | Sarna | Wigley |
| Drew | Hoberg | Metzen | Schafer | Wynia |
| Elioff | Hokanson | Minne | Schoenfeld | Zubay |
| Ellingson | Jacobs | Munger | Schreiber | Spkr. Sieben, H. |
| Esau | Jennings | Murphy | Searles | |

Those who voted in the negative were:

| | | | | |
|------------|----------|------------|---------------|-----------|
| Clark, K. | Kelly | Nelson, K. | Rodriguez, C. | Stumpf |
| Clawson | Kvam | Olsen | Shea | Tomlinson |
| Greenfield | Long | Onnen | Simoneau | Weaver |
| Halberg | Marsh | Osthoff | Skoglund | Wenzel |
| Hokr | McDonald | Rice | Staten | |

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

The Speaker called Wynia to the Chair.

S. F. No. 568 was reported to the House.

There being no objection S. F. No. 568 was continued one day.

S. F. No. 537 was reported to the House.

Mehrkens moved to amend S. F. No. 537, the unofficial engrossment, as follows:

Page 3, line 30, delete "*or 40 authorizations for*"

Page 3, delete lines 31 to 36

Page 4, delete lines 1 to 3

Page 4, line 4, delete "*height*"

Page 4, delete "Section 3"

Renumber the sections as required by this amendment

Amend the title as follows:

Page 1, line 4, delete "directing the"

Page 1, delete line 5

Page 1, line 6, delete "studies"

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

The motion prevailed and the amendment was adopted.

Osthoff moved to amend S. F. No. 537, the unofficial engrossment, as amended, as follows:

Page 4, reinstate lines 18 to 36

Page 5, reinstate lines 1 to 5

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 36 yeas and 79 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------------|---------------|----------|
| Anderson, I. | Jude | Nelson, K. | Rees | Vanasek |
| Berkelman | Kahn | Norton | Rice | Vellenga |
| Dean | Kelly | O'Connor | Rodriguez, C. | Wenzel |
| Greenfield | Kostohryz | Ogren | Rose | Wynia |
| Gustafson | Lehto | Onnen | Samuelson | |
| Himle | Long | Osthoff | Sarna | |
| Hokanson | McCarron | Peterson, D. | Staten | |
| Jacobs | Minne | Reding | Swanson | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|---------------|------------|
| Aasness | Erickson | Jennings | Metzen | Searles |
| Ainley | Esau | Johnson, C. | Munger | Sherman |
| Anderson, B. | Evans | Johnson, D. | Murphy | Sherwood |
| Anderson, R. | Ewald | Kaley | Nelsen, B. | Sieben, M. |
| Battaglia | F'joslien | Kalis | Niehaus | Skoglund |
| Begich | Forsythe | Knickerbocker | Nysether | Stadum |
| Blatz | Friedrich | Laidig | Olsen | Stowell |
| Brandl | Gruenes | Lemen | Peterson, B. | Sviggum |
| Carlson, D. | Halberg | Levi | Piepho | Valan |
| Carlson, L. | Harens | Ludeman | Pogemiller | Valento |
| Clark, J. | Hauge | Luknic | Redalen | Weaver |
| Dahlvang | Haukoos | Mann | Reif | Welker |
| Dempsey | Heap | Marsh | Rodriguez, F. | Wieser |
| Den Ouden | Heimitz | McDonald | Rothenberg | Wigley |
| Drew | Hoberg | McEachern | Schafer | Zubay |
| Ellingson | Hokr | Mehrkens | Schreiber | |

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

S. F. No. 537, A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establish-

ing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

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 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kalis | Norton | Schoenfeld |
| Ainley | Ewald | Kelly | Novak | Schreiber |
| Anderson, B. | Fjoslien | Knickerbocker | Nysether | Searles |
| Anderson, G. | Forsythe | Kostohryz | O'Connor | Sherman |
| Anderson, I. | Friedrich | Kvam | Ogren | Sherwood |
| Anderson, R. | Greenfield | Laidig | Olsen | Sieben, M. |
| Battaglia | Gruenes | Lemen | Onnen | Skoglund |
| Begich | Gustafson | Levi | Otis | Stadum |
| Berkeiman | Halberg | Long | Peterson, B. | Stowell |
| Blatz | Harens | Ludeman | Peterson, D. | Stumpf |
| Brandl | Hauge | Luknic | Piepho | Sviggum |
| Brinkman | Haukoos | Mann | Pogemiller | Swanson |
| Carlson, D. | Heap | Marsh | Redalen | Valan |
| Carlson, L. | Heinitz | McCarron | Reding | Valento |
| Clark, J. | Himle | McDonald | Rees | Vellenga |
| Clawson | Hoberg | McEachern | Reif | Weaver |
| Dahlvang | Hokanson | Mehrkens | Rice | Welch |
| Dean | Hokr | Metzen | Rodriguez, C. | Welker |
| Dempsey | Jacobs | Minne | Rodriguez, F. | Wenzel |
| Den Ouden | Jennings | Munger | Rose | Wieser |
| Drew | Johnson, C. | Murphy | Rothenberg | Wigley |
| Ellingson | Johnson, D. | Nelsen, B. | Samuelson | Wynia |
| Erickson | Jude | Nelson, K. | Sarna | Zubay |
| Esau | Kaley | Niehaus | Schafer | Spkr. Sieben, H. |

Those who voted in the negative were:

Lehto Osthoff Staten

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

S. F. No. 885 was reported to the House.

Schreiber moved that S. F. No. 885 be re-referred to the Committee on Local and Urban Affairs.

A roll call was requested and properly seconded.

The question was taken on the Schreiber motion and the roll was called. There were 71 yeas and 49 nays as follows:

Those who voted in the affirmative were :

| | | | | |
|-------------|-------------|---------------|--------------|---------|
| Aasness | Ewald | Kaley | Niehaus | Stadum |
| Ainley | Fjoslien | Knickerbocker | Nysether | Sviggum |
| Battaglia | Forsythe | Kvam | Olsen | Swanson |
| Begich | Friedrich | Laidig | Onnen | Valan |
| Blatz | Gruenes | Lemen | Osthoff | Valento |
| Carlson, D. | Halberg | Levi | Peterson, B. | Voss |
| Carlson, L. | Haukoos | Ludeman | Piepho | Weaver |
| Dahlvang | Heap | Marsh | Redalen | Welker |
| Dean | Heinitz | McCarron | Reif | Wieser |
| Dempsey | Himle | McDonald | Rose | Wigley |
| Den Ouden | Hoberg | Mehrkens | Schafer | Zubay |
| Drew | Hokanson | Metzen | Schreiber | |
| Elioff | Hokr | Minne | Searles | |
| Esau | Jennings | Murphy | Sherman | |
| Evans | Johnson, D. | Nelsen, B. | Sherwood | |

Those who voted in the negative were :

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Gustafson | Long | Peterson, D. | Skoglund |
| Anderson, G. | Harens | Mann | Pogemiller | Staten |
| Anderson, R. | Jacobs | McEachern | Rees | Stumpf |
| Berkelman | Johnson, C. | Munger | Rice | Tomlinson |
| Brandl | Jude | Nelson, K. | Rodriguez, C. | Vanasek |
| Clark, J. | Kahn | Norton | Rodriguez, F. | Welch |
| Clark, K. | Kalis | Novak | Schoenfeld | Wenzel |
| Eken | Kelly | O'Connor | Shea | Wynia |
| Ellingson | Kostohryz | Ogren | Sieben, M. | Spkr. Sieben, H. |
| Greenfield | Lehto | Otis | Simoneau | |

The motion prevailed and S. F. No. 885 was re-referred to the Committee on Local and Urban Affairs.

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. 1454, A bill for an act relating to legislative enactments ; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature ; amending H. F. No. 332, Sections 11, Subdivision 4 ; and 15, Subdivision 1.

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 :

H. F. No. 990, A bill for an act memorializing the President and Congress to adopt legislation requiring a health hazard notice be required on all bottles of alcoholic beverage.

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

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1454 and 990 were read for the second time.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Laidig moved that the rule therein be suspended and an urgency be declared so that H. F. No. 990 be given its third reading and be placed upon its final passage. The motion prevailed.

Laidig moved that the rules of the House be so far suspended that H. F. No. 990 be given its third reading and be placed upon its final passage. The motion prevailed.

H. F. No. 990, A resolution memorializing the President and Congress to adopt legislation requiring a health hazard notice be required on all bottles of alcoholic beverage.

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 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|---------------|
| Aasness | Evans | Kahn | Munger | Rodriguez, C. |
| Anderson, G. | Ewald | Kaley | Murphy | Rodriguez, F. |
| Anderson, I. | Fjoslien | Kalis | Nelsen, B. | Rose |
| Battaglia | Forsythe | Kelly | Nelson, K. | Rothenberg |
| Begich | Friedrich | Knickerbocker | Niehaus | Samuelson |
| Berkelman | Gruenes | Kostohryz | Norton | Sarna |
| Blatz | Halberg | Kvam | Novak | Schafer |
| Brandl | Hanson | Laidig | Nysether | Schoenfeld |
| Carlson, L. | Harens | Lehto | Ogren | Schreiber |
| Clark, J. | Hauge | Lemen | Olsen | Searles |
| Clark, K. | Haukoos | Levi | Onnen | Shea |
| Clawson | Heap | Long | Osthoff | Sherman |
| Dahlvang | Heinitz | Luknic | Otis | Sherwood |
| Dean | Himle | Mann | Peterson, B. | Sieben, M. |
| Dempsey | Hoberg | Marsh | Peterson, D. | Simoneau |
| Den Ouden | Hokanson | McCarron | Pogemiller | Skoglund |
| Drew | Jacobs | McDonald | Reding | Staten |
| Eken | Johnson, C. | McEachern | Rees | Stowell |
| Elioff | Johnson, D. | Metzen | Reif | Stumpf |
| Ellingson | Jude | Minne | Rice | Sviggum |

Swanson
Tomlinson
Valan

Valento
Vanasek
Vellenga

Voss
Weaver
Wenzel

Wigley
Wynia
Zubay

Spkr. Sieben, H.

Those who voted in the negative were:

O'Connor

Piepho

Wieser

The bill was passed 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 following H. F. No. 802 pending on Special Orders for today, Saturday, May 16, 1981:

H. F. No. 1454

SPECIAL ORDERS, Continued

S. F. No. 476 was reported to the House.

Peterson, B., moved to amend S. F. No. 476, the unofficial engrossment, as follows:

Page 3, line 3, delete "*Any person fleeing a peace*" and insert "*If a peace officer is acting in the lawful discharge of an official duty, a person fleeing the peace officer by means of a motor vehicle or motorcycle is liable for all bodily injury and property damage suffered by any other person, except another person fleeing from a peace officer, arising out of the operation or use of a pursuing peace officer's vehicle, unless the peace officer is not exercising reasonable care.*"

Page 3, delete lines 4 to 12

Page 3, line 30, strike "*motorized*" insert "*motor*"

Page 4, line 1, strike "*motorized*" insert "*motor*"

The motion prevailed and the amendment was adopted.

Kelly moved to amend S. F. No. 476, the unofficial engrossment, as amended, as follows:

Page 2, after line 21, insert:

"*Subd. 2. [CONTENTS OF WORKSHEET.] The supreme court shall promulgate rules uniformly applicable to all district courts for the form and contents of sentencing worksheets. These rules shall be promulgated by and effective on January 2, 1982.*"

Page 4, after line 17, insert:

"Section 1 is effective January 2, 1982 and applies to all felony sentencing proceedings commenced on or after that date."

The motion prevailed and the amendment was adopted.

S. F. No. 476, A bill for an act relating to crimes; providing the court with discretion to require a presentence investigation in the case of felony convictions; requiring a presentence sentencing worksheet for a defendant convicted of a felony; amending Minnesota Statutes 1980, Section 609.115, 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 121 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Ewald | Kelly | Ogren | Skoglund |
| Ainley | Fjoslien | Kostohryz | Olsen | Stadum |
| Anderson, B. | Forsythe | Kvam | Onnen | Staten |
| Anderson, G. | Friedrich | Laidig | Osthoff | Stowell |
| Anderson, I. | Greenfield | Lehto | Otis | Stumpf |
| Anderson, R. | Gruenes | Lemen | Peterson, B. | Sviggum |
| Battaglia | Gustafson | Levi | Peterson, D. | Swanson |
| Begich | Hanson | Ludeman | Piepho | Tomlinson |
| Berkelman | Harens | Luknic | Pogemiller | Valan |
| Blatz | Hauge | Mann | Reding | Valento |
| Brandl | Haukoos | Marsh | Rees | Vanasek |
| Carlson, L. | Heap | McDonald | Reif | Vellenga |
| Clark, J. | Heinitz | McEachern | Rodriguez, F. | Voss |
| Clark, K. | Himle | Mehrkens | Rose | Weaver |
| Clawson | Hoberg | Metzen | Rothenberg | Welker |
| Dahlvang | Hokanson | Minne | Sarna | Wenzel |
| Dean | Hokr | Munger | Schafer | Wieser |
| Den Ouden | Jacobs | Murphy | Schoenfeld | Wigley |
| Drew | Jennings | Nelsen, B. | Schreiber | Wynia |
| Eken | Johnson, C. | Nelson, K. | Searles | Zubay |
| Eloff | Johnson, D. | Niehaus | Shea | Spkr. Sieben, H. |
| Ellingson | Jude | Norton | Sherman | |
| Erickson | Kahn | Novak | Sherwood | |
| Esau | Kaley | Nysether | Sieben, M. | |
| Evans | Kalis | O'Connor | Simoneau | |

Those who voted in the negative were:

McCarron Rice

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

S. F. No. 1265, A bill for an act relating to the Ramsey-Washington Metro watershed district; permitting deferral of special assessments in certain cases of hardship.

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 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Knickerbocker | O'Connor | Sieben, M. |
| Ainley | Ewald | Kostohryz | Ogren | Simoneau |
| Anderson, B. | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, G. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, I. | Friedrich | Lehto | Otis | Staten |
| Anderson, R. | Greenfield | Lemen | Peterson, B. | Stowell |
| Battaglia | Gruenes | Levi | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Piepho | Sviggum |
| Berkelman | Halberg | Ludeman | Pogemiller | Swanson |
| Blatz | Hanson | Luknic | Redalen | Tomlinson |
| Brandl | Hauge | Mann | Reding | Valan |
| Brinkman | Haukoos | Marsh | Rees | Valento |
| Carlson, D. | Heap | McCarron | Reif | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, F. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rose | Weaver |
| Clawson | Hokanson | Metzen | Rothenberg | Welker |
| Dahlvang | Hokr | Minne | Samuelson | Wenzel |
| Dean | Jennings | Munger | Sarna | Wieser |
| Dempsey | Johnson, D. | Murphy | Schafer | Wigley |
| Den Ouden | Jude | Nelsen, B. | Schoenfeld | Wynia |
| Drew | Kahn | Nelson, K. | Searles | Zubay |
| Eken | Kaley | Niehaus | Shea | Spkr. Sieben, H. |
| Ellingson | Kalis | Novak | Sherman | |
| Esau | Kelly | Nysether | Sherwood | |

Those who voted in the negative were:

Olsen Schreiber

The bill was passed and its title agreed to.

S. F. No. 1084 was reported to the House.

Dahlvang moved to amend S. F. No. 1084, as follows:

Page 1, line 22, after "food" insert "*provided that the licensee establishment is in conformance with the Minnesota Clean Indoor Air Act*"

The motion prevailed and the amendment was adopted.

Sherwood moved that S. F. No. 1084, as amended, be referred to the Committee on Local and Urban Affairs.

A roll call was requested and properly seconded.

The question was taken on the Sherwood motion and the roll was called. There were 45 yeas and 78 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|----------|
| Aasness | Friedrich | Kalis | Nysether | Sherman |
| Anderson, R. | Gruenes | Kostohryz | Onnen | Sherwood |
| Carlson, D. | Halberg | Kvam | Osthoff | Stadum |
| Carlson, L. | Hanson | Laidig | Redalen | Sviggum |
| Den Ouden | Harens | Lehto | Reding | Swanson |
| Erickson | Hokr | Lemen | Rodriguez, C. | Vellenga |
| Esau | Johnson, D. | Ludeman | Rothenberg | Voss |
| Fjoslien | Kahn | Nelsen, B. | Schoenfeld | Welker |
| Forsythe | Kaley | Niehaus | Schreiber | Wigley |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Ellingson | Kelly | O'Connor | Shea |
| Anderson, I. | Evans | Knickerbocker | Ogren | Sieben, M. |
| Battaglia | Ewald | Levi | Olsen | Simoneau |
| Begich | Greenfield | Long | Otis | Skoglund |
| Berkelman | Gustafson | Mann | Peterson, B. | Staten |
| Blatz | Hauge | Marsh | Peterson, D. | Stowell |
| Brandl | Haukoos | McCarron | Piepho | Vanasek |
| Clark, J. | Heap | McDonald | Rees | Weaver |
| Clark, K. | Heinitz | McEachern | Reif | Welch |
| Clawson | Himle | Mehrkens | Rice | Wenzel |
| Dahlvang | Hoberg | Metzen | Rodriguez, F. | Wieser |
| Dean | Hokanson | Minne | Rose | Wynia |
| Dempsey | Jacobs | Murphy | Samuelson | Zubay |
| Drew | Jennings | Nelson, K. | Sarna | Spkr. Sieben, H. |
| Eken | Johnson, C. | Norton | Schafer | |
| Elioff | Jude | Novak | Searles | |

The motion did not prevail.

S. F. No. 1084, A bill for an act relating to intoxicating liquor; hours for Sunday sale; amending Minnesota Statutes 1980, Section 340.14, 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 70 yeas and 57 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|---------------|------------------|
| Ainley | Eken | Johnson, C. | Nelson, K. | Samuelson |
| Anderson, B. | Elioff | Kahn | Norton | Sarna |
| Anderson, I. | Ellingson | Knickerbocker | Novak | Searles |
| Anderson, R. | Evans | Levi | O'Connor | Sieben, M. |
| Battaglia | Ewald | Long | Ogren | Simoneau |
| Begich | Greenfield | Mann | Otis | Stadum |
| Berkelman | Gustafson | Marsh | Peterson, B. | Staten |
| Blatz | Hauge | McCarron | Peterson, D. | Stumpf |
| Brandl | Heap | McDonald | Piepho | Stowell |
| Clark, J. | Heinitz | McEachern | Pogemiller | Valento |
| Clark, K. | Himle | Mehrkens | Rees | Wenzel |
| Dahlvang | Hokr | Metzen | Reif | Wynia |
| Dean | Jacobs | Minne | Rice | Zubay |
| Dempsey | Jennings | Murphy | Rodriguez, F. | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-------------|-------------|------------|---------------|----------|
| Aasness | Halberg | Kvam | Reding | Valan |
| Carlson, D. | Hanson | Laidig | Rodriguez, C. | Vanasek |
| Carlson, L. | Harens | Lehto | Rose | Vellenga |
| Clawson | Haukoos | Lemen | Rothenberg | Voss |
| Den Ouden | Hoberg | Ludeman | Schafer | Weaver |
| Drew | Hokanson | Munger | Schoenfeld | Welch |
| Erickson | Johnson, D. | Nelsen, B. | Shea | Welker |
| Esau | Jude | Niehaus | Sherman | Wieser |
| Fjoslien | Kaley | Nysether | Sherwood | Wigley |
| Forsythe | Kalis | Onnen | Skoglund | |
| Friedrich | Kelly | Osthoff | Sviggum | |
| Gruenes | Kostohryz | Redalen | Swanson | |

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

S. F. No. 393, A bill for an act relating to taxation; providing that property owned by certain senior citizens' groups be exempt from taxation; amending Minnesota Statutes 1980, Section 272.02, 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 119 yeas and 6 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | Nysether | Shea |
| Anderson, B. | Ewald | Knickerbocker | O'Connor | Sherman |
| Anderson, I. | Fjoslien | Kostohryz | Ogren | Sieben, M. |
| Anderson, R. | Forsythe | Kvam | Olsen | Simoneau |
| Battaglia | Greenfield | Laidig | Onnen | Skoglund |
| Begich | Gruenes | Lehto | Osthoff | Stadum |
| Berkelman | Gustafson | Levi | Otis | Staten |
| Blatz | Halberg | Long | Peterson, B. | Stowell |
| Brandl | Hanson | Luknic | Peterson, D. | Stumpf |
| Brinkman | Harens | Mann | Piepho | Sviggum |
| Carlson, D. | Hauge | Marsh | Pogemiller | Swanson |
| Carlson, L. | Heap | McCarron | Redalen | Tomlinson |
| Clark, J. | Heinitz | McDonald | Reding | Valento |
| Clark, K. | Himle | McEachern | Rees | Vellenga |
| Clawson | Hoberg | Mehrkens | Reif | Voss |
| Dahlvang | Hokanson | Metzen | Rice | Weaver |
| Dean | Jacobs | Minne | Rodriguez, C. | Welch |
| Dempsey | Jennings | Munger | Rodriguez, F. | Wenzel |
| Den Ouden | Johnson, C. | Murphy | Rose | Wieser |
| Drew | Johnson, D. | Nelsen, B. | Rothenberg | Wigley |
| Eken | Jude | Nelson, K. | Samuelson | Wynia |
| Elioff | Kahn | Niehaus | Sarna | Zubay |
| Ellingson | Kaley | Norton | Schoenfeld | Spkr. Sieben, H. |
| Erickson | Kalis | Novak | Searles | |

Those who voted in the negative were:

| | | | | |
|---------|-------|---------|---------|--------|
| Ainley | Lemen | Ludeman | Schafer | Welker |
| Haukoos | | | | |

The bill was passed and its title agreed to.

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

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 9:00 a.m., Monday, May 18, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Monday, May 18, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1981

FIFTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 18, 1981

The House of Representatives convened at 9:00 a.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Reverend Sylvan Lee, Minneapolis, Minnesota.

The roll was called and the following members were present.

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | O'Connor | Sherwood |
| Ainley | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, I. | Friedrich | Laidig | Osthoff | Stadum |
| Anderson, R. | Greenfield | Lehto | Otis | Staten |
| Battaglia | Gruenes | Lemen | Peterson, B. | Stowell |
| Begich | Gustafson | Levi | Peterson, D. | Stumpf |
| Berkelman | Halberg | Long | Piepho | Sviggum |
| Blatz | Hanson | Ludeman | Pogemiller | Swanson |
| Brandl | Harens | Luknic | Redalen | Tomlinson |
| Brinkman | Hauge | Mann | Reding | Valan |
| Byrne | Haukoos | Marsh | Rees | Valento |
| Carlson, D. | Heap | McCarron | Reif | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Metzen | Rose | Welch |
| Dahlvang | Hokr | Minne | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Niehaus | Schreiber | Zubay |
| Ellingson | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |
| Esau | Kalis | Nysether | Sherman | |

A quorum was present.

Elioff was excused until 9:40 a.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. 501, 301, 1263, 1454 and 990 and S. F. Nos. 810, 775 and 1164 have been placed in the members' files.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 619, relating to intoxicating liquor; correcting the wording of the ballot question for a municipal liquor store referendum;

H. F. No. 6, relating to commerce; prohibiting the sale of certain petroleum products on any basis other than gross volume;

H. F. No. 276, relating to juveniles; prescribing the elements of a prima facie case for referring a child to adult court for criminal prosecution;

H. F. No. 704, relating to motor vehicles; providing for the taxation and registration of certain collector's vehicles; including additional vehicles entitled to classic car license plates; re-defining a private passenger vehicle for certain purposes; clarifying certain requirements for front and rear bumpers; providing penalties;

H. F. No. 979, relating to health; encouraging philanthropic support of hospitals; providing that funds derived from specified types of gifts or grants shall not be deducted from the operating costs of a hospital; granting a hospital a specific

waiver from certificate of need requirements; proposing new law coded in Minnesota Statutes, Chapter 144.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 192, relating to labor; regulating migrant labor; requiring employers and recruiters to provide employment statements to migrant workers; setting requirements for employment statements and for payment of wages to migrant workers; providing for private causes of action; proposing new law coded in Minnesota Statutes, Chapter 181.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 6 | 197 | May 15 | May 15 |
| | 619 | 198 | May 15 | May 15 |
| | 704 | 199 | May 15 | May 15 |
| | 979 | 200 | May 15 | May 15 |
| | 276 | 201 | May 15 | May 15 |
| 145 | | 202 | May 15 | May 15 |
| 159 | | 203 | May 15 | May 15 |
| 209 | | 204 | May 15 | May 15 |
| 215 | | 205 | May 15 | May 15 |
| 399 | | 206 | May 15 | May 15 |
| 558 | | 207 | May 15 | May 15 |
| 805 | | 208 | May 15 | May 15 |
| 835 | | 209 | May 15 | May 15 |
| 876 | | 210 | May 15 | May 15 |
| 1087 | | 211 | May 15 | May 15 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 15, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 192 | 212 | May 15 | May 15 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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, Sec. 23:

Due to oversight, H. F. No. 486, being Chapter 154, 1981 Session Laws, is being vacated, on advice of the Revisor's Office.

H. F. No. 486 was intended to be, and is, a Resolution (No. 001) and is to be treated as such.

Please correct your records; delete Chapter 154—that number will not be used for 1981; add Resolution 001 (for H. F. No. 486).

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

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. 591, A bill for an act relating to the city of St. Paul; repealing the people mover act; repealing Minnesota Statutes 1980, Chapter 458B.

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. 321, A bill for an act relating to the city of St. Paul; authorizing the issuance of a license for the sale of intoxicating liquor at Town Square Park.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Norton moved that the House concur in the Senate amendments to H. F. No. 321 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 321, A bill for an act relating to the city of St. Paul; authorizing the city of St. Paul to permit the dispensing of intoxicating liquor at Town Square Park.

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 112 yeas and 8 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|-------------|-----------|------------|
| Aasness | Begich | Carlson, L. | Drew | Friedrich |
| Ainley | Berkelman | Clark, J. | Eken | Greenfield |
| Anderson, B. | Blatz | Clark, K. | Ellingson | Gruenes |
| Anderson, G. | Brandl | Dahlvang | Evans | Gustafson |
| Anderson, I. | Brinkman | Dean | Fjoslien | Hanson |
| Battaglia | Byrne | Dempsey | Forsythe | Harens |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Hauge | Knickerbocker | Nelsen, B. | Reif | Sviggum |
| Haukoos | Kostohryz | Nelson, K. | Rice | Valan |
| Heap | Lehto | Niehaus | Rodriguez, C. | Valento |
| Heinitz | Levi | Norton | Rodriguez, F. | Vanasek |
| Himle | Long | Novak | Rose | Vellenga |
| Hoberg | Ludeman | Nysether | Rothenberg | Voss |
| Hokanson | Luknic | Ogren | Samuelson | Weaver |
| Hokr | Mann | Olsen | Sarna | Welch |
| Jacobs | Marsh | Osthoff | Searles | Welker |
| Jennings | McCarron | Otis | Shea | Wenzel |
| Johnson, C. | McDonald | Peterson, B. | Sherman | Wigley |
| Johnson, D. | McEachern | Peterson, D. | Sieben, M. | Wynia |
| Jude | Mehrkens | Piepho | Simoneau | Zubay |
| Kahn | Metzen | Pogemiller | Skoglund | Spkr. Sieben, H. |
| Kaley | Minne | Redalen | Stadum | |
| Kalis | Munger | Reding | Staten | |
| Kelly | Murphy | Rees | Stowell | |

Those who voted in the negative were:

| | | | | |
|-----------|--------|---------|----------|--------|
| Den Ouden | Kvam | Lemen | Sherwood | Wieser |
| Erickson | Laidig | Schafer | | |

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. 31.

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. 31

A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

May 16, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 31, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 31 be amended as follows:

Page 1, after line 15, insert:

"Nothing in this section shall be construed to restrict the study of options under consideration regarding the completion of Interstate 35E."

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

Senate Conferees: NEIL DIETERICH and PETER P. STUMPF.

House Conferees: WALTER R. HANSON and RANDY C. KELLY.

Harens moved that the House refuse to adopt the Conference Committee report on S. F. No. 31, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Harens motion and the roll was called. There were 75 yeas and 47 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|--------------|------------|
| Aasness | Esau | Hokr | Niehaus | Shea |
| Ainley | Evans | Jennings | Nysether | Sherman |
| Anderson, G. | Fjoslien | Johnson, C. | Olsen | Sherwood |
| Anderson, I. | Forsythe | Johnson, D. | Onnen | Sieben, M. |
| Anderson, R. | Friedrich | Kaley | Osthoff | Stadum |
| Blatz | Gruenes | Knickerbocker | Peterson, B. | Stumpf |
| Carlson, D. | Gustafson | Kvam | Piepho | Sviggum |
| Carlson, L. | Halberg | Lemen | Redalen | Valan |
| Clark, K. | Harens | Levi | Rees | Valento |
| Dahlvang | Haukoos | Ludeman | Reif | Weaver |
| Dean | Heap | Luknic | Rothenberg | Welker |
| Dempsey | Heinitz | Marsh | Schafer | Wenzel |
| Den Ouden | Himle | McDonald | Schoenfeld | Wieser |
| Drew | Hoberg | Mehrkens | Schreiber | Wigley |
| Erickson | Hokanson | Nelsen, B. | Searles | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|------------|--------------|---------------|------------------|
| Anderson, B. | Greenfield | McCarron | Pogemiller | Tomlinson |
| Battaglia | Hanson | McEachern | Reding | Vanasek |
| Begich | Hauge | Metzen | Rodriguez, C. | Vellenga |
| Berkelman | Kahn | Minne | Rodriguez, F. | Voss |
| Brandl | Kalis | Munger | Rose | Welch |
| Byrne | Kelly | Nelson, K. | Samuelson | Wynia |
| Clark, J. | Kostohryz | Norton | Simoneau | Spkr. Sieben, H. |
| Clawson | Laidig | Novak | Skoglund | |
| Eken | Long | Otis | Staten | |
| Ellingson | Mann | Peterson, D. | Stowell | |

The motion prevailed.

Mr. Speaker:

I hereby inform you that the Conference Committee report on S. F. No. 452 has been rejected by the Senate, the conferees have been discharged and a new Conference Committee has been appointed.

S. F. No. 452, A bill for an act relating to the state board of investment; establishing standards for the selection of certain prudent investments; amending Minnesota Statutes 1980, Section 11A.09.

The Senate has appointed as such committee, Messrs. Spear; Moe, D. M. and Dahl.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark, K., moved that the House accede to the request of the Senate and that the Speaker appoint a new Conference Committee of 3 members. The motion prevailed.

Mr. Speaker:

I hereby announce that Senator Keefe has been replaced by Senator Renneke on the Conference Committee for H. F. No. 1474:

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

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. 3, A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and

2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

The Senate has appointed as such committee Messrs. Tennesen, Knutson and Spear.

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. 353, A bill for an act relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

The Senate has appointed as such committee Messrs. Menning, Penny, Luther, Sieloff and Renneke.

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. 64.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 64, A bill for an act relating to no-fault automobile insurance; increasing basic economic loss benefits; increasing the weekly maximums for certain first-party benefits; clarifying legislative intent concerning stacking of insurance policies; coordinating the priority of applicability of security for payment

of certain benefits; increasing residual liability benefits; increasing certain uninsured benefits; establishing tort threshold limitations on uninsured motorist coverage; providing mandatory underinsured motorist coverage; increasing certain limitation of damages; amending Minnesota Statutes 1980, Sections 65B.44, Subdivisions 1, 3, 6, and 7; 65B.47, Subdivision 2, and by adding subdivisions; 65B.49, Subdivisions 3 and 4, and by adding a subdivision; and 65B.51, Subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 817

A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, Subdivision 3.

May 16, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 817, 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. 817 be further amended as follows:

Page 2, line 16, after "*limited*" insert "*, provided that programs or events are provided for each sex to the extent the educational institution or public service determines that these programs or events are necessary to accommodate the demonstrated interest of each sex to participate in wrestling*"

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

House Conferees: JERRY E. SCHOENFELD, LEO J. REDING and JOHN L. WEAVER.

Senate Conferees: CLARENCE M. PURFEERST, ALLAN H. SPEAR and NANCY BRATAAS.

Schoenfeld moved that the report of the Conference Committee on H. F. No. 817 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 817, A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, 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 2 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Evans | Kostohryz | Olsen | Simoneau |
| Ainley | Fjoslien | Kvam | Onnen | Skoglund |
| Anderson, B. | Forsythe | Laidig | Osthoff | Stadum |
| Anderson, G. | Friedrich | Lehto | Peterson, B. | Stowell |
| Anderson, I. | Gruenes | Lemen | Peterson, D. | Stumpf |
| Anderson, R. | Gustafson | Levi | Piepho | Sviggum |
| Battaglia | Halberg | Long | Pogemiller | Swanson |
| Begich | Hanson | Ludeman | Redalen | Tomlinson |
| Berkelman | Hauge | Luknic | Reding | Valan |
| Blatz | Haukoos | Mann | Rees | Valento |
| Brandl | Heap | Marsh | Reif | Vanasek |
| Brinkman | Heinitz | McCarron | Rodriguez, C. | Vellenga |
| Byrne | Himle | McDonald | Rodriguez, F. | Voss |
| Carlson, D. | Hoberg | McEachern | Rose | Weaver |
| Carlson, L. | Hokanson | Mehrkens | Rothenberg | Welch |
| Clawson | Hokr | Metzen | Samuelson | Welker |
| Dahlvang | Jacobs | Minne | Sarna | Wenzel |
| Dean | Jennings | Munger | Schafer | Wieser |
| Dempsey | Johnson, C. | Murphy | Schoenfeld | Wigley |
| Den Ouden | Johnson, D. | Nelsen, B. | Schreiber | Wynia |
| Drew | Kahn | Niehaus | Searles | Zubay |
| Eken | Kaley | Norton | Shea | Spkr. Sieben, H. |
| Ellingson | Kalis | Novak | Sherman | |
| Erickson | Kelly | Nysether | Sherwood | |
| Esau | Knickerbocker | Ogren | Sieben, M. | |

Those who voted in the negative were:

Clark, K. Greenfield

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

MOTION FOR RECONSIDERATION

Hokanson moved that the vote whereby the Harens motion prevailed to return S. F. No. 31 to Conference Committee be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Hokanson motion and the roll was called. There were 68 yeas and 64 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Ellingson | Kalls | Norton | Skoglund |
| Battaglia | Evans | Kelly | Novak | Staten |
| Begich | Fjoslien | Kostohryz | O'Connor | Stumpf |
| Berkelman | Forsythe | Laidig | Otis | Tomlinson |
| Brandl | Greenfield | Lehto | Peterson, D. | Vanasek |
| Brinkman | Gustafson | Long | Pogemiller | Vellenga |
| Byrne | Halberg | Luknic | Reding | Voss |
| Carlson, L. | Hanson | Mann | Rice | Welch |
| Clark, J. | Hauge | McCarron | Rodriguez, C. | Wenzel |
| Clark, K. | Hokanson | Metzen | Rodriguez, F. | Wigley |
| Clawson | Jacobs | Minne | Samuelson | Wynia |
| Dean | Johnson, C. | Munger | Shea | Spkr. Sieben, H. |
| Eken | Jude | Murphy | Sieben, M. | |
| Elioff | Kahn | Nelson, K. | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Ewald | Knickerbocker | Onnen | Sherman |
| Ainley | Friedrich | Kvam | Osthoff | Sherwood |
| Anderson, G. | Gruenes | Lemen | Peterson, B. | Stadum |
| Anderson, I. | Harens | Levi | Piepho | Stowell |
| Anderson, R. | Haukoos | Ludeman | Redalen | Sviggum |
| Blatz | Heap | Marsh | Rees | Swanson |
| Carlson, D. | Heinitz | McDonald | Reif | Valan |
| Dahlvang | Himle | McEachern | Rose | Valento |
| Dempsey | Hoberg | Mehrkens | Rothenberg | Weaver |
| Den Ouden | Hokr | Nelsen, B. | Schafer | Welker |
| Drew | Jennings | Niehaus | Schoenfeld | Wieser |
| Erickson | Johnson, D. | Nysether | Schreiber | Zubay |
| Esau | Kaley | Olsen | Searles | |

The motion prevailed.

The question recurred on the Harens motion that the House refuse to adopt the Conference Committee report on S. F. No. 31, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Harens motion and the roll was called. There were 65 yeas and 67 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Evans | Kaley | Olsen | Searles |
| Ainley | Forsythe | Knickerbocker | Onnen | Sherman |
| Anderson, G. | Friedrich | Kvam | Osthoff | Sherwood |
| Anderson, I. | Gruenes | Lemen | Peterson, B. | Stadum |
| Anderson, R. | Harens | Levi | Piepho | Stowell |
| Blatz | Haukoos | Ludeman | Redalen | Sviggum |
| Carlson, D. | Heap | Luknic | Rees | Swanson |
| Dahlvang | Heinitz | Marsh | Reif | Valan |
| Dempsey | Himle | McDonald | Rothenberg | Valento |
| Den Ouden | Hoberg | Mehrkens | Sarna | Weaver |
| Drew | Hokr | Nelsen, B. | Schafer | Welker |
| Erickson | Jennings | Niehaus | Schoenfeld | Wieser |
| Esau | Johnson, D. | Nysether | Schreiber | Zubay |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Ellingson | Kelly | O'Connor | Staten |
| Battaglia | Ewald | Kostohryz | Otis | Stumpf |
| Begich | Fjoslien | Lehto | Peterson, D. | Tomlinson |
| Berkelman | Greenfield | Long | Pogemiller | Vanasek |
| Brandl | Gustafson | Mann | Reding | Vellenga |
| Brinkman | Halberg | McCarron | Rice | Voss |
| Byrne | Hanson | McEachern | Rodriguez, C. | Welch |
| Carlson, L. | Hauge | Metzen | Rodriguez, F. | Wenzel |
| Clark, J. | Hokanson | Minne | Rose | Wigley |
| Clark, K. | Jacobs | Munger | Samuelson | Wynia |
| Clawson | Johnson, C. | Murphy | Shea | Spkr. Sieben, H. |
| Dean | Jude | Nelson, K. | Sieben, M. | |
| Eken | Kahn | Norton | Simoneau | |
| Elioff | Kalis | Novak | Skoglund | |

The motion did not prevail.

Hanson moved that the report of the Conference Committee on S. F. No. 31 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Hanson motion and the roll was called. There were 66 yeas and 65 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Elioff | Kostohryz | O'Connor | Stumpf |
| Anderson, R. | Ellingson | Laidig | Otis | Tomlinson |
| Battaglia | Greenfield | Lehto | Peterson, D. | Vanasek |
| Begich | Gustafson | Long | Pogemiller | Vellenga |
| Berkelman | Halberg | Mann | Reding | Voss |
| Brandl | Hanson | McCarron | Rice | Welch |
| Brinkman | Hauge | McEachern | Rodriguez, C. | Wenzel |
| Byrne | Hokanson | Metzen | Rodriguez, F. | Wigley |
| Carlson, L. | Jacobs | Minne | Samuelson | Wynia |
| Clark, J. | Johnson, C. | Munger | Shea | Spkr. Sieben, H. |
| Clark, K. | Jude | Murphy | Sieben, M. | |
| Clawson | Kahn | Nelson, K. | Simoneau | |
| Dean | Kalis | Norton | Skoglund | |
| Eken | Kelly | Novak | Staten | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Forsythe | Knickerbocker | Onnen | Searles |
| Ainley | Friedrich | Kvam | Osthoff | Sherman |
| Anderson, G. | Gruenes | Lemen | Peterson, B. | Sherwood |
| Anderson, I. | Harens | Levi | Piepho | Stadum |
| Blatz | Haukoos | Ludeman | Redalen | Stowell |
| Carlson, D. | Heap | Luknic | Rees | Sviggum |
| Dahlvang | Heimitz | Marsh | Reif | Swanson |
| Dempsey | Himle | McDonald | Rose | Valan |
| Den Ouden | Hoberg | Mehrkens | Rothenberg | Valento |
| Drew | Hokr | Nelsen, B. | Sarna | Weaver |
| Erickson | Jennings | Niehaus | Schafer | Welker |
| Esau | Johnson, D. | Nysether | Schoenfeld | Wieser |
| Ewald | Kaley | Olsen | Schreiber | Zubay |

The motion prevailed.

S. F. No. 31, A bill for an act relating to transportation; restricting the powers of the commissioner of transportation with respect to a certain trunk highway within the city of St. Paul; proposing new law coded in Minnesota Statutes, Chapter 161.

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 68 yeas and 64 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kelly | Novak | Simoneau |
| Anderson, G. | Elioff | Kostohryz | O'Connor | Skoglund |
| Anderson, R. | Ellingson | Laidig | Ogren | Staten |
| Battaglia | Greenfield | Lehto | Otis | Stumpf |
| Begich | Gustafson | Long | Peterson, D. | Tomlinson |
| Berkelman | Halberg | Mann | Pogemiller | Vanasek |
| Brandl | Hanson | McCarron | Reding | Vellenga |
| Brinkman | Hauge | McEachern | Rice | Voss |
| Byrne | Hokanson | Metzen | Rodriguez, C. | Welch |
| Carlson, L. | Jacobs | Minne | Rodriguez, F. | Wenzel |
| Clark, J. | Johnson, C. | Munger | Samuelson | Wynia |
| Clark, K. | Jude | Murphy | Schoenfeld | Spkr. Sieben, H. |
| Clawson | Kahn | Nelson, K. | Shea | |
| Dean | Kalis | Norton | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Forsythe | Knickerbocker | Onnen | Sherman |
| Ainley | Friedrich | Kvam | Osthoff | Sherwood |
| Anderson, I. | Gruenes | Lemen | Peterson, B. | Stadum |
| Blatz | Harens | Levi | Piepho | Stowell |
| Carlson, D. | Haukoos | Ludeman | Redalen | Sviggum |
| Dahlvang | Heap | Luknic | Rees | Swanson |
| Dempsey | Heinitz | Marsh | Reif | Valan |
| Den Ouden | Himle | McDonald | Rose | Valento |
| Drew | Hoberg | Mehrkens | Rothenberg | Weaver |
| Erickson | Hokr | Nelsen, B. | Sarna | Welker |
| Esau | Jennings | Niehaus | Schafer | Wieser |
| Evans | Johnson, D. | Nysether | Schreiber | Zubay |
| Ewald | Kaley | Olsen | Searles | |

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 and moved its adoption:

Be It Resolved, by the Committee on Rules and Legislative Administration, that the Chief Clerk of the House of Represen-

tatives be instructed that during the period of time between May 18, 1981, and the convening of the House of Representatives in 1982, the House Chamber, House Retiring Room, House Hearing and Conference Rooms, House Offices, and the Chief Clerk's Office, 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 may be necessary. The House Chamber and House Retiring Room shall be let out 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, Girls' State, the Young Leaders Organization, the National Forensic League, and the 4-H Leadership Conference.

Be It Further Resolved, that the Custodian of the State Capitol shall be instructed to keep the corridors and rotunda clear of all furniture and that all legislative furniture 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 House of Representatives retain parking lots B, D & E for the period from May 18, 1981 to the convening of the House of Representatives in 1982, for use of members and employees of the House of Representatives;

Be It Further Resolved, that the Sergeant at Arms be directed to manage and direct operation of said lots during the period of adjournment of the House of Representatives.

The question was taken on the motion to adopt the report from the Committee on Rules and Legislative Administration and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|-------------|---------------|
| Aasness | Clark, J. | Evans | Heinitz | Knickerbocker |
| Anderson, B. | Clark, K. | Ewald | Himle | Kostohryz |
| Anderson, G. | Clawson | Fjoslien | Hoberg | Kvam |
| Anderson, I. | Dahlvang | Forsythe | Hokanson | Laidig |
| Anderson, R. | Dean | Greenfield | Hokr | Lehto |
| Battaglia | Dempsey | Gruenes | Jacobs | Lemen |
| Begich | Den Ouden | Gustafson | Jennings | Levi |
| Berkelman | Drew | Halberg | Johnson, C. | Long |
| Blatz | Eken | Hanson | Johnson, D. | Luknic |
| Brandl | Elioff | Harens | Jude | Mann |
| Brinkman | Ellingson | Hauge | Kahn | Marsh |
| Carlson, D. | Erickson | Haukoos | Kaley | McCarron |
| Carlson, L. | Esau | Heap | Kelly | McDonald |

| | | | | |
|------------|--------------|---------------|-----------|------------------|
| McEachern | Olsen | Rodriguez, C. | Simoneau | Voss |
| Mehrkens | Onnen | Rodriguez, F. | Skoglund | Weaver |
| Minne | Osthoff | Rose | Stadum | Welch |
| Munger | Otis | Rothenberg | Staten | Welker |
| Murphy | Peterson, B. | Samuelson | Stowell | Wenzel |
| Nelsen, B. | Peterson, D. | Sarna | Stumpf | Wieser |
| Nelson, K. | Piepho | Schafer | Svigum | Wigley |
| Niehaus | Pogemiller | Schoenfeld | Swanson | Wynia |
| Norton | Redalen | Searles | Tomlinson | Zubay |
| Novak | Reding | Shea | Valan | Spkr. Sieben, H. |
| Nysether | Rees | Sherman | Valento | |
| O'Connor | Reif | Sherwood | Vanasek | |
| Ogren | Rice | Sieben, M. | Vellenga | |

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 be authorized and is hereby directed to correct and approve the Journal of the House for today, Monday, May 18, 1981.

Be It Further Resolved, that the Chief Clerk of the House be authorized to include in the Journal for Monday, May 18, 1981, any proceedings including subsequent proceedings and any legislative interim committees or commissions created or appointments made pursuant thereto by legislative action or by law.

The motion prevailed and the report was adopted.

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:

Schafer and Stowell introduced:

H. F. No. 1520, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Sviggum, Aasness, Harens, Wenzel and Sherwood introduced:

H. F. No. 1521, A bill for an act relating to controlled substances; providing penalties for possession of small amounts of marijuana; amending Minnesota Statutes 1980, Section 152.15, Subdivision 2.

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

Ellingson introduced:

H. F. No. 1522, A bill for an act relating to public finance; providing an alternative general system to issue state and local debt obligations; enacting the "Minnesota All-Government Bond Act"; appropriating money; proposing new law coded as Minnesota Statutes, Chapter 16B.

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

Byrne introduced:

H. F. No. 1523, A bill for an act relating to driver licensing; requiring certain reports to be made to the commissioner of public safety; making insurance coverage inapplicable in certain instances; proposing new law coded in Minnesota Statutes, Chapters 65B and 171.

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

Aasness, Harens, Marsh and Onnen introduced:

H. F. No. 1524, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Den Ouden, Valento, Dempsey, Piepho and Erickson introduced:

H. F. No. 1525, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Sviggum and Ludeman introduced:

H. F. No. 1526, A bill for an act relating to administrative rulemaking; providing for legislative approval of adopted rules which are determined to be substantially different from the proposed rules; amending Minnesota Statutes 1980, Section 15.0412, Subdivision 4e.

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

Pogemiller, Levi and Brandl introduced:

H. F. No. 1527, A bill for an act relating to metropolitan government; establishing a legislative commission on metropolitan county government; providing for election of the members of the council; amending Minnesota Statutes 1980, Section 473.123, Subdivisions 2, 3, 4, and 5, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 3.

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

Greenfield, Swanson and Reif introduced:

H. F. No. 1528, A bill for an act relating to public health; providing for the development, promotion and coordination of regional emergency medical services systems; providing for the organization of emergency medical services districts; proposing new law coded in Minnesota Statutes, Chapter 145.

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

Niehaus, Harens, Brinkman, Aasness and Gruenes introduced:

H. F. No. 1529, A resolution memorializing the United States Congress relating to amending the United States Constitution to protect human life; applying to Congress to call a constitutional convention to provide for protection of all human life.

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

Clark, K., and Staten introduced:

H. F. No. 1530, A bill for an act relating to human rights; requiring elimination of certain disparities in the workforce of certain employers; providing penalties; proposing new law coded as Minnesota Statutes, Chapter 363A.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Reding introduced:

H. F. No. 1531, A bill for an act relating to retirement; clarifying procedures for crediting periods of service; establishing service credit for vesting purposes separate from benefit accrual purposes; providing for part-time benefit accrual service credit in the event of part-time employment; amending Minnesota Statutes 1980, Sections 43.60, Subdivision 3; 352.01, Subdivisions 11, 16 and by adding subdivisions; 352.029, Subdivision 4; 352.041, Subdivision 1; 352.115, Subdivision 3; 352.22, Subdivision 3; 352.27; 352.271; 352.72, Subdivisions 1 and 2; 352.75, Subdivision 1; 352.93, Subdivisions 1, 2, 4 and 5; 352.95, Subdivisions 1, 2 and 6; 352B.01, by adding a subdivision; 352B.08, Subdivision 2; 352B.10; 352B.11, Subdivision 2; 352B.30, Subdivisions 1 and 2; 352D.085, Subdivision 1; 353.01, Subdivisions 7, 16, 18, 31 and by adding subdivisions; 353.017, Subdivision 4; 353.29, Subdivisions 2 and 3; 353.31, Subdivision 1; 353.33, Subdivisions 3 and 9; 353.36, Subdivision 2; 353.651, Subdivisions 2 and 3; 353.656, Subdivisions 1 and 3; 353.657, Subdivision 2; 353.661, Subdivision 1; 353.69; 353.71, Subdivisions 1, 2, 3 and 5; 353.74; 353.75; 354.05, Subdivisions 13, 25, 32 and by adding subdivisions; 354.09, Subdivision 1; 354.092; 354.093; 354.094, Subdivisions 1 and 6; 354.41, Subdivision 6; 354.44, Subdivisions 6 and 7; 354.50, Subdivision 1; 354.51, Subdivision 1; 354.53, Subdivision 1; 354.60; 354.66, Subdivisions 4, 5, 7, 8, 9, 10 and 11; 354A.011, Subdivision 4 and by adding a subdivision; 354A.31, Subdivision 4; 354A.35, Subdivision 2; 354A.36, Subdivision 3; 354A.39; 354A.40; 356.30, Subdivision 1; 356.32, Subdivision 1; 356.453; 356.60, Subdivision 1; 422A.01, by adding subdivisions; 422A.08, Subdivision 5; 422A.09, Subdivision 3; 422A.11, Subdivisions 1 and 2; 422A.13, Subdivision 2; 422A.15, Subdivisions 1, 3 and 4; 422A.155; 422A.156; 422A.16, Subdivisions 1, 3a, 7, 8 and 9; 422A.18, Subdivisions 1 and 2; 422A.22, Subdivision 2; 422A.23, Subdivisions 1, 7 and 9; 490.121, Subdivisions 4, 21 and by adding a subdivision; and 490.124, Subdivisions 1, 2 and 6; repealing Minnesota Statutes 1980, Sections 422A.01, Subdivisions 14, 15 and 16; 422A.30; 422A.31; 422A.32; 422A.33; 422A.34; 422A.35; and 422A.39.

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

HOUSE ADVISORIES

The following House Advisories were introduced:

Aasness introduced:

H. A. No. 43, A proposal to identify a role for parents and the public in determining children's education.

The advisory was referred to the Committee on Education.

Peterson, D.; Minne; Anderson, I.; Brandl and Halberg introduced:

H. A. No. 44, A proposal to study tax provisions relating to child day care.

The advisory was referred to the Committee on Taxes.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 452:

Sarna; Clark, K., and Dean.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 818:

Reding, Battaglia and Drew.

SPECIAL ORDERS

S. F. No. 568 was reported to the House.

Brinkman moved that S. F. No. 568 be re-referred to the Committee on Financial Institutions and Insurance. The motion prevailed.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO 1474

A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

May 18, 1981

The Honorable Harry H. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1474, report that we have agreed upon the items in dispute and recommend as follows:

The Senate recede from its amendment and H. F. No. 1474 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

| | |
|-------------------------------|--------------|
| EDUCATION | \$14,145,300 |
| STATE UNIVERSITIES | 1,621,000 |
| COMMUNITY COLLEGES | 620,000 |
| UNIVERSITY OF MINNESOTA | 38,057,100 |
| BOND SALE EXPENSES | 50,000 |
| TOTAL | 54,493,400 |
| Building Fund | 54,493,400 |

APPROPRIATIONS

| | | |
|----------------------|------|------|
| | 1982 | 1983 |
| | \$ | \$ |
| Sec. 2. [EDUCATION.] | | |

Subdivision 1. To the state board of education for post-secondary vocational-technical construction in the school districts listed in this subdivision

| | |
|--|------------|
| | 14,145,300 |
|--|------------|

Independent School District No. 241, Albert Lea

| | |
|--|---------|
| | 253,000 |
|--|---------|

The total cost of the project shall not exceed \$297,000, whether paid from state, local, or federal money.

Independent School District No. 31, Bemidji

| | |
|--|---------|
| | 654,500 |
|--|---------|

The total cost of the construction shall not exceed \$770,000, whether paid from state, local, or federal money.

Independent School District No. 917, Dakota County

| | |
|--|---------|
| | 300,000 |
|--|---------|

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |

The total cost of the construction shall not exceed \$352,000, whether paid from state, local, or federal money.

| | |
|--|---------|
| Independent School District No. 22, Detroit Lakes | 318,700 |
|--|---------|

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 |
|--|---------|

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 | 362,000 |
|---|---------|

The total cost of the construction shall not exceed \$425,900, whether paid from state, local, or federal money.

| | |
|---|---------|
| Independent School District No. 324, Jackson | 234,000 |
|---|---------|

The total cost of the construction shall not exceed \$275,000, whether paid from state, local, or federal money.

| | |
|--|---------|
| Independent School District No. 77, Mankato | 234,000 |
|--|---------|

This appropriation is for construction at the main campus of the Mankato Area Vocational Technical Institute.

The total cost of the project shall not exceed \$275,000, whether paid from state, local, or federal money.

| | |
|--|---------|
| Independent School District No. 916 .. | 203,000 |
|--|---------|

The local portion of the cost of this project is \$87,000.

The total cost of the construction shall not exceed \$290,000, whether paid from state, local, or federal money.

| | 1982 | 1983 |
|--|---------|------|
| | \$ | \$ |
| Independent School District No. 152, Moorhead | 202,000 | |

The total cost of the construction shall not exceed \$237,400, whether paid from state, local, or federal money.

| | |
|---|-----------|
| Independent School District No. 742, St. Cloud | 1,100,000 |
|---|-----------|

The local portion of the cost of this project shall be a minimum of \$194,000 and a maximum of \$900,000. The total cost of the project shall not exceed \$2,000,000, whether paid from state, local, or federal money.

| | |
|--|-----------|
| Independent School District No. 625, St. Paul | 3,825,000 |
|--|-----------|

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 \$4,500,000, whether paid from state, local, or federal money.

| | |
|---|-----------|
| Independent School District No. 793, Staples | 3,059,000 |
|---|-----------|

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 1983, 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

| | | |
|----|------|------|
| | 1982 | 1983 |
| \$ | | \$ |

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 1981, 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 \$3,849,100, whether paid from state, local, or federal money.

| | |
|--|-----------|
| Joint Independent School District No. 287, Suburban Hennepin | 1,533,900 |
|--|-----------|

The local portion of the cost of this project shall be a minimum of \$655,200 and a maximum of \$1,210,100. The total cost of the project including money from post-secondary vocational, secondary vocational, and special education services shall not exceed \$2,744,000, whether paid from state, local, or federal money.

| | |
|---|---------|
| Independent School District No. 819, Wadena | 698,300 |
|---|---------|

The local portion of the cost of this project shall be a minimum of \$121,500 and a maximum of \$253,900. The total cost of the project shall not exceed \$952,200, whether paid from state, local, or federal money.

| | |
|--|---------|
| Independent School District No. 347, Willmar | 187,900 |
|--|---------|

The total cost of the construction shall not exceed \$221,000, whether paid from state, local, or federal money.

| | |
|---|---------|
| Independent School District No. 861, Winona | 300,000 |
|---|---------|

The local portion of this project shall be a minimum of \$53,000 and a maximum of \$1,000,000. The total cost of the

1982

1983

\$

\$

construction shall not exceed \$1,300,000, whether paid from state, local, or federal money.

Subd. 2. The Minneapolis area vocational-technical institute shall provide temporary space for the Minneapolis community college during the period in which the college is undergoing construction.

Sec. 3. [STATE UNIVERSITIES.]

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section

1,621,000

Subd. 2. Winona Campus Rehabilitate Somsen Hall

700,000

This appropriation is for the following projects:

(1) Replace windows 399,000

(2) Install elevator 225,000

(3) Architect fees and other related expenses 76,000

The state university board may transfer amounts among clauses (1) to (3) as needed.

Subd. 3. Moorhead Campus Rehabilitate Lommen Hall

800,000

Subd. 4. Mankato Campus Improve heating, ventilation, and air conditioning at Armstrong Hall

121,000

Sec. 4. [COMMUNITY COLLEGES.]

Subdivision 1. To the commissioner of administration for the purposes more specifically described in the following subdivisions of this section

620,000

| | 1982 | 1983 |
|--|------------|------------|
| | \$ | \$ |
| Subd. 2. Preparation of plans for expansion of college center, and physical education classroom facilities at Vermilion and Rainy River community colleges | | 120,000 |
| Subd. 3. Roof replacement, construct roads and parking lots | | 500,000 |
| Sec. 5. [UNIVERSITY OF MINNESOTA.] | | |
| Subdivision 1. To the regents of the university of Minnesota for the purposes more specifically described in the following subdivisions of this section | | 38,057,100 |
| Subd. 2. Minneapolis Campus | | 18,284,000 |
| (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 | 16,484,000 | |
| <p>\$480,000 of this appropriation is for planning and working drawings for the Hubert H. Humphrey Institute. Upon completion of the working drawings, the regents shall report to the house appropriations and senate finance committees on the progress and cost of the project.</p> <p>The two buildings shall be designed and constructed in a manner which avoids duplication between facilities and duplication of existing facilities. The buildings shall maximize access and sharing of facilities common to both programs. Construction of either facility may commence following completion of working drawings. The total cost shall not exceed \$16,484,000. This total amount is less than the amount requested by the regents. The regents shall apportion the reduction to each of the buildings in proportion to the number of gross square feet in the regents' request for the two buildings.</p> | | |
| (b) Complete basement space in Kolthoff Hall | | 900,000 |

| | 1982 | 1983 |
|--|---------|------------|
| | \$ | \$ |
| (c) Prepare working drawings for remodeling Smith Hall | 900,000 | |
| The total cost of this project shall not exceed \$22,000,000. | | |
| Subd. 3. St. Paul Campus | | 17,300,000 |
| Construct agronomy and plant genetics, plant pathology, and soil science building | | |
| Subd. 4. Duluth Campus | | 851,000 |
| (a) Construct greenhouse | 319,000 | |
| (b) Business building remodeling.. | 532,000 | |
| Subd. 5. Morris Campus | | |
| Remodel Behmler Hall | | 320,000 |
| Subd. 6. Waseca Campus | | 551,000 |
| Construct livestock laboratory and holding facility | | |
| Subd. 7. Crookston Campus | | 52,800 |
| Prepare plans for Owen Hall remodeling | | |
| Subd. 8. Southern Experiment Station—Waseca | | 184,800 |
| Construct dairy heifer facility | | |
| This building is considered an agricultural building and is exempt from the provisions of the state designer selection board and the state building code relating to public buildings. | | |
| Subd. 9. The Northwest Experiment Station—Crookston | | 20,000 |
| Construct chemical storage facility | | |
| Subd. 10. Southwest Experiment Station—Lamberton | | 154,500 |

| | | |
|--|------|------|
| | 1982 | 1983 |
| | \$ | \$ |
| Construct a field laboratory and addition to plot building | | |

Subd. 11. North Central Experiment Station—Grand Rapids

The board of regents is authorized to purchase, using nonstate funds only, a 39 acre parcel of land near the North Central Experiment Station at Grand Rapids.

Subd. 12. Hormel Institute 339,000

Completion and equipping of animal research facility

Sec. 6. [BOND SALE EXPENSES.]

To the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Section 16A.64, Subdivision 4. 50,000

Sec. 7. [BOND SALE; DEBT SERVICE.] *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 \$54,495,000 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.*

Sec. 8. [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. 9. [REVIEW OF PLANS.] *The commissioner of administration and the board of regents of the university of Minnesota shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.*

Sec. 10. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.] *Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner of administration and the 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 commissioner of administration 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. 11. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.] *The commissioner of administration and the board of regents of the university of Minnesota shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration and the board of regents, 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. 12. [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. 13. [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 operat-

ing 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. 14. [EFFECTIVE DATE.]

This act is effective the day following final enactment.

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

House Conferees: MICHAEL R. SIEBEN, LYNDON R. CARLSON, RICHARD J. WELCH, BRUCE G. NELSON and WENDELL O. ERICKSON.

Senate Conferees: TOM A. NELSON, TIMOTHY J. PENNY, GERALD L. WILLET, JOHN B. KEEFE and PETER P. STUMPF.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Ewald | Kalis | O'Connor | Sieben, M. |
| Ainley | Fjoslien | Knickerbocker | Olsen | Simoneau |
| Anderson, B. | Forsythe | Kostohryz | Onnen | Skoglund |
| Anderson, G. | Friedrich | Kvam | Osthoff | Stadum |
| Anderson, I. | Greenfield | Laidig | Otis | Stowell |
| Anderson, R. | Gruenes | Lehto | Peterson, B. | Stumpf |
| Blatz | Gustafson | Lemen | Peterson, D. | Svigum |
| Brandl | Halberg | Levi | Piepho | Swanson |
| Brinkman | Hanson | Long | Pogemiller | Tomlinson |
| Byrne | Harens | Ludeman | Redalen | Valan |
| Carlson, D. | Hauge | Luknic | Reding | Vanasek |
| Carlson, L. | Haukoos | Mann | Rees | Vellenga |
| Clark, J. | Heap | Marsh | Reif | Voss |
| Clawson | Heinitz | McCarron | Rice | Weaver |
| Dahlyang | Himle | McEachern | Rodriguez, C. | Welch |
| Dean | Hoberg | Mehrkens | Rodriguez, F. | Welker |
| Dempsey | Hokanson | Metzen | Rose | Wenzel |
| Den Ouden | Hokr | Minne | Rothenberg | Wieser |
| Drew | Jacobs | Munger | Sarna | Wigley |
| Eken | Jennings | Nelsen, B. | Schafer | Wynia |
| Elioff | Johnson, C. | Nelson, K. | Schoenfeld | Zubay |
| Ellingson | Johnson, D. | Niehaus | Searles | Spkr. Sieben, H. |
| Erickson | Jude | Norton | Shea | |
| Esau | Kahn | Novak | Sherman | |
| Evans | Kaley | Nysether | 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 its was so ordered.

Carlson, L., moved that the report of the Conference Committee on H. F. No. 1474 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

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.

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

There were 100 yeas and 33 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Elioff | Jude | Norton | Shea |
| Anderson, B. | Ellingson | Kalis | Novak | Sherwood |
| Anderson, G. | Erickson | Kelly | Nysether | Sieben, M. |
| Anderson, I. | Evans | Knickerbocker | O'Connor | Simoneau |
| Anderson, R. | Ewald | Kostohryz | Ogren | Skoglund |
| Battaglia | Greenfield | Laidig | Osthoff | Stadum |
| Begich | Gruenes | Lehto | Otis | Staten |
| Berkelman | Gustafson | Long | Peterson, D. | Stowell |
| Brandl | Halberg | Luknic | Piepho | Stumpf |
| Brinkman | Hanson | Mann | Pogemiller | Swanson |
| Byrne | Harens | Marsh | Reding | Tomlinson |
| Carlson, D. | Hauge | McCarron | Rees | Valan |
| Carlson, L. | Haukoos | McEachern | Rice | Vanasek |
| Clark, J. | Heap | Mehrkens | Rodriguez, C. | Vellenga |
| Clawson | Himle | Metzen | Rodriguez, F. | Voss |
| Dahlvang | Hoberg | Minne | Rose | Weaver |
| Dean | Hokanson | Munger | Samuelson | Welch |
| Dempsey | Jacobs | Murphy | Sarna | Wenzel |
| Drew | Johnson, C. | Nelsen, B. | Schoenfeld | Wynia |
| Eken | Johnson, D. | Nelson, K. | Schreiber | Spkr. Sieben, H. |

Those who voted in the negative were :

| | | | | |
|-----------|----------|--------------|------------|---------|
| Ainley | Heinitz | Levi | Redalen | Valento |
| Blatz | Hokr | Ludeman | Reif | Welker |
| Den Ouden | Jennings | McDonald | Rothenberg | Wieser |
| Esau | Kahn | Niehaus | Schafer | Wigley |
| Fjoslien | Kaley | Olsen | Searles | Zubay |
| Forsythe | Kvam | Onnen | Sherman | |
| Friedrich | Lemen | Peterson, B. | Sviggunn | |

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1445

A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for declaration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions: 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Sub-

divisions 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.-551; 275.552; 275.58; 275.59; 279.11; and 291.33.

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1445, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede its amendments and that H. F. No. 1445 be amended as follows:

Delete everything after the enacting clause and insert:

*“ARTICLE I
INCOME TAX*

Section 1. Minnesota Statutes 1980, Section 290.06, Subdivision 2d, is amended to read:

Subd. 2d. [INFLATION ADJUSTMENT OF BRACKETS.] (FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1978, THE TAXABLE NET INCOME BRACKETS IN SUBDIVISION 2C SHALL BE ADJUSTED FOR INFLATION. THE COMMISSIONER OF REVENUE SHALL DETERMINE THE PERCENTAGE INCREASE FOR EACH YEAR IN THE REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA PREPARED BY THE UNITED STATES DEPARTMENT OF LABOR WITH 1967 AS A BASE YEAR. THE COMMISSIONER SHALL DETERMINE THE PERCENTAGE INCREASE FROM AUGUST, 1978 TO, IN 1979, AUGUST, 1979 AND IN EACH SUBSEQUENT YEAR, FROM AUGUST OF THE PRECEDING YEAR TO AUGUST OF THE CURRENT YEAR, AND SHALL ANNOUNCE THE PERCENTAGE FIGURE BY OCTOBER 1 EACH YEAR. THE DOLLAR AMOUNTS IN EACH TAXABLE NET INCOME BRACKET FOR THE PRIOR YEAR IN SUBDIVISION 2C SHALL BE MULTIPLIED BY A FIGURE EQUAL TO 85 PERCENT OF THAT PERCENTAGE. THE PRODUCT OF THE CALCULATION SHALL BE ADDED TO EACH INFLATION ADJUSTED TAXABLE NET INCOME BRACKET FOR

THE PRIOR YEAR TO PRODUCE THE INFLATION ADJUSTED TAXABLE NET INCOME BRACKETS FOR EACH SUCCEEDING YEAR. IF THE PRODUCT EXCEEDS A WHOLE DOLLAR AMOUNT, IT SHALL BE RAISED TO THE NEXT HIGHEST WHOLE DOLLAR.) *For taxable years beginning after December 31, 1980, the taxable net income brackets in subdivision 2c shall be adjusted for inflation. For the purpose of making the adjustment as provided in this subdivision all of the brackets provided in subdivision 2c shall be the adjusted brackets as they existed for taxable years beginning after December 31, 1979 and before January 1, 1981. The commissioner shall determine: (a) the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor. He shall then determine the percent change from August, 1980, to, in 1981, August, 1981, and in each subsequent year, from August of the preceding year to August of the current year; and (b) the percentage increase in average Minnesota gross income from tax year 1980 to, in 1981, tax year 1981, and in each subsequent tax year between the previous tax year and the current tax year. The percent increases in Minnesota gross income shall be estimated using the best available data sources and reasonable forecasting procedures. The determination of the commissioner pursuant to this section shall not be considered a "rule" and shall not be subject to the administrative procedures act contained in chapter 15.*

The dollar amount in each taxable net income bracket for the prior year in subdivision 2c shall be multiplied by a figure calculated as one plus 100 percent of the consumer price index increase or 100 percent of the Minnesota gross income increase, whichever is smaller. The product of the calculation shall yield the inflation adjusted tax brackets for each succeeding year. If the product exceeds a whole dollar amount, it shall be rounded to the nearest whole dollar.

No later than October 1 of each year, the commissioner shall announce both percentage increases and the specific percentage that will be used to adjust the tax brackets, the maximum standard deduction amount, and the personal credit amounts.

Sec. 2. Minnesota Statutes 1980, Section 290.06, Subdivision 3g, is amended to read:

Subd. 3g. [INFLATION ADJUSTMENT OF CREDITS.] For taxable years beginning after December 31, 1980, the credits provided for individuals in subdivision 3f shall be adjusted for inflation. (THE COMMISSIONER OF REVENUE SHALL DETERMINE THE PERCENTAGE INCREASE FOR EACH YEAR IN THE REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA PREPARED BY THE UNITED STATES DEPARTMENT OF LABOR WITH 1967 AS A BASE YEAR. THE COMMISSIONER SHALL DETERMINE THE PERCENTAGE INCREASE FROM AUGUST, 1980 TO, IN 1981, AUGUST, 1981 AND IN EACH SUBSEQUENT

YEAR, FROM AUGUST OF THE PRECEDING YEAR TO AUGUST OF THE CURRENT YEAR, AND SHALL ANNOUNCE THE PERCENTAGE FIGURE BY OCTOBER 1 EACH YEAR. THE DOLLAR AMOUNT OF EACH INFLATION ADJUSTED CREDIT FOR THE PRIOR YEAR IN SUBDIVISION 3F SHALL BE MULTIPLIED BY A FIGURE EQUAL TO THAT PERCENTAGE. THE PRODUCT OF THE CALCULATION SHALL BE ADDED TO THE INFLATION ADJUSTED CREDIT FOR THE PRIOR YEAR TO PRODUCE THE INFLATION ADJUSTED INDIVIDUAL CREDITS FOR EACH SUCCEEDING YEAR. IF THE PRODUCT EXCEEDS A WHOLE DOLLAR AMOUNT, IT SHALL BE ROUNDED TO THE NEAREST WHOLE DOLLAR.) *The dollar amount of each credit for the prior year in subdivision 3f shall be increased in the same manner as provided in subdivision 2d for the expansion of the taxable net income brackets.*

Sec 3. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

Subd. 1a. [ADDITIONAL CORPORATE TAX.] In addition to the tax computed according to Subdivision 1 and Section 290.361, there is hereby imposed an additional privilege and income tax which shall be computed by applying the following rates to the tax computed pursuant to subdivision 1, sections 290.361 and 290.091 less the credits allowed by section 62E.11, subdivision 8 and section 290.06, subdivisions 3f, 9, 9a, and 14:

(1) *For taxable years beginning after December 31, 1980, but before January 1, 1982, 2 1/2 percent;*

(2) *For taxable years beginning after December 31, 1981, but before January 1, 1983, five percent;*

(3) *For taxable years beginning after December 31, 1982, but before January 1, 1984, 2 1/2 percent.*

For corporations that change their accounting period while the subdivision is in effect, the surtax assessment applying to the tax on the annual basis would be determined by multiplying five percent by the ratio determined by dividing the number of months in the accounting period which falls between June 30, 1981 and July 1, 1983 by the number of months in the accounting period. The additional privilege and income tax imposed pursuant to this subdivision shall be computed and shown as a separate item on returns filed by the corporations subject to the tax.

Sec. 4. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

Subd. 2e [ADDITIONAL INCOME TAX.] In addition to the tax computed pursuant to subdivisions 2c and 2d or subdivision 3d, there is hereby imposed an additional income tax on individuals, estates, and trusts, other than those taxable as corporations. The additional tax shall be computed by applying the rate of one percent to the tax computed pursuant to subdivision

3d or, in the case of an individual who does not qualify for the low income alternative tax and estates and trusts, the tax computed pursuant to subdivisions 2c and 2d and sections 290.032 and 290.091 less the credits allowed by sections 290.06, subdivisions 3e, 3f, 9, 9a, 11 and 14, and 290.081, for taxable years beginning after December 31, 1980, and before January 1, 1984.

The additional income tax imposed pursuant to this subdivision shall be computed and shown as a separate item on returns filed by individuals, estates and trusts subject to the tax.

Sec. 5. Minnesota Statutes 1980, 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 \$400 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$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 \$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. 6. Minnesota Statutes 1980, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter and income or franchise taxes paid to any other state or to any province or territory of Canada for which a credit is allowed under section 290.081; (b) taxes assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under chapter 290A; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; (g) mortgage registry tax; (h) real estate transfer tax; (i) federal telephone tax; (j) federal transportation tax; (AND) (k) *state and local taxes on the sale of gasoline, diesel fuel, and other motor fuels; and (l) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1979.* If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax

credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. (INCOME TAXES PERMITTED TO BE DEDUCTED HEREUNDER SHALL, REGARDLESS OF THE METHODS OF ACCOUNTING EMPLOYED, BE DEDUCTIBLE ONLY IN THE TAXABLE YEAR IN WHICH PAID.) Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation.

Sec. 7. Minnesota Statutes 1980, Section 290.09, Subdivision 10, is amended to read:

Subd. 10. [MEDICAL EXPENSES.] Payments (not compensated for by insurance or otherwise) for *medical, dental, and other* expenses (FOR HOSPITAL, NURSING, MEDICAL, SURGICAL, DENTAL, AND OTHER HEALING SERVICES, INCLUDING INSTITUTIONAL CARE AND TREATMENT FOR THE MENTALLY ILL AND PHYSICALLY HANDICAPPED AND THE COST, FEEDING AND MAINTENANCE EXPENSES OF A GUIDE DOG FOR A BLIND OR DEAF PERSON, AS DEFINED IN SECTION 290.06, SUBDIVISION 3C, CLAUSES (4) (D) AND (H), AND FOR MEDICAL SUPPLIES AND AMBULANCE HIRE, INCURRED BY THE TAXPAYER ON ACCOUNT OF SICKNESS, MENTAL ILLNESS, PHYSICAL HANDICAP OR PERSONAL INJURY TO HIMSELF OR HIS DEPENDENTS AND PREMIUMS PAID FOR HOSPITALIZATION AND MEDICAL INSURANCE INCLUDING NONPROFIT HOSPITAL SERVICE AND NONPROFIT MEDICAL SERVICE PLANS. PAYMENTS FOR TRAVELING EXPENSES SHALL NOT BE DEDUCTIBLE UNDER THE PROVISIONS OF THIS SUBDIVISION. PAYMENTS FOR HOTEL OR SIMILAR LODGING EXPENSES SHALL BE DEDUCTIBLE IN THE SAME MANNER AS PAYMENTS FOR HOSPITAL SERVICES, IF THE TAXPAYER OR HIS DEPENDENT IS NOT HOSPITALIZED BUT IS NEVERTHELESS REQUIRED TO REMAIN IN A MEDICAL CENTER AWAY FROM HIS USUAL PLACE OF ABODE, FOR THE PURPOSE OF RECEIVING PRESCRIBED MEDICAL TREATMENT) *as provided and as limited by section 213 of the Internal Revenue Code of 1954, as amended through December 31, 1980.*

Sec. 8. Minnesota Statutes 1980, Section 290.09, Subdivision 15, is amended to read:

Subd. 15. [STANDARD DEDUCTION.] In lieu of all deductions provided for in this chapter other than those enumerated in section 290.18, subdivision 2, and in lieu of the credits enumerated in section 290.21, subdivision 3, an individual may claim or be allowed a standard deduction as follows:

(a) Subject to modification pursuant to clause (b), the standard deduction shall be an amount equal to ten percent of the ad-

justed gross income of the taxpayer, up to a maximum deduction of \$2,000; in the case in which a standard deduction tax table is provided by the commissioner of revenue pursuant to the provisions of section 290.06, subdivision 2, the standard deduction shall be available to individuals with adjusted gross income of less than \$20,000 only through the use of such table.

In the case of a husband and wife living together, the standard deduction shall not be allowed to either if the net income of one of the spouses is determined without regard to the standard deduction. For the purposes of this paragraph the determination of whether an individual is living with his spouse shall be made as of the last day of the taxable year unless the spouse dies during the taxable year in which case such determination shall be made as of the date of such spouse's death.

(b) For each taxable year beginning after December 31, 1980, the maximum amount of the standard deduction shall be adjusted for inflation (. THAT AMOUNT SHALL BE MULTIPLIED EACH YEAR BY A FIGURE EQUAL TO THE PERCENTAGE INCREASE IN THE REVISED CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE MINNEAPOLIS-ST. PAUL METROPOLITAN AREA USED FOR PURPOSES OF SECTION 290.06, SUBDIVISION 3G. THE PRODUCT OF THE CALCULATION SHALL BE ADDED TO THE DOLLAR AMOUNT OF THE MAXIMUM STANDARD DEDUCTION ESTABLISHED IN CLAUSE (A) TO PRODUCE THE INFLATION-ADJUSTED MAXIMUM STANDARD DEDUCTION FOR EACH SUCCEEDING YEAR) *in the same manner as provided in section 290.06, subdivision 2d, for the expansion of the taxable net income brackets.*

(c) The commissioner of revenue may establish a standard deduction tax table incorporating the rates set forth in section 290.06, subdivision 2c, and the standard deduction. The tax of any individual taxpayer whose adjusted gross income is less than \$20,000 shall, if an election is made not to itemize nonbusiness deductions, be computed in accordance with tables prepared and issued by the commissioner of revenue. The tables shall be prepared to reflect the allowance of the standard deduction and the personal and dependent credits.

Sec. 9. Minnesota Statutes 1980, Section 290.10, is amended to read:

290.10 [NONDEDUCTIBLE ITEMS.]

In computing the net income no deduction shall in any case be allowed for:

- (1) Personal, living or family expenses;
- (2) Amounts paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate, except as otherwise provided in this chapter;

(3) Amounts expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;

(4) Premiums paid on any life insurance policy covering the life of the taxpayer or of any other person;

(5) The shrinkage in value, due to the lapse of time, of a life or terminable interest of any kind in property acquired by gift, devise, bequest or inheritance;

(6) Losses from sales or exchanges of property, directly or indirectly, between members of a family, or, except in the case of distributions in liquidation, between an individual and a corporation in which such individual owns, directly or indirectly, more than 50 percent in value of the outstanding stock; or between any person or corporation and a trust created by him or it or of which he or it is a beneficiary, directly or indirectly; for the purpose of this clause, an individual shall be considered as owning the stock owned, directly or indirectly, by his family; and the family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestor, and lineal descendants, but such losses shall be allowed as deductions if the taxpayer shows to the satisfaction of the commissioner that the sale or exchange was bona fide and for a fair and adequate consideration;

(7) In computing net income, no deduction shall be allowed under section 290.09, subdivision 2, relating to expenses incurred or under section 290.09, subdivision 3, relating to interest accrued;

(a) If such expenses or interest not paid within the taxable year or within two and one-half months after the close thereof; and

(b) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the taxable year in which or with which the taxable year of the taxpayer ends; and

(c) If, at the close of the taxable year of the taxpayer or at any time within two and one-half months thereafter, both the taxpayer and the person to whom the payment is to be made are persons between whom losses would be disallowed under clause (6);

(8) (a) Contributions by employees under the federal railroad retirement act (,) and the federal social security act (, OR)

(b) *Payments* to Minnesota or federal public employee retirement funds (, AND THAT). (c) *Three-fourths (75 percent)* of the amount of taxes imposed on self-employment income under section 1401 of the Internal Revenue Code of 1954, as amended through December 31, 1979 (, WHICH WOULD HAVE BEEN IMPOSED ON THE SAME AMOUNT OF INCOME IF SUCH INCOME HAD BEEN TREATED AS WAGES FROM

EMPLOYMENT AND SUBJECT TO TAX UNDER THE PROVISIONS OF SECTION 3101 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1979).

(9) Expenses, interest and taxes connected with or allocable against the production or receipt of all income not included in the measure of the tax imposed by this act. (WHEN THE FEDERAL INCOME TAX LIABILITY IS JOINT AND SEVERAL UNDER A JOINT FEDERAL RETURN OF HUSBAND AND WIFE, THE ALLOWABLE FEDERAL INCOME TAX PAID ON THE INCOME INCLUDED IN THE JOINT FEDERAL RETURN MAY BE TAKEN AS A DEDUCTION FROM GROSS INCOME BY THE SPOUSE WHO PAID THE FEDERAL INCOME TAX.)

(10) In situations where this chapter provides for an exclusion from gross income of a specific dollar amount of an item of income assignable to this state, and within the measure of the tax imposed by this chapter, that portion of the federal income tax (PAID) *liability assessed* upon such income excluded, and any expenses attributable to earning such income, shall not be deductible in computing net income.

(11) Amounts paid or accrued for such taxes and carrying charges as, under regulations prescribed by the commissioner, are chargeable to capital account with respect to property, if the taxpayer elects, in accordance with such regulations, to treat such taxes or charges as so chargeable.

Sec. 10. Minnesota Statutes 1980, Section 290.18, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] ((A)) The adjusted gross income shall (, EXCEPT INSOFAR AS SECTION 290.19 IS APPLICABLE,) be computed by deducting from the gross income assignable to this state under section 290.17, the (FOLLOWING DEDUCTIONS.) *deduction for* allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10(9) and 290.18.

(THE DEDUCTION ENUMERATED IN THIS SUBDIVISION) *This deduction* shall be allowed to (THE EXTENT PROVIDED IN SUBDIVISION 1 AND AS PROVIDED IN CLAUSES (B) AND (C).)

((B) IN THE CASE OF CORPORATIONS, NATIONAL AND STATE BANKS FOR TAXABLE YEARS BEGINNING PRIOR TO JULY 1, 1971 AND ENDING SUBSEQUENT THERETO, FEDERAL INCOME TAXES ALLOWABLE AS A DEDUCTION SHALL BE THAT PART OF THE FEDERAL INCOME TAX DETERMINED BY MULTIPLYING THE FEDERAL INCOME TAX LIABILITY FOR SUCH TAXABLE YEAR AS REFLECTED ON THE RETURN FILED WITH THE INTERNAL REVENUE SERVICE BY A FRACTION,

THE NUMERATOR OF WHICH IS THE NUMBER OF MONTHS IN THE TAXABLE YEAR PRIOR TO JULY 1, 1971 AND THE DENOMINATOR WHICH IS THE NUMBER OF MONTHS IN THE ENTIRE TAXABLE YEAR; PROVIDED THAT IF THE TAXABLE PERIOD IS OTHER THAN A FULL YEAR THE DENOMINATOR OF THE FRACTION SHALL BE THE TOTAL NUMBER OF MONTHS FOR WHICH THE FEDERAL RETURN IS FILED.)

((C) THE AMOUNT OF ANY ADDITIONAL FEDERAL INCOME TAXES FOR 1971 AND PRIOR YEARS, WHERE SUCH ADDITIONAL FEDERAL INCOME TAXES WOULD HAVE BEEN ALLOWED AS A DEDUCTION FROM GROSS INCOME UNDER CLAUSE (B) OR UNDER PRIOR LAW, SHALL BE ALLOWED AS A DEDUCTION IN THE YEAR IN WHICH SUCH ADDITIONAL FEDERAL INCOME TAXES ARE PAID.)

((D) THE AMOUNT OF ANY OVERPAYMENT OF FEDERAL INCOME TAXES, WHETHER ALLOWED AS A REFUND OR ALLOWED AS A CREDIT TO ANY LIABILITY, WHERE SUCH OVERPAYMENT HAS PREVIOUSLY BEEN ALLOWED AS A DEDUCTION FROM GROSS INCOME UNDER EXTRA SESSION LAWS 1971, CHAPTER 31, ARTICLE 6 OR UNDER PRIOR LAW, SHALL BE ADDED TO GROSS INCOME IN THE YEAR IN WHICH RECEIVED OR CREDITED.) *individuals, estates, or trusts (i) for taxable years beginning after December 31, 1980 in the taxable year to which the liability applies. Such liability includes the portion of self-employment tax allowed under section 290.10, clause (8). The self-employment tax must be deducted by the person who is deriving the income. When the federal tax liability is joint and several under the computation of a joint federal return of husband and wife, the federal tax liability must be split between the spouses in the same ratio that the federal adjusted gross income of that spouse bears to the total federal adjusted gross income.*

(ii) Taxes paid for a taxable year beginning before January 1, 1981 shall be allowed as follows:

(1) Those taxes paid in a taxable year beginning before January 1, 1981, shall be claimed in the year in which the payment was made.

(2) Those paid in a taxable year beginning after December 31, 1980 shall be divided and deducted in equal installments reflected by the yearly periods beginning with the first day of the taxable year in which the payment was made and ending December 31, 1986.

(iii) In the case of a person who was self employed during all or a portion of the taxable year, the federal income tax liability for purposes of this section shall be increased by the self-employment tax allowed under section 290.10, clause (8).

(iv) If a taxpayer's federal tax liability is eventually not paid by reason of compromise, discharge, or court order, the deduc-

tion allowed pursuant to this subdivision shall be disallowed for the taxable year in which the liability was accrued.

(v) In the event a federal tax liability for a taxable year commencing after December 31, 1980 is increased, decreased or modified, and such increase, decrease or modification has resulted in a change in the amount of Minnesota income tax in the year to which such increase, decrease or modification is attributable, the taxpayer's deduction under this section shall be modified for such year.

(vi) If the readjustments required in (iv) or (v) are for taxes reflected in the transition rule described in (ii) (2), the readjustment shall be made equally to the remaining installments and if a reduction to such installments is required under this readjustment which exceeds the total of all remaining installments, the remaining installments will be reduced to zero and the excess included in income as a federal income tax refund.

(vii) Refunds which are not involved with any readjustments under the transition rule shall be included in income under section 290.01, subdivision 20, clause (a) (6) if it is from a year beginning before January 1, 1981.

(viii) Refunds of taxes for years beginning after December 31, 1980, shall be used to adjust the deduction in the taxable year of the liability unless that year is closed by statute and no other adjustments are to be required or allowable in which case such refund shall be reportable in the year received.

Sec. 11. Minnesota Statutes 1980, Section 290.18, is amended by adding a subdivision to read:

Subd. 4. [TAXABLE NET INCOME ADJUSTMENT FACTOR.] For the taxable year beginning after December 31, 1980 and ending before January 1, 1982, the commissioner of revenue shall adjust taxable net income by multiplying the taxable net income of each individual, estate and trust by a fraction, the numerator of which is one plus the predicted rate of growth in average Minnesota gross income between tax year 1980 and tax year 1981. The denominator of the adjustment fraction shall be one plus the product of (a) the predicted rate of growth in average Minnesota gross income as determined above, and (b) the difference between the ratio of Minnesota gross income to Minnesota adjusted gross income and the product of the ratio of federal taxes paid to Minnesota adjusted gross income and an estimate of average federal income tax elasticity relating percent changes in federal adjusted gross income to percent changes in net federal income tax liabilities.

For each taxable year beginning after December 31, 1981, the commissioner of revenue shall adjust taxable net income by mul-

tying the taxable net income of each individual, estate, and trust by an adjustment factor determined by multiplying the previous year's adjustment factor by the current year adjustment factor as defined above using data appropriate to the current year.

The data used shall reflect the most current aggregate tax statistics collected and tabulated by the department of revenue. The estimate of the percentage increase in Minnesota gross income shall be based on the best available data sources and reasonable forecasting procedures. The estimate of federal income tax elasticity shall reflect the best available sources of information, including the judgment of the United States Internal Revenue Service and the United States Treasury, Office of Tax Analysis. The determination of the commissioner pursuant to this section shall not be considered a "rule" and shall not be subject to the administrative procedures act contained in chapter 15.

No later than October 1 of each tax year, the commissioner shall announce the adjustment factor to be applied to taxable net income, including its separate components, and the estimate of federal elasticity.

Sec. 12. Minnesota Statutes 1980, Section 290.37, Subdivision 3, is amended to read:

Subd. 3. [INFORMATION INCLUDED IN RETURN.] The return provided for herein shall require a statement of the name of the taxpayer, or taxpayers, if the return be a joint return, and the address of such taxpayer in the same name or names and same address as the taxpayer has used in making his income tax return to the United States under the terms of the internal revenue (ACT) code of 1954, and shall include the social security number of the taxpayer, or taxpayers, if a social security number has been issued by the United States with respect to said taxpayers, and shall include the amount of the adjusted gross income of such taxpayer as the same appears on said return to the United States internal revenue service for the taxable year to which such Minnesota state return is applicable; (OR, IN LIEU THEREOF,) *and the commissioner may require the taxpayer (SHALL) to attach to his Minnesota state income tax return a copy of the federal income tax return which he has filed or is about to file for such period. (THE COMMISSIONER OF REVENUE. IF NECESSARY TO AUDIT THE RETURN OF THE TAXPAYER FOR A PARTICULAR PERIOD, MAY REQUIRE A DETAILED SCHEDULE OF THE ITEMS USED TO COMPUTE THE ADJUSTED GROSS INCOME OF SUCH TAXPAYER AS THE SAME APPEARS ON SAID RETURN TO THE UNITED STATES INTERNAL REVENUE SERVICE FOR THE TAXABLE YEAR TO WHICH SUCH MINNESOTA RETURN IS APPLICABLE; OR, IN LIEU THEREOF, A COPY OF THE FEDERAL INCOME TAX RETURN FILED FOR SUCH PERIOD.)*

Sec. 13. [ADJUSTMENT TO WITHHOLDING AND DECLARATIONS.]

For taxable years beginning after December 31, 1982, but before January 1, 1984, the commissioner of revenue shall adjust the withholding tables, notwithstanding section 290.92, subdivision 2a, so that the additional tax imposed by section 4, is withheld and remitted by employers during the first six months of the taxable year.

For the same period, the commissioner shall require that declarations filed during the first six months of the taxable year by individuals, estates, trusts, and corporations shall include the additional tax imposed by sections 3 and 4.

Sec. 14. Laws 1975, Chapter 226, Section 4, as amended by Laws 1979, Chapter 311, Section 1, is amended to read:

Sec. 4. Section 1 is effective for taxable years commencing after December 31, 1975 (AND SHALL, UNLESS RE-ENACTED, EXPIRE AFTER THE TAXABLE YEAR ENDING DECEMBER 31, 1981).

Sec. 15. [EFFECTIVE DATE.]

Sections 5, 6, 7, 9, and 10 are effective for taxable years beginning after December 31, 1980.

ARTICLE II**PROPERTY TAX**

Section 1. Minnesota Statutes 1980, Section 124.213, is amended to read:

124.213 [STATE SCHOOL AGRICULTURAL CREDIT.]

The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of (17) 18 mills on up to 320 acres of the property. The county auditor shall reduce the tax for school purposes on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. *The agricultural credit shall be applied at a rate of 8 mills on any agricultural property in excess of 640 acres.* The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

(IN 1977, PAYMENT SHALL BE MADE ACCORDING TO THE PROCEDURE PROVIDED IN SECTION 273.13, SUBDIVISION 15A, FOR THE PURPOSE OF REPLACING REVENUE LOST AS A RESULT OF THE REDUCTION OF PROPERTY TAXES PROVIDED IN THIS SECTION. IN 1978, PAYMENT SHALL BE MADE PURSUANT TO SECTIONS 124.212, SUBDIVISION 7B AND 124.11, FOR THE PURPOSE OF REPLACING REVENUE LOST AS A RESULT OF THE REDUCTION IN PROPERTY TAXES PROVIDED IN THIS SECTION. THERE IS APPROPRIATED FROM THE GENERAL FUND IN THE STATE TREASURY TO THE COMMISSIONER OF REVENUE THE AMOUNT NECESSARY TO MAKE THESE PAYMENTS IN FISCAL YEAR 1978.) There is appropriated from the general fund in the state treasury to the department of education the amount necessary to make these payments in fiscal year 1979 and thereafter.

Sec. 2. Minnesota Statutes 1980, 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, 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, *airport owned by a city, town, county or group thereof but not the metropolitan airports commission*, 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; *provided that real estate which is owned by a municipality in connection with the operation of a public airport and which is leased or used for agricultural purposes shall not be exempt.*

(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, 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 leased or used jointly by two or more persons, each lessee or user shall be jointly and severally liable for payment of the tax.

Sec. 3. Minnesota Statutes 1980, Section 273.11, Subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivision 2 (AND), 6 and 7 or section 273.17, subdivision 1, all property shall be valued at its market value. In estimating and determining such value, the assessor shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which such property would sell at auction or at a forced sale, or in the aggregate with all the property in the town or district; but he shall value each article or description of property by itself, and at such sum or price as he believes the same to be fairly worth in money. In assessing any tract or lot of real property, the value of the land, exclusive of structures and improvements, shall be determined, and also the value of all structures and improvements thereon, and the aggregate value of the property, including all structures and improvements, excluding the value of crops growing upon cultivated land. In valuing real property upon which there is a mine or quarry, it shall be valued at such price as such property, including the mine or quarry, would sell for a fair, voluntary sale, for cash. In valuing real property which is vacant, the fact that such property is platted shall not be taken into account. An individual lot of such platted property shall not be assessed in excess of the assessment of the land as if it were unplatted until the lot is improved with a permanent improvement all or a portion of which is located upon the lot, or for a period of three years after final approval of said plat whichever is shorter. When a lot is sold or construction begun, the assessed value of that lot or any single contiguous lot fronting on the same street shall be eligible for reassessment. All property, or the use thereof, which is taxable under sections 272.01, subdivision 2, or 273.19, shall be valued at the market value of such property and not at the value of a leasehold estate in such property, or at some lesser value than its market value.

Sec. 4. Minnesota Statutes 1980, Section 273.11, is amended by adding a subdivision to read:

Subd. 7. [AGRICULTURAL LAND.] Agricultural land shall be valued at the lesser of its market value or the value which could be derived from its free market gross rental rate capitalized at a rate of 5.8 percent. Each county assessor shall survey the farm rental values of each grade of farmland in each township in the county. This information shall be used in reviews of valuations by the town boards of review.

Sec. 5. Minnesota Statutes 1980, Section 273.112, Subdivision 3, is amended to read:

Subd. 3. Real estate shall be entitled to valuation and tax deferment under this section only if it is:

(a) actively and exclusively devoted to golf (OR), skiing or archery or firearms range recreational use or uses and other

recreational uses carried on at (SUCH GOLF OR SKIING) the establishment;

(b) five acres in size or more, *except in the case of an archery or firearms range*; and

(c) (1) operated by private individuals and open to the public; or

(2) operated by firms or corporations for the benefit of employees or guests; or

(3) operated by private clubs having a membership of 50 or more.

Sec. 6. [273.117] [CONSERVATION PROPERTY TAX VALUATION.]

Real property which is subject to a conservation restriction or easement shall be entitled to reduced valuation under this section if:

(a) *The restriction or easement is for a conservation purpose as defined in section 84.64, subdivision 2, and is recorded on the property;*

(b) *The property is being used in accordance with the terms of the conservation restriction or easement.*

Sec. 7. Minnesota Statutes 1980, 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 for taxes payable in 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. *Effective for taxes payable in 1982 and thereafter, the maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 12.* The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$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. 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. 8. Minnesota Statutes 1980, 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 for taxes payable in 1981 and 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. *Effective for taxes payable in 1982 and thereafter, the maximum amounts of the market value of the homestead brackets subject to the 16 percent and 22 percent rates shall be adjusted by the commissioner of revenue as provided in section 12.* The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650. 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 real estate 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, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability; 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 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. *Effective for taxes payable in 1982 and thereafter, in the case of agricultural land including a mobile home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 12, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and mobile homes, the commissioner of revenue shall adjust, as provided in section 12, the maximum amount of the market value of the homestead brackets subject to the five percent and 22 percent rates.* 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 shall be reduced by 58 percent of the tax for taxes payable in 1981 and thereafter; provided that the amount of said reduction shall not exceed \$650.

Sec. 9. Minnesota Statutes 1980, Section 273.13, is amended by adding a subdivision to read:

Subd. 7d. [LEASED HOMESTEAD PROPERTY.] Class 3g consists of all buildings and appurtenances located upon land owned by the occupant and used for the purposes of a homestead together with the land upon which they are located shall be valued and assessed as if they were homestead property within the scope of class 3c or 3cc, whichever is applicable, if all of the following criteria are met:

(a) *the occupant is using such property as his permanent residence; and*

(b) *the occupant is paying the ad valorem property taxes and any special assessments levied against such property; and*

(c) *the occupant has signed a lease which has an option to purchase the buildings and appurtenances; and*

(d) *the term of the lease is at least five years.*

Any taxpayer meeting all the requirements herein must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to September 1, 1981 and in future years, as soon as possible after signing the lease agreement and occupying the building as his homestead.

Sec. 10. Minnesota Statutes 1980, Section 273.13, Subdivision 9, is amended to read:

Subd. 9. [CLASS 4A (AND), 4B AND 4C.] All property not included in the preceding classes shall constitute class 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; and except that commercial and industrial property shall constitute class 4c and shall be valued and assessed at 40 percent of the first \$50,000 of market value and 43 percent on the remainder, provided that in the case of state-assessed commercial or industrial property owned by one person or entity, only one parcel shall qualify for the 40 percent assessment. In the case of commercial or industrial property, other than state-assessed properties, owned by one person or entity, only one parcel in each county shall qualify for the 40 percent assessment.

Sec. 11. Minnesota Statutes 1980, 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 (38) 36 percent of market value for taxes levied in 1981 and 34 percent of market value for taxes levied in 1982 and thereafter. 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 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. 12. [273.1311] [FLEXIBLE HOMESTEAD BRACKETS.]

Effective for taxes payable in 1982 and subsequent years, the maximum amount of the market value of the homestead brackets shall be adjusted as provided in this section. The equalization aid review committee shall divide the statewide average purchase price of a residential home as indicated by bona fide real estate sales during the previous assessment year by the statewide average purchase price of a residential home during the year immediately preceding the previous assessment year. The resulting quotient shall be multiplied by the maximum amounts of the homestead brackets as provided in section 273.13, subdivisions 6 and 7 for the preceding assessment year, to obtain the revised homestead brackets for the current assessment year. The revised homestead brackets shall be rounded to the nearest \$100. On or before December 1, 1981 and each subsequent year the commissioner of revenue shall announce the revised homestead brackets as adjusted by this section.

Sec. 13. Minnesota Statutes 1980, Section 273.19, Subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 3 or 4, property held under a lease for a term of three or more years, and not taxable under section 272.01, subdivision 2, clause (b) (1), or under a contract for the purchase thereof, when the property belongs to the United States, to the state, or to any religious, scientific, or benevolent society or institution, incorporated or unincorporated, or to any railroad company or other corporation whose property is not taxed in the same manner as other property, or when the property is school or other state lands, shall be considered, for all purposes of taxation, as the property of the person so holding the same.

Sec. 14. Minnesota Statutes 1980, Section 273.19, is amended by adding a subdivision to read:

Subd. 4. Property held under a lease for a term of three or more years which is owned by the United States and located within a national park shall be exempt, provided the property was acquired by the United States by condemnation or purchased by the United States under threat of condemnation, and within a reasonable time leased back for noncommercial residential purposes to the person owning the property at the time of acquisition

by the United States. If property exempt under this subdivision is subsequently leased or subleased for a term of three or more years to another person, it shall no longer qualify for the exemption provided in this subdivision and shall be placed on the assessment rolls as provided in section 272.02, subdivision 4, and taxed pursuant to subdivision 1 of this section.

The value of improvements made to property otherwise exempt pursuant to this subdivision which are owned by the lessee or to which the lessee has salvage rights shall be taxable to the lessee pursuant to subdivision 1.

Sec. 15. Minnesota Statutes 1980, Section 273.42, Subdivision 2, is amended to read:

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 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 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-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. 16. Minnesota Statutes 1980, Section 279.37, Subdivision 6, is amended to read:

Subd. 6. The county auditor shall give notice by mail not later than November 30 of each year to the person or persons making such confession of judgment at the address given therein of the payment due under the confession on the following December 31. *If the county auditor has not received the installment payment by December 31, he shall give notice by certified mail at the last known address of the person making the confession of judgment, without regard to the county or state of his residency. This notice shall state that the property shall be subject to the tax forfeiture laws if payment is not made within 60 days from the preceding December 31. Failure to send or receive the notice shall not operate to postpone any payment or excuse any default under the confession of judgment. Proof of such mailing shall be made by the certificate of the auditor filed in his office.*

Sec. 17. Minnesota Statutes 1980, Section 281.23, Subdivision 5, is amended to read :

Subd. 5. [SERVICE BY SHERIFF OR CERTIFIED MAIL.] Forthwith after the commencement of such publication the county auditor shall deliver to the sheriff of the county a sufficient number of copies of such published notice for service upon the persons in possession of all parcels of such land as are actually occupied, together with a copy of the posted notice or notices referred to in such published notice. Within 30 days after receipt thereof, the sheriff shall make such investigation as may be necessary to ascertain whether the parcels covered by such notice are actually occupied or not, and shall serve a copy of such published notice upon the person in possession of each parcel found to be so occupied, in the manner prescribed for serving summons in a civil action. The sheriff shall make prompt return to the auditor as to all notices so served and as to all parcels found vacant and unoccupied. Such return shall be made upon a copy of such published notice and of the posted notice or notices covered thereby and shall be prima facie evidence of the facts therein stated. Unless compensation for such services is otherwise provided by law, the sheriff shall receive from the county, in addition to his other compensation prescribed by law, such fees and mileage for service on persons in possession as are prescribed by law for such service in other cases, and shall also receive such compensation for making investigation and return as to vacant and unoccupied lands as the county board may fix, subject to appeal to the district court as in case of other claims against the county.

Forthwith after the commencement of such publication, the county auditor shall also give notice by certified mail to the taxpayer as shown on the last statement without regard to the county or state of residency, and give notice by certified mail at the last known address of the person in whose name the property is assessed on the latest tax statement without regard to the county or state of residency. Failure to receive the notice shall not operate to postpone any payment or excuse any default under

this section. Proof of such mailing shall be made by the certificate of the auditor filed in his office.

Sec. 18. [TRANSITIONAL PROVISION.]

Any parcel of property forfeited subsequent to January 1, 1978 and prior to December 31, 1978, the landowner of which would have received the notice provided in section 16 if section 16 had been in effect at the time the installment payment on his property became overdue, and which has not been sold pursuant to chapter 282, may be repurchased pursuant to section 282.241 without the approval of the board of county commissioners. This provision shall apply only if

(a) the landowner or if the landowner is a corporation, the corporation or the shareholders of the corporation individually, have been the owner or owners of the property for a period of at least 15 years prior to the date of forfeiture, and during the period of ownership current taxes were timely paid for at least seven successive years; and

(b) the investment of the landowner or if the landowner is a corporation, of the corporation or the shareholders of the corporation individually, in taxes, special assessments, penalties, interest and costs paid prior to the forfeiture exceeds \$8,000; and

(c) prior to June 15, 1981, the landowner tenders to the county treasurer of the county in which the land is located, notwithstanding the provisions of section 282.261, full payment of the total cost of repurchase of the land as computed pursuant to sections 282.241 and 282.51.

Sec. 19. Minnesota Statutes 1980, Section 290A.04, Subdivision 2c, is amended 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) \$500.

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 this chapter, 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. 20. Minnesota Statutes 1980, Section 290A.04, is amended by adding a subdivision to read:

Subd. 2d. If the net property taxes payable on a homestead increase more than 20 percent over the net property taxes payable in the previous year on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 75 percent of the amount by which the increase exceeds 20 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 \$200.

For purposes of this subdivision, "net property taxes payable" means property taxes, whether or not the taxes are eligible for reimbursement pursuant to section 273.13, subdivision 15b, payable after reductions made pursuant to sections 273.13, subdivisions 6, 7 and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 124.213; 273.135; and 273.1391; and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b but with no deduction of the amount received pursuant to this subdivision for the preceding year.

In addition to proofs required pursuant to this chapter, 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.

On or before December 1, 1981, the commissioner shall redetermine the estimated total amount of the refunds paid or payable pursuant to Minnesota Statutes 1980, Section 290A.04, Subdivision 2c. If the amount so redetermined is less than \$13,800,000, the commissioner shall add the difference to the appropriation provided in section 24 to make the payments.

On or before December 1, 1981, the commissioner shall estimate the cost of making the payments provided by this section. If the estimated total refund claims exceed the total funds available to pay the refunds, the commissioner shall reduce the allowable refunds on a proportional basis.

Sec. 21. [AGRICULTURAL LAND VALUATION REPORT.]

By November 1, 1981, each county assessor shall report to the department of revenue on the 1981 estimated market values of each grade of tillable agricultural land and the average rental values of each grade of tillable agricultural land that would be used in a property tax assessment system based on an income capitalization approach for each township in the county.

By January 15, 1982, the department shall report to the legislature its findings and recommendations, derived from that information, regarding valuations to be used in a property tax assessment system based on an income capitalization approach.

Sec. 22. [CITY OF AUSTIN; PROPERTY TAX EXEMPTION.]

The holding of property by the city of Austin for later resale for economic development purposes shall be considered a public purpose in accordance with Minnesota Statutes, Section 272.02, Subdivision 1, Clause (7) for a period not to exceed six years. This subdivision shall not operate to create an exemption from sections 272.01, subdivision 2; 272.68; 273.19; or 462.575, subdivision 3; or other provision of law providing for the taxation of or for payments in lieu of taxes for publicly held property which is leased, loaned, or otherwise made available and used by a private person.

Sec. 23. Minnesota Statutes 1980, Section 360.035, is amended to read:

360.035 [EXEMPTION FROM TAXATION.]

Any properties, real or personal, acquired, owned, leased, controlled, used, or occupied by a municipality for any of the purposes of sections 360.011 to 360.076, are declared to be acquired, owned, leased, controlled, used, or occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any of its political subdivisions. Nothing contained in sections 360.011 to 360.076 shall be construed as exempting properties, real or personal, leased from the municipality to a tenant or lessee who is a private person, association, or corporation from assessments or taxes. (IF ANY SUCH) Leased municipal airport property (IS TAXABLE TO THE LESSEE, THE MUNICIPALITY) that is not located at the airport operated by the metropolitan airports commission shall not be subject to payment of any portion of rentals under section 272.68, subdivision 3.

Sec. 24. [APPROPRIATION.]

There is appropriated from the general fund to the commissioner of revenue \$14,000,000 to be used during either fiscal year 1982 or 1983 to make the refunds provided in section 20. This appropriation shall expire June 30, 1983.

Sec. 25. [EFFECTIVE DATE.]

Sections 1, 2, 5 to 15, 20, and 22 are effective for taxes levied in 1981 and thereafter, payable in 1982 and thereafter. Sections 3 and 4 are effective for taxes levied in 1983 and thereafter, payable in 1984 and thereafter. Section 18 is effective the day following final enactment. Section 19 is effective for taxes levied in 1980, payable in 1981. If a claimant filed a property tax refund for property taxes payable in 1981 and, if as a result of section 19 the amount of the eligible refund has changed, the claimant may file an amended return pursuant to section 290.391 to obtain any additional refund due. Taxpayers who meet the require-

ments in section 9 and who notify the assessor prior to September 1, 1981, shall receive homestead classification on the qualifying property for the 1981 assessment to the same extent as other 3c and 3cc property.

ARTICLE III

PAYMENT RESCHEDULING AND LIMITATIONS

Section 1. Minnesota Statutes 1980, Section 270.75, is amended to read:

270.75 [INTEREST PAYABLE TO COMMISSIONER.]

Subdivision 1. If any tax payable to the commissioner of revenue or to the department of revenue is not paid within the time specified by law for payment, the unpaid tax shall bear interest at the rate of (EIGHT) 12 percent per annum from the date such tax should have been paid until the date that the tax was paid, unless otherwise provided by law. (UNPAID TAXES COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE SUCH TAX SHOULD HAVE BEEN PAID UNTIL THE DATE THAT THE TAX WAS PAID.)

Subd. 2. When an extension of time has been granted by the commissioner, interest shall be paid at the rate of (EIGHT) 12 percent per annum from the date such payment should have been made, if no extension had been granted, until the date of payment of such tax. (UNPAID TAXES COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE SUCH PAYMENT SHOULD HAVE BEEN MADE, IF NO EXTENSION HAD BEEN GRANTED, UNTIL THE DATE OF PAYMENT OF SUCH TAX.)

Subd. 3. If any penalty payable to the commissioner of revenue shall by law bear interest, such penalty shall bear interest at the rate of (EIGHT) 12 percent per annum from the date the penalty was assessable until the date that such penalty was paid, unless a different rate of interest is otherwise provided by law. (ANY PENALTY COLLECTED UNDER SECTION 290.92 OR UNDER CHAPTER 297A SHALL BEAR INTEREST AT THE RATE OF TEN PERCENT PER ANNUM FROM THE DATE THE PENALTY WAS ASSESSABLE UNTIL THE DATE THAT SUCH PENALTY WAS PAID.)

Subd. 4. There shall be added to the amount of any underpayment of estimated income tax, computed pursuant to chapter 290, an amount in lieu of interest determined at the rate of (EIGHT) 12 percent per annum.

Sec. 2. Minnesota Statutes 1980, Section 273.136, Subdivision 3, is amended to read:

Subd. 3. The commissioner of finance shall pay out of the taconite property tax relief account to each county treasurer one-half of the amount certified under subdivision 2 not later than (JUNE 15) *July 15* and the remaining half not later than November 15 of each year commencing in (1974) *1982*.

Sec. 3. Minnesota Statutes 1980, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes, *including payments of special assessments imposed in lieu of ad valorem taxes*, are payable at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a (UNIT) *nursing home on which ad valorem taxes were not payable. "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplemental security income program under Title XVI of the social security act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to Title XIX of the social security act, or the general assistance medical care program pursuant to section 256D.03, subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources and the denominator of which is income as defined in subdivision 3, to determine the allowable refund pursuant to this chapter.* In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by

each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 4. Minnesota Statutes 1980, Section 290A.07, Subdivision 2, is amended to read:

Subd. 2. A claimant (WHO IS A RENTER OR) who had attained the age of 65 or had been disabled prior to June 1 of the year following the year for which the taxes were levied or in which the rent was paid shall receive full payment no later than 60 days after receipt of the application or may elect to take as a credit against his income tax the full amount.

Sec. 5. Minnesota Statutes 1980, Section 290A.07, is amended by adding a subdivision to read:

Subd. 2a. A claimant not included in subdivision 2 who is a renter shall receive full payment prior to August 15 or 60 days after receipt of the application, whichever is later.

Sec. 6. Minnesota Statutes 1980, Section 290A.07, Subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision 2 or section 5 shall receive full payment after September 30 and prior to October 15.

Sec. 7. [295.365] [DECLARATIONS OF ESTIMATED GROSS EARNINGS TAX BY TELEGRAPH AND TELEPHONE COMPANIES.]

Every telegraph company subject to taxation pursuant to section 295.32 and every telephone company subject to taxation pursuant to section 295.34, shall make a declaration of estimated gross earnings tax for the calendar year. The declaration of estimated tax shall be filed on or before March 15. The amount of estimated tax with respect to which a declaration is required shall be paid in four equal installments on or before the 15th day of March, June, September, and December. An amendment of a declaration may be filed in any interval between installment dates prescribed above but only one amendment may be filed in in each such interval.

If any amendment of a declaration is filed, the amount of each remaining installment shall be the amount which would have been payable if the new estimate had been made when the first estimate for the calendar year was made, increased or decreased, as the case may be, by the amount computed by dividing

(1) the difference between (A) the amount of estimated tax required to be paid before the date on which the amendment was made, and (B) the amount of estimated tax which would have been required to be paid before such date if the new estimate had been made when the first estimate was made, by

(2) the number of installments remaining to be paid on or after the date on which the amendment is made.

The commissioner of revenue may grant a reasonable extension of time for filing any declaration but such extension shall not be for more than six months.

Sec. 8. [295.366] [FAILURE BY TELEGRAPH OR TELEPHONE COMPANY TO PAY ESTIMATED GROSS EARNINGS TAX.]

Subdivision 1. [ADDITION TO THE TAX.] In case of any underpayment of estimated tax by a telegraph or telephone company, except as provided in subdivision 4, there shall be added to the tax for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of the underpayment (determined under subdivision 2) for the period of the underpayment (determined under subdivision 3).

Subd. 2. [AMOUNT OF UNDERPAYMENT.] For purposes of subdivision 1, the amount of the underpayment shall be the excess of

(1) the amount of the installment, over

(2) the amount, if any, of the installment paid on or before the last date prescribed for payment.

Subd. 3. [PERIOD OF UNDERPAYMENT.] The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier.

(1) The 15th day of the third month following the close of the taxable year.

(2) With respect to any portion of the underpayment, the date on which such portion is paid. For purposes of this paragraph, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment determined under subdivision 2(1) for such installment date.

Subd. 4. [EXCEPTION.] Notwithstanding the provisions of the preceding subdivisions, the addition to the tax with respect to any underpayment of any installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of such installment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the lesser

(1) The tax shown on the return of the corporation for the preceding taxable year.

(2) Eighty per cent of the actual liability for the calendar year.

Sec. 9. Minnesota Statutes 1980, Section 477A.13, is amended to read:

477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of (JANUARY) *July* of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections 84A.51, 89.036, 97.49, subdivision 3, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

Sec. 10. [APPROPRIATION LIMITATIONS.]

Subdivision 1. [GENERALLY.] Notwithstanding any other provision of law regarding standing appropriations to the contrary, appropriations for the purposes set forth in this section shall be limited as provided herein.

Subd. 2. [STATE SCHOOL AGRICULTURAL CREDIT.] The appropriation from the general fund to the department of education for the purpose of making the payments provided in Minnesota Statutes, Section 124.213, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$68,400,000; and in fiscal year 1983, the appropriation shall not exceed \$75,400,000. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.

Subd. 3. [WETLANDS CREDIT.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.115, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$3,200,000; and in fiscal year 1983, the appropriation shall not exceed \$3,700,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.

Subd. 4. [NATIVE PRAIRIE CREDIT.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.116, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$100,000; and in fiscal year 1983, the appropriation shall not exceed \$100,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.

Subd. 5. [ATTACHED MACHINERY AID.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota

Statutes, Section 273.138, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$11,500,000; and in fiscal year 1983, the appropriation shall not exceed \$11,500,000. In the event that the sum of the aid calculations exceeds the amount provided in fiscal years 1982 or 1983, the aid calculation amounts shall be proportionally reduced so that the sum equals the amount appropriated.

Subd. 6. [TITLE II AND 3CC REIMBURSEMENTS.] The appropriation from the general fund to the commissioner of revenue for the purpose of making the payments provided in Minnesota Statutes, Section 273.139, shall be limited as follows: in fiscal year 1982, the appropriation shall not exceed \$10,000,000; and in fiscal year 1983, the appropriation shall not exceed \$13,500,000. In the event that the sum of the county auditors' certifications exceeds the appropriation, the certification amounts shall be proportionally reduced so that their sum equals the appropriation.

Sec. 11. [REPEALER.]

Minnesota Statutes 1980, Section 291.33, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Section 1, subdivisions 1, 2, and 3 are effective for taxes becoming due after June 30, 1981. Section 1, subdivision 4, is effective for taxable years beginning after December 31, 1980. Sections 2 and 9 are effective January 1, 1982. Section 3 is effective for claims based on rent paid in 1981 and subsequent years. Sections 4, 5, and 6 are effective for claims based on rent paid in 1982 and subsequent years. Sections 7 and 8 are effective for taxable years beginning after December 31, 1982. Section 11 is effective January 1, 1981.

ARTICLE IV

SALES TAX

Section 1. Minnesota Statutes 1980, Section 297A.01, Subdivision 3, is amended to read:

Subd. 3. A "sale" and a "purchase" includes, but is not limited to, each of the following transactions:

(a) Any transfer of title or possession, or both, of tangible personal property, whether absolutely or conditionally, and the leasing of or the granting of a license to use or consume tangible personal property, for a consideration in money or by exchange or barter;

(b) The production, fabrication, printing or processing of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production, fabrication, printing or processing;

(c) The furnishing, preparing or serving for a consideration of food, meals or drinks, not including hospitals, sanatoriums, nursing homes or senior citizens homes, meals or drinks purchased for and served exclusively to individuals who are 60 years of age or over and their spouses or to the handicapped and their spouses by governmental agencies, nonprofit organizations, agencies, or churches or pursuant to any program funded in whole or part through 42 USCA sections 3001 to 3045, wherever delivered, prepared or served, meals and lunches served at public and private schools, universities or colleges, or the occasional meal thereof by a charitable or church organization;

(d) The granting of the privilege of admission to places of amusement or athletic events and the privilege of use of amusement devices *or athletic facilities*;

(e) The furnishing for a consideration of lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp and of the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of 30 days or more;

(f) The furnishing for a consideration of electricity, gas, water, or steam for use or consumption within this state, or local exchange telephone service and intrastate toll service except such service provided by means of coin operated telephones; the tax imposed on amounts paid for telephone services is the liability of and shall be paid by the person paying for the services. Sales by municipal corporations in a proprietary capacity are included in the provisions of this clause. The furnishing of water and sewer services for residential use shall not be considered a sale.

Sec. 2. Minnesota Statutes 1980, Section 297A.25, Subdivision 1, is amended to read:

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, *but not including foods which are prepared or specially sliced, wrapped, arranged or displayed, and sold cold or hot for immediate consumption on or off the premises on which the sale is made, whether sold in individual servings or in larger quantities, except food products which are not taxable pursuant to section 297A.01, subdivision 3, clause (c) and which are sold by a retailer, organized as a nonprofit corporation or association, within a place located on property owned by the state or an agency or instrumentality of the state, the entrance to which is subject to an admission charge*;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use or other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver, or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, 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 there-

with 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 tac-onite, 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.

(aa) *The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.*

Sec. 3. [297A.275] [ACCELERATED PAYMENT OF JUNE LIABILITY.]

Every vendor having a liability of \$13,000 or more in May 1982 or in May of each subsequent year, shall be required to remit the June liability in the manner required by this section.

On or before June 25, 1982, or June 25 of each subsequent year, the vendor shall remit the actual May liability and 50 percent of the estimated June liability to the commissioner and file the return on a form prescribed by the commissioner.

On or before July 25, 1982, or July 25 of each subsequent year, the vendor shall submit a return showing the actual June liability and paying the additional amount of tax not remitted in June. If the actual amount paid in June constituting 50 percent of the June liability is less than 50 percent of the actual June liability, there is hereby imposed a penalty equal to ten percent of the

difference between 50 percent of the actual June liability and the amount of June liability paid in June. However, the penalty shall not be imposed if the amount remitted in June equals 50 percent of the preceding May's liability.

Sec. 4. Laws 1980, Chapter 607, Article V, Section 5, is amended to read:

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; *provided, however, that tickets shall be deemed sold and admissions shall be deemed charged at the time of performance.* Section 2, clause (z) is effective for sales made after June 30, 1980.

Sec. 5. [EFFECTIVE DATE.]

Section 2 is effective for sales made after June 30, 1981. Section 1 is effective the day following final enactment and the commissioner of revenue shall entertain claims for refund filed pursuant to the Minnesota Supreme Court decision in C. G. Rein Company vs. Commissioner of Revenue only if the vendor can demonstrate to the satisfaction of the commissioner that the sales tax will be refunded by the vendor to the person who originally paid the tax. Section 4 is effective for admissions or performances after July 31, 1980.

ARTICLE V

LEVY LIMITATIONS

Section 1. Minnesota Statutes 1980, Section 18.023, is amended by adding a subdivision to read:

Subd. 13. [MUNICIPAL OPTION TO PARTICIPATE IN PROGRAM.] After December 31, 1981, the term "municipality" shall include only those municipalities which have informed the commissioner of their intent to continue an approved disease control program. Any municipality desiring to participate in the grants-in-aid for the partial funding of municipal sanitation and reforestation programs must notify the commissioner in writing before the beginning of the calendar year in which it wants to participate and must have an approved disease control program during any year in which it receives grants-in-aid. Notwithstanding the provisions of any law to the contrary, no municipality shall be required to have an approved disease control program after December 31, 1981.

Sec. 2. Minnesota Statutes 1980, Section 273.13, is amended by adding a subdivision to read:

Subd. 15b. [PROPERTY TAX CREDITS LIMITATION.] The property tax subject to the 58 percent homestead credit provided by subdivisions 6, 7 and 14a, to the homestead property tax relief provided by section 273.135 and to the supplementary homestead property tax relief provided by section 273.1391, shall be based on the total mill rate of all taxing districts levying a tax on the homestead property unless the payable 1982 total levy of a taxing district other than a school district or the metropolitan transit commission is more than 108 percent of its payable 1981 total levy. If the payable 1982 total levy of such taxing district is more than 108 percent of its payable 1981 total levy, then that total mill rate shall be based on 108 percent of the taxing district's payable 1981 total levy. The commissioner of revenue shall determine and certify to all county auditors the product of each taxing district's payable 1981 total levy multiplied by 108 percent. In the event that the sum of the county auditors' certifications exceeds the amounts appropriated, the commissioner of revenue shall proportionally reduce the certification amounts so that their sum equals the appropriation.

Sec. 3. Minnesota Statutes 1980, Section 275.50, Subdivision 2, is amended to read:

Subd. 2. "Governmental subdivision" means any county, (CITY, STATUTORY CITY, OR TOWN HAVING THE POWERS OF A STATUTORY CITY PURSUANT TO SECTIONS 368.01 OR 368.61, OR BY SPECIAL LAW) *home rule charter city, statutory city, town or special taxing district determined by the department of revenue.* The term does not include school districts (, TOWNS WITHOUT STATUTORY CITY POWERS, OR SPECIAL TAXING DISTRICTS DETERMINED BY THE DEPARTMENT OF REVENUE) *or the metropolitan transit commission created pursuant to section 473.404.*

Sec. 4. Minnesota Statutes 1980, Section 275.50, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in (1979) 1981 payable in (1980 AND THEREAFTER) 1982, "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) *excluding the administrative costs of public assistance programs, to the extent of the increase in levy for the taxes payable year 1982 over the amount levied for the local share of the program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, 1981 and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during 1982 or those programs or projects approved by the commissioner;*

(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, *and the costs of purchase or delivery of social services. Except for the costs of general assistance medical care under section 256D.03 and the costs of hospital care pursuant to section 261.21, the aggregate amounts levied pursuant to this clause are subject to a maximum increase of 18 percent over the amount levied for these purposes for the taxes payable year 1981;*

(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 INFLATION 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)) (*i*) 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)) (*j*) 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)) (*k*) 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)) (*l*) 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)) (*m*) 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 nonresidential 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 nonresidential 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)) (n) 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)) (o) 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)) (p) the amounts allowed under section 174.27 to establish and administer a commuter van program;

((R)) (q) 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)) (r) 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. 5. Minnesota Statutes 1980, Section 275.51, Subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any provisions of law or municipal charter to the contrary which authorize ad valorem

levies in excess of the limitations established by sections 275.50 to 275.56, but subject to section 275.56, the provisions of this section shall apply to the levies by governmental subdivisions (IN) for the (YEARS 1975, 1976 AND SUBSEQUENT YEARS) taxes payable year 1982 for all purposes other than those for which special levies and special assessments are made. Any law or special act enacted in 1981 which authorizes a property tax levy in excess of the limitation imposed by this section is exempt from the provisions of this section.

Sec. 6. Minnesota Statutes 1980, Section 275.51, is amended by adding a subdivision to read:

Subd. 3e. The property tax levy limitation for any governmental subdivision for the taxes payable year 1982 shall be calculated as follows:

(a) *If the governmental subdivision was subject to the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, the amounts levied by the governmental subdivision for the taxes payable year 1981 pursuant to Minnesota Statutes 1980, Section 275.50, Subdivision 5, Clause (i) and subdivision 6 are added to the amount actually levied by the governmental subdivision for the taxes payable year 1981 pursuant to the levy limitation calculated under Minnesota Statutes 1980, Section 275.51.*

(b) *If the governmental subdivision was not subject to the provisions of Minnesota Statutes 1980, Sections 275.50 to 275.56, the total amount actually levied by the governmental subdivision for the taxes payable year 1981 is reduced by the amounts levied for those purposes described in Minnesota Statutes 1980, Section 275.50, Subdivision 5, Clauses (e), (f), (g), and (h).*

(c) *The total property tax levy of a governmental subdivision for the taxes payable year 1981 described in clause (b) shall be the amount certified on the abstracts of tax lists submitted pursuant to section 275.29. For a governmental subdivision within the metropolitan area defined by section 473F.02, subdivision 2, the property tax levy for payable 1981 includes the tax on distribution value for the taxes payable year 1981 pursuant to section 473F.12.*

(d) *The amount determined in clause (a) or (b) is divided by the total number of homesteads within the governmental subdivision reported on the 1980 abstracts of tax lists and multiplied by the total number of homesteads within the governmental subdivision reported on the 1981 abstracts of tax lists, both of which are submitted pursuant to section 275.29. If the resulting figure is less than the amount determined in clause (a) or (b), the resulting figure is increased to the amount calculated in clause (a) or (b).*

(e) *The result of the calculation in clause (d) is multiplied by 108 percent. The resulting figure is the maximum amount that the governmental subdivision may levy for the taxes payable year 1982 for all purposes except special levies and special assessments.*

(f) To the extent the levy of the metropolitan council for taxes payable in 1981 was less than its levy limitation for that year, it may apply to the commissioner to have its levy limitation increased by the amount by which the 1981 levy limitation exceeded the 1981 levy. The adjustment shall be added to the amount calculated in clause (a).

(g) If the sum of a governmental subdivision's levies for the principal and interest on bonded indebtedness or certificates of indebtedness pursuant to section 275.50, subdivision 5, clauses (e), (f), (g) and (h) for the taxes payable year 1982 is less than 108 percent of the total amount that it levied for those purposes for the taxes payable year 1981, the governmental subdivision may choose to levy for these purposes within its levy limitation in lieu of the special levy provisions of section 275.50, subdivision 5, clauses (e), (f), (g) and (h). If the governmental subdivision chooses to levy for these purposes within its levy limitation, it shall notify the commissioner of revenue of its intent by October 1, 1981. The amount levied by the governmental subdivision for the taxes payable year 1981 for the purposes described in section 275.50, subdivision 5, clauses (e), (f), (g) and (h) will then be added to the amount calculated in clause (a) or (b).

Sec. 7. Minnesota Statutes 1980, Section 275.51, Subdivision 4, is amended to read:

Subd. 4. If in any year subsequent to 1973 the levy made by a governmental subdivision exceeds the limitation provided in sections 275.50 to 275.56, except when such excess levy is due to the rounding of the mill rates of the governmental subdivision in accordance with section 275.28, subsequent distributions required to be made by the commissioner of finance from any formula aids pursuant to section 477A.01, shall be reduced 33 cents for each full dollar the levy exceeds the limitation (; PROVIDED THAT A GOVERNMENTAL SUBDIVISION MAY DETERMINE TO LEVY IN EXCESS OF THE LIMITATION PROVIDED IN SECTIONS 275.50 TO 275.56 BY NOT TO EXCEED FIVE PERCENT BY PASSING A RESOLUTION SETTING FORTH THE AMOUNT BY WHICH THE LEVY LIMIT IS PROPOSED TO BE EXCEEDED. THEREAFTER THE RESOLUTION SHALL BE PUBLISHED FOR TWO SUCCESSIVE WEEKS IN THE OFFICIAL NEWSPAPER OF THE GOVERNMENTAL SUBDIVISION OR IF THERE BE 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 TWO WEEKS NOR MORE THAN FOUR 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 AUTHORIZING A LEVY IN EXCESS OF THE LIMITATION IMPOSED BY SECTIONS 275.50 TO 275.56 SHALL BE PUBLISHED IN THE OFFICIAL NEWSPAPER OF THE GOVERNMENTAL SUBDIVISION OR IF THERE BE 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 SUBDIVISION 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 IS DIRECTED TO PREPARE A SUGGESTED FORM OF QUESTION TO BE PRESENTED AT ANY SUCH REFERENDUM. A LEVY APPROVED AT ANY SUCH 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 PER CAPITA OF THE GOVERNMENTAL SUBDIVISION FOR FUTURE LEVY YEARS, AND THERE SHALL BE NO REDUCTION IN DISTRIBUTIONS OF FORMULA AIDS TO THE GOVERNMENTAL SUBDIVISION AS A RESULT OF SUCH LEVY. IF NO REFERENDUM IS REQUESTED, THE EXCESS LEVY AUTHORIZED BY THE RESOLUTION, IF THE RESOLUTION IS ADOPTED PRIOR TO OCTOBER 1 IN ANY YEAR, MAY BE LEVIED IN THAT SAME LEVY YEAR AND SUBSEQUENT DISTRIBUTIONS REQUIRED TO BE MADE BY THE COMMISSIONER OF FINANCE FROM ANY FORMULA AIDS PURSUANT TO SECTION 477A.01, SHALL BE REDUCED 15 CENTS FOR EACH FULL DOLLAR THE LEVY EXCEEDS THE LIMITATION. THE PROVISIONS OF THIS SUBDIVISION SHALL APPLY TO THE LEVY OF A METROPOLITAN COUNTY BEFORE THE REDUCTION REQUIRED PURSUANT TO SECTION 163.051, SUBDIVISION 5).

Sec. 8. Minnesota Statutes 1980, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections

273.132 and 273.135, in any calendar year. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 23 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable.

For property taxes levied in 1981, payable 1982, "property taxes payable" shall be limited to that portion of the property taxes eligible for the homestead credit as determined pursuant to section 2.

Sec. 9. Minnesota Statutes 1980, Section 375.167, Subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATIONS.] Notwithstanding the provisions and limitations of section 275.09, and any other law to the contrary, the county board of any county may appropriate from the general revenue fund to any nonprofit corporation a sum not to exceed one-fourth of a mill on the dollar of the taxable valuation of the county for the purpose of providing legal assistance to persons who are unable to afford private legal counsel. This levy shall *not* be subject to the levy limits established by sections 275.50 to 275.59 or sections 3 to 7 and shall be disregarded in the calculation of levies subject to them.

Sec. 10. Minnesota Statutes 1980, Section 458.14, is amended to read:

458.14 [RIGHT TO LEVY TAXES OR ASSESSMENTS FORBIDDEN.]

The port authority shall have no right or authority to levy any tax or special assessment, nor to pledge the credit of the state, or any other subdivision or municipal corporation thereof; nor to incur any obligation enforceable upon any property, either with-in or without the port district, other than property owned by the port authority. Annually, at such time as may be fixed by charter, resolution, or ordinance of the city in and for which any such port authority is created, the port authority shall transmit to the council of such city a detailed estimate, in writing, of the amount of money which in its opinion will be required for the

business and proper conduct of its affairs during the next ensuing fiscal year, in excess of any expected receipts from the conduct of its business, or other sources, and any such city, in addition to all other powers now possessed thereby, and in addition to, and in excess of any limitation upon the amount it is otherwise permitted by law to levy as taxes, is hereby granted the power and authority, in its discretion, to levy taxes for the benefit of, and for expenditure by, such port authority, not exceeding in any one year an amount equal to a tax of five one-hundredths of one mill upon the dollar of the assessed valuation thereof, upon all the taxable property in such city, excluding money and credits, and any amount so levied for such purposes shall be paid over by the city treasurer to the treasurer of the port authority, for expenditure by it, as above provided. The fiscal year of such port authority shall be identical with the fiscal year of such city. The board of county commissioners of any county in which any such city is located, is also hereby authorized to appropriate for the use of such port authority, and to include therefor in its levy for general revenue purposes, such amount as it may deem proper; provided, that the total amount permitted by law to be levied by any county for general revenue purposes shall not be deemed increased by this provision; the board of county commissioners in any county entitled to appoint members of a seaway port authority, may annually, upon receipt of a budget as specified above from such port authority, in its discretion levy a tax sufficient to produce a sum not exceeding \$50,000 for the benefit of and for expenditure by such port authority to defray the costs of its current operations in the next ensuing fiscal year which levy shall not be included in computing the amount of levies subject to tax limitations under *chapter 275* or any other provision of law. The appropriation to a port authority of moneys derived from any of the county taxes herein authorized shall not be subject to any budgetary law applicable to said county. Any amounts so appropriated or levied by the county shall be paid over by the county treasurer to the port authority for expenditure by it as herein provided, at such times and in such manner as the county board may provide. When any city entitled to appoint members of a seaway port authority has secured the approval of two-thirds of the members of the city council of such city to issue its general obligation bonds, the proceeds of which are to be appropriated to such seaway port authority, the board of county commissioners of any county entitled to appoint members of such seaway port authority may by five-sevenths vote issue general obligation bonds of the county in an amount not to exceed \$4,000,000, and appropriate the proceeds thereof to be used by such port authority for any or all of the purposes specified in section 458.15, if the county board by resolution determines that the conservation, development, reclamation, protection and improvement of lands under the jurisdiction of such port authority and the construction of port facilities thereon will promote the public welfare of the county at large and the economic well-being of its people, industries and commerce, and is an essential governmental function of the county, and can best be performed through the medium of such port authority. Any

such bonds shall be issued, sold and secured as provided in sections 475.60 to 475.753; an election shall not be necessary to the validity of such bonds.

Sec. 11. [GOODHUE COUNTY FAIR LEVY.]

Any limitation imposed upon the levy of Goodhue county by Minnesota Statutes, Sections 275.50 to 275.56, or sections 3 to 7 of this article, shall be increased for taxes levied in 1981 payable 1982 by an amount authorized by the county board not to exceed 1/12 of one mill to cover expenses of public fairs in the county as authorized by Minnesota Statutes, Section 33.28.

Sec. 12. [REPEALER.]

Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; and 275.59 are repealed.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 9 and 12 are effective for property taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Section 11 is effective the day after compliance by the Goodhue county board with Minnesota Statutes, Section 645.021, Subdivision 3.

ARTICLE VI

LOCAL GOVERNMENT AIDS

Section 1. [477A.011] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] For the purposes of sections 1 to 4 the following terms shall have these meanings, unless otherwise provided to the contrary.

Subd. 2. [MUNICIPALITY.] Municipality means a statutory or home rule charter city or a town.

Subd. 3. [POPULATION.] Population means the population established by the most recent federal census, by a special census conducted under contract with the United States bureau of the census, by a population estimate made by the metropolitan council, or by a population estimate of the state demographer made pursuant to section 4.12, subdivision 7, clause (10), whichever is the most recent as to the stated date of the count or estimate.

Subd. 4. [EQUALIZED MUNICIPAL MILL RATE.] For any calendar year, a municipality's equalized municipal mill rate means its municipal mill rate for taxes payable in that year multiplied by its aggregate sales ratio for the previous year as prepared by the department of revenue pursuant to section 124.212.

Subd. 5. [AVERAGE EQUALIZED MUNICIPAL MILL RATE.] For any calendar year aid distribution, a municipality's average equalized municipal mill rate means the arithmetic average of its equalized municipal mill rate for the three calendar years previous to the aid distribution year.

Subd. 6. [CONSUMER PRICE INDEX INCREASE.] For any calendar year aid distribution, the consumer price index increase means the percentage increase in the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan area prepared by the United States department of labor for the 12 month period ending in June of the previous year.

Subd. 7. [LOCAL REVENUE BASE.] For the 1982 aid distribution, a municipality's local revenue base means its local revenue base for the 1981 aid distribution calculated pursuant to Minnesota Statutes 1980, Section 477A.01, less any amount added to the local revenue base for the costs of principal and interest on bonded debt incurred for the purpose of providing capital replacement for streets, curbs, gutters, storm sewers, and bridges, increased in the manner prescribed by clauses (a) and (b). For all subsequent calendar year aid distributions, a municipality's local revenue base means its local revenue base for the previous year aid distribution calculated pursuant to sections 1 to 4 increased by:

(a) a percentage equal to the consumer price index increase; and

(b) a percentage equal to the percentage increase in population over that used to compute the previous year aid distribution, if any.

The local revenue base for a statutory or home rule charter city or a town having the powers of a statutory city pursuant to section 368.01 or special law which has a population of 2,500 or more according to the most recent federal census and which does not have a local revenue base for the previous year aid distribution shall be established by adding the prior year's local government aid received pursuant to Minnesota Statutes 1980, Section 477A.01 or sections 1 to 4, and the property tax levy, exclusive of levies for bonded indebtedness, in the preceding year and multiplying that sum by a percentage equal to the consumer price index increase.

Subd. 8. [PREVIOUS YEAR AID.] For the 1982 aid distribution, a municipality's previous year aid means its aid amount computed pursuant to Minnesota Statutes 1980, Sections 477A.01 to 477A.03, notwithstanding the amount withheld pursuant to section 16A.15 because funds in the state treasury were insufficient. For 1983 and all subsequent calendar year aid distributions, previous year aid means aid received pursuant to sections 1 to 4 in the previous calendar year.

Subd. 9. [MINIMUM INCREASE.] For any calendar year aid distribution, a municipality's minimum increase shall mean:

(a) \$5 per capita if its average equalized municipal mill rate is greater than 20 mills;

(b) \$3 per capita if its average equalized municipal mill rate is greater than 10 mills but not greater than 20 mills;

(c) \$1 per capita if its average equalized municipal mill rate is not greater than 10 mills and if it is a statutory or a home rule charter city, or town which falls under the provisions of section 3, subdivision 2.

(d) \$0 if its average equalized municipal mill rate is not greater than 10 mills and if it is a town which does not fall under the provisions of section 3, subdivision 2.

Subd. 10. [MAXIMUM INCREASE.] For any calendar year aid distribution, a municipality's maximum increase shall mean the following percentage of its previous year aid:

(a) 12 percent if its previous year aid is greater than \$100 per capita;

(b) 15 percent if its previous year aid is greater than \$75 per capita but not greater than \$100 per capita;

(c) 17 percent if its previous year aid is greater than \$50 per capita but not greater than \$75 per capita;

(d) 20 percent if its previous year aid is not greater than \$50 per capita.

Subd. 11. [EQUALIZED ASSESSED VALUE.] For any calendar year aid distribution, a municipality's equalized assessed value means its previous year taxable valuation, adjusted for the contributions and distributions required by chapter 473F in the case of a city or town located within the metropolitan area and less the captured value in any tax increment district, divided by the municipality's aggregate sales ratio covering the period ending two years prior to the year of aid distribution.

Sec. 2. [477A.012] [COUNTY GOVERNMENT DISTRIBUTIONS.]

In each calendar year, every county government except that of a county containing a city of the first class shall receive a distribution equal to its previous year aid.

Sec. 3. [477A.013] [MUNICIPAL GOVERNMENT DISTRIBUTIONS.]

Subdivision 1. [MUNICIPALITIES UNDER 2,500 POPULATION.] In each calendar year, each municipality which is not covered by the provisions of subdivision 2 shall receive a distribution equal to its previous year aid plus its minimum increase.

Subd. 2. [MUNICIPALITIES OVER 2,500 POPULATION.] In each calendar year, each statutory and home rule charter city,

and each town having the powers of a statutory city pursuant to section 368.01 or special law, which has a population of 2,500 or more according to the latest federal census shall receive a distribution equal to the amount obtained by subtracting the product of 10 mills and the municipality's equalized assessed value from the local revenue base. This amount shall then be adjusted, so that it is neither less than the sum of its previous year aid and its minimum increase, nor greater than the sum of its previous year aid and its maximum increase.

Sec. 4. [477A.014] [COMMISSIONER'S RESPONSIBILITIES.]

Subd. 1. [CALCULATIONS AND PAYMENTS.] The commissioner of revenue shall make all necessary calculations and make payments pursuant to sections 2, 3 and 6 directly to the affected taxing authorities in six installments on July 15, August 15, September 15, October 15, November 15 and December 15 annually.

For calendar year 1981 only, the commissioner shall make the payments in seven installments computed as follows: one-fourth of the calendar year 1981 aids shall be paid on March 15; the remaining amounts shall be divided into six equal payments to be made on July 15, August 15, September 15, October 15, November 15 and December 15.

Subd. 2. [ERRORS.] A taxing authority may object to the commissioner of revenue with respect to the amount of the distribution it has been certified to receive pursuant to subdivision 1. No objection shall be raised later than 60 days after the taxing authority has received notice from the commissioner of the amount which it has been certified to receive.

Subd. 3 [AID AMOUNT CORRECTION.] If, due to an error in the factors used to calculate a taxing authority's aid pursuant to section 2 or 3 the amount indicated in the certification of the commissioner to the taxing authority for a year is less than the amount to which it is entitled pursuant to this section, the commissioner of revenue shall additionally distribute the amount necessary to make the full correct distribution to the taxing authority. The additional distribution shall be paid from the general fund and shall not diminish the distributions made to other taxing authorities under this section.

Sec. 5. [477A.015] [NEW TAXES PROHIBITED.]

No county, city, town or other taxing authority shall increase a present tax or impose a new tax on sales or income.

Sec. 6. Minnesota Statutes 1980, Section 477A.03, is amended to read:

477A.03 [APPROPRIATION.]

Subdivision 1. [ANNUAL APPROPRIATION.] A sum sufficient to discharge the duties imposed by (SECTION 477A.-01, SUBDIVISIONS 1, 2 AND 4E) *sections 1 to 4* is annually appropriated from the general fund to the commissioner of revenue.

Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] *The amount appropriated under subdivision 1 shall not exceed \$270,725,464 for calendar year 1982 and shall not exceed \$270,725,464 for calendar year 1983. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to sections 2 and 3, each governmental unit receiving local government aid shall have its distribution proportionally reduced, but no local government unit shall receive less aid than its previous year aid.*

Sec. 7. Minnesota Statutes 1980, Section 477A.04, Subdivision 2, is amended to read:

Subd. 2. Beginning in calendar year (1982) 1983 and subsequent years, an assessment district shall be penalized according to the following schedule:

(a) \$1 per capita if the coefficient of dispersion in assessments for the preceding year is more than ten percent but less than 12.5 percent;

(b) \$3 per capita if the coefficient of dispersion in assessments for the preceding year is at least 12.5 percent but no more than 15 percent;

(c) \$5 per capital if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent.

Sec. 8. [REVISOR'S INSTRUCTION.]

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. The revisor shall substitute the appropriate coding for the references in column C, for those sections which will be coded.

| Column A | Column B | Column C |
|------------------|-------------------|-----------------------|
| 216B.36 | 477A.01, Subd. 18 | Art. VI, Section 5 |
| 256E.06 | 477A.01, Subd. 2 | Art. VI, Section 2 |
| 275.51, Subd. 4 | 477A.01 | Art. VI, Secs. 1 to 4 |
| 275.55 | 477A.01 | Art. VI, Secs. 1 to 4 |
| 477A.04, Subd. 3 | 477A.01 | Art. VI, Secs. 1 to 4 |

Sec. 9. [REPEALER.]

Minnesota Statutes 1980, Section 477A.01, is repealed.

Sec. 10. [EFFECTIVE DATE.]

This article is effective January 1, 1982, except for those provisions of section 4, subdivision 1 which relate to payments in calendar year 1981, which are effective July 1, 1981.

ARTICLE VII

LOCAL IMPROVEMENTS

Section 1. Minnesota Statutes 1980, Section 429.031, is amended to read:

429.031 [PRELIMINARY PLANS, HEARINGS.]

Subdivision 1. [(PREPARATION OF PLANS,) *PUBLISHED NOTICE (OF) AND HEARING.*] Before the municipality awards a contract for an improvement or orders it made by day labor, or before (THE MUNICIPALITY SHALL HAVE THE POWER TO) *it may* assess any portion of the cost of an improvement to be made (UNDER A COOPERATIVE AGREEMENT WITH) *by* the state or another political subdivision for sharing the cost (OF MAKING SUCH IMPROVEMENT), the council shall hold a public hearing on the proposed improvement following two publications in the *official* newspaper of a notice stating the time and place of the hearing, the general nature of the improvement, the estimated *capital* cost, and the area proposed to be assessed. The two publications of the notice shall be a week apart and the hearing shall be at least three days after the last publication.

Subd. 1a. [NOTICE OF ANNUAL CHARGES.] If it is proposed to assess annual charges for the operation, maintenance, or promotion of an improvement against property within the area described in the notice of hearing, when operation, maintenance, or promotion is included in the definition of the improvement in section 429.021, subdivision 1, and if the notice is published after May 31, 1981, it shall include a statement of the proposal, an estimate of the amount of the charges for operation, maintenance and promotion for the first full year of operation, and a statement that the owner or owners of any parcel of land within the area may file a written protest against the proposal with the municipal clerk, at any time before the adoption of a resolution ordering the improvement. If protests are received, and not withdrawn before the adoption of the resolution, from the owners of 20 percent or more of the area of the parcels proposed to be assessed, the council may not assess the annual charges for operation, maintenance and promotion. Nothing in this subdivision shall affect the authority of the council to assess the capital cost of the improvement.

Subd. 1b. [MAILED NOTICE.] Not less than 10 days before the hearing, notice thereof shall also be mailed to the owner of each parcel within the area proposed to be assessed, but failure

to give mailed notice or any defects in the notice shall not invalidate the proceedings. For the purpose of giving mailed notice, 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. However, as to properties which are tax exempt or subject to taxation on a gross earnings basis and are not listed on the records of the county auditor or the county treasurer, the owners thereof shall be ascertained by any practicable means and mailed notice shall be given them as herein provided.

Subd. 1c. [PRELIMINARY REPORT.] Prior to the (ADOPTION OF SUCH RESOLUTION) *hearing*, the council shall secure from the city engineer, or (SOME COMPETENT PERSON OF ITS SELECTION) *a consulting engineer or architect experienced in the design of the type of improvement proposed, a preliminary report advising it (IN A PRELIMINARY WAY) as to whether the proposed improvement is feasible (AND AS TO WHETHER IT SHOULD BEST BE MADE AS PROPOSED OR IN CONNECTION WITH SOME OTHER IMPROVEMENT AND). The report shall state the estimated capital cost of the improvement as recommended (, BUT), and the estimated cost of operation, maintenance, and promotion for the first full year of operation, if operation, maintenance or promotion cost is proposed and authorized by law to be assessed and the notice of hearing is published after May 31, 1981. No error or omission in such report shall invalidate the proceeding unless it materially prejudices the interests of an owner. The council may also take such other steps prior to the hearing, including, among other things, the preparation of plans and specifications and the advertisement for bids thereon, as will in its judgment provide helpful information in determining the desirability and feasibility of the improvement.*

Subd. 1d. [ADJOURNMENT.] The hearing may be adjourned from time to time (AND) *by public announcement to those present at the original hearing or any adjourned hearing, of the time and place to which it is adjourned, or by publication of a notice in the official newspaper at least three days before the date of the adjourned hearing, stating the time and place.*

Subd. 1e. [RESOLUTION.] A resolution ordering the improvement may be adopted at any time within six months after the date of the hearing. *The resolution may be adopted by a vote of a majority of all members of the council when the improvement has been petitioned for by the owners of not less than 35 percent in frontage of the real property abutting on the streets named in the petition as the location of the improvement. When there has been no such petition, the resolution may be adopted only by vote of four-fifths of all members of the council (, PROVIDED THAT IF) entitled to vote on it, not including the mayor (OF THE MUNICIPALITY IS A) or any other member (OF THE COUNCIL BUT) who has no vote or votes only in case of a tie (, HE SHALL NOT BE DEEMED TO BE A MEMBER FOR THE PURPOSE OF DETERMINING SUCH FOUR-*

FIFTHS MAJORITY VOTE). The resolution ordering the improvement may reduce (,) but *may* not increase the extent of the improvement as stated in the notice of hearing.

Subd. 2. [APPROVAL BY PARK BOARD OR UTILITIES COMMISSION.] A resolution ordering a park improvement may be adopted only by a four-fifths vote of the council and shall also be approved by the park board, if there is one; provided, that if the mayor of the municipality is a member of the council but has no vote or votes only in case of a tie, he shall not be deemed to be a member for the purpose of determining such four-fifths majority vote. A resolution ordering an improvement of the water, sewer, steam heating, street lighting or other facility over which a utilities commission has jurisdiction shall also be approved by the utilities commission.

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the amount or validity of the special assessment against his property pursuant to section 429.081.

Sec. 2. Minnesota Statutes 1980, Section 429.051, is amended to read:

429.051 [APPORTIONMENT OF COST.]

The *capital* cost of any improvement, or any part thereof, may be assessed upon property benefited by the improvement, based upon the benefits received, whether or not the property abuts on the improvement and whether or not any part of the cost of the improvement is paid from the county state-aid highway fund, the municipal state-aid street fund, or the trunk highway fund. *The cost assessed shall be limited to the sum of the capital expenditures required to complete the improvement, as determined in accordance with accepted accounting principles and as described in section 475.65, unless the assessment of the cost of operation, maintenance, or promotion of the improvement has been authorized upon the conditions set forth in section 429.081, subdivision 1a.* The area assessed may be less than but may not exceed the area proposed to be assessed as stated in the notice of hearing on the improvement, except as provided below. The municipality may pay such portion of the cost of the improvement as the council may determine from general ad valorem tax levies or from other revenues or funds of the municipality available for the purpose. The municipality may subsequently reimburse itself for all or any of the portion of the cost of a water, storm sewer, or sanitary sewer improvement so paid by levying addi-

tional assessments upon any properties abutting on but not previously assessed for the improvement, on notice and hearing as provided for the assessments initially made. To the extent that such an improvement benefits nonabutting properties which may be served by the improvement when one or more later extensions or improvements are made but which are not initially assessed therefore, the municipality may also reimburse itself by adding all or any of the portion of the cost so paid to the assessments levied for any of such later extensions or improvements, provided that notice that such additional amount will be assessed is included in the notice of hearing on the making of such extensions or improvements. The additional assessments herein authorized may be made whether or not the properties assessed were included in the area described in the notice of hearing on the making of the original improvement.

In any city of the fourth class electing to proceed under a home rule charter as provided in this chapter, which charter provides for a board of water commissioners and authorizes such board to assess a water frontage tax to defray the cost of construction of water mains, such board may assess the tax based upon the benefits received and without regard to any charter limitation on the amount that may be assessed for each lineal foot of property abutting on the water main. The water frontage tax shall be imposed according to the procedure and, except as herein provided, subject to the limitations of the charter of the city.

Sec. 3. Minnesota Statutes 1980, Section 429.061, Subdivision 1, is amended to read:

Subdivision 1. [CALCULATION, NOTICE.] At any time after the *capital* expense incurred or to be incurred in making an improvement shall be calculated under the direction of the council, the council shall determine by resolution the amount of the total *capital* 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 30 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. 4. Minnesota Statutes 1980, Section 429.061, is amended by adding a subdivision to read:

Subd. 5. [ANNUAL ASSESSMENT OF OPERATING COST.] When the annual cost of operation, maintenance, or promotion of an improvement is authorized to be assessed upon the conditions provided in section 429.081, subdivision 1a, the proposed assessment roll, if prepared after May 31, 1981, shall include a separate calculation of the proper amount to be specially assessed against each assessable lot, piece, or parcel of land for the payment of the estimated cost of the operation, maintenance and promotion for the next full year of operation. If operation has commenced or is expected to commence before July 1 of the year following the adoption of the assessment roll, an additional amount may be included, proportionate to the fraction of a year between the date of commencement and the following July 1. The amount so assessed shall be due and payable at the same time as taxes on the property payable in the year following the adoption of the assessment roll. In each subsequent year the council may assess an additional amount against the property, not exceeding the lesser of

(1) the estimated cost of operation, maintenance, and promotion of the improvement for the year commencing on the following July 1, diminished by the amount, if any, estimated to be on hand and available for the purpose on that date, or

(2) the amount of the annual cost of operation, maintenance and promotion estimated in the original notice of hearing on the improvement, or in the first assessment of annual charges if the notice was published before June 1, 1981, increased or diminished by the percentage by which the revised consumer price index for all urban consumers for the Minneapolis-St. Paul metropolitan

area, prepared by the United States department of labor with 1967 as a base, has increased or diminished since the last index prepared preceding the original publication of notice of hearing on the improvement.

Sec. 5. Minnesota Statutes 1980, Section 429.061, is amended by adding a subdivision to read:

Subd. 6. [HEARING AND APPEAL.] On and after June 1, 1981, regardless of the date on which proceedings to make an improvement were commenced, no assessment of annual cost of operation, maintenance or promotion of the improvement subsequent to the original assessment of its capital cost shall be made unless a public hearing is held on the matter and notice is mailed to the owner of each parcel to be assessed at least two weeks before the hearing, stating the amount of the assessment and that the owner may appeal from it as provided in subdivision 1. No published notice of the hearing shall be required. The only grounds for appeal shall be that the assessment has been incorrectly computed, or that the manner of operation and maintenance of the improvement has changed to the extent that it no longer produces benefit to the land as determined upon the initial assessment hearing.

Sec. 6. [SOUTH ST. PAUL; SEWER IMPROVEMENTS.]

If the city of South St. Paul issues bonds under Minnesota Statutes, Section 115.46 to finance the cost of separation of its combined storm and sanitary sewer system, the city may refund all or any part of the collections of special assessments previously levied and collected with respect to any part of the sewer separation project and may include in the principal amount of the bonds issued an amount sufficient to make the refunds. To make the refunds the city may use money derived from the sale of bonds as authorized in the preceding sentence, money in the city's general fund, or both.

Sec. 7. [PRIOR SPECIAL ASSESSMENTS.]

If the city of South St. Paul refunds the special assessments collected with respect to its sewer separation project as authorized by section 6, the city may cancel all remaining installments of the special assessments, but if the special assessments are pledged to the payment of improvement bonds issued by the city under Minnesota Statutes, Chapter 429, the city shall, prior to the cancellation, levy and certify to the Dakota county auditor, in the manner provided in Minnesota Statutes, Section 475.61, a direct general ad valorem tax upon all taxable property in the city collectible for a number of years and in amounts which, when combined with the collections of any other general ad valorem taxes previously levied with respect to the improvement bonds, will yield not less than five percent more than the amount needed to meet when due the principal and interest payments on the improvement bonds, and shall irrevocably appropriate the taxes so levied to the debt service fund or account created for the payment of the improvement bonds.

Sec. 8. [PUBLIC HEARINGS.]

If the governing body of the city of South St. Paul proposes to refund previously collected special assessments or to impose a property tax for the cost of completing the separation of its combined storm and sanitary sewer system pursuant to sections 6 and 7, it shall conduct a public hearing on the question according to the procedures for hearing after mailed notice as provided in Minnesota Statutes, Section 429.031, Subdivision 1.

Sec. 9. [LOCAL APPROVAL; EFFECTIVE DATE.]

Sections 6 to 8 shall be effective the day after compliance with the provisions of Minnesota Statutes, Section 645.021, Subdivision 3, by the South St. Paul city council.

Sec. 10. [INVER GROVE HEIGHTS; DEVELOPMENT AUTHORIZATION.]

Notwithstanding the provisions of any law or rule to the contrary, the city of Inver Grove Heights may approve development and issue development permits in an area within the city designated an area of critical concern pursuant to Minnesota Statutes, Section 116G.06, prior to the approval of the city's proposed plans and regulations for the designated area by the Minnesota environmental quality board pursuant to Minnesota Statutes, Section 116G.07, upon a finding by the governing body of the city of Inver Grove Heights that the proposed development and the issuance of the development permits is in conformance with the proposed plans and regulations of the city.

Sec. 11. [EFFECTIVE DATE.]

Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), section 10 is effective without local approval the day after final enactment.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment.

ARTICLE VIII

PROPERTY TAX ADMINISTRATION

Section 1. Minnesota Statutes 1980, Section 270.11, Subdivision 2, is amended to read:

Subd. 2. [COUNTY (AUDITOR'S) ASSESSOR'S REPORTS OF ASSESSMENT FILED WITH COMMISSIONER.] The commissioner of revenue may require the (AUDITOR) assessor of each county in the state to file with him, on or before August 1, each year, complete abstracts of all real and personal property in the county, as equalized by the county board of equalization, and itemized by assessment districts, accompanied by a printed or typewritten copy of the proceedings of the county

board of equalization, and it shall be the duty of the county (AUDITOR) *assessor* to so report to the commissioner of revenue.

The final abstract of assessments after adjustments by the state board of equalization and inclusion of any omitted property shall be submitted to the commissioner of revenue on or before January 1 of each calendar year.

Sec. 2. Minnesota Statutes 1980, Section 271.10, Subdivision 2, is amended to read:

Subd. 2. [SERVICE OF WRIT.] Within 60 days after notice of the making and filing of the order of the tax court, or the making and filing of an order on a petition for rehearing, the petitioner for review shall obtain from the supreme court a writ of certiorari, and shall serve the same upon (THE COMMISSIONER OF REVENUE AND UPON) all other parties appearing in the proceedings before the tax court, (ALSO UPON THE ATTORNEY GENERAL, UNLESS HE IS THE PETITIONER,) and shall file the original, with proof of such service, with the clerk of the tax court. Every petitioner, except the attorney general, the commissioner of revenue, the state and its political subdivisions, shall also pay to the clerk the fee prescribed by rule 103.01 of the rules of civil appellate procedure which shall be disposed of in the manner provided by that rule, and file a bond or make a deposit in like manner and amount as in case of an appeal from the district court. The fee shall be disposed of as in such case. Return upon the writ shall be made to the supreme court and the matter shall be heard and determined by the court as in other certiorari cases, subject to the provisions hereof and to such rules as the court may prescribe for cases arising hereunder.

Sec. 3. Minnesota Statutes 1980, Section 272.02, Subdivision 1, is amended to read:

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 furnishing 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, clause (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 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.

(17) Native prairie. The commissioner of the department of natural resources shall determine lands in the state which are native prairie and shall notify the county assessor of each county in which the lands are located. *Pasture land used for livestock grazing purposes shall not be considered native prairie for the purposes of this clause and section 273.116.* Upon receipt of an application for the exemption and credit provided in this clause and section 273.116 for lands for which the assessor has no determination from the commissioner of natural resources, the assessor shall refer the application to the commissioner of natural resources who shall determine within 30 days whether the land is native prairie and notify the county assessor of his decision. Exemption of native prairie pursuant to this clause shall not grant the public any additional or greater right of access to the native prairie or diminish any right of ownership to it.

Sec. 4. Minnesota Statutes 1980, Section 272.025, Subdivision 3, is amended to read:

Subd. 3. (DURING EACH OF THE THREE YEARS FOLLOWING THE YEAR IN WHICH A TAXPAYER FILES A STATEMENT OF EXEMPTION, THE REQUIREMENTS OF THIS SECTION SHALL NOT APPLY TO PROPERTY COVERED BY THE STATEMENT OF EXEMPTION UNLESS THE PROPERTY WAS LISTED AND ASSESSED AS TAXABLE PROPERTY IN THE PRECEDING YEAR.) *Any taxpayer who has filed the statement required by subdivision 1 more than 12 months prior to February 1, 1983, or February 1 of each third year after 1983, shall file a statement by February 1, 1983, and by February 1 of each third year thereafter.*

Sec. 5. Minnesota Statutes 1980, Section 272.46, is amended to read:

272.46 [AUDITOR TO FURNISH STATEMENT OF TAX LIENS AND TAX SALES; FEES; APPLICATION.]

The county auditor, upon written application of any person, shall make search of the records of his office, and ascertain the existence of all tax liens and tax sales as to any lands described in the application, and certify the result of such search under his hand and the seal of his office, giving the

description of the land and all tax liens and tax sales shown by such records, and the amount thereof, the year of tax covered by such lien, the date of tax sale, and the name of the purchaser at such tax sale.

For such service the county auditor shall charge a fee (OF \$1) *not to exceed \$5* for each lot or tract of land described in the certificate. *The amount of the fee will be established by the county board on or before July 1 of each year.* Any number of contiguous tracts of land not exceeding one section, assessed as broad acres, or adjoining lots in the same block, in the city, shall be considered as one lot or parcel within the meaning of this section. The provisions of this section shall not apply to counties having a population of more than 225,000.

Sec. 6. Minnesota Statutes 1980, Section 272.47, is amended to read:

272.47 [COUNTY TREASURER, CERTIFICATE OF CURRENT TAXES; FEE.]

The county treasurer, upon written application of any person, shall make search of the tax duplicates and records of his office and ascertain the amount of current tax against any lot or parcel of land described in the application, and shall certify the result of such search under his hand and seal of office, giving the description of land, year of tax and amount, if any, and for such certificate he shall be entitled to charge the applicant (THEREFOR THE SUM OF \$1) *a fee not to exceed \$5. The amount of the fee will be established by the county board on or before July 1 of each year.* The definition of "lot or parcel," for the purposes of this section, shall be the same as set forth in section 272.46.

This section shall not authorize such treasurer to charge any amount for certifying to taxes on a deed to be recorded or for information with reference to the current tax on any subdivision of land in his county, where no certificate thereof is necessary or required. The provisions of this section shall not apply to counties having a population of more than 200,000.

Sec. 7. Minnesota Statutes 1980, Section 273.138, Subdivision 2, is amended to read:

Subd. 2. Each county government, city and township shall receive reimbursement in 1978 and subsequent years in an amount equal to the product of its total mill rate for taxes payable in the calendar year *prior to the calendar year* in which the aid is to be paid, times the total 1972 assessed value of real property exempted from taxation by section 272.02, subdivision 1 which was located within the territory of such governmental unit, times 1.25. For the purpose of this subdivision, the "total mill rate" of a county government, city or township includes

mill rates for taxes levied by such governmental unit which were not levied on the entire taxable value of such governmental unit.

Sec. 8. Minnesota Statutes 1980, Section 273.40, is amended to read:

273.40 [ANNUAL TAX ON COOPERATIVE ASSOCIATIONS.]

Cooperative associations organized under the provisions of Laws 1923, Chapter 326, and laws amendatory thereof and laws supplemental thereto, and engaged in electrical heat, light or power business upon a mutual, non-profit, and cooperative plan in rural areas, as hereinafter defined, are hereby recognized as quasi-public in their nature and purposes; but such cooperative associations, which operate within the corporate limits of any city shall be assessed on the basis of (40) 43 percent of the market value of that portion of its property located within the corporate limits of any city as provided for in section 273.13.

Sec. 9. Minnesota Statutes 1980, Section 275.075, is amended to read:

275.075 [OMISSION BY INADVERTENCE; CORRECTION.]

Whenever the amount of taxes as levied and certified by the tax levying body of any county, city, town, or school district has not been, as the result of error (OR), inadvertence, or from the estimates as provided in section 10, by the county auditor extended and spread in conformity therewith, such tax levying body may include in its tax levy for the year following, the whole or any part of the amount so omitted through error (OR), inadvertence, or from the estimates as provided in section 10, in addition to its current levy and in addition to and notwithstanding any limitations to the contrary.

Sec. 10. Minnesota Statutes 1980, Section 275.08, is amended to read:

275.08 [AUDITOR TO FIX RATE.]

Subdivision 1. [GENERALLY.] The rate percent of all taxes, except the state tax and taxes the rate of which may be fixed by law, shall be calculated and fixed by the county auditor according to the limitations in this chapter hereinafter prescribed; provided, that if any county, city, town, or school district shall return a greater amount than the prescribed rates will raise, the auditor shall extend only such amount of tax as the limited rate will produce.

Subd. 2. [ESTIMATES.] If, by December 15 of any year, the county auditor has not received from another county auditor the mill rate or assessed value applicable to any taxing district lying in two or more counties, the county auditor who has not received the necessary information may levy taxes for the overlapping district by estimating the mill rate or the assessed value.

Subd. 3. [ASSISTANCE OF COUNTY AUDITOR.] A county auditor who has not furnished the mill rate or assessed value of property in the county by December 15 shall, on request, furnish the county auditor of a county in the overlapping district an estimate of the values or the mill rate. The auditor may request the assistance of the county assessor in determining the estimate.

Subd. 4. [SUBSEQUENT ADJUSTMENT.] After the correct mill rate or assessed value has been certified, the amount of taxes over or under levied shall be computed and notice sent to each affected taxing district. If the estimated tax levy exceeds the correct tax levy based on actual assessed value and mill rate, the county treasurer shall remit any amount of excess which he collects to the affected taxing district. In the following levy year, the estimating county auditor shall adjust the levy of the affected taxing district to compensate for the amount of variance.

In the event that the estimated tax levy is less than the correct tax levy based on actual assessed value and mill rate, the auditor shall adjust the levy of the affected taxing district as provided in section 275.075.

Sec. 11. Minnesota Statutes 1980, Section 276.01, is amended to read:

276.01 [DELIVERY OF LISTS TO TREASURER.]

On or before the first (MONDAY) *business day* in January in each year, the county auditor shall deliver the lists of the several districts of the county to the county treasurer, taking therefor his receipt, showing the total amount of taxes due upon the lists. Where the names of taxpayers appear in the property tax lists, the county auditor shall show the addresses of such taxpayers. Such lists shall be authority for the treasurer to receive and collect taxes therein levied.

In counties in which the auditor has elected to come under the provisions of section 273.03, subdivision 2, he shall, during the year in which such lists as provided for in section 275.28, subdivision 3, are in the possession of the county treasurer, have access thereto for the purposes of changing market valuations and the classifications of real estate contained therein which he would have been required to change or otherwise

amend in the assessment books provided for in section 273.03, subdivision 1, except for his election to discontinue the preparation of such assessment books. The county auditor shall be the official custodian of such lists after the year during which they are in the county treasurer's possession.

Sec. 12. Minnesota Statutes 1980, Section 277.15, is amended to read:

277.15 [INTEREST.]

When a judgment has heretofore been entered and docketed, or shall hereafter be entered and docketed, for the recovery of taxes, except in the case of real estate tax judgments provided for in section 279.19, the same shall bear interest until paid at the rate of six percent per annum *until January 1, 1981, and at the rate determined under section 549.09 thereafter.*

Sec. 13. Minnesota Statutes 1980, Section 279.02, is amended to read:

279.02 [DUTIES OF COUNTY AUDITOR AND TREASURER.]

On the first (MONDAY) *business day* in January, of each year, the county treasurer shall return the tax lists in his hands to the county auditor, who shall compare the same with the statements receipted for by the treasurer on file in the auditor's office and each tract or lot of real property against which the taxes, or any part thereof, remain unpaid, shall be deemed delinquent, and thereupon an additional penalty of two percent on the amount of the original tax remaining unpaid shall immediately accrue and thereafter be charged upon all such delinquent taxes; and any auditor who shall make out and deliver any statement of delinquent taxes without including therein the penalties imposed by law, and any treasurer who shall receive payment of such taxes without including in such payment all items as shown on the auditor's statement, shall be liable to the county for the amounts of any items omitted.

Sec. 14. Minnesota Statutes 1980, Section 279.03, is amended to read:

279.03 [INTEREST ON DELINQUENT REAL ESTATE TAXES.]

The rate of interest on delinquent real estate taxes levied in 1979 and prior years is fixed at six percent per annum. The rate of interest on delinquent real estate taxes levied in 1980 and subsequent years (IS FIXED AT EIGHT PERCENT PER ANNUM) *shall be the rate determined pursuant to section 549.09.* All provisions of law providing for the calculation of interest at

any different rate on delinquent taxes in any notice or proceeding in connection with the payment, collection, sale, or assignment of delinquent taxes, or redemption from such sale or assignment are hereby amended to correspond herewith. (IN CALCULATING SUCH INTEREST FOR ANY FRACTIONAL PART OF A YEAR, IT SHALL BE CALCULATED ON THE BASIS OF ONE-HALF OF ONE PERCENT FOR ANY MONTH OR MAJOR FRACTION THEREOF.)

Such interest shall be calculated from the second Monday of May following the year in which the taxes became due, on the full amount of the taxes, penalties and costs accrued.

The provisions of this section shall not apply to any taxes which have heretofore been bid in by an actual purchaser at a May tax sale or which have heretofore been assigned.

Sec. 15. Minnesota Statutes 1980, Section 279.14, is amended to read:

279.14 [CONCLUSIVENESS OF JUDGMENT, JURISDICTIONAL DEFECTS.]

When the last publication shall have been made the notice shall be deemed to have been served and the court to have acquired full and complete jurisdiction to enforce against each parcel of land in such published list described in the taxes, accrued penalties, and costs upon it then delinquent, so as to bind every estate, right, title, interest, claim, or lien, in law or equity, in, to, or upon such parcel of land, of every person, company, or corporation. Such jurisdiction shall not be affected by any error in making the list filed with the clerk, nor by any error, irregularity, or omission in the assessment or levy of the taxes, or in any other proceedings, prior to filing the list; nor by any mistake in copying the list for publication, or in publishing the list, or in the designation of the newspaper wherein such list is published; (NOR BY REASON OF THE FAILURE OF THE PUBLISHER TO GIVE THE BOND REQUIRED;) nor by reason of the taxes having been charged in any other name than that of the rightful owner; nor by any mistake in the amount of tax in such published list appearing against any piece or parcel of land therein described; provided, that any judgment rendered in such proceedings shall be void upon satisfactory proof made at any time that such real estate was exempt from taxation or that such taxes were paid before judgment was rendered.

Sec. 16. Minnesota Statutes 1980, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's home-

stead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections 273.132 and 273.135, in any calendar year. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 23 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable and (i) the property must have been classified as homestead property pursuant to section 273.13, subdivisions 6, 7, or 14a on or before June 1 of the year in which the "property taxes payable" were levied; or (ii) the claimant must provide documentation from the local assessor that application for homestead classification has been made prior to July 1 of the year in which the "property taxes payable" were payable.

Sec. 17. Minnesota Statutes 1980, Section 375.192, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding section 270.07, upon written application by the owner of the property, where such application seeks a reduction in (FULL AND TRUE VALUATION) *estimated market value* not in excess of (\$300) \$2,000, the county board may grant such reduction or abatement of (ASSESSED) *estimated market valuation* or taxes and of any costs, penalties or interest thereon as said board may deem just and equitable and to order the refundment in whole or in part of any taxes, costs, penalties or interest thereon which have been erroneously or unjustly paid. Such application must be approved by the county assessor, or if the property is located in a city of the first class or city of the second class having a city assessor, by such assessor, and by the (COULTY) *county* auditor prior to consideration by the county board. The methods of obtaining a reduction or abatement of ad valorem values contained in subdivisions 1 and 2 shall be in addition to the method provided in Minnesota Statutes 1965, Section 270.07.

Sec. 18. Minnesota Statutes 1980, Section 473.626, is amended to read:

473.626 [VALUATION AND ASSESSMENT OF TAXABLE PROPERTY IN DETACHED AREA.]

The (COMMISSIONER OF REVENUE OF THE STATE OF MINNESOTA) *county assessor of the county in which the property is situated* shall value and assess the taxable property in said area and shall report the same to the county auditor of the county in which such property is situated on or before October 1 of each year.

Sec. 19. [REPEALER.]

Minnesota Statutes 1980, Section 279.11, is repealed.

Sec. 20. [EFFECTIVE DATES.]

Sections 1, 2, 4, 5, 6, 15, 17, and 19 are effective July 1, 1981. Sections 3, 7, and 10 are effective for taxes levied in 1981 and subsequent years, payable in 1982 and subsequent years. Sections 8, 11, and 13 are effective the day following final enactment. Section 9 is effective for taxes levied in 1982 and subsequent years, payable in 1983 and subsequent years. Sections 12 and 14 are effective January 1, 1981. Section 16 is effective for claims based on property taxes payable in 1982 and subsequent years. Section 18 is effective January 1, 1982.

ARTICLE IX

INDIVIDUAL HOUSING ACCOUNTS

Section 1. Minnesota Statutes 1980, Section 48.159, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUAL HOUSING ACCOUNT TRUST POWERS.] Upon application to and approval by the commissioner, a commercial bank shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 2. Minnesota Statutes 1980, Section 50.157, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUAL HOUSING ACCOUNT TRUST POWERS.] Upon application to and approval by the commissioner, a savings bank shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 3. Minnesota Statutes 1980, Section 51A.21, Subdivision 16a, is amended to read:

Subd. 16a. [TRUSTEE OF INDIVIDUAL HOUSING ACCOUNTS.] Upon application to and approval by the commissioner, to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 4. Minnesota Statutes 1980, Section 52.136, is amended to read:

52.136 [INDIVIDUAL HOUSING ACCOUNTS.]

Upon application to and approval by the commissioner of banks, a credit union shall have the power to act as trustee of individual housing accounts established pursuant to the provisions of section (290.09) 290.08, subdivision (30) 25.

Sec. 5. Minnesota Statutes 1980, 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 through December 31, 1979.

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, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(ii) 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 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.

(iii) 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 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 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 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 to the extent of the credit under section 38 of the Internal Revenue Code of 1954 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 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, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, not included in federal adjusted gross income pursuant to section 852(b)(5)(B) of the Internal Revenue Code of 1954, except for that portion of 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 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);

(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; and

(19) 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) 290.08, subdivision (30) 25.

(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 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 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 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 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 sections 401, 403, 404, 405, 408, 409 or 409A of the Internal Revenue Code of 1954. The maximum amount of this subtraction shall be \$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 \$11,000; this subtraction shall not be reduced by the amount of the individual's federal adjusted gross income in excess of \$17,00;

(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 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 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;

(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 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 before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(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);

(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 subdivision 27; *and*

(19) *Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25.*

(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 the corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of 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 the corporation is liquidated or the individual shareholder disposes of 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, 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 the reserve is distributed to shareholders 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 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 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, clause (2) in computing Minnesota inheritance or estate 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 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. 6. Minnesota Statutes 1980, Section 290.08, is amended by adding a subdivision to read:

Subd. 25. [INDIVIDUAL HOUSING ACCOUNTS.] (a)
(1) Gross income shall not include the amount, up to a maxi-

mum of \$1,500, paid in cash during the taxable year by an individual taxpayer to an individual housing account established for his benefit together with all interest paid or accrued within the taxable year on the account. In the case of a married couple filing separate returns or filing separately on a combined return, the total amount excludible from gross income for contributions to an individual housing account during the taxable year may not exceed \$1,500. This total exclusion for a married couple may be taken by either spouse or divided between them as they elect. The amount of interest paid on any amount contributed in excess of \$1,500 during a taxable year or in excess of the maximum contribution permitted by paragraph (2) during all taxable years shall not be excluded from gross income.

(2) The amounts excludible from gross income for contributions to an individual housing account by an individual for all taxable years may not exceed \$10,000. In the case of a married individual, the \$10,000 amount shall be reduced by an amount equal to the sum of the contributions excluded from gross income pursuant to this subdivision for all taxable years by his spouse. In the case of a married couple, each of whom had established an individual housing account prior to the marriage, the combined limit on the amount excludible from gross income for all taxable years shall be the greater of \$10,000 or the amounts excluded from gross income for contributions to their accounts for taxable years ending before the day on which they were married.

(b) For purposes of this subdivision, the following terms have the meanings given.

(1) "Individual housing account" means a trust created or organized in Minnesota for the exclusive benefit of an individual, or, in the case of a married individual, for the exclusive benefit of the individual and his spouse jointly, but only if the written governing instrument creating the trust meets the following requirements:

(i) Contributions will not be accepted for the taxable year in excess of \$1,500 or in excess of \$10,000 for all taxable years, exclusive of interest paid or accrued.

(ii) The trustee is a financial institution, as defined in section 47.015, or a credit union, chartered or supervised under federal or state law, whose accounts are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration or any agency of this state or any federal agency established for the purpose of insuring accounts in these financial institutions.

(iii) The assets of the trust shall be invested only in savings or time deposits in amounts fully insured as prescribed in para-

graph (ii). Funds held in the trust may be commingled for purposes of investment, but individual records shall be maintained by the trustee for each individual housing account holder which show all transactions in detail.

(iv) The entire interest of an individual or married couple for whose benefit the trust is maintained will be distributed to him, or them, not later than 120 months after the date on which the first contribution is made to the trust.

(v) Except as provided in clause (d) in the case of a disability or death the trustee will distribute no part of the funds in the account unless it: (a) verifies that the money is to be used for a qualified purchase and provides that the instrument of payment is payable to the seller or his designee, construction contractor, or other vendor of the property purchased; or (b) withholds an amount equal to ten percent of the amount withdrawn from the account and remits this amount to the commissioner of revenue within ten days after the date of the withdrawal. The amount so withheld shall be applied to the liability of the taxpayer under clauses (c)(1) and (d).

Except as provided in clause (c), a trustee who fails to pay to or deposit with the commissioner any sum or sums required by this subdivision to be deducted, withheld and paid, shall be personally and individually liable to the state of Minnesota for such sum or sums. Failure to comply with the requirements of paragraph (v) shall be subject to the penalties and interest applicable to withholding tax violations under section 290.92, subdivision 15.

If the trustee, in violation of the provisions of this subdivision, fails to deduct and withhold the amounts required by this subdivision and thereafter the taxes against which any amount withheld may be credited are paid, the amounts required to be deducted and withheld shall not be collected from the trustee. Payment of the tax due under clauses (c)(1) and (d) shall not relieve the trustee from liability for any penalties and interest otherwise applicable in respect of its failure to deduct and withhold.

(2) "Residence" means all or part of a house, townhouse, condominium or cooperative apartment used as the taxpayer's principal and permanent place of residence, but does not include a mobile home as defined in section 273.13, subdivision 3.

(3) "Qualified purchase" means the purchase by a participant in an individual housing account of a principal residence, if (i) the participant has not had a present ownership interest in a principal residence; (ii) the residence to be purchased is located in Minnesota; and (iii) the purchase is made more than one year after the individual housing account was established. For purposes of this paragraph, "participant" means in the case of a married couple either spouse at the time of the purchase.

(c) (1) Any amount paid or distributed out of an individual housing account shall be included in gross income by the participant in the account for the taxable year in which the distribution is received, unless the amount is used exclusively in connection with a qualified purchase.

(2) Paragraph (1) shall not apply to distribution out of an individual housing account to the extent that it was not excluded from gross income either as individual housing account contributions or interest.

The transfer of an individual's interest in an individual housing account to his former spouse under a dissolution of marriage decree or under a written instrument incident to a dissolution of marriage is not to be considered a taxable transfer made by the individual and the interest, at the time of the transfer, is to be treated as an individual housing account of the transferee, and not of the transferor. After the transfer, the account is to be treated, for purposes of this subdivision, as maintained for the benefit of the spouse.

(3) Payment out of an individual housing account pursuant to a good faith, written earnest money contract shall be treated as a qualified purchase for purposes of paragraph (1), either if the sale is completed or if the sale is not completed and the earnest money is forfeited. If an individual housing account distribution is paid pursuant to a good faith, written earnest money contract and is forfeited to the seller for failure to complete the sale, the taxpayer may elect to make and exclude from gross income additional contributions to the individual housing account equal to the amount of the distribution, subject to the annual limits applicable to the amounts excludible from gross income but notwithstanding the \$10,000 limit provided by clause (a). If an individual housing account distribution is paid pursuant to an earnest money contract, the sale is not completed, and the distribution is not forfeited to the seller, the amount of the distribution shall be repaid to the account.

(4) In the case of a married couple, any distribution includible in gross income pursuant to this clause shall be allocated equally to each spouse's income.

(d) If a distribution from an individual housing account to an individual for whose benefit the account was established is made and not used in connection with a qualified purchase, the tax liability of the individual under this chapter for the taxable year in which the distribution is received shall be increased by an amount equal to ten percent of the amount of the distribution which is includible in his gross income for the taxable year. The ten percent tax provided by this clause shall be in addition to the taxpayer's tax liability if calculated under section 290.06, subdivision 3d, and shall not be reduced by any credit pursuant to section 290.06, subdivisions 3e, 3f, 9, 9a, 11 or 14 or

any other nonrefundable credit. If, during any taxable year, the individual uses the account or any portion thereof as security for a loan, the portion so used is treated as distributed to that individual. No such liability shall be imposed if the payment or distribution is attributable to the taxpayer dying or becoming disabled as provided in section 290A.03, subdivision 10. An individual shall not be considered to be disabled unless he furnishes proof of the disability in the form and manner as the commissioner of revenue may require. Upon the death of an individual for whose benefit the account had been established, the funds in the account shall be payable to the estate of the individual, provided that, if the account was held jointly by the decedent and a spouse of the decedent, the account shall remain as the individual housing account of the surviving spouse. The ten percent tax provided by this clause shall not be imposed, if (1) the participant is unable to make a qualified purchase because he marries a person who has or had an ownership interest in a residence; and (2) no contributions or interest are excluded from gross income in a taxable year ending after the date of the marriage.

(e) No allocation of federal income tax paid on amounts excluded from gross income pursuant to this subdivision shall be required for purposes of the deduction of federal income tax paid under section 290.18, subdivision 2.

(f) The trustee of an individual housing account shall make reports regarding the account to the commissioner of revenue and to the individual for whom the account is maintained with respect to contributions, distributions, and other matters as the commissioner may require under rules. The reports required by this clause shall be filed at a time and in a manner as may be required by the rules. A person who fails to file a required report will be subject to a penalty of \$10 to be paid to the commissioner of revenue for each instance of failure to file.

This subdivision may be cited as the "Young Family Housing Act".

Sec. 7. Minnesota Statutes 1980, Section 290.17, Subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting principally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall

be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state;

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. Income and gains received from tangible property not employed in the business of the recipient of such income or gains, and from tangible property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, shall be assigned to this state if such property has a situs within it, and to other states only if it has no situs in this state. Income or gains from intangible personal property not employed in the business of the recipient of such income or gains, and from intangible personal property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, wherever held, whether in trust, or otherwise, shall be assigned to this state if the recipient thereof is domiciled within this state; income or gains from intangible personal property wherever held, whether in trust or otherwise shall be assigned to this state if the recipient of such income or gains is domiciled within this state, or if the grantor of any trust is domiciled within this state and such income or gains would be taxable to such grantor under section 290.28 or 290.29;

(3) Income derived from carrying on a trade or business, including in the case of a business owned by natural persons the income imputable to the owner for his services and the use of his property therein, shall be assigned to this state if the trade or business is conducted wholly within this state, and to other states if conducted wholly without this state. This provision shall not apply to business income subject to the provisions of clause (1);

(4) When a trade or business is carried on partly within and partly without this state, the entire income derived from such trade or business, including income from intangible property employed in such business and including, in the case of a business owned by natural persons, the income imputable to the owner for his services and the use of his property therein, shall be governed, except as otherwise provided in sections 290.35 and 290.36, by the provisions of section 290.19, notwithstanding any provisions of this section to the contrary. This shall not apply to business income subject to the provisions of clause (1). For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

In determining whether or not intangible property is employed in a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) Intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) In the case of a nonresident who is liable for payment of a penalty for having withdrawn funds from an individual housing account established pursuant to section (290.09) 290.08, subdivision (30) 25, the amount so withdrawn and for which a deduction was allowed shall be an item of income assignable to this state, and the penalty tax of ten percent shall remain an additional liability of that taxpayer.

(6) For purposes of this section, amounts received by a nonresident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, by way of payment as a pension, public employee retirement benefit, or any combination thereof, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 404, 405, 408 or 409 of the Internal Revenue Code of 1954, as amended through December 31, 1979, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(7) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 8. [REPEALER.]

Minnesota Statutes 1980, Section 290.09, Subdivision 30, is repealed.

Sec. 9. [EFFECTIVE DATE.]

This article is effective for taxable years beginning after December 31, 1980.

ARTICLE X

MISCELLANEOUS

Section 1. [38.26] [PAYMENTS FOR CITY SERVICES.]

The board of managers of the society shall enter and make payment pursuant to a written agreement with the city council of any city within which the boundaries of the state fairgrounds are located. The agreement shall provide that the society will compensate the city of the cost of providing city services to occupants or users of the fairgrounds and any additional costs incurred by the city as a result of the use of the fairgrounds, including a reasonable amount of wear and tear on and demand for additional capital facilities. The board of managers and the city shall renegotiate the terms of the agreement at least once every two years.

Sec. 2. Minnesota Statutes 1980, Section 270.47, is amended to read:

270.47 [RULES.]

The board shall establish the rules necessary to accomplish the purpose of section 270.41, and shall establish criteria required of assessing officials in the state. Separate criteria may be established depending upon the responsibilities of the assessor. The board shall prepare and give examinations from time to time to determine whether assessing officials possess the necessary qualifications for performing the functions of his office. Such tests shall be given immediately upon completion of courses required by the board, or to persons who already possess the requisite qualifications under the regulations of the board. *Rules adopted by the board before July 1, 1981 to accomplish the purposes of sections 270.41 to 270.53, including those relating to licensure, are valid without compliance with the administrative procedure act.*

Sec. 3. [TRANSITION PROVISION.]

County assessors who are certified but not currently accredited shall be allowed until May 1, 1982, to achieve accreditation pursuant to the rules of the state board of assessors. Any county assessor who has not achieved accreditation by May 1, 1982, shall be terminated and a vacancy shall exist in that office. Any requests for confirmation of appointment pending before the commissioner for county assessors not currently accredited may be provisionally approved.

Sec. 4. Minnesota Statutes 1980, Section 298.75, Subdivision 1, is amended to read:

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. *For purposes of this section, gravel shall include sand and limestone.*

Sec. 5. Minnesota Statutes 1980, Section 298.75, Subdivision 2, is amended to read:

Subd. 2. (ON OCTOBER 1, 1980, AND THEREAFTER ON) *By the (FIRST) 14th day following the last 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.*

Sec. 6. Minnesota Statutes 1980, Section 298.75, Subdivision 3, is amended to read:

Subd. 3. *If any operator fails to make the report required by subdivision 2 or files an erroneous report, the county auditor shall, on the fifth working day after the day the report became due, 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 chapter 278, and shall be governed by sections 278.02 to 278.13.*

Sec. 7. Minnesota Statutes 1980, Section 340.621, is amended to read:

340.621 [INTOXICATING OR NONINTOXICATING LIQUOR; REGISTRATION OF BRAND BY OWNER.]

The label of any brand of wine or intoxicating or nonintoxicating 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 section shall be construed to repeal, limit or otherwise affect the provisions of section 340.114.

Sec. 8. Minnesota Statutes 1980, Section 422A.101, Subdivision 3, is amended to read:

Subd. 3. [STATE CONTRIBUTIONS.] 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) shall be made in four equal installments on March 15, July 15, September 15, and November 15 annually.

Sec. 9. [NEW BRIGHTON; PROJECT; BONDS.]

Notwithstanding the provisions of Minnesota Statutes, Section 474.402, Subdivision 1b, the city of New Brighton may undertake a project consisting of properties, real or personal, used or useful, in connection with a revenue producing enterprise comprising a hotel or motel and may issue revenue bonds of the city to finance such project pursuant to Minnesota Statutes, Chapter 474, in an aggregate principal amount not to exceed \$10,000,000.

Sec. 10. 1981 regular session H. F. No. 1443, Section 377, as enacted, is amended to read:

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections (3.86;) 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; 363.073, Subdivisions 1 and 2; 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 11. [TAX STUDY COMMISSION REVIVED.]

Notwithstanding the provisions of Minnesota Statutes, Section 645.36, the law in Minnesota Statutes, Section 3.86, is revived.

Sec. 12. [APPROPRIATION.]

(a) *The sum of \$60,000 is appropriated from the general fund to the tax study commission for the purpose of general operation of the commission including personnel costs. The sum is available to September 30, 1981.*

(b) *The sum of \$100,000 is appropriated from the general fund for the purpose of documenting and maintaining the commission's computer program services. The sum is available for the fiscal biennium ending June 30, 1983.*

Sec. 13. 1981 regular session H. F. No. 1434, Section 5, Subdivision 6, as enacted, is amended to read:

| | | |
|---|--------|--------|
| Subd. 6. Board of Boxing (AND WRESTLING) | 32,600 | 33,600 |
|---|--------|--------|

Approved Complement—1

Sec. 14. [REPEALER.]

1981 regular session H. F. No. 1434, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, and 99, as enacted, are repealed.

Sec. 15. [EFFECTIVE DATE.]

Sections 1, 2 to 4 and 8 are effective the day following final enactment. Section 9 is effective on the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of New Brighton, September 30, 1981.

Sections 13 and 14 are effective the day after final enactment. Notwithstanding Minnesota Statutes, Sections 645.26, 645.33, or other law, sections 13 and 14 prevail over H. F. No. 1434 regardless of their relative order of final enactment. Notwithstanding Minnesota Statutes, Section 645.34, or other law, the effect of section 14 is to maintain the law as it exists without the amendments repealed by that section."

Delete the title and insert:

"A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; imposing an income surtax; eliminating the deduction for tax paid on gasoline; limiting the medical expense deduction; providing for deduction of federal income tax on the accrual basis; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the

assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin to hold land for future development; increasing the rate of interest payable on delinquent taxes; rescheduling certain payment dates; limiting property tax refund payments to certain claimants; requiring declaration and estimated payments of gross earnings taxes by telephone and telegraph companies; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; establishing conditions for the special assessment of costs of operation, maintenance, or promotion of public improvements; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; validating rules of the state board of assessors; providing for accrediting of certain assessors; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance a project located in the city of New Brighton; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commissioner; appropriating funds; amending Minnesota

Statutes 1980, Sections 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.136, Subdivision 3; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d, 3g and by adding subdivisions; 290.067, Subdivision 2; 290.08, by adding a subdivision; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.17, Subdivision 2; 290.18, Subdivision 2 and by adding a subdivision; 290.37, Subdivision 3; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 297A.01, Subdivision 3; 297A.25, Subdivision 1; 298.75, Subdivisions 1, 2 and 3; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 429.031; 429.051; 429.061, Subdivision 1 and by adding subdivisions; 458.14; 473.626; 477A.03; 477A.04, Subdivision 2; and 477A.13; Laws 1975, Chapter 226, Section 4, as amended; and Laws 1980, Chapter 607, Article V, Section 5; proposing new law coded in Minnesota Statutes, Chapters 38; 273; 295; 297A; and 477A; repealing Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; and 477A.01."

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

House Conferees: IRVIN N. ANDERSON, JOHN D. TOMLINSON, WILLIS R. EKEN, STEVEN G. NOVAK and HENRY A. SIEBEN, JR.

Senate Conferees: DOUGLAS J. JOHNSON, MARV HANSON, COLLIN C. PETERSON, LENDA BERGLIN and JAMES C. PEHLER.

Anderson, I., moved that the report of the Conference Committee on H. F. No. 1445 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1445, A bill for an act relating to taxation; appropriating money for state payments to local units of government; adjusting the school agricultural credit, increasing the rate and acreage and imposing maximum acreage restrictions; limiting the amount of homestead credits; limiting certain local levies; imposing additional income taxes on corporations; limiting certain deductions; changing interest rates on delinquent taxes; rescheduling certain payments to local governments; changing definition of claimant for property tax refund and offsetting credit based on amount of medical assistance; providing for dec-

laration and estimated payments of gross earnings tax; requiring deduction of federal taxes on the accrual basis; repealing distribution of estate taxes to counties; increasing the local effort levy for school districts to 23 mills; adjusting the maximum amount of market value subject to certain homestead classification ratios based upon average sale price of homes; providing a new method of calculating the inflation adjustments for income tax brackets, personal credits and standard deduction; increasing the rate of tax on vending machine sales; providing an accelerated payment schedule of June sales tax liability for certain vendors; providing property tax open space treatment for archery and firearms ranges; modifying the notification procedure prior to forfeiture of real property in certain cases; changing the definition of "sale" for purposes of the sales tax; exempting certain feminine hygiene products from the sales tax; limiting the sales tax exemption on foods; imposing a gross receipts tax on wrestling; providing that intoxicating liquor must be registered by the brand owner; modifying the notification procedure prior to forfeiture of real property in certain cases; providing that the disallowance of income tax deductions relating to substandard housing shall not expire; clarifying which parties are to be served with notices of appeal; changing requirements for filing certain abstracts and statements of exemption; changing certain fees to be charged by county auditors and treasurers; changing method of computing attached machinery aids; clarifying assessment of property of cooperative associations; providing certain dates for delivery and return of tax lists; providing interest rates on delinquent taxes; repealing publisher's bonds; changing certain definitions for the property tax refund; providing additional authority for county boards to reduce values; providing county valuation of certain airport property; amending Minnesota Statutes 1980, Sections 124.01, Subdivision 3; 124.213; 270.051, Subdivision 2; 270.11, Subdivision 2; 270.75; 271.10, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.112, Subdivision 3; 273.115, Subdivision 4; 273.116, Subdivision 4; 273.13, Subdivisions 6, 6a, 7 and 15a; 273.136, Subdivision 3; 273.138, Subdivisions 2 and 5; 273.139, Subdivision 3; 273.40; 275.075; 275.08; 275.50, Subdivision 2; 275.51, Subdivision 1, and by adding subdivisions; 275.55; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivisions 20 and 23; 290.06, Subdivisions 2d, 3g, and by adding a subdivision; 290.067, Subdivision 2; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.18, Subdivision 2; 290A.03, Subdivision 8 and 13; 290A.04, by adding a subdivision; 290A.07, Subdivision 2; 297A.01, Subdivision 3; 297A.02; 297A.25, Subdivision 1; 340.621; 375.192, Subdivision 2; 423A.02; 473.626; 477A.01, Subdivision 4b; 477A.03; 477A.13; Laws 1975, Chapter 226, Section 4, as amended; proposing new law coded in Minnesota Statutes, Chapters 273, 275, 295 and 297A; repealing Minnesota Statutes 1980, Sections 275.50, Subdivisions 5 and 6; 275.51, Subdivisions 3d, 4 and 5; 275.52; 275.53; 275.54; 275.551; 275.552; 275.58; 275.59; 279.11; and 291.33.

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 68 yeas and 66 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kelly | O'Connor | Skoglund |
| Anderson, G. | Elioff | Kostohryz | Ogren | Staten |
| Anderson, I. | Ellingson | Lehto | Otis | Stumpf |
| Battaglia | Greenfield | Long | Peterson, D. | Swanson |
| Begich | Gustafson | Mann | Pogemiller | Tomlinson |
| Berkelman | Hanson | McCarron | Reding | Vanasek |
| Brandl | Harens | McEachern | Rice | Vellenga |
| Brinkman | Hauge | Metzen | Rodriguez, F. | Voss |
| Byrne | Hokanson | Minne | Samuelson | Welch |
| Carlson, L. | Jacobs | Munger | Sarna | Wenzel |
| Clark, J. | Johnson, C. | Murphy | Schoenfeld | Wynia |
| Clark, K. | Jude | Nelson, K. | Shea | Spkr. Sieben, H. |
| Clawson | Kahn | Norton | Sieben, M. | |
| Dahlvang | Kalis | Novak | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|------------|---------------|---------|
| Aasness | Forsythe | Kvam | Osthoff | Stadum |
| Ainley | Friedrich | Laidig | Peterson, B. | Stowell |
| Anderson, R. | Gruenes | Lemen | Piepho | Svigum |
| Blatz | Halberg | Levi | Redalen | Valan |
| Carlson, D. | Haukoos | Ludeman | Rees | Valento |
| Dean | Heap | Luknic | Reif | Weaver |
| Dempsey | Heinitz | Marsh | Rodriguez, C. | Welker |
| Den Ouden | Himle | McDonald | Rose | Wieser |
| Drew | Hoberg | Mehrkens | Rothenberg | Wigley |
| Erickson | Hokr | Nelsen, B. | Schafer | Zubay |
| Esau | Jennings | Niehaus | Schreiber | |
| Evans | Johnson, D. | Nysether | Searles | |
| Ewald | Kaley | Olsen | Sherman | |
| Fjoslien | Knickerbocker | Onnen | Sherwood | |

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

Eken 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 LIFTED

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

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:

H. F. No. 1210, A bill for an act relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes; amending Minnesota Statutes 1980, Sections 290.01, Subdivision 20; 290.974; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Sections 290.971; 290.972; and 290.975.

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. 1164.

PATRICK E. FLAHAVER, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1164, A bill for an act relating to crimes; providing for application for relief of sentences imposed prior to adoption of sentencing guidelines; amending Minnesota Statutes 1980, Section 590.01, by adding a subdivision.

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, Nelson, K., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1164 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Nelson, K., motion and the roll was called. There were 77 yeas and 51 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Greenfield | Lehto | Ogren | Simoneau |
| Anderson, G. | Gustafson | Lemen | Otis | Skoglund |
| Anderson, I. | Hanson | Levi | Peterson, D. | Staten |
| Berkelman | Harens | Long | Pogemiller | Stumpf |
| Blatz | Hauge | Mann | Reding | Tomlinson |
| Brandl | Hokanson | Marsh | Rees | Vanasek |
| Brinkman | Hokr | McCarron | Rice | Vellenga |
| Byrne | Jacobs | McEachern | Rodriguez, C. | Voss |
| Carlson, L. | Johnson, C. | Metzen | Rodriguez, F. | Welch |
| Clark, K. | Johnson, D. | Minne | Rose | Wenzel |
| Clawson | Jude | Munger | Samuelson | Wynia |
| Dahlvang | Kahn | Murphy | Sarna | Zubay |
| Dempsey | Kaley | Nelson, K. | Searles | Spkr. Sieben, H. |
| Eken | Kalis | Norton | Shea | |
| Elioff | Kostohryz | Novak | Sherman | |
| Ellingson | Laidig | O'Connor | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|--------------|---------|
| Aasness | Esau | Himle | Nysether | Sviggum |
| Ainley | Evans | Hoberg | Olsen | Swanson |
| Anderson, R. | Ewald | Jennings | Onnen | Valento |
| Battaglia | Fjoslien | Knickerbocker | Peterson, B. | Weaver |
| Begich | Forsythe | Kvam | Piepho | Welker |
| Carlson, D. | Friedrich | Ludeman | Redalen | Wieser |
| Clark, J. | Gruenes | Luknic | Reif | Wigley |
| Dean | Halberg | McDonald | Rothenberg | |
| Den Ouden | Haukoos | Mehrkens | Schafer | |
| Drew | Heap | Nelsen, B. | Schoenfeld | |
| Erickson | Heinitz | Niehaus | Stowell | |

Not having received the required 90 votes the motion did not prevail.

There being no objection the order of business reverted to Messages from the Senate.

The Speaker called Wynia to the Chair.

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. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on

the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.082, Subdivision 4.

The Senate has appointed as such committee Messrs. Dieterich, Pillsbury 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 refuses to concur in the House amendment to:

S. F. No. 537, A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Purfeerst, Belanger and Schmitz.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mehrkens 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. 537. 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. 537:

Mehrkens, Dahlvang and Pogemiller.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO 912

A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2;

43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 144.125; 144.653, Subdivision 1; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256B.15; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 485.14; 508.37, by adding a subdivision; 518.155; 518.66; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; Laws 1980, Chapter 614, Section 163; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2;

508.37, Subdivision 1; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8.

May 14, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 912, report that we have agreed upon the items in dispute and recommend as follows:

The House of Representatives concur in the amendments adopted by the Senate.

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

House Conferees: TAD JUDE and KATHLEEN A. VELLENGA.

Senate Conferees: MARVIN B. HANSON, RANDOLPH W. PETERSON and JACK DAVIES.

Heinitz moved that the House refuse to adopt the Conference Committee report on H. F. No. 912, and that the bill be returned to the Conference Committee.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-----------|------------|---------------|-----------|
| Aasness | Dean | Greenfield | Hokr | Levi |
| Anderson, B. | Dempsey | Gruenes | Jacobs | Long |
| Anderson, I. | Den Ouden | Gustafson | Jennings | Ludeman |
| Battaglia | Drew | Halberg | Johnson, C. | Mann |
| Begich | Eken | Hanson | Johnson, D. | Marsh |
| Berkelman | Elioff | Harens | Jude | McCarron |
| Blatz | Erickson | Hauge | Kahn | McDonald |
| Brandl | Esau | Haukoos | Kaley | McEachern |
| Brinkman | Evans | Heap | Knickerbocker | Mehrkens |
| Carlson, D. | Ewald | Heinitz | Kostohryz | Metzen |
| Carlson, L. | Fjoslien | Himle | Kvam | Minne |
| Clark, K. | Forsythe | Hoberg | Lehto | Munger |
| Dahlvang | Friedrich | Hokanson | Lemen | Murphy |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Niehaus | Peterson, D. | Rothenberg | Simoneau | Voss |
| Norton | Piepho | Samuelson | Skoglund | Weaver |
| Novak | Pogemiller | Sarna | Staten | Welch |
| Nysether | Redalen | Schafer | Stowell | Welker |
| O'Connor | Rees | Schreiber | Stumpf | Wenzel |
| Olsen | Reif | Searles | Swanson | Wieser |
| Onnen | Rice | Shea | Tomlinson | Wigley |
| Osthoff | Rodriguez, C. | Sherman | Valento | Wynia |
| Otis | Rodriguez, F. | Sherwood | Vanasek | Zubay |
| Peterson, B. | Rose | Sieben, M. | Vellenga | Spkr. Sieben, H. |

Carlson, D., 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 and the roll was called.

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

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

There were 70 yeas and 63 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Ewald | Kaley | Niehaus | Shea |
| Ainley | Fjoslien | Kalis | Nysether | Sherman |
| Anderson, B. | Forsythe | Knickerbocker | Olsen | Sherwood |
| Berkelman | Friedrich | Kvam | Onnen | Stadum |
| Blatz | Gruenes | Laidig | Peterson, B. | Stowell |
| Brinkman | Halberg | Lemen | Piepho | Sviggum |
| Carlson, D. | Haukoos | Levi | Redaten | Valento |
| Dean | Heap | Ludeman | Rees | Vellenga |
| Dempsey | Heinitz | Luknic | Reif | Weaver |
| Den Ouden | Himle | Mann | Rose | Welch |
| Drew | Hoberg | Marsh | Rothenberg | Welker |
| Erickson | Hokr | McDonald | Schafer | Wieser |
| Esau | Jennings | Mehrkens | Schreiber | Wigley |
| Evans | Johnson, D. | Nelsen, B. | Searles | Zubay |

Those who voted in the negative were :

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Elioff | Kostohryz | Ogren | Simoneau |
| Anderson, I. | Ellingson | Lehto | Osthoff | Skoglund |
| Anderson, R. | Greenfield | Long | Otis | Staten |
| Battaglia | Gustafson | McCarron | Peterson, D. | Stumpf |
| Begich | Hanson | McEachern | Pogemiller | Swanson |
| Brandl | Harens | Metzen | Reding | Tomlinson |
| Byrne | Hauge | Minne | Rice | Vanasek |
| Carlson, L. | Hokanson | Munger | Rodriguez, C. | Voss |
| Clark, J. | Jacobs | Murphy | Rodriguez, F. | Wenzel |
| Clark, K. | Johnson, C. | Nelson, K. | Samuelson | Wynia |
| Clawson | Jude | Norton | Sarna | Spkr. Sieben, H. |
| Dahlvang | Kahn | Novak | Schoenfeld | |
| Eken | Kelly | O'Connor | Sieben, M. | |

The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 769

A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 1.

May 16, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 769, 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. 769 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 174.50, is amended by adding a subdivision to read:

Subd. 1a. An additional need of the state transportation system is the acquisition and betterment of rail lines and right-of-way for preservation in the state rail bank as provided in section 222.63.

Sec. 2. Minnesota Statutes 1980, Section 222.49, is amended to read:

222.49 [RAIL SERVICE IMPROVEMENT ACCOUNT.]

The rail service improvement account is created in the special revenue fund in the state treasury. The commissioner shall deposit *in this account* all money appropriated to or received by the department for the purpose of rail service improvement, including federal money, (IN THIS ACCOUNT) *but excluding proceeds of state bonds or other funds appropriated to the commissioner from the state transportation fund for the acquisition or betterment of property pertaining to the state rail bank established by section 222.63, and excluding income of the state rail bank and any other funds appropriated for its maintenance or improvement.* All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable state and federal law. This appropria-

tion shall not lapse but shall be available until the purpose for which it was appropriated has been accomplished. No money appropriated to the department for the purposes of administering the rail service improvement program shall be deposited in the rail service improvement account nor shall such administrative costs be paid from the account.

Sec. 3. Minnesota Statutes 1980, 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 reestablishing 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 *state rail (SERVICE) bank* improvement account.

Sec. 4. Minnesota Statutes 1980, Section 222.63, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] (FOR THE PURPOSE OF) *The terms defined in section 222.48 have the same meanings when used in this section (THE TERM). Other terms used in this section have the following meanings:*

(a) "Abandoned", when used with reference to a (RAILROAD) *rail line or right-of-way, means a line or right-of-way with respect to which the interstate commerce commission or other responsible federal regulatory agency has (FOUND THAT THE PUBLIC CONVENIENCE AND NECESSITY PERMIT) permitted discontinuance of rail service;*

(b) *“Right-of-way” means any real property, including any interest in the real property that is or has been owned by a railroad company as the site, or is adjacent to the site, of an existing or former rail line;*

(c) *“State rail bank” means abandoned rail lines and right-of-way acquired by the commissioner of transportation pursuant to this section.*

Sec. 5. Minnesota Statutes 1980, Section 222.63, Subdivision 2, is amended to read:

Subd. 2. [(ESTABLISHMENT; ACQUISITION; ELIGIBLE PROPERTIES) PURPOSE.] A state rail bank (IS) shall be established for the acquisition (,) and preservation (AND DISPOSITION) of abandoned (RAILROAD) rail lines and right-of-way for future public use, or for disposition for commercial use in serving the public, by providing transportation (AND) of persons or freight or transmission of energy, fuel, or other commodities.

Subd. 2a. [ACQUISITION.] The commissioner of transportation may acquire by purchase (OR OTHERWISE) all or part of any abandoned (RAILROAD) rail line or right-of-way which is necessary for (INCLUSION) preservation in the state rail bank to meet the future public and commercial transportation and transmission needs of the state. The commissioner shall not acquire any interest in an abandoned rail line or right-of-way for inclusion in the state rail bank by eminent domain except to quiet title or when all owners as defined in section 117.025 that are known to the court have no objection to the taking.

Subd. 2b. [ELIGIBLE PROPERTY.] An abandoned rail line or right-of-way is eligible for (INCLUSION) preservation in the state rail bank if the (RIGHT-OF-WAY MEETS) commissioner determines that it provides or may be used to provide 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) or 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 or transmission use; or

(e) (PROVIDES) Access to an extractive resource requiring rail or other transportation (AND) or transmission (RAIL SERVICES) service for its development.

Subd. 2c. [PRESERVATION.] The commissioner shall provide for the maintenance, including control of weeds, of any rail line or right-of-way that is (INCLUDED IN) acquired for the rail bank (. THE COMMISSIONER SHALL PROVIDE FOR THE MAINTENANCE), and for its 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) rail line on acquired right-of-way shall not be removed during any part or all of the period for which the right-of-way is included in the state rail bank.

Sec. 6. Minnesota Statutes 1980, Section 222.63, Subdivision 4, is amended to read:

Subd. 4. [DISPOSITION PERMITTED.] The commissioner (SHALL) may, in his discretion, lease any rail line or right-of-way (ACQUIRED UNDER) held in the state rail bank (PROGRAM) or enter into an agreement with any person for the operation of any rail line or right-of-way 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. The commissioner may after consultation convey any rail line or right-of-way, for consideration or for no consideration and upon other terms as the commissioner may determine to be in the public interest, to a governmental subdivision of the state having power by law to utilize it for any of the purposes set forth in subdivisions 2, 2a, 2b and 2c.

Sec. 7. Minnesota Statutes 1980, Section 222.63, is amended by adding a subdivision to read:

Subd. 8. [RAIL BANK MAINTENANCE AND IMPROVEMENT ACCOUNTS.] Special accounts shall be maintained in the state treasury, designated as the rail bank maintenance account and the rail bank improvement account, to record the receipts and expenditures of the commissioner of transportation for the maintenance and for the acquisition and betterment of rail bank property. Expenditures of proceeds of state transportation bonds and any other amounts appropriated to the commissioner from the state transportation fund shall be recorded in the improvement account. Funds received by the commissioner of transportation from rentals, fees, or charges for the use of rail bank property shall be credited to the maintenance account

and used for the maintenance of that property and held as a reserve for maintenance expenses in an amount determined by the commissioner, and amounts received in the maintenance account in excess of the reserve requirements shall be transferred to the improvement account. All proceeds of the sale of abandoned rail lines shall be deposited in the improvement account. The improvement account shall be used only for the acquisition and betterment of abandoned rail lines and right-of-way. All money to be deposited in those accounts as provided in this subdivision is appropriated to the commissioner of transportation for the purposes of this section. The appropriations shall not lapse but shall be available until the purposes for which the funds are appropriated are accomplished.

Sec. 8. Laws 1980, Chapter 610, is amended to read:

Section 1. [RAILROAD ASSISTANCE; APPROPRIATION.]

The sum of \$13,500,000 is appropriated from the state (BUILDING) *transportation* fund to the (RAIL SERVICE IMPROVEMENT ACCOUNT IN THE SPECIAL REVENUE FUND, TO BE EXPENDED BY THE) commissioner of transportation for the acquisition and betterment of public land and buildings and public improvements of a capital nature determined to be needed for preservation in the state rail bank in the manner and for the purposes specified in Minnesota Statutes, (SECTIONS 222.49 TO 222.62) Sections 222.50, Subdivision 7, Clause (c) and 222.63.

Sec. 2. [(BOND SALE; DEBT SERVICE) STATE TRANSPORTATION BONDS.]

Subdivision 1. To provide the money appropriated in this act from the state (BUILDING) *transportation* 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) Section 174.51, and by the Constitution, Article XI, Sections 4 (TO), 5, and 7.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to transportation; appropriating money for acquisition, betterment, and maintenance of the state rail bank; authorizing the issuance of state transportation

bonds; amending Minnesota Statutes 1980, Sections 174.50, by adding a subdivision; 222.49; 222.50, Subdivision 7; and 222.63, Subdivisions 1, 2, 4, and by adding a subdivision; and Laws 1980, Chapter 610."

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

House Conferees: BRUCE ANDERSON, HENRY J. KALIS and WARREN STOWELL.

Senate Conferees: TIMOTHY J. PENNY, IRVING M. STERN and GEORGE S. PILLSBURY.

Anderson, B., moved that the report of the Conference Committee on H. F. No. 769 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 769, A bill for an act relating to transportation; establishing a rail bank account; providing for the deposit of money in the rail bank account and specifying the purposes for which it may be expended; appropriating money; amending Minnesota Statutes 1980, Sections 222.49; 222.50, Subdivision 7; 222.63, by adding a subdivision; and Laws 1980, Chapter 610, Section 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.

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

There were 121 yeas and 5 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|------------|---------------|
| Anderson, B. | Den Ouden | Haukoos | Lehto | Novak |
| Anderson, G. | Eken | Heap | Lemen | Nysether |
| Anderson, I. | Elioff | Heinitz | Levi | O'Connor |
| Battaglia | Ellingson | Himle | Long | Olsen |
| Begich | Erickson | Hoberg | Luknic | Osthoff |
| Berkelman | Esau | Hokanson | Mann | Otis |
| Blatz | Evans | Jacobs | Marsh | Peterson, B. |
| Brandl | Ewald | Johnson, C. | McCarron | Peterson, D. |
| Brinkman | Fjoslien | Johnson, D. | McEachern | Piepho |
| Byrne | Forsythe | Jude | Mehrkens | Pogemiller |
| Carlson, D. | Friedrich | Kahn | Metzen | Redalen |
| Carlson, L. | Greenfield | Kaley | Minne | Reding |
| Clark, J. | Gruenes | Kalis | Munger | Rees |
| Clark, K. | Gustafson | Kelly | Murphy | Reif |
| Clawson | Halberg | Knickerbocker | Nelsen, B. | Rice |
| Dahlvang | Hanson | Kostohryz | Nelson, K. | Rodriguez, C. |
| Dean | Harens | Kvam | Niehaus | Rodriguez, F. |
| Dempsey | Hauge | Laidig | Norton | Rose |

| | | | | |
|------------|------------|-----------|----------|------------------|
| Rothenberg | Shea | Stowell | Vellenga | Wynia |
| Samuelson | Sherman | Stumpf | Voss | Zubay |
| Sarna | Sieben, M. | Sviggum | Weaver | Spkr. Sieben, H. |
| Schafer | Simoneau | Swanson | Welch | |
| Schoenfeld | Skoglund | Tomlinson | Weazel | |
| Schreiber | Stadum | Valento | Wieser | |
| Searles | Staten | Vanasek | Wigley | |

Those who voted in the negative were :

| | | | | |
|------|----------|---------|----------|--------|
| Drew | Jennings | Ludeman | McDonald | Welker |
|------|----------|---------|----------|--------|

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

CALL OF THE HOUSE LIFTED

Simoneau 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. 697

A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

May 16, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 697, 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. 697 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 500.221, is amended to read:

500.221 [RESTRICTIONS ON ACQUISITION OF TITLE.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, "agricultural land" means land capable of use in the production of agricultural crops, livestock or livestock products, poultry or poultry products, milk or dairy products, or fruit and other hor-

ticultural products but does not include any land zoned by a local governmental unit for a use other than and nonconforming with agricultural use. For the purposes of this section, "interest in agricultural land" includes any leasehold interest. *For the purposes of this section, a "permanent resident alien of the United States" is a natural person who has been lawfully admitted to the United States for permanent residence and in fact maintains his principal, actual dwelling place within the United States for at least six months out of every consecutive 12 month period without regard to intent. For the purposes of this section, "commissioner" means the commissioner of agriculture.*

Subd. 1a. [DETERMINATION OF ALIEN STATUS.] An alien who has been physically absent from the United States for more than six months out of any 12 month period shall be presumed not to be a permanent resident alien. Every permanent resident alien of the United States who owns property subject to this section shall annually, at some time during the month of January, file with the commissioner a statement setting forth the dates and places of that person's residence in the United States during the prior calendar year. The statement shall include an explanation of absences totaling more than six months during the prior calendar year and any facts which support the continuation of permanent resident alien status. Upon receipt of the statement, the commissioner shall have 30 days to review the statement and notify the resident alien whether the facts support continuation of the permanent resident alien status.

Subd. 2. [ALIENS AND NON-AMERICAN CORPORATIONS.] Except as hereinafter provided, no natural person shall (HEREAFTER) acquire directly or indirectly any interest in agricultural land unless (HE BE) the person is a citizen of the United States or a permanent resident alien of the United States (AND,). In addition to the restrictions in section 500.24, no corporation, partnership, limited partnership, trustee, or other business entity shall (HEREAFTER,) directly or indirectly, acquire or otherwise obtain any interest, whether legal, beneficial or otherwise, in any title to agricultural land unless at least 80 percent of each class of stock issued and outstanding or 80 percent of the ultimate beneficial interest of (SUCH) the entity is held directly or indirectly by citizens of the United States or permanent resident aliens. This section shall not apply:

(1) to agricultural land that may be acquired by devise, inheritance, as security for indebtedness, by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise (; PROVIDED, THAT). All agricultural land (SO) acquired in the collection of debts or by the enforcement of a lien or claim shall be disposed of within three years after acquiring ownership (. FURTHER, THE PROVISIONS OF THIS SECTION SHALL NOT APPLY);

(2) to citizens or subjects of a foreign country whose rights to hold land are secured by treaty (OR);

(3) to lands used for transportation purposes by a common carrier, as defined in section 218.011, subdivision 2 (, OR);

(4) to lands or interests in lands acquired for use in connection with mining and mineral processing operations (PROVIDED, HOWEVER, THAT). Pending the development of agricultural land for mining purposes (SUCH) the land may not be used for farming except under lease to a family farm, a family farm corporation or an authorized farm corporation (. FURTHER, THE PROVISIONS OF THIS SECTION SHALL NOT APPLY); and

(5) to agricultural land operated for research or experimental purposes (, PROVIDED THAT) if the ownership of the agricultural land (SHALL BE) is incidental to the research or experimental objectives of the person or business entity (,) and (PROVIDED THAT) the total acreage owned by the person or business entity does not exceed the acreage owned on May 27, 1977.

Subd. 2a. [LOSS OF EXEMPT STATUS.] If any person or business entity acquires an interest in agricultural land as permitted by subdivision 2 and thereafter ceases to be a person or entity qualified to acquire an interest in agricultural land as permitted by subdivision 2 by reason of the loss of citizenship or permanent residence status or the loss of citizenship or permanent residence status of its shareholders or the holders of ultimate beneficial interests, the person or entity shall:

(a) *Notify the commissioner within 30 days of the loss of qualification and file a report with the commissioner of agriculture giving a description of all agricultural land owned by the person or entity within the state, the date upon which the land was acquired, the date upon which the person or entity ceased to be qualified, and other information reasonably required by the commissioner;*

(b) *Divest itself of any agricultural land acquired after May 27, 1981 within one year of the date upon which the person or entity ceased to be qualified;*

(c) *Report the divestiture to the commissioner of agriculture within 90 days after it occurs;*

(d) *Make other reports as the commissioner may reasonably require; and*

(e) *Continue to file periodic reports as required by subdivision 4 with respect to any land acquired on or before May 27, 1977.*

Subd. 2b. [INVESTIGATION BY COMMISSIONER.] The commissioner, upon the request of any person or upon receipt of any information which leads him to believe that a violation of this section may exist, may issue subpoenas requiring the appearance of witnesses, the production of relevant records and the giving of relevant testimony. If, as a result of his investigation, the commissioner concludes that a violation of this section may have occurred, he shall provide the landowner or his designee with the opportunity to meet with the commissioner or his designee in the county where the land is located to exchange information relating to the compliance with this section and any necessity for divestiture. The commissioner shall have the power to issue additional subpoenas for the meeting. The landowner and any person subpoenaed by the commissioner may be represented by counsel. Notwithstanding the provisions of chapter 15, the preliminary investigation and the meeting do not constitute a contested case hearing.

Subd. 3. [ENFORCEMENT.] If, after investigation, the (ATTORNEY GENERAL) commissioner has reason to believe that any person is violating (SUBDIVISION 2) this section, he shall commence an action in the district court in which any agricultural land relative to the violation is situated, or if situated in two or more counties, in any county in which a substantial part of the land is situated. The (ATTORNEY GENERAL) commissioner shall file for record with the county recorder or the registrar of titles of each county in which any portion of (SAID) the land is located a notice of the pendency of the action as provided in section 557.02. If the court finds that the land in question is being held in violation of subdivision 2, it shall enter an order so declaring. The (ATTORNEY GENERAL) commissioner shall file for record any (SUCH) order with the county recorder or the registrar of titles of each county in which any portion of (SAID) the land is located. Thereafter, the natural person, corporation, partnership, limited partnership, trustee or other business entity, (OWNING SUCH LAND) shall have a period of one year from the date of the order to divest itself of the lands. The aforementioned one year limitation period shall be deemed a covenant running with the title to the land against any grantee or assignee or successor corporation or any non-corporation entity acting as agent, assignee, or successor on behalf of a corporation. Any land not so divested within the time prescribed shall be sold at public sale in the manner prescribed by law for the foreclosure of a mortgage by action. (IN ADDITION, ANY PROSPECTIVE OR THREATENED VIOLATION MAY BE ENJOINED BY AN ACTION BROUGHT BY THE ATTORNEY GENERAL IN THE MANNER PROVIDED BY LAW.) No title to land shall be invalid or subject to forfeiture by reason of the alienage of any former owner or person having a former interest therein.

Subd. 3a. [INJUNCTION.] The commissioner may seek injunctive relief whenever a violation of this section is threatened.

Subd. 3b. [AGREEMENT.] The commissioner is authorized to enter into a written agreement in settlement of any alleged violation, whether or not a hearing is held on the violation. An agreement may provide for an extension of the time period for divestiture but shall not include a waiver of a divestiture required by this section. The agreement shall be construed as a "No Contest" pleading and may include any sanctions, penalties, or affirmative actions which are mutually satisfactory and are consistent with this section. The agreement shall be final and conclusive with respect to the action, except upon a showing of fraud, malfeasance, or misrepresentation of a material fact. The matter agreed upon shall not be reopened or modified by an officer, employee, or agent of the state. The agreement shall be filed in Ramsey county district court and shall be enforceable by it or the district court of the county in which the person resides or principally does business. Any violator of an agreement may, after notice is given to the alleged violator and a hearing is held, be punished by the district court as for contempt, in addition to other remedies in this section.

Subd. 4. [REPORTS.] Any natural person, corporation, partnership, limited partnership, trustee, or other business entity prohibited from future acquisition of agricultural land may retain title to any agricultural land lawfully acquired within this state (ACQUIRED) prior to (MAY 27, 1977) June 1, 1981, but (IT) shall file a report with the commissioner of agriculture (WITHIN 90 DAYS AFTER MAY 27, 1977 AND) annually before (APRIL 15 THEREAFTER,) January 31 containing a description of all agricultural land held within this state, the purchase price and market value of the land, the use to which it is put, the date of acquisition and any other reasonable information required by the commissioner. The commissioner shall make the information available to the public. All required annual reports shall include a filing fee of \$35.

Subd. 5. [PENALTY.] Willful failure to properly register any parcel of land as required by subdivision 4 is a gross misdemeanor. Each full month of failure to register is a separate offense."

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

House Conferees: LEROY STUMPF, BRUCE ANDERSON and ELTON R. REDALEN.

Senate Conferees: MARV HANSON, GREGORY DAHL and DARREL L. PETERSON.

Stumpf moved that the report of the Conference Committee on H. F. No. 697 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 697, A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

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 118 yeas and 10 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Esau | Kelly | O'Connor | Sherwood |
| Anderson, G. | Evans | Knickerböcker | Ogren | Sieben, M. |
| Anderson, I. | Ewald | Kostohryz | Olsen | Simoneau |
| Anderson, R. | Fjoslien | Kvam | Onnen | Stadum |
| Battaglia | Forsythe | Laidig | Osthoff | Staten |
| Begich | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, B. | Stumpf |
| Blatz | Halberg | Levi | Peterson, D. | Sviggum |
| Brinkmar | Hanson | Long | Piepho | Swanson |
| Byrne | Hauge | Luknic | Pogemiller | Tomlinson |
| Carlson, D. | Haukoos | Mann | Redalen | Valento |
| Carlson, L. | Heap | Marsh | Reding | Vanasek |
| Clark, J. | Heinritz | McCarron | Rees | Vellenga |
| Clark, K. | Himle | McDonald | Reif | Voss |
| Clawson | Hoberg | Metzen | Rice | Weaver |
| Dahlvang | Hokanson | Minne | Rodriguez, F. | Welch |
| Dean | Hokr | Munger | Rose | Wenzel |
| Dempsey | Jacobs | Murphy | Rothenberg | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Samuelson | Wigley |
| Drew | Johnson, D. | Nelson, K. | Sarna | Wynia |
| Eken | Jude | Niehaus | Schoenfeld | Zubay |
| Elioff | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Ellingson | Kaley | Novak | Shea | |
| Erickson | Kalis | Nysether | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------|-----------|---------------|-----------|----------|
| Ainley | Friedrich | Ludeman | Schafer | Skoglund |
| Brandl | Jennings | Rodriguez, C. | Schreiber | Welker |

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. 968, A bill for an act relating to penalties for crimes; creating the Minnesota law enforcement training account and the crime victim assistance account; appropriating

money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 299B.06; 588.01, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 626.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Lehto moved that the House concur in the Senate amendments to H. F. No. 968 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 968, A bill for an act relating to penalties for traffic offenses; authorizing penalty assessments for peace officers training; appropriating money; amending Minnesota Statutes 1980, Sections 171.16, Subdivision 3; 588.01, Subdivision 3; 626.845, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 626.

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 | Esau | Kalis | Novak | Searles |
| Ainley | Evans | Kelly | Nysether | Shea |
| Anderson, B. | Ewald | Knickerbocker | Ogren | Sherman |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Sherwood |
| Anderson, I. | Forsythe | Kvam | Onnen | Sieben, M. |
| Anderson, R. | Friedrich | Laidig | Osthoff | Simoneau |
| Battaglia | Greenfield | Lehto | Otis | Skoglund |
| Begich | Gruenes | Lemen | Peterson, B. | Staten |
| Berkelman | Halberg | Levi | Peterson, D. | Stowell |
| Blatz | Hanson | Long | Piepho | Stumpf |
| Brandl | Harens | Ludeman | Pogemiller | Sviggum |
| Brinkman | Hauge | Luknic | Redalen | Swanson |
| Carlson, D. | Haukoos | Mann | Reding | Tomlinson |
| Carlson, L. | Heap | Marsh | Rees | Valento |
| Clark, J. | Heinitz | McCarron | Reif | Vanasek |
| Clark, K. | Himle | McDonald | Rice | Vellenga |
| Clawson | Hoberg | Mehrkens | Rodriguez, C. | Voss |
| Dahlvang | Hokanson | Metzen | Rodriguez, F. | Weaver |
| Dempsey | Jacobs | Minne | Rose | Welch |
| Den Ouden | Jennings | Munger | Rothenberg | Wenzel |
| Drew | Johnson, C. | Murphy | Samuelson | Wieser |
| Eken | Johnson, D. | Nelsen, B. | Sarna | Wigley |
| Elioff | Jude | Nelson, K. | Schafer | Wynia |
| Ellingson | Kahn | Niehaus | Schoenfeld | Zubay |
| Erickson | Kaley | Norton | Schreiber | Sprk. 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. 247, A bill for an act relating to retirement; authorizing certain persons to purchase prior service credit; authorizing certain persons to change retirement coverage for future services.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Sarna moved that the House concur in the Senate amendments to H. F. No. 247 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 247, A bill for an act relating to retirement; authorizing certain persons to purchase prior service credit; authorizing certain persons to change retirement coverage for future services; providing for retroactive coverage by the Minnesota state retirement system correctional employees retirement plan in certain instances; amending Minnesota Statutes 1980, Section 352.91, 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 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|---------------|------------|---------------|
| Aasness | Drew | Hoberg | Mann | Peterson, B. |
| Ainley | Eken | Hokanson | Marsh | Peterson, D. |
| Anderson, B. | Elioff | Hokr | McCarron | Piepho |
| Anderson, G. | Ellingson | Jacobs | McDonald | Pogemiller |
| Anderson, I. | Erickson | Jennings | McEachern | Redalen |
| Anderson, R. | Esau | Johnson, C. | Mehrkens | Reding |
| Battaglia | Evans | Johnson, D. | Minne | Rees |
| Begich | Fjoslien | Jude | Munger | Reif |
| Blatz | Forsythe | Kahn | Murphy | Rice |
| Brandl | Friedrich | Kaley | Nelsen, B. | Rodriguez, C. |
| Brinkman | Greenfield | Kalis | Nelson, K. | Rodriguez, F. |
| Byrne | Gruenes | Kelly | Niehaus | Rose |
| Carlson, D. | Gustafson | Knickerbocker | Norton | Rothenberg |
| Carlson, L. | Halberg | Kostohryz | Novak | Sarna |
| Clark, J. | Hanson | Laidig | Nysether | Schafer |
| Clark, K. | Harens | Lehto | O'Connor | Schoenfeld |
| Clawson | Hauge | Lemen | Ogren | Schreiber |
| Dahlvang | Haukoos | Levi | Olsen | Searles |
| Dean | Heap | Long | Onnen | Sherman |
| Dempsey | Heinitz | Ludeman | Osthoff | Sherwood |
| Den Ouden | Himle | Luknic | Otis | Sieben, M. |

| | | | | |
|----------|-----------|----------|--------|------------------|
| Simoneau | Stumpf | Vanasek | Welker | Zubay |
| Skoglund | Svigum | Vellenga | Wenzel | Spkr. Sieben, H. |
| Stadum | Swanson | Voss | Wieser | |
| Staten | Tomlinson | Weaver | Wigley | |
| Stowell | Valento | Welch | Wynia | |

Those who voted in the negative were:

Kvam

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. 305, A bill for an act relating to crimes; specifying the crime of theft of services; amending Minnesota Statutes 1980, Section 609.52, Subdivisions 1 and 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 305 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 305, A bill for an act relating to crimes; specifying the crime of theft of services; conforming the definition of trade secret in the law proscribing theft to the definition of trade secret in the uniform trade secrets act; amending Minnesota Statutes 1980, Section 609.52.

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 | Brandl | Dempsey | Fjoslien | Hauge |
| Ainley | Brinkman | Den Ouden | Forsythe | Haukoos |
| Anderson, B. | Byrne | Drew | Friedrich | Heap |
| Anderson, G. | Carlson, D. | Eken | Greenfield | Heinitz |
| Anderson, I. | Carlson, L. | Elioff | Gruenes | Himle |
| Anderson, R. | Clark, J. | Ellingson | Gustafson | Hoberg |
| Battaglia | Clark, K. | Erickson | Halberg | Hokanson |
| Begich | Clawson | Esau | Hanson | Hokr |
| Blatz | Dahlvang | Evans | Harens | Jacobs |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Jennings | Mann | Onnen | Samuelson | Tomlinson |
| Johnson, C. | Marsh | Osthoff | Schafer | Valento |
| Johnson, D. | McCarron | Otis | Schoenfeld | Vanasek |
| Kahn | McDonald | Peterson, B. | Schreiber | Vellenga |
| Kaley | Mehrkens | Peterson, D. | Searles | Voss |
| Kalis | Minne | Piepho | Shea | Weaver |
| Kelly | Munger | Pogemiller | Sherman | Welch |
| Knickerbocker | Murphy | Redalen | Sherwood | Welker |
| Kostohryz | Nelsen, B. | Reding | Sieben, M. | Wenzel |
| Kvam | Nelson, K. | Rees | Simoneau | Wieser |
| Laidig | Niehaus | Reif | Skoglund | Wigley |
| Lehto | Norton | Rice | Stadum | Wynia |
| Lemen | Novak | Rodriguez, C. | Staten | Zubay |
| Levi | Nyaether | Rodriguez, F. | Stowell | Spkr. Sieben, H. |
| Long | Ogren | Rose | Stumpf | |
| Luknic | Olsen | Rothenberg | Swanson | |

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

The Speaker resumed the Chair.

Mr. Speaker:

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

S. F. No. 775.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 775, A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

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, Samuelson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 775 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Samuelson moved that the rules of the House be so far suspended that S. F. No. 775 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 775 was read for the second time.

Samuelson and Clark, K., moved to amend S. F. No. 775 as follows:

Page 7, after line 19, insert:

"Subd. 3. [CANCER SURVEILLANCE SYSTEM.] The sum of \$30,000 is appropriated to the commissioner of health for the biennium ending June 30, 1983 for the purpose of designing a statewide cancer and birth defects surveillance system and pilot testing the system. This amount shall be taken from the appropriations for subdivision 1 and for subdivision 2. The commissioner shall seek matching funds from other sources to supplement this amount."

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 52 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Drew | Jude | Murphy | Shea |
| Anderson, B. | Eken | Kahn | Nelson, K. | Sieben, M. |
| Anderson, G. | Elioff | Kalis | Norton | Simoneau |
| Anderson, I. | Ellingson | Kelly | Novak | Skoglund |
| Anderson, R. | Greenfield | Knickerbocker | Ogren | Staten |
| Battaglia | Gustafson | Lehto | Osthoff | Stumpf |
| Begich | Halberg | Long | Otis | Swanson |
| Berkelman | Hanson | Luknic | Peterson, D. | Tomlinson |
| Brandl | Harens | Mann | Pogemiller | Vanasek |
| Byrne | Hauge | Marsh | Rice | Voss |
| Carlson, L. | Heap | McCarron | Rodriguez, C. | Welch |
| Clark, J. | Hokanson | McEachern | Rodriguez, F. | Wenzel |
| Clark, K. | Jacobs | Metzen | Samuelson | Wynia |
| Clawson | Johnson, C. | Minne | Sarna | Spkr. Sieben, H. |
| Dahlvang | Johnson, D. | Munger | Schoenfeld | |

Those who voted in the negative were:

| | | | | |
|-------------|-----------|--------------|----------|---------|
| Ainley | Forsythe | Laidig | Piepho | Stowell |
| Blatz | Friedrich | Lemen | Redalen | Sviggum |
| Carlson, D. | Gruenes | Levi | Reding | Valento |
| Dean | Haukoos | Ludeman | Rees | Weaver |
| Dempsey | Heinitz | McDonald | Reif | Welker |
| Den Ouden | Himle | Mehrkens | Rose | Wieser |
| Erickson | Hoberg | Nelsen, B. | Schafer | Wigley |
| Esau | Hokr | Niehaus | Searles | Zubay |
| Evans | Jennings | Nysether | Sherman | |
| Ewald | Kaley | Onnen | Sherwood | |
| Fjoslien | Kvam | Peterson, B. | Stadum | |

The motion prevailed and the amendment was adopted.

Ogren moved to amend S. F. No. 775, as amended, as follows:

Page 4, after line 24, insert:

“Sec. 5. [FLUORIDATION OF MUNICIPAL WATER SUPPLIES.]

Notwithstanding Minnesota Statutes 144.145, the commissioner of health shall exempt the community of Brainerd from the requirement for fluoridation of its municipal water supply. This exemption is for a study by the department of health of the impact of fluoridation on the health, including the dental health, of the residents. All costs generated by this study shall be borne by the city of Brainerd. This exemption shall be allowed after approval by the majority of registered Brainerd voters voting on the issue at a special or regular election set by the Brainerd city council.”

Renumber the sections.

Amend the title accordingly.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kahn | Nysether | Searles |
| Ainley | Evans | Kalis | O'Connor | Shea |
| Anderson, G. | Ewald | Kelly | Ogren | Sherman |
| Anderson, I. | Fjoslien | Knickerbocker | Olsen | Sherwood |
| Anderson, R. | Forsythe | Kostohryz | Onnen | Sieben, M. |
| Battaglia | Friedrich | Laidig | Osthoff | Simoneau |
| Begich | Greenfield | Lemen | Otis | Skoglund |
| Berkelman | Gruenes | Levi | Peterson, B. | Stowell |
| Blatz | Gustafson | Ludeman | Peterson, D. | Stumpf |
| Brandl | Halberg | Luknic | Piepho | Swanson |
| Brinkman | Hanson | Mann | Pogemiller | Tomlinson |
| Byrne | Harens | Marsh | Redalen | Valan |
| Carlson, D. | Haukoos | McCarron | Reding | Valento |
| Carlson, L. | Heap | McDonald | Rees | Vellenga |
| Clark, J. | Heinitz | McEachern | Reif | Voss |
| Clawson | Himle | Mehrkens | Rice | Weaver |
| Dahlvang | Hoberg | Metzen | Rodriguez, C. | Welch |
| Dean | Hokanson | Minne | Rodriguez, F. | Welker |
| Dempsey | Hokr | Munger | Rose | Wenzel |
| Den Ouden | Jacobs | Nelsen, B. | Rothenberg | Wieser |
| Drew | Jennings | Nelson, K. | Samuelson | Wigley |
| Eken | Johnson, C. | Niehaus | Sarna | Wynia |
| Elioff | Johnson, D. | Norton | Schafer | Zubay |
| Ellingson | Jude | Novak | Schoenfeld | Spkr. Sieben, H. |

Carlson, D., 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.

Carlson, D., moved to amend the Ogren amendment to S. F. No. 775, as amended, as follows:

Line 2, delete "the" insert "any"

Line 2, delete "of Brainerd"

Line 6, delete "city of Brainerd" and insert "local jurisdiction"

Line 8, delete "Brainerd"

Line 9, delete "Brainerd city council" insert "local governing body"

A roll call was requested and properly seconded.

POINT OF ORDER

Halberg raised a point of order pursuant to rule 3.9 that the Ogren amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

The question was taken on the amendment to the amendment and the roll was called. There were 68 yeas and 60 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|----------|
| Aasness | Halberg | Ludeman | Onnen | Sherwood |
| Ainley | Haukoos | Luknic | Peterson, B. | Stadum |
| Anderson, B. | Heap | Mann | Piepho | Stowell |
| Anderson, R. | Himle | Marsh | Redalen | Sviggum |
| Blatz | Hoberg | McCarron | Reding | Valan |
| Carlson, D. | Hokr | McDonald | Rees | Valento |
| Dean | Jennings | Mehrkens | Rodriguez, C. | Vellenga |
| Dempsey | Johnson, C. | Munger | Rose | Weaver |
| Den Ouden | Johnson, D. | Nelsen, B. | Rothenberg | Welker |
| Erickson | Knickerbocker | Niehaus | Samuelson | Wenzel |
| Esau | Kvam | Nysether | Schafer | Wieser |
| Ewald | Laidig | O'Connor | Schreiber | Wigley |
| Fjoslien | Lehto | Ogren | Searles | |
| Gustafson | Levi | Olsen | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|-----------|---------------|------------------|
| Anderson, G. | Eken | Jude | Norton | Sieben, M. |
| Anderson, I. | Elioff | Kahn | Novak | Simoneau |
| Battaglia | Ellingson | Kaley | Osthoff | Skoglund |
| Begich | Evans | Kalis | Otis | Stumpf |
| Berkelman | Forsythe | Kelly | Peterson, D. | Swanson |
| Brandl | Greenfield | Kostohryz | Pogemiller | Tomlinson |
| Byrne | Gruenes | Lemen | Reif | Vanasek |
| Carlson, L. | Hanson | Long | Rice | Voss |
| Clark, J. | Harens | McEachern | Rodriguez, F. | Welch |
| Clawson | Heinitz | Metzen | Sarna | Wynia |
| Dahlvang | Hokanson | Minne | Schoenfeld | Zubay |
| Drew | Jacobs | Murphy | Shea | Spkr. Sieben, H. |

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

POINT OF ORDER

Swanson raised a point of order pursuant to rule 3.9 that the Ogren amendment, as amended, was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

McCarron moved to amend S. F. No. 775, as amended, as follows:

Page 6, delete lines 1 to 11

Renumber the sections

Amend the title as follows:

Page 1, line 8, delete "subdivisions" and insert "subdivision"

The motion prevailed and the amendment was adopted.

S. F. No. 775, A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, 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 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|---------------|------------|
| Aasness | Clark, J. | Forsythe | Jacobs | Long |
| Ainley | Clawson | Greenfield | Jennings | Ludeman |
| Anderson, B. | Dahlvang | Gruenes | Johnson, C. | Luknic |
| Anderson, G. | Dean | Gustafson | Johnson, D. | Mann |
| Anderson, I. | Dempsey | Halberg | Jude | Marsh |
| Anderson, R. | Den Ouden | Hanson | Kahn | McCarron |
| Battaglia | Drew | Harens | Kaley | McDonald |
| Begich | Eken | Hauge | Kalis | McEachern |
| Berkelman | Elioff | Haukoos | Kelly | Mehrkens |
| Blatz | Ellingson | Heap | Knickerbocker | Metzen |
| Brandl | Erickson | Heinitz | Kostohryz | Minne |
| Brinkman | Esau | Himle | Kvam | Munger |
| Byrne | Evans | Hoberg | Laidig | Murphy |
| Carlson, D. | Ewald | Hokanson | Lehto | Nelsen, B. |
| Carlson, L. | Fjoslien | Hokr | Levi | Nelson, K. |

| | | | | |
|--------------|---------------|------------|----------|------------------|
| Niehaus | Peterson, D. | Rothenberg | Stadum | Welch |
| Norton | Piepho | Sarna | Stowell | Welker |
| Novak | Pogemiller | Schafer | Stumpf | Wenzel |
| Nysether | Redalen | Schoenfeld | Swiggum | Wieser |
| O'Connor | Reding | Searles | Swanson | Wigley |
| Ogren | Rees | Shea | Valan | Wynia |
| Olsen | Reif | Sherman | Valento | Zubay |
| Onnen | Rice | Sherwood | Vanasek | Spkr. Sieben, H. |
| Osthoff | Rodriguez, C. | Sieben, M. | Vellenga | |
| Otis | Rodriguez, F. | Simoneau | Voss | |
| Peterson, B. | Rose | Skoglund | Weaver | |

Those who voted in the negative were:

Lemen

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

MOTION FOR RECONSIDERATION

Clark, J., moved that the vote whereby the Nelson, K., motion to suspend Article IV, Section 19 of the State Constitution relating to S. F. No. 1164 did not prevail be now reconsidered. The motion prevailed.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Nelson, K., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1164 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Nelson, K., moved that the rules of the House be so far suspended that S. F. No. 1164 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1164 was read for the second time.

Erickson, Schoenfeld and Shea were excused while in conference committee.

Rothenberg and Nelson, K., moved to amend S. F. No. 1164, as follows:

Page 1, after line 15, insert:

"No petition seeking re-sentencing shall be granted unless the court makes specific findings of fact that release of the petitioner prior to the time he or she would be released under the sentence currently being served does not present a danger to the public and is not incompatible with the welfare of society."

The motion prevailed and the amendment was adopted.

Lemen moved to amend S. F. No. 1164, as amended, as follows:

Page 1, after line 15, add a new section to read:

"Sec. 2. This act is effective the day following affirmation of the sentencing guidelines by majority vote of each body of the Legislature."

A roll call was requested and properly seconded.

The Speaker called Wynia to the Chair.

Laidig moved that S. F. No. 1164, as amended, be re-referred to the Committee on Criminal Justice.

A roll call was requested and properly seconded.

The question was taken on the Laidig motion and the roll was called.

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

There were 43 yeas and 82 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-----------|-------------|---------------|--------------|---------|
| Aasness | Fjoslien | Knickerbocker | Osthoff | Stowell |
| Ainley | Forsythe | Kostohryz | Peterson, B. | Swiggum |
| Battaglia | Friedrich | Laidig | Reding | Valan |
| Begich | Gruenes | Lemen | Reif | Valento |
| Brinkman | Halberg | Ludeman | Rose | Weaver |
| Dean | Haukoos | Niehaus | Samuelson | Welker |
| Den Ouden | Himle | Nysether | Schafer | Wieser |
| Drew | Hoberg | Olsen | Sherwood | |
| Esau | Johnson, D. | Onnen | Stadium | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Gustafson | Long | Ogren | Skoglund |
| Berkelman | Hanson | Luknic | Otis | Staten |
| Blatz | Harens | Mann | Peterson, D. | Stumpf |
| Brandl | Hauge | Marsh | Piepho | Swanson |
| Byrne | Heap | McCarron | Pogemiller | Tomlinson |
| Carlson, L. | Heinitz | McDonald | Redalen | Vanasek |
| Clark, J. | Hokanson | McEachern | Rees | Vellenga |
| Clark, K. | Hokr | Mehrkens | Rice | Voss |
| Clawson | Jacobs | Metzen | Rodriguez, C. | Welch |
| Dahlvang | Johnson, C. | Minne | Rodriguez, F. | Wenzel |
| Dempsey | Jude | Munger | Rothenberg | Wigley |
| Eken | Kahn | Murphy | Sarna | Wynia |
| Elioff | Kaley | Nelsen, B. | Schreiber | Zubay |
| Ellingson | Kelly | Nelson, K. | Searles | Spkr. Sieben, H. |
| Evans | Kvam | Norton | Sherman | |
| Ewald | Lehto | Novak | Sieben, M. | |
| Greenfield | Levi | O'Connor | Simoneau | |

The motion did not prevail.

The question recurred on the Lemen amendment and the roll was called.

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

There were 48 yeas and 76 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|---------------|------------|---------------|---------|
| Aasness | Halberg | Lemen | Peterson, B. | Stadum |
| Ainley | Haukoos | Ludeman | Redalen | Stowell |
| Blatz | Heinitz | McEachern | Reif | Sviggum |
| Carlson, D. | Himle | Metzen | Rodriguez, C. | Valan |
| Den Ouden | Hoberg | Nelsen, B. | Rothenberg | Valento |
| Esau | Jennings | Niehaus | Sarna | Weaver |
| Fjoslien | Johnson, D. | Nysether | Schafer | Welker |
| Forsythe | Kaley | Olsen | Schreiber | Wieser |
| Friedrich | Knickerbocker | Onnen | Searles | |
| Gruenes | Laidig | Osthoff | Sherwood | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Elioff | Kelly | Novak | Stumpf |
| Anderson, I. | Ellingson | Kostohryz | O'Connor | Swanson |
| Battaglia | Evans | Kvam | Ogren | Tomlinson |
| Begich | Ewald | Lehto | Otis | Vanasek |
| Berkelman | Greenfield | Levi | Peterson, D. | Vellenga |
| Brandl | Gustafson | Long | Piepho | Voss |
| Brinkman | Hanson | Luknic | Pogemiller | Welch |
| Byrne | Harens | Mann | Reding | Wenzel |
| Carlson, L. | Hauge | Marsh | Rees | Wigley |
| Clark, J. | Heap | McCarron | Rice | Wynia |
| Clark, K. | Hokanson | Mehrkens | Rodriguez, F. | Zubay |
| Clawson | Hokr | Minne | Rose | Spkr. Sieben, H. |
| Dahlvang | Jacobs | Munger | Sieben, M. | |
| Dempsey | Johnson, C. | Murphy | Simoneau | |
| Drew | Jude | Nelson, K. | Skoglund | |
| Eken | Kahn | Norton | Staten | |

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

Kelly moved to amend S. F. No. 1164, as amended, as follows:

Page 1, line 11, after "*crime*" insert "*committed before May 1, 1980*"

The motion prevailed and the amendment was adopted.

Lemen offered an amendment to S. F. No. 1164, as amended.

POINT OF ORDER

Kelly raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker pro tempore ruled the point of order well taken and the amendment out of order.

The Speaker resumed the Chair.

S. F. No. 1164, A bill for an act relating to crimes; providing for application for relief of sentences imposed prior to adoption of sentencing guidelines; amending Minnesota Statutes 1980, Section 590.01, 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.

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

There were 83 yeas and 42 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Ellingson | Kelly | O'Connor | Stadum |
| Anderson, R. | Evans | Kvam | Ogren | Staten |
| Battaglia | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gustafson | Levi | Peterson, B. | Sviggum |
| Blatz | Hanson | Long | Peterson, D. | Tomlinson |
| Brandl | Hauge | Luknic | Piepho | Valan |
| Brinkman | Heap | Mann | Redalen | Vanasek |
| Byrne | Heinitz | Marsh | Rees | Vellenga |
| Carlson, D. | Hoberg | McCarron | Rice | Voss |
| Carlson, L. | Hokanson | McDonald | Rodriguez, C. | Weaver |
| Clark, J. | Hokr | Mehrkens | Rodriguez, F. | Wenzel |
| Clark, K. | Jacobs | Minne | Rose | Wigley |
| Clawson | Johnson, C. | Munger | Rothenberg | Wynia |
| Dahlvang | Johnson, D. | Murphy | Searles | Zubay |
| Dempsey | Jude | Nelson, K. | Sherman | Spkr. Sieben, H. |
| Eken | Kahn | Norton | Sieben, M. | |
| Elioff | Kaley | Novak | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|------------|-----------|----------|
| Aasness | Fjoslien | Kostohryz | Olsen | Sherwood |
| Ainley | Forsythe | Laidig | Onnen | Skoglund |
| Anderson, I. | Friedrich | Lemen | Osthoff | Swanson |
| Begich | Gruenes | Ludeman | Reding | Valento |
| Dean | Harens | McEachern | Reif | Welker |
| Den Ouden | Haukoos | Metzen | Samuelson | Wieser |
| Drew | Himle | Nelsen, B. | Sarna | |
| Esau | Jennings | Niehaus | Schafer | |
| Ewald | Knickerbocker | Nysether | Schreiber | |

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

Novak 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 has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1474, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

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. 697, A bill for an act relating to agriculture; regulating alien use of agricultural land; providing penalties; amending Minnesota Statutes 1980, Section 500.221.

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. 817, A bill for an act relating to education; permitting the operation of single sex wrestling teams; amending Minnesota Statutes 1980, Section 126.21, 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 769, A bill for an act relating to transportation; appropriating money for acquisition, betterment, and maintenance of the state rail bank; authorizing the issuance of state transportation bonds; amending Minnesota Statutes 1980, Sections 174.50, by adding a subdivision; 222.49; 222.50, Subdivision 7; and 222.63, Subdivisions 1, 2, 4, and by adding a subdivision; and Laws 1980, Chapter 610.

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. 295, A bill for an act relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; appropriating funds.

PATRICK E. FLAHAVEN, Secretary of the Senate

Norton moved that the House refuse to concur in the Senate amendments to H. F. No. 295, 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 Norton motion and the roll was called.

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

There were 49 yeas and 75 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-----------|-------------|--------------|------------|------------------|
| Ainley | Heinitz | Ludeman | Piepho | Valento |
| Byrne | Hoberg | Mehrkens | Redalen | Vanasek |
| Dempsey | Hokr | Munger | Reif | Voss |
| Den Ouden | Johnson, C. | Nelsen, B. | Rose | Weaver |
| Erickson | Kahn | Niehaus | Schafer | Welker |
| Esau | Kaley | Norton | Sherman | Wieser |
| Fjoslien | Kvam | Nysether | Sieben, M. | Wigley |
| Friedrich | Lehto | Olsen | Stadum | Zubay |
| Hauge | Lemen | Onnen | Stowell | Spkr. Sieben, H. |
| Haukoos | Levi | Peterson, B. | Sviggum | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|---------------|--------------|---------------|
| Anderson, G. | Dean | Himle | McEachern | Rodriguez, C. |
| Anderson, I. | Drew | Hokanson | Metzen | Rodriguez, F. |
| Anderson, R. | Eken | Jacobs | Minne | Rothenberg |
| Battaglia | Elioff | Johnson, D. | Murphy | Sarna |
| Begich | Ellingson | Jude | Nelson, K. | Schreiber |
| Berkelman | Evans | Kalis | Novak | Shea |
| Blatz | Ewald | Kelly | O'Connor | Simoneau |
| Brandl | Forsythe | Knickerbocker | Ogren | Skoglund |
| Brinkman | Greenfield | Kostohryz | Osthoff | Staten |
| Carlson, D. | Gruenes | Laidig | Otis | Stumpf |
| Carlson, L. | Gustafson | Long | Peterson, D. | Swanson |
| Clark, J. | Halberg | Luknic | Pogemiller | Tomlinson |
| Clark, K. | Hanson | Mann | Reding | Vellenga |
| Clawson | Harens | Marsh | Rees | Wenzel |
| Dahlvang | Heap | McDonald | Rice | Wynia |

The motion did not prevail.

CONCURRENCE AND REPASSAGE

Sarna moved that the House concur in the Senate amendments to H. F. No. 295 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 295, A bill for an act relating to retirement; providing post-retirement annuity or benefit increases for certain retired or disabled public employees; removing the director from the state board investment advisory council; changing the investment authority of the fund; the Minneapolis employees retirement fund; establishing a new retirement benefit fund therein; transferring assets from the Minnesota post-retirement investment fund; appropriating funds; amending Minnesota Statutes

1980, Sections 11A.08, Subdivision 1; 422A.05, Subdivision 2c; and 422A.06, Subdivisions 1, 3, 4, 5, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 422A.05, 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.

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

There were 123 yeas and 8 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|---------------|---------------|------------------|
| Ainley | Esau | Kalis | O'Connor | Sherman |
| Anderson, B. | Evans | Kelly | Ogren | Sherwood |
| Anderson, G. | Ewald | Knickerbocker | Olsen | Sieben, M. |
| Anderson, I. | Fjoslien | Kostohryz | Onnen | Simoneau |
| Anderson, R. | Forsythe | Laidig | Osthoff | Skoglund |
| Battaglia | Friedrich | Lehto | Otis | Stadum |
| Begich | Greenfield | Lemen | Peterson, B. | Staten |
| Berkelman | Gruenes | Levi | Peterson, D. | Stowell |
| Blatz | Gustafson | Long | Piepho | Stumpf |
| Brandl | Halberg | Luknic | Pogemiller | Sviggum |
| Brinkman | Hanson | Mann | Redalen | Swanson |
| Byrne | Harens | Marsh | Reding | Tomlinson |
| Carlson, D. | Hauge | McCarron | Rees | Valan |
| Carlson, L. | Haukoos | McDonald | Reif | Valento |
| Clark, J. | Heap | McEachern | Rice | Vanasek |
| Clark, K. | Heinitz | Mehrkens | Rodriguez, C. | Vellenga |
| Clawson | Himle | Metzen | Rodriguez, F. | Weaver |
| Dahlvang | Hoberg | Minne | Rose | Welch |
| Dean | Hokanson | Munger | Rothenberg | Wenzel |
| Dempsey | Jacobs | Murphy | Samuelson | Wigley |
| Drew | Johnson, C. | Nelsen, B. | Sarna | Wynia |
| Eken | Johnson, D. | Nelson, K. | Schafer | Zubay |
| Elioff | Jude | Norton | Schreiber | Spkr. Sieben, H. |
| Ellingson | Kahn | Novak | Searles | |
| Erickson | Kaley | Nysether | Shea | |

Those who voted in the negative were:

| | | | | |
|-----------|---------|---------|--------|--------|
| Den Ouden | Kvam | Niehaus | Welker | Wieser |
| Jennings | Ludeman | 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. 1132, A bill for an act relating to the revenue recapture act; expanding the definition of claimant agencies to include counties and state district courts; amending Minnesota Statutes 1980, Sections 270A.02; and 270A.03, Subdivisions 2 and 5.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Hokanson moved that the House concur in the Senate amendments to H. F. No. 1132 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

POINT OF ORDER

Knickerbocker raised a point of order pursuant to joint rule 2.02, clause (b) and (c) that H. F. No. 1132 was out of order. The Speaker ruled the point of order not well taken.

The question recurred on the Hokanson motion and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

Sarna 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:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Ellingson | Kelly | Ogren | Staten |
| Anderson, G. | Forsythe | Knickerbocker | Osthoff | Stumpf |
| Anderson, I. | Greenfield | Kostohryz | Otis | Sviggum |
| Anderson, R. | Greenes | Lehto | Peterson, D. | Swanson |
| Battaglia | Gustafson | Levi | Pogemiller | Tomlinson |
| Begich | Halberg | Long | Reding | Valan |
| Berkelman | Hanson | Luknic | Reif | Vanasek |
| Brandl | Harens | Mann | Rice | Vellenga |
| Byrne | Hauge | Marsh | Rodriguez, C. | Voss |
| Carlson, D. | Haukoos | McCarron | Rodriguez, F. | Weaver |
| Carlson, L. | Heap | McEachern | Rose | Welch |
| Clark, J. | Hoberg | Metzen | Samuelson | Wenzel |
| Clark, K. | Hokanson | Minne | Sarna | Wynia |
| Clawson | Jacobs | Munger | Schoenfeld | Spkr. Sieben, H. |
| Dahlvang | Johnson, C. | Murphy | Shea | |
| Drew | Johnson, D. | Nelson, K. | Sieben, M. | |
| Eken | Kahn | Norton | Simoneau | |
| Elioff | Kalis | Novak | Skoglund | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|--------------|------------|---------|
| Aasness | Ewald | Lemen | Piepho | Stowell |
| Ainley | Fjoslien | Ludeman | Redalen | Valento |
| Blatz | Friedrich | McDonald | Rees | Welker |
| Brinkman | Heinitz | Mehrkens | Rothenberg | Wieser |
| Dean | Himle | Nelsen, B. | Schafer | Wigley |
| Dempsey | Hokr | Niehaus | Schreiber | Zubay |
| Den Ouden | Jennings | Nysether | Searles | |
| Erickson | Kaley | Olsen | Sherman | |
| Esau | Kvam | Onnen | Sherwood | |
| Evans | Laidig | Peterson, B. | Stadum | |

The motion prevailed.

H. F. No. 1132, A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; increasing the rate of the tax on cigarettes, little cigars, tobacco products and alcoholic beverages; imposing the sales tax on candy and soft drinks; amending Minnesota Statutes 1980, Section 124.32, Subdivision 1, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5; 297.32, Subdivisions 1 and 2; 297A.25, Subdivision 1; 340.47, Subdivisions 1, 1a and 2; amending laws enacted at the 1981 regular session styled as H. F. No. 70, Article I, Section 21, Subdivision 1; H. F. No. 70, Article I, Section 45; and H. F. No. 1446, Article II, Section 2, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 297.

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.

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

There were 89 yeas and 43 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-------------|---------------|
| Anderson, B. | Carlson, D. | Ellingson | Haukoos | Kelly |
| Anderson, G. | Carlson, L. | Forsythe | Heap | Knickerbocker |
| Anderson, I. | Clark, J. | Greenfield | Hoberg | Kostohryz |
| Anderson, R. | Clark, K. | Gruenes | Hokanson | Laidig |
| Battaglia | Clawson | Gustafson | Jacobs | Lehto |
| Begich | Dahlvang | Halberg | Johnson, C. | Levi |
| Berkelman | Drew | Hanson | Johnson, D. | Long |
| Brandl | Eken | Harens | Kahn | Luknic |
| Byrne | Elioff | Hauge | Kalis | Mann |

| | | | | |
|------------|--------------|---------------|------------|------------------|
| Marsh | Novak | Reif | Sieben, M. | Vanasek |
| McCarron | O'Connor | Rice | Simoneau | Vellenga |
| McEachern | Ogren | Rodriguez, C. | Skoglund | Voss |
| Metzen | Osthoff | Rodriguez, F. | Staten | Weaver |
| Minne | Otis | Rose | Stowell | Welch |
| Munger | Peterson, D. | Samuelson | Stumpf | Wenzel |
| Murphy | Pogemiller | Sarna | Sviggum | Wynia |
| Nelson, K. | Reding | Schoenfeld | Swanson | Spkr. Sieben, H. |
| Norton | Rees | Shea | Tomlinson | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|------------|--------------|----------|
| Aasness | Evans | Kvam | Onnen | Sherwood |
| Ainley | Ewald | Lemen | Peterson, B. | Stadum |
| Blatz | Fjoslien | Ludeman | Piepho | Valento |
| Brinkman | Friedrich | McDonald | Redalen | Welker |
| Dean | Heinitz | Mehrkens | Rothenberg | Wieser |
| Dempsey | Himle | Nelsen, E. | Schafer | Wigley |
| Den Ouden | Hokr | Niehaus | Schreiber | Zubay |
| Erickson | Jennings | Nysether | Searles | |
| Esau | Kaley | Olsen | Sherman | |

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

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:

O'Connor, McEachern, Reif, Dempsey and Dahlvang introduced:

H. F. No. 1532, A bill for an act relating to tort actions; prohibiting the causes of action for wrongful life and wrongful birth; prohibiting a defense, an award of damages, or a penalty based on the failure or refusal to prevent a live birth; proposing new law coded in Minnesota Statutes, Chapter 145.

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

Wenzel, by request, introduced:

H. F. No. 1533, A bill for an act relating to the city of Little Falls; authorizing the city to license nonprofit organizations to conduct certain fund raising events.

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

Dean, Swanson, Osthoff, Metzen and Schreiber introduced:

H. F. No. 1534, A bill for an act relating to municipal housing programs; providing that a city that has enacted a general system of residential rent control may not use certain authority granted regarding multifamily housing developments; amending Minnesota Statutes 1980, Section 462C.05, Subdivision 1.

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

Simoneau introduced:

H. F. No. 1535, A bill for an act relating to elections; providing for computerized voter registration files; amending Minnesota Statutes 1980, Section 201.221, Subdivision 2, as amended.

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

Begich, Battaglia, Murphy and Elioff introduced:

H. F. No. 1536, A bill for an act relating to malt beverages; requiring identification of kegs and purchasers thereof; proposing new law coded in Minnesota Statutes, Chapter 340.

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

Osthoff, Dahlvang, Kahn and Evans introduced:

H. F. No. 1537, A bill for an act relating to intoxicating liquor; authorizing issuance of special off-sale wine licenses to general food stores; prohibiting a person from being licensed as both retailer and wholesaler; amending Minnesota Statutes 1980, Sections 340.07, by adding a subdivision; 340.11, Subdivisions 13 and 14; 340.13, by adding a subdivision; and 340.14, Subdivisions 1 and 3.

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

Berkelman, Heinritz, Ewald and Brinkman introduced:

H. F. No. 1538, A bill for an act relating to commerce; regulating consumer credit and related finance charges, insurance, loans and other conditions of credit; enacting the uniform consumer credit code; providing penalties; amending Minnesota Statutes 1980, Sections 53.01; 53.04, Subdivisions 1 and 3; 53.051; 61B.03, Subdivisions 7 and 8; and 62E.02, Subdivision 11; proposing new law coded in Minnesota Statutes, Chapter

337; repealing Minnesota Statutes 1980, Sections 48.153; 48.154; 48.155; 48.156; 48.157; 48.185; 48.195; 48.196; 52.14; 53.04, Subdivisions 4, 6, and 7; 168.66; 168.67; 168.68; 168.69; 168.70; 168.705; 168.706; 168.71; 168.72; 168.73; 168.74; 168.75; 168.76; 168.77; 325G.15; 325G.16; 325G.21; 325G.22; 334.01; 334.011; 334.012; 334.02; 334.021; 334.03; 334.04; 334.05; 334.06; 334.061; 334.16; 334.17; 334.18; and 334.19; and Chapter 56.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

HOUSE ADVISORIES

The following House Advisories were introduced:

Stadum and Mehrkens introduced:

H. A. No. 45, A proposal to study appropriate truck weight and dimension for Minnesota's highways.

The advisory was referred to the Committee on Transportation.

Nelson, K.; Ainley; Evans; McEachern and Clark, J., introduced:

H. A. No. 46, A proposal for a review of Indian Education programs in Minnesota.

The advisory was referred to the Committee on Education.

SUSPENSION OF RULES

Eken moved that House Concurrent Resolution No. 5 be recalled from the Committee on Rules and Legislative Administration and be placed upon its immediate adoption. The motion prevailed.

HOUSE CONCURRENT RESOLUTION NO. 5

A house concurrent resolution relating to adjournment of the Senate and House of Representatives until 1982.

Be it resolved by the House of Representatives, the Senate concurring:

(1) Upon their adjournments on May 18, 1981, the House of Representatives may set its next day of meeting for January . . . , 1982 at 12:00 noon and the Senate may set its next day of meeting for January . . . , 1982 at 12:00 noon.

(2) By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Eken moved that House Concurrent Resolution No. 5 be now adopted.

Eken moved to amend House Concurrent Resolution No. 5, as follows:

Line 8, after "January" insert "19"

Line 10, after "January" insert "19"

The motion prevailed and the amendment was adopted.

The question recurred on House Concurrent Resolution No. 5, as amended.

The motion prevailed and the resolution, as amended, was adopted.

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 Senate File, herewith transmitted:

S. F. No. 1370.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1370, A resolution declaring Raoul Wallenberg to be an honorary citizen of the State of Minnesota and memorializing the Union of Soviet Socialist Republics to return him to his native country.

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, Skoglund moved that the rule therein be

suspended and an urgency be declared so that S. F. No. 1370 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Skoglund moved that the rules of the House be so far suspended that S. F. No. 1370 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1370 was read for the second time.

S. F. No. 1370, A resolution declaring Raoul Wallenberg to be an honorary citizen of the State of Minnesota and memorializing the Union of Soviet Socialist Republics to return him to his native country.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | O'Connor | Sherwood |
| Ainley | Ewald | Knickerbocker | Ogren | Sieben, M. |
| Anderson, B. | Fjoslien | Kostohryz | Olsen | Simoneau |
| Anderson, G. | Forsythe | Kvam | Onnen | Skoglund |
| Anderson, I. | Friedrich | Laidig | Osthoff | Stadum |
| Anderson, R. | Greenfield | Lehto | Otis | Staten |
| Battaglia | Gruenes | Lemen | Peterson, B. | Stowell |
| Begich | Gustafson | Levi | Peterson, D. | Stumpf |
| Berkelman | Halberg | Long | Piepho | Sviggum |
| Blatz | Hanson | Ludeman | Pogemiller | Swanson |
| Brandl | Harens | Luknic | Redalen | Tomlinson |
| Brinkman | Hauge | Mann | Reding | Valan |
| Byrne | Haukoos | Marsh | Rees | Valento |
| Carlson, D. | Heap | McCarron | Reif | Vanasek |
| Carlson, L. | Heinitz | McDonald | Rice | Vellenga |
| Clark, J. | Himle | McEachern | Rodriguez, C. | Voss |
| Clark, K. | Hoberg | Mehrkens | Rodriguez, F. | Weaver |
| Clawson | Hokanson | Metzen | Rose | Welch |
| Dahlvang | Hokr | Minne | Rothenberg | Welker |
| Dean | Jacobs | Munger | Samuelson | Wenzel |
| Dempsey | Jennings | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, C. | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, D. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Jude | Niehaus | Schreiber | Zubay |
| Ellingson | Kahn | Norton | Searles | Spkr. Sieben, H. |
| Erickson | Kaley | Novak | Shea | |
| Esau | Kalis | Nysether | Sherman | |

The bill was passed and its title agreed to.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 3

A bill for an act relating to community social services; defining groups of persons for whom counties are responsible;

establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 3, 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. 3, the third engrossment, be further amended as follows:

Page 1, after line 20, insert:

"Section 1. Minnesota Statutes 1980, Section 256D.18, Subdivision 2, is amended to read:

Subd. 2. "County of financial responsibility" means (a) the county in which an individual resides; or (b) if an individual is a patient in a hospital or nursing home, as defined in sections 144.50, or 144A.01, or if an individual participates in a long-term sheltered workshop as defined in chapter 129A, or is placed in a county as a result of a correctional program or a treatment plan for health, rehabilitation, foster care, child care or training, at the time of making application, and immediately prior thereto resided in another county, then that other county.

Sec. 2. Minnesota Statutes 1980, Section 256D.18, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of subdivision 2, the county of financial responsibility shall not change as a result of successive placements in one or more counties pursuant to a plan of treatment for health, rehabilitation, foster care, child care or training; nor as a result of placement in any correctional

program; nor as a result of participation in a sheltered workshop as defined in chapter 129A."

Page 1, line 30, delete "10" and insert "12"

Page 3, line 9, after "and" delete the comma

Page 7, line 4, delete "1982" and insert "1983"

Page 7, lines 5 and 7, delete "1981" and insert "1982"

Page 7, line 7, delete "Laws 1979, Chapter 336, Section 2" and insert "the health, welfare, and corrections appropriations act for the biennium ending June 30, 1983"

Pages 7 and 8, delete section 7

Page 8, line 10, after "tax" insert "for community social services"

Page 8, line 11, strike "subdivision 1" and insert "subdivisions 1 and 2. Money for community social services provided to a county by a municipal levy may, for the purposes of this section, be counted as partial fulfillment of the local levy requirement"

Page 8, line 19, delete "department" and insert "commissioner"

Page 9, line 15, delete "department" and insert "commissioner"

Page 9, after line 18, insert:

"Sec. 10. Minnesota Statutes 1980, Section 256E.07, is amended by adding a subdivision to read:

Subd. 3. [PRIORITIES.] If any proposed federal block grant program affecting Title XX funds becomes operative, the state shall, within the limits set by federal law, adopt the following priority when allocating funds: provide that in each calendar year 1982 and 1983, each county shall, for the purposes of providing the same or similar services, receive priority for an allocation of Title XX funds that is equal to or greater than the amount received by the county in 1981."

Page 10, line 3, delete "persons whose" and delete "is at"

Page 10, line 4, delete "risk"

Page 10, lines 27, 29 and 30, delete "settlement" and insert "residence"

Page 10, line 27, after the period, insert "*Disputes concerning the county of financial responsibility shall be settled in the manner prescribed in section 256D.18, subdivision 4.*"

Page 11, line 1, strike "years" and insert "year" and delete "1982" and strike "and"

Page 11, line 2, delete "1980" and insert "1982"

Page 11, line 30, after "*responsibilities*" insert "*identified*" and delete "10" and insert "12"

Page 13, line 18, after "temporary" insert "*and permanent*"

Page 13, line 25, strike "1981" and insert "1983"

Page 17, after line 24, insert:

"The commissioner shall promulgate temporary and permanent rules in accordance with section 15.0412 to implement this section. No more than seven percent of any grant shall be used for the grantee's administration expenses."

Page 17, line 35, reinstate the stricken "MAY MAKE"

Page 17, line 36, after the stricken "CENTERS" insert "*CENTER SERVICES*" and reinstate the stricken "FOR THE MENTALLY RETARDED AND CEREBRAL"

Page 18, line 1, reinstate the stricken language and delete the new language

Page 18, line 5, before "*services*" insert "*center*"

Page 18, line 8, reinstate the stricken language and delete the new language

Page 18, line 9, after the stricken "the" insert "*services to*"

Page 18, line 9, reinstate the stricken "mentally retarded and cerebral palsied" and delete "*services*" and insert "*persons*" and after the period insert "*In order to fulfill its responsibilities to the mentally retarded and cerebral palsied as required by section 12, a county board may, beginning January 1, 1983, contract with developmental achievement centers or other providers.*"

Page 18, line 15, delete "and" and insert "*. The county board shall ensure that*"

Page 18, line 16, delete "*provide for*" and after "*transportation*" insert "*is provided*"

Page 18, line 17, delete "*if*" and insert "*, utilizing the most efficient and reasonable means available.*"

Page 18, delete lines 18 and 19

Page 18, line 20, delete everything before "*The*"

Page 18, line 34, strike "*funds to*" and insert "*money for*"

Page 20, lines 14 and 15, reinstate the stricken "*and of the child*"

Page 21, line 27, after "*individuals*" insert a comma

Page 22, line 20, delete "*using*" and insert "*which use*"

Page 23, line 13, delete "*245.72;*"

Page 23, line 14, delete "*Subdivision*" and insert "*Subdivisions 4 and*"

Page 23, line 14, after the period insert "*Minnesota Statutes 1980, Section 245.72 is repealed effective January 1, 1983.*"

Page 23, line 16, delete "*This act is*" and insert "*Sections 1 to 21, 23 to 27, and 29 to 34 are*" and delete "*except that*" and insert a period

Page 23, line 17, delete "*20*" and insert "*22*"

Page 23, line 23, delete "*sections 1 to 3*" and insert "*section 22*"

Page 23, line 24, delete "*1*" and insert "*22*"

Page 23, line 25, before the period, insert "*1*"

Page 23, line 25, after the period, insert "*Section 28 is effective January 1, 1983.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "*to*" insert "*public welfare; amending the*" and before the semicolon insert "*act*"

Page 1, after line 5, insert "defining the county of financial responsibility for participants in long term sheltered workshops;"

Page 1, line 10, after the second semicolon insert "256D.18, Subdivisions 2 and 3;"

Page 1, line 13, before the first semicolon insert "and by adding a subdivision"

Page 1, line 13, delete "4,"

Page 1, line 18, delete "Subdivision" and insert "Subdivisions 4 and"

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

House Conferees: PAUL MCCARRON, DON SAMUELSON and JOHN R. KALEY.

Senate Conferees: ROBERT J. TENNESSEN, HOWARD A. KNUTSON and ALLAN H. SPEAR.

McCarron moved that the report of the Conference Committee on H. F. No. 3 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 3, A bill for an act relating to community social services; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, 4, and 5; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivision 11; and 261.27.

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 Ainley Anderson, B. Anderson, G. Anderson, I.

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Anderson, R. | Friedrich | Laidig | Onnen | Skoglund |
| Battaglia | Greenfield | Lehto | Osthoff | Stadum |
| Begich | Gruenes | Lemen | Otis | Staten |
| Berkelman | Gustafson | Levi | Peterson, B. | Stowell |
| Blatz | Halberg | Long | Peterson, D. | Stumpf |
| Brandl | Hanson | Ludeman | Piepho | Sviggum |
| Byrne | Hauge | Luknic | Pogemiller | Swanson |
| Carlson, D. | Haukoos | Mann | Redalen | Tomlinson |
| Carlson, L. | Heap | Marsh | Reding | Valan |
| Clark, J. | Heinitz | McCarron | Rees | Valento |
| Clark, K. | Himle | McDonald | Reif | Vanasek |
| Clawson | Hoberg | McEachern | Rodriguez, C. | Vellenga |
| Dahlvang | Hokanson | Mehrrens | Rodriguez, F. | Voss |
| Dean | Hokr | Metzen | Rose | Weaver |
| Dempsey | Jacobs | Minne | Rothenberg | Welch |
| Den Ouden | Jennings | Munger | Samuelson | Welker |
| Drew | Johnson, C. | Murphy | Sarna | Wenzel |
| Eken | Johnson, D. | Nelsen, B. | Schafer | Wieser |
| Elioff | Jude | Nelson, K. | Schoenfeld | Wigley |
| Ellingson | Kahn | Niehaus | Schreiber | Wynia |
| Erickson | Kaley | Norton | Searles | Zubay |
| Esau | Kalis | Novak | Shea | Spkr. Sieben, H. |
| Evans | Kelly | Nysether | Sherman | |
| Ewald | Knickerbocker | O'Connor | Sherwood | |
| Fjoslien | Kostohryz | Ogren | Sieben, M. | |
| Forsythe | Kvam | Olsen | Simoneau | |

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. 179.

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. 179

A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

May 18, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 179, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments.

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

Senate Conferees: FLORIAN CHMIELEWSKI, BOB LESSARD and WILLIAM V. BELANGER, JR.

House Conferees: JOHN A. AINLEY, C. THOMAS OSTHOFF and GLEN A. SHERWOOD.

Ainley moved that the report of the Conference Committee on S. F. No. 179 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 179, A bill for an act relating to economic development; regulating business loans to Indians; amending Minnesota Statutes 1980, Section 362.40, Subdivisions 2, 8, 9, 11, 12, 14, and by adding a subdivision; repealing Minnesota Statutes 1980, Section 362.40, Subdivisions 4, 5, and 10.

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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|-------------|---------------|
| Aasness | Carlson, D. | Erickson | Haukoos | Kaley |
| Ainley | Carlson, L. | Esau | Heap | Kalis |
| Anderson, B. | Clark, J. | Evans | Heinitz | Kelly |
| Anderson, G. | Clark, K. | Ewald | Himle | Knickerbocker |
| Anderson, I. | Clawson | Fjoslien | Hoberg | Kostohryz |
| Anderson, R. | Dahlvang | Forsythe | Hokanson | Kvam |
| Battaglia | Dean | Friedrich | Hokr | Laidig |
| Begich | Dempsey | Greenfield | Jacobs | Lehto |
| Berkelman | Den Ouden | Gruenes | Jennings | Lemen |
| Blatz | Drew | Gustafson | Johnson, C. | Levi |
| Brandl | Eken | Halberg | Johnson, D. | Long |
| Brinkman | Elioff | Hanson | Jude | Ludeman |
| Byrne | Ellingson | Hauge | Kahn | Luknic |

| | | | | |
|------------|--------------|---------------|------------|------------------|
| Mann | Nysether | Reif | Sherwood | Vellenga |
| Marsh | O'Connor | Rice | Sieben, M. | Voss |
| McCarron | Ogren | Rodriguez, C. | Simoneau | Weaver |
| McDonald | Olsen | Rodriguez, F. | Skogiund | Welch |
| McEachern | Onnen | Rose | Stadum | Welker |
| Mehrkens | Osthoff | Rothenberg | Staten | Wenzel |
| Metzen | Otis | Samuelson | Stowell | Wieser |
| Minne | Peterson, B. | Sarna | Stumpf | Wigley |
| Murphy | Peterson, D. | Schafer | Sviggum | Wynia |
| Nelsen, B. | Piepho | Schoenfeld | Swanson | Zubay |
| Nelson, K. | Pogemiller | Schreiber | Tomlinson | Spkr. Sieben, H. |
| Niehaus | Redalen | Searles | Valan | |
| Norton | Reding | Shea | Valento | |
| Novak | Rees | Sherman | Vanasek | |

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. 1132.

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. 1132

A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

May 16, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1132, 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. 1132 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [121.218] [VOCATIONAL-TECHNICAL INSTITUTES; AWARDING DEGREES.]

The state board for vocational education may approve, disapprove, or modify a plan for awarding associate degrees at an area vocational-technical institute. The state board shall approve a plan only when an associate degree is required by a licensing authority and is offered in cooperation with a collegiate institution. The state board may approve an area vocational-technical institute plan for awarding an associate degree which is not offered in cooperation with a collegiate institution only if cooperation is not practicable. All associate degree plans approved by the state board for vocational education shall be presented to the higher education coordinating board for review and recommendation pursuant to section 136A.04, subdivision 1, clause (d) and in accordance with the provisions of this section.

Sec. 2. [EXCEPTION.]

Associate degrees offered by the area vocational-technical institutes prior to January 1, 1981, shall not be subject to the provisions of section 1.

Sec. 3. [REPORT.]

By January 15, 1982, the higher education coordinating board, in cooperation with the state board for vocational education, shall submit a report to the education committees of the legislature regarding the awarding of associate degrees by area vocational-technical institutes. The report shall include identification and evaluation of the factors which affect the feasibility of cooperation with collegiate institutions. By January 1, 1983, the higher education coordinating board shall promulgate rules establishing criteria for determining when cooperation with a collegiate institution is not practicable.

Sec. 4. [EFFECTIVE DATE.]

Sections 1, 2 and 3 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after "grant" insert "associate"

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

Senate Conferees: JEROME M. HUGHES, GENE MERRIAM and STEVEN O. LINDGREN.

House Conferees: JIM HEAP, CARL M. JOHNSON and KENNETH P. ZUBAY.

Heap moved that the report of the Conference Committee on S. F. No. 1132 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1132, A bill for an act relating to education; allowing area vocational-technical institutes to grant degrees under certain conditions; proposing new law coded in Minnesota Statutes, Chapter 121.

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 14 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Knickerbocker | Onnen | Sieben, M. |
| Ainley | Ewald | Kostohryz | Osthoff | Simoneau |
| Anderson, B. | Fjoslien | Laidig | Otis | Skoglund |
| Anderson, G. | Forsythe | Lehto | Peterson, B. | Staten |
| Anderson, I. | Friedrich | Levi | Peterson, D. | Stowell |
| Anderson, R. | Greenfield | Long | Piepho | Stumpf |
| Begich | Gustafson | Luknic | Pogemiller | Sviggum |
| Berkelman | Halberg | Mann | Redalen | Tomlinson |
| Blatz | Hanson | Marsh | Reding | Valan |
| Brinkman | Harens | McCarron | Rees | Valento |
| Byrne | Hauge | McDonald | Rice | Vanasek |
| Carlson, D. | Haukoos | McEachern | Rodriguez, C. | Vellenga |
| Carlson, L. | Heap | Mehrkens | Rodriguez, F. | Voss |
| Clark, J. | Heinritz | Metzen | Rose | Weaver |
| Clark, K. | Himle | Minne | Rothenberg | Welch |
| Clawson | Hoberg | Munger | Samuelson | Wenzel |
| Dahlvang | Hokanson | Murphy | Sarna | Wieser |
| Dean | Jacobs | Nelson, K. | Schafer | Wigley |
| Dempsey | Johnson, C. | Norton | Schoenfeld | Wynia |
| Den Ouden | Johnson, D. | Novak | Schreiber | Zubay |
| Drew | Jude | Nysether | Searles | Spkr. Sieben, H. |
| Eken | Kahn | O'Connor | Shea | |
| Ellingson | Kalis | Ogren | Sherman | |
| Erickson | Kelly | Olsen | Sherwood | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|------------|---------|---------|
| Battaglia | Jennings | Lemen | Niehaus | Swanson |
| Esau | Kaley | Ludeman | Reif | Welker |
| Gruenes | Kvam | Nelsen, B. | Stadum | |

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

Eken 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, Continued

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. 775, A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Nelson, Sikorski and Renneke.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Samuelson 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. 775. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1154.

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. 1154

A bill for an an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

May 18, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1154, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 1154 be further amended as follows:

Page 3, after line 33, insert:

"Sec. 2. [EDUCATIONAL PROGRAM.]

Notwithstanding Minnesota Statutes, Section 120.17, Subdivision 6, the commissioner of education may assign the entire responsibility for the educational program of all handicapped children who are placed at the Amherst H. Wilder Foundation youth conservation camp to Independent School District No. 573, Hinckley, to Independent School District No. 576, Sandstone, or to a joint board established by these districts pursuant to Minnesota Statutes, Section 471.59, if that district or joint board requests the commissioner to assign it this responsibility and if the commissioner determines that this assignment is necessary to ensure the efficiency of the educational program.

Sec. 3. [CLOQUET WATER TREATMENT PLAN APPROPRIATION; EXTENSION.]

Notwithstanding any other provision of law to the contrary, so much of the appropriation made available to the city of Cloquet for use in constructing a water filtration system pursuant to Laws 1975, Chapter 437, Article XI, Section 2, Subdivision 2, as has not been expended shall remain available to the city for such use or for developing an alternative permanent source of drinking water until July 1, 1986, unless expended earlier.

Sec. 4. [HERMANTOWN AND DULUTH; WATER SERVICE.]

Subdivision 1. [REQUEST FOR SERVICE.] By September 1, 1981, the city of Hermantown shall submit to the city of Duluth a request for water service including the volume of water needed and the number of years for which the service is requested.

Subd. 2. [CONTRACT OFFER; RATE.] By April 1, 1982, the city of Duluth shall offer a contract to the city of Hermantown to provide the service requested by the city of Hermantown at a rate determined by the city of Duluth. The rate shall be based on a reasonable allocation of the capital, repair and operating expenses of the Duluth water system which are attributable to the water service requested by the city of Hermantown, including the full cost of any capital construction and repairs required by the volume of service to the city of Hermantown. The rate shall provide for an amortization of any construction costs reflected in the rate over a reasonable period not to exceed the terms of the proposed contract.

Subd. 3. [APPEAL TO PUBLIC UTILITIES COMMISSION.] Not later than 90 days after the city of Duluth offers a contract under subdivision 2, the city of Hermantown may appeal the rate determined by the city of Duluth by filing a petition with the public utilities commission. If a petition is filed, the city shall file its answer within 30 days after the petition is filed. The commission, after public notice and hearing, shall determine whether the rate is just and reasonable consistent with the provisions of subdivision 2. Not later than 120 days after a petition of the city of Hermantown is filed, the commission shall affirm the rate or, if it finds that the rate is not just and reasonable, determine a just and reasonable rate. The rulemaking and contested case procedures of sections 15.0412 to 15.0422 shall not apply to any proceeding required by this subdivision.

Subd. 4. [CONTRACT.] Not later than 90 days after the rate is affirmed or determined by the commission or, if no appeal is taken under subdivision 3, not later than 90 days after a contract is offered under subdivision 2, the cities of Hermantown and Duluth shall enter a contract for provision of water service by the city of Duluth to the city of Hermantown. The rate for the service shall be the rate determined by the city of Duluth pursuant to subdivision 2 or, if the commission has affirmed or determined a rate, the rate affirmed or determined by the commission."

Page 3, line 35, delete "Section 1 is" and insert "Sections 1 and 3 are"

Page 3, line 35, delete "its"

Page 3, line 36, after the period, insert "Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), sections 2 and 4 are effective without local approval on the day following final enactment."

Renumber the sections in sequence

Amend the title as follows :

Page 1, line 2, delete "state land" and insert "public resources"

Page 1, line 4, before the period insert "; permitting Independent School District No. 573, Independent School District No. 576, or a joint powers board to request and assume responsibility for educating children at an Amherst H. Wilder Foundation camp; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant; providing a procedure for determination of a rate and making of a contract for water service between the cities of Hermantown and Duluth"

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

Senate Conferees: FLORIAN CHMIELEWSKI, DAVE RUED and BOB LESSARD.

House Conferees: DOUGLAS W. CARLSON and MARY MURPHY.

Carlson, D., moved that the report of the Conference Committee on S. F. No. 1154 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1154, A bill for an act relating to state land; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation.

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 | Jacobs | Minne | Rodriguez, F. |
| Ainley | Ellingson | Johnson, C. | Munger | Rose |
| Anderson, G. | Erickson | Johnson, D. | Murphy | Rothenberg |
| Anderson, I. | Esau | Jude | Nelsen, B. | Sarna |
| Anderson, R. | Evans | Kahn | Nelson, K. | Schafer |
| Battaglia | Ewald | Kaley | Niehhaus | Schoenfeld |
| Begich | Fjoslien | Kalis | Norton | Schreiber |
| Berkelman | Forsythe | Knickerbocker | Novak | Searles |
| Blatz | Friedrich | Kvam | Nysether | Shea |
| Brandl | Greenfield | Laidig | Ogren | Sherman |
| Brinkman | Gruenes | Lemen | Olsen | Sherwood |
| Byrne | Halberg | Levi | Onnen | Sieben, M. |
| Carlson, D. | Hanson | Long | Osthoff | Simoneau |
| Carlson, L. | Harens | Ludeman | Otis | Skoglund |
| Clark, J. | Hauge | Luknic | Peterson, B. | Stadum |
| Clark, K. | Haukoos | Mann | Peterson, D. | Staten |
| Clawson | Heap | Marsh | Piepho | Stowell |
| Dahlvang | Heinitz | McCarron | Pogemiller | Stumpf |
| Dean | Himle | McDonald | Redalen | Sviggum |
| Dempsey | Hoberg | McEachern | Rees | Swanson |
| Den Ouden | Hokanson | Mehrkens | Reif | Tomlinson |
| Eken | Hokr | Metzen | Rice | Valan |

| | | | | |
|---------|--------|--------|--------|------------------|
| Valento | Weaver | Wenzel | Wigley | Zubay |
| Vanasek | Welch | Wieser | Wynia | Spkr. Sieben, H. |
| Voss | | | | |

Those who voted in the negative were:

| | | | | |
|-----------|----------|-----------|-------|--------|
| Drew | Jennings | Kostohryz | Lehto | Welker |
| Gustafson | Kelly | | | |

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

MOTION FOR RECONSIDERATION

Eken moved that the vote whereby House Concurrent Resolution No. 5, as amended, was adopted be now reconsidered. The motion prevailed.

HOUSE CONCURRENT RESOLUTION NO. 5

A house concurrent resolution relating to adjournment of the Senate and House of Representatives until 1982.

Be It Resolved by the House of Representatives, the Senate concurring:

(1) Upon their adjournment on May 18, 1981, the House of Representatives may set its next day of meeting for January 19, 1982 at 12:00 noon and the Senate may set its next day of meeting for January 19, 1982 at 12:00 noon.

(2) By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Eken moved to amend House Concurrent Resolution No. 5, as amended, as follows:

Line 8, after "January" delete "19" and insert "12"

Line 10, after "January" delete "19" and insert "12"

The motion prevailed and the amendment was adopted.

Eken moved that House Concurrent Resolution No. 5, as amended, be now adopted. The motion prevailed and the resolution, as amended, was adopted.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 775:

Samuelson; Anderson, R., and Clark, J.

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:

S. F. No. 368.

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. 368

A bill for an act relating to housing; requiring municipal housing plans to incorporate policies to minimize displacement and encourage citizen participation; encouraging the use of bond proceeds for housing for persons and families of low income; providing that multifamily housing loans may be used to acquire structures for conversion to cooperative ownership; amending Minnesota Statutes 1980, Sections 462C.03, Subdivisions 1 and 2; and 462C.05, Subdivision 1.

May 18, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 368, 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. 368 be further amended as follows:

Page 2, delete lines 33 to 36 and insert "A city issuing bonds subject to this chapter for the purpose of financing single family housing, as defined in section 462C.02, subdivision 4, shall make every effort to use not less than 20 percent of the aggregate dollar amount of loans made or purchased within any calendar year for loans or housing for persons and families with"

Page 3, after line 4, insert:

"In any calendar year in which a city issues bonds pursuant to this chapter, the city shall prepare a report describing actions

taken to achieve the goals of this subdivision. The report shall be submitted to the agency by January 1 of the following year."

Page 4, after line 15, insert:

"Sec. 4. [APPLICABILITY.]

The provisions of sections 1 and 2 shall not apply to any programs which were approved or are considered approved pursuant to section 462C.04, subdivision 2, by the Minnesota housing finance agency on or before the effective date of this act, nor to the Minneapolis/St. Paul joint housing program specifically exempted from the provisions of section 103A of the Internal Revenue Code by Section 1104(n) of the Mortgage Subsidy Bond Tax Act of 1980."

Page 4, line 17, delete everything after "effective" and insert "June 30, 1981."

Renumber the sections accordingly

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

Senate Conferees: LINDA BERGLIN, HUBERT H. HUMPHREY, III and WILLIAM V. BELANGER, JR.

House Conferees: KAREN CLARK and RANDY W. STATEN.

Dean moved that the House refuse to adopt the Conference Committee report on S. F. No. 368, and that the Speaker appoint a new Conference Committee of 3 members.

A roll call was requested and properly seconded.

The question was taken on the Dean motion and the roll was called. There were 68 yeas and 66 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|----------|
| Aasness | Ewald | Jude | Olsen | Sherwood |
| Ainley | Fjoslien | Knickerbocker | Onnen | Stadum |
| Anderson, I. | Forsythe | Kvam | Osthoff | Stowell |
| Begich | Friedrich | Lemen | Peterson, B. | Sviggum |
| Blatz | Gruenes | Levi | Piepho | Swanson |
| Carlson, D. | Halberg | Ludeman | Redalen | Valan |
| Dahlvang | Haukoos | Luknic | Rees | Valento |
| Dean | Heap | Marsh | Reif | Weaver |
| Dempsey | Heinritz | McDonald | Rose | Welker |
| Den Ouden | Himle | Mehrkens | Rothenberg | Wieser |
| Drew | Hoberg | Metzen | Schafer | Wigley |
| Erickson | Hokr | Nelsen, B. | Schreiber | Zubay |
| Esau | Jennings | Niehaus | Searles | |
| Evans | Johnson, D. | Nysether | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Ellingson | Laidig | Otis | Staten |
| Anderson, G. | Greenfield | Lehto | Peterson, D. | Stumpf |
| Anderson, R. | Gustafson | Long | Pogemiller | Tomlinson |
| Battaglia | Hanson | Mann | Reding | Vanasek |
| Berkelman | Harens | McCarron | Rice | Vellenga |
| Brandl | Hauge | McEachern | Rodriguez, C. | Voss |
| Brinkman | Hokanson | Minne | Rodriguez, F. | Welch |
| Byrne | Jacobs | Munger | Samuelson | Wenzel |
| Carlson, L. | Johnson, C. | Murphy | Sarna | Wynia |
| Clark, J. | Kahn | Nelson, K. | Schoenfeld | Spkr. Sieben, H. |
| Clark, K. | Kaley | Norton | Shea | |
| Clawson | Kalis | Novak | Sieben, M. | |
| Eken | Kelly | O'Connor | Simoneau | |
| Elioff | Kostohryz | Ogren | Skoglund | |

The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 937.

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. FLAHAVERN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. NO. 937

A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

May 16, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 937, report that we have agreed upon the items in dispute and recommend as follows:

The Senate concur in the House amendments and that S. F. No. 937 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [62A.154] [BENEFITS FOR DES RELATED CONDITIONS.]

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

(a) "Covered person" means a natural person who is covered under a policy.

(b) "Insurer" means an insurer providing health, medical, hospitalization, or accident and sickness insurance regulated under this chapter, a nonprofit health services plan corporation regulated under chapter 62C, a health maintenance organization regulated under chapter 62D or a fraternal beneficiary association regulated under chapter 64A.

(c) "Policy" means a policy or plan of health, medical, hospitalization or accident and sickness insurance, a health maintenance contract, or a health benefit certificate provided by an insurer which provides coverage of, or reimbursement for, hospital, medical, or surgical expenses on a group or individual basis, but does not include a policy designed primarily to provide coverage payable on a per diem, fixed indemnity or nonexpense incurred basis, or a policy that provides only accident coverage.

Subd. 2. [REQUIRED COVERAGE.] No policy shall be issued or renewed in this state after August 1, 1981 if it provides an exclusion, reduction, or other limitation as to coverage, deductible, coinsurance or copayment applicable solely to conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which coverage for that person begins. In the absence of credible evidence of a higher morbidity rate due to exposure to diethylstilbestrol, no insurer shall surcharge or in any other manner increase the premium. If there is credible evidence of a higher morbidity rate due to exposure to diethylstilbestrol, no insurer shall surcharge or in any other manner increase the premium without the prior approval of the commissioner.

Subd. 3. [REFUSAL TO ISSUE OR RENEW.] No insurer shall refuse to issue or renew a policy, or to provide coverage under a policy, in this state after August 1, 1981 solely because of conditions attributable to diethylstilbestrol or exposure to diethylstilbestrol, unless the covered person has been diagnosed as having diethylstilbestrol-related cancer prior to the date on which an initial premium payment is received by the insurer."

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

Senate Conferees: ERIC D. PETTY, DON FRANK and PATRICIA L. KRONEBUSCH.

House Conferees: ANN WYNIA, JAMES C. SWANSON and MERLYN O. VALAN.

Wynia moved that the report of the Conference Committee on S. F. No. 937 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 937, A bill for an act relating to insurance; prohibiting the issuance or renewal of certain health policies or plans which exclude or limit coverage on DES related conditions; proposing new law coded in Minnesota Statutes, Chapter 62A.

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.

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

There were 110 yeas and 8 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Fjoslien | Kostohryz | O'Connor | Sherman |
| Anderson, B. | Forsythe | Kvam | Olsen | Sieben, M. |
| Anderson, G. | Greenfield | Laidig | Onnen | Simoneau |
| Anderson, I. | Gruenes | Lehto | Osthoff | Skoglund |
| Anderson, R. | Gustafson | Lemen | Otis | Stadum |
| Battaglia | Halberg | Levi | Peterson, B. | Staten |
| Begich | Hanson | Long | Peterson, D. | Stowell |
| Blatz | Harens | Luknic | Pogemiller | Stumpf |
| Brandl | Heap | Mann | Redalen | Swanson |
| Brinkman | Heinitz | Marsh | Reding | Tomlinson |
| Byrne | Himle | McCarron | Rees | Valan |
| Carlson, D. | Hoberg | McDonald | Rice | Vanasek |
| Carlson, L. | Hokanson | McEachern | Rodriguez, C. | Vellenga |
| Clark, J. | Hokr | Metzen | Rodriguez, F. | Voss |
| Clawson | Johnson, C. | Minne | Rose | Weaver |
| Den Ouden | Johnson, D. | Munger | Rothenberg | Welch |
| Eken | Jude | Murphy | Samuelson | Wenzel |
| Elioff | Kahn | Nelsen, B. | Sarna | Wieser |
| Ellingson | Kaley | Nelson, K. | Schoenfeld | Wigley |
| Erickson | Kalis | Niehaus | Schreiber | Wynia |
| Evans | Kelly | Norton | Searles | Zubay |
| Ewald | Knickerbocker | Novak | Shea | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------|---------|----------|---------|--------|
| Ainley | Haukoos | Nysether | Sviggum | Welker |
| Esau | Ludeman | Schafer | | |

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

CALL OF THE HOUSE LIFTED

Long 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. 939.

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. 939

A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, Subdivision 2.

May 18, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 939, 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. 939 be amended as follows :

Page 4, line 11, restore the stricken language and before the restored language insert "*including*"

Page 4, line 14, delete "\$4,000", insert "\$6,000" and after the period, insert "*Punitive damages shall be awarded pursuant to section 549.20. In any case where a political subdivision is a respondent the total of punitive damages awarded an aggrieved*

party may not exceed \$6,000 and in that case if there are two or more respondents the punitive damages may be apportioned among them. Punitive damages may only be assessed against a political subdivision in its capacity as a corporate entity and no regular or exofficio member of a governing body of a political subdivision shall be personally liable for payment of punitive damages pursuant to this subdivision."

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

Senate Conferees: LINDA BERGLIN, DONALD M. MOE and RANDOLPH W. PETERSON.

House Conferees: RANDY W. STATEN, LEE GREENFIELD and MARNIE J. LUKNIC.

Staten moved that the report of the Conference Committee on S. F. No. 939 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 939, A bill for an act relating to human rights; authorizing injunctions for acts of reprisal; increasing the award of punitive damages; permitting the recovery of damages for mental anguish and suffering; amending Minnesota Statutes 1980, Sections 363.06, Subdivision 4; and 363.071, 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 99 yeas and 28 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Anderson, B. | Ellingson | Kaley | O'Connor | Sieben, M. |
| Anderson, G. | Evans | Kelly | Ogren | Simoneau |
| Anderson, I. | Forsythe | Knickerbocker | Olsen | Skoglund |
| Anderson, R. | Greenfield | Kostohryz | Osthoff | Stadum |
| Battaglia | Gruenes | Laidig | Otis | Staten |
| Begich | Gustafson | Lehto | Peterson, B. | Stumpf |
| Berkelman | Halberg | Lemen | Peterson, D. | Sviggum |
| Blatz | Hanson | Levi | Pogemiller | Swanson |
| Brandl | Harens | Long | Reding | Tomlinson |
| Brinkman | Hauge | Luknic | Reif | Valan |
| Byrne | Heap | Mann | Rice | Vanasek |
| Carlson, L. | Heinitz | McCarron | Rodriguez, C. | Vallenga |
| Clark, J. | Himle | McEachern | Rodriguez, F. | Voss |
| Clark, K. | Hoberg | Metzen | Rose | Weaver |
| Clawson | Hokanson | Minne | Rothenberg | Welch |
| Dahlvang | Jacobs | Munger | Samuelson | Wenzel |
| Dean | Johnson, C. | Murphy | Sarna | Wynia |
| Drew | Johnson, D. | Nelson, K. | Searles | Zubay |
| Eken | Jude | Norton | Shea | Spkr. Sieben, H. |
| Elioff | Kahn | Novak | Sherman | |

Those who voted in the negative were:

| | | | | |
|-------------|----------|------------|------------|---------|
| Aasness | Esau | Ludeman | Piepho | Stowell |
| Ainley | Fjoslien | Marsh | Redalen | Welker |
| Carlson, D. | Haukoos | McDonald | Rees | Wieser |
| Dempsey | Jennings | Nelsen, B. | Schafer | Wigley |
| Den Ouden | Kalis | Niehaus | Schoenfeld | |
| Erickson | Kvam | Onnen | Sherwood | |

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested.

H. F. No. 553, A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle excise tax be allocated between the general fund and the highway user tax distribution fund for a period of four years, and thereafter all the proceeds to be deposited in the highway user tax distribution fund; authorizing the issuance of state bonds and appropriating the proceeds for the purpose of providing money to acquire and better public land, buildings, and capital improvements comprising key bridges, segments of interstate highway, and interstate highway substitution projects needs for an integrated state transportation system; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the city of Moorhead to increase its mill rate for public transportation services; appropriating money; amending Minnesota Statutes 1980, Sections 84.87, Subdivision 2; 168.011, Subdivisions 7 and 10; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h and by adding a subdivision; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.11; 169.79; 169.95; 171.02, Subdivision 3; 171.04; 171.06, Subdivisions 1, 2, 4 and by adding a subdivision; 171.07, Subdivisions 1 and 3; 171.17; 171.29; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 174.50, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.03, Subdivision

5; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapter 192, Section 1; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7.

PATRICK E. FLAHAVER, Secretary of the Senate

Voss moved that the House refuse to concur in the Senate amendments to H. F. No. 553, 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.

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Kelly | O'Connor | Sieben, M. |
| Ainley | Ewald | Knickerbocker | Ogren | Simoneau |
| Anderson, G. | Fjoslien | Kostohryz | Olsen | Skoglund |
| Anderson, I. | Forsythe | Kvam | Osthoff | Stadum |
| Anderson, R. | Friedrich | Laidig | Otis | Staten |
| Battaglia | Greenfield | Lehto | Peterson, B. | Stowell |
| Begich | Gruenes | Lemen | Peterson, D. | Stumpf |
| Berkelman | Gustafson | Levi | Piepho | Sviggum |
| Blatz | Halberg | Long | Pogemiller | Swanson |
| Brandl | Hanson | Ludeman | Redalen | Tomlinson |
| Brinkman | Harens | Luknic | Reding | Valan |
| Byrne | Hauge | Mann | Rees | Valento |
| Carlson, D. | Haukoos | Marsh | Reif | Vanasek |
| Carlson, L. | Heap | McCarron | Rice | Vellenga |
| Clark, J. | Heinitz | McDonald | Rodriguez, C. | Voss |
| Clark, K. | Himle | McEachern | Rodriguez, F. | Weaver |
| Clawson | Hoberg | Mehrkens | Rose | Welch |
| Dahlvang | Hokanson | Metzen | Rothenberg | Wenzel |
| Dean | Hokr | Minne | Samuelson | Wieser |
| Dempsey | Jacobs | Munger | Sarna | Wigley |
| Den Ouden | Jennings | Murphy | Schafer | Wynia |
| Drew | Johnson, C. | Nelsen, B. | Schoenfeld | Zubay |
| Eken | Johnson, D. | Nelson, K. | Schreiber | Spkr. Sieben, H. |
| Elioff | Jude | Niehaus | Searles | |
| Ellingson | Kahn | Norton | Shea | |
| Erickson | Kaley | Novak | Sherman | |
| Esau | Kalis | Nysether | Sherwood | |

Anderson, G., 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 Voss motion and the roll was called.

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

There were 40 yeas and 91 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-------------|-----------|------------|
| Ainley | Carlson, L. | Johnson, D. | McEachern | Rose |
| Anderson, I. | Den Ouden | Jude | Minne | Rothenberg |
| Anderson, R. | Elioff | Kostohryz | Murphy | Sarna |
| Battaglia | Gruenes | Kvam | Niehaus | Schreiber |
| Begich | Hanson | Lemen | Novak | Swanson |
| Blatz | Harens | Luknic | Olsen | Voss |
| Brinkman | Hokanson | McCarron | Osthoff | Welker |
| Byrne | Jacobs | McDonald | Rice | Wynia |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|--------------|---------------|------------------|
| Aasness | Fjoslien | Laidig | Piepho | Stowell |
| Anderson, B. | Forsythe | Lehto | Pogemiller | Stumpf |
| Anderson, G. | Friedrich | Levi | Redalen | Sviggum |
| Berkelman | Greenfield | Long | Rees | Tomlinson |
| Brandl | Gustafson | Ludeman | Reif | Valan |
| Carlson, D. | Halberg | Mann | Rodriguez, C. | Valento |
| Clark, J. | Hauge | Marsh | Rodriguez, F. | Vanasek |
| Clark, K. | Haukoos | Mehrkens | Samuelson | Vellenga |
| Clawson | Heap | Metzen | Schafer | Weaver |
| Dahlvang | Heinitz | Munger | Schoenfeld | Welch |
| Dean | Himle | Nelsen, B. | Searles | Wenzel |
| Dempsey | Hoberg | Nelson, K. | Shea | Wieser |
| Drew | Jennings | Norton | Sherman | Wigley |
| Eken | Johnson, C. | Nysether | Sherwood | Zubay |
| Ellingson | Kahn | Ogren | Sieben, M. | Spkr. Sieben, H. |
| Erickson | Kaley | Onnen | Simoneau | |
| Esau | Kalis | Otis | Skoglund | |
| Evans | Kelly | Peterson, B. | Stadum | |
| Ewald | Knickerbocker | Peterson, D. | Staten | |

The motion did not prevail.

CONCURRENCE AND REPASSAGE

Anderson, G., moved that the House concur in the Senate amendments to H. F. No. 553 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 553, A bill for an act relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fee for personalized license plates; defining and clarifying certain gross weights; providing for temporary farm truck licenses; increasing the tax on gasoline; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle

excise tax be allocated between the general fund, the transit assistance fund, and the highway user tax distribution fund for a certain period, and thereafter the proceeds to be deposited in the highway user tax distribution and transit assistance fund; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the cities of Moorhead and Duluth to increase its mill rate for public transportation services; appropriating money; amending Minnesota Statutes 1980, Sections 84.87, Subdivision 2; 168.011, Subdivisions 7, 10, 16, 17, and 25; 168.013, Subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h, 2, 3 and by adding a subdivision; 168.017, Subdivisions 1 and 3; 168.12, Subdivisions 2 and 2a; 168.16; 168.27, Subdivision 16; 168C.11, Subdivision 1; 169.11; 169.79; 169.95; 171.02, Subdivision 3; 171.04; 171.06, Subdivisions 1, 2, 3, 4 and by adding a subdivision; 171.07, Subdivisions 1, 3 and by adding a subdivision; 171.17; 171.29; 174.23, Subdivision 1; 174.24, Subdivision 3, and by adding a subdivision; 174.31; 296.02, Subdivision 1; 297B.035, Subdivision 2; 297B.09; 299D.-03, Subdivision 5; 473.164, Subdivision 3; 473.408, Subdivisions 6 and 7; 473.411, Subdivision 1; 473.446; Laws 1969, Chapters 192, Section 1; and 720, Section 11, Subdivision 1, as amended; proposing new law coded in Minnesota Statutes, Chapters 168 and 174; repealing Minnesota Statutes 1980, Sections 168.013, Subdivision 17; 174.28; and 174.31, Subdivisions 6 and 7.

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.

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

There were 87 yeas and 46 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Friedrich | Laidig | Otis | Stadum |
| Ainley | Greenfield | Lehto | Peterson, B. | Staten |
| Anderson, B. | Gustafson | Levi | Peterson, D. | Stowell |
| Anderson, G. | Halberg | Long | Piepho | Stumpf |
| Berkelman | Hauge | Ludeman | Redalen | Sviggum |
| Carlson, D. | Haukoos | Mann | Rees | Tomlinson |
| Clark, J. | Heap | Marsh | Reif | Valan |
| Clark, K. | Heinitz | McDonald | Rodriguez, C. | Valento |
| Clawson | Himle | Mehrkens | Rodriguez, F. | Vellenga |
| Dahlvang | Hoberg | Metzen | Rothenberg | Weaver |
| Dean | Jennings | Munger | Schafer | Wenzel |
| Dempsey | Johnson, C. | Nelsen, B. | Schoenfeld | Wieser |
| Den Ouden | Johnson, D. | Nelson, K. | Schreiber | Wigley |
| Eken | Kahn | Niehaus | Searles | Zubay |
| Erickson | Kaley | Nysether | Shea | Spkr. Sieben, H. |
| Esau | Kalis | O'Connor | Sherwood | |
| Ewald | Knickerbocker | Ogren | Sieben, M. | |
| Forsythe | Kostohryz | Onnen | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-----------|------------|---------|
| Anderson, I. | Elioff | Jude | Novak | Swanson |
| Anderson, R. | Ellingson | Kelly | Olsen | Vanasek |
| Battaglia | Evans | Kvam | Osthoff | Voss |
| Begich | Fjoslien | Lemen | Pogemiller | Welch |
| Blatz | Gruenes | Luknie | Rice | Welker |
| Brandl | Hanson | McCarron | Rose | Wynia |
| Brinkman | Harens | McEachern | Samuelson | |
| Byrne | Hokanson | Minne | Sarna | |
| Carlson, L. | Hokr | Murphy | Sherman | |
| Drew | Jacobs | Norton | Skoglund | |

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:

H. F. No. 3, A bill for an act relating to public welfare; amending the community social services act; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; defining the county of financial responsibility for participants in long term sheltered workshops; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 254A.08, Subdivision 1; 256D.18, Subdivisions 2 and 3; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2 and 5 and by adding a subdivision; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivisions 4 and 11; and 261.27.

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. 1445, A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard

deduction; imposing an income surtax; eliminating the deduction for tax paid on gasoline; limiting the medical expense deduction; providing for deduction of federal income tax on the accrual basis; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin to hold land for future development; increasing the rate of interest payable on delinquent taxes; rescheduling certain payment dates; limiting property tax refund payments to certain claimants; requiring declaration and estimated payments of gross earnings taxes by telephone and telegraph companies; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; establishing conditions for the special assessment of costs of operation, maintenance, or promotion of public improvements; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers'

bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; validating rules of the state board of assessors; providing for accrediting of certain assessors; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance a project located in the city of New Brighton; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commissioner; appropriating funds; amending Minnesota Statutes 1980, Sections 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.136, Subdivision 3; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d, 3g and by adding subdivisions; 290.067, Subdivision 2; 290.08, by adding a subdivision; 290.09, Subdivisions 4, 10 and 15; 290.10; 290.17, Subdivision 2; 290.18, Subdivision 2 and by adding a subdivision; 290.37, Subdivision 3; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 297A.01, Subdivision 3; 297A.25, Subdivision 1; 298.75, Subdivisions 1, 2 and 3; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 429.031; 429.051; 429.061, Subdivision 1 and by adding subdivisions; 458.14; 473.626; 477A.03; 477A.04, Subdivision 2; and 477A.13; Laws 1975, Chapter 226, Section 4, as amended; and Laws 1980, Chapter 607, Article V, Section 5; proposing new law coded in Minnesota Statutes, Chapters 38; 273; 295; 297A; and 477A; repealing Minnesota Statutes 1980, Sections 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; and 477A.01."

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

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1475

A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4.

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1475, 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. 1475 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 | \$ 8,614,900 |
| NATURAL RESOURCES | 2,769,000 |
| TRANSPORTATION | 101,942,000 |
| MINNESOTA HISTORICAL SOCIETY | 700,000 |
| VETERANS AFFAIRS | 261,000 |
| ECONOMIC DEVELOPMENT | 2,500,000 |
| BOND SALE EXPENSES | 116,300 |
| TOTAL | \$116,903,200 |

| | |
|---------------------------|------------|
| Game and Fish Fund | 195,000 |
| Trunk Highway Fund | 4,093,200 |
| Transportation Fund | 98,000,000 |
| Building Fund | 14,615,000 |

APPROPRIATIONS

\$ \$

Sec. 2. [ADMINISTRATION.]

| | |
|--|-----------|
| To the commissioner of administration for the purposes specified in this sec- tion | 8,614,900 |
|--|-----------|

| | |
|--|---------|
| (a) Replace capitol dock and outside freight elevator | 177,000 |
|--|---------|

| | |
|--|--------|
| (b) Screen and light Ford building parking lot C and continue grounds improvements | 56,000 |
|--|--------|

| | |
|---|---------|
| (c) Construct pedestrian and utility tunnel to the Ford building | 750,400 |
|---|---------|

| | |
|---|-----------|
| (d) Construct pedestrian and utility tunnel to Veterans Service building ... | 1,232,000 |
|---|-----------|

| | |
|---|---------|
| (e) Construct connecting tunnel to link the Historical Society building with the Mechanic Arts School building with the gymnasium wing of the Mechanic Arts School building | 448,000 |
|---|---------|

| | |
|--|--------|
| (f) Repair Historical Society build- ing rain gutters | 54,000 |
|--|--------|

| | |
|--|-----------|
| (g) Fergus Falls State Hospital Power Plant Conversion..... | 2,700,000 |
|--|-----------|

This appropriation is for the construc-
tion of a facility to incinerate solid waste
and to produce heat in the form of steam
for use at the Fergus Falls state hospital.
Solid waste generated in the Fergus Falls
area now disposed of in landfill may be
incinerated in the facility.

\$

\$

The commissioner of administration may prepare construction documents for bidding purposes but shall not award construction contracts for the incineration facility at the Fergus Falls state hospital until he has obtained the written agreement of the city of Fergus Falls to pay to the state the principal amount of the bonds sold to finance this appropriation, less the portion of the cost attributable to the removal of the old ash handling equipment, not to exceed \$350,000, plus interest at the rate at which the bonds were sold, and to pay all reasonable operating, maintenance, and repair costs of this power plant, as set forth in the agreement. The agreement shall obligate the city of Fergus Falls to levy each year an amount not less than the principal and interest due and to become due on the bonds through July 1 in the third ensuing year, plus the estimated operating, maintenance, and repair costs of the power plant for that period, less the amount then on hand in the Fergus Falls power plant account and also less an amount equal to the market value of the energy savings accruing to the state through July 1 in the third ensuing year due to the construction of the power plant, including any payments received by the state from the federal government for utilizing alternative energy sources attributable to the solid waste incinerator. The levy does not require approval by the electors of the city of Fergus Falls under section 475.58. The agreement with the city shall not be executed by the commissioner until it has been reviewed by the chairman of the house appropriations committee and the chairman of the senate finance committee and received their recommendations on it. The recommendations are advisory only.

The agreement shall also obligate the city of Fergus Falls to deliver solid waste to the facility, to remove incinerated waste residue, and to pay tipping fees to

§

§

the state. The commissioner may contract with additional persons for delivery of solid waste to the facility and the payment of tipping fees.

The proceeds of the levy and receipts from tipping fees shall be deposited in the state treasury for credit to the Fergus Falls power plant account.

Amounts to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year shall be paid by the city of Fergus Falls by November 1 of each year.

The balance on hand each November 1 in the Fergus Falls power plant account needed to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year is appropriated to the commissioner of finance for transfer to the Minnesota state building bond account in the state bond fund. Any amounts in the account on November 1 not needed to cover principal and interest payments due and to become due on the bonds through July 1 in the second ensuing year but needed to cover the operating, maintenance, and repair costs of the power plant through the next ensuing November 1 are appropriated to the commissioner of finance for transfer to the general fund. Any balance remaining in the Fergus Falls power plant account after the above transfers each November 1 may, as the city of Fergus Falls directs the commissioner of finance, either be used to prepay principal or interest, or both, on bonds still outstanding, or remain in the account to reduce the amount otherwise required to be levied by the city of Fergus Falls for the ensuing year.

| | |
|---|---------|
| (h) Raise high voltage switch gear and transformers | 151,200 |
|---|---------|

The appropriation in item (h) is from the trunk highway fund.

| | \$ | \$ |
|--|-----------|----|
| (i) Appleton public television | 1,446,300 | |
| (j) Duluth public television | 1,600,000 | |

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

2,769,000

Subd. 2. To the commissioner of administration for the purposes specified in this subdivision

419,000

(a) Remodel southern service center

165,000

(b) Improve Rochester regional headquarters facilities

184,000

(c) Relocate Dentaybow warehouse or construct shop and warehouse building at Little Fork forestry station

30,000

(d) 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.

Of the appropriations in clauses (a), (b), and (d), \$195,000 is 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

750,000

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. The commissioner of natural resources shall cooperate with the watershed district and the affected landowners.

| | |
|---|-----------|
| Subd. 4. To the commissioner of natural resources to construct a flood water detention structure in the Red Lake Watershed District | 1,500,000 |
|---|-----------|

Money for this project shall be disbursed through the Lower Red River Water Management Board. State funds shall not exceed 2/3 of the cost of the project with the remaining 1/3 cost to be provided locally. This project is not eligible for a local dam loan pursuant to Minnesota Statutes, Section 105.482.

| | |
|---|---------|
| Subd. 5. To the commissioner of natural resources to rehabilitate the Spruce Center Dam | 100,000 |
|---|---------|

Sec. 4. [TRANSPORTATION.]

| | |
|---|-------------|
| Subdivision 1. To the commissioner of transportation for the purposes more specifically described in the following subdivisions of this section | 101,942,000 |
|---|-------------|

| | |
|-------------------------------------|-----------|
| Subd. 2. Operating facilities | 3,400,000 |
|-------------------------------------|-----------|

| | |
|--|---------|
| (a) Purchase materials for energy improvements at truck stations | 125,000 |
|--|---------|

| | |
|--|--------|
| (b) Provide security fencing at truck stations | 25,000 |
|--|--------|

| | |
|---|--------|
| (c) Construct electronic communications buildings | 86,000 |
|---|--------|

| | |
|--|---------|
| (d) Retrofit Minnesota department of transportation buildings for energy savings according to department of administration energy survey | 805,000 |
|--|---------|

| | \$ | \$ |
|--|------------|-----------|
| (e) Acquire land—Mapleton | 20,000 | |
| (f) Construct equipment storage buildings | | 2,059,000 |
| (1) Aitkin | \$ 275,000 | |
| (2) Grygla | 249,000 | |
| (3) Mendota Heights | 1,230,000 | |
| (4) Redwood Falls .. | 305,000 | |

Building construction costs shall not exceed \$35 per square foot. Any unused portion of building construction costs shall cancel back to the trunk highway fund.

| | |
|---|---------|
| (g) Provide public access to rest areas, information centers and other buildings serving the largest numbers of the public | 100,000 |
| (h) Replace heating systems | 100,000 |
| (i) Modify ventilation systems | 80,000 |

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, 1983, the commissioner shall defer the construction of some or all of the buildings in subdivision 2 until it is possible to match federal aid.

| | |
|---|---------|
| Subd. 3. Construct interstate weigh station at Worthington | 542,000 |
|---|---------|

The appropriations in subdivisions 2 and 3 are from the trunk highway fund.

Subd. 4. The commissioner of transportation may expend any portion of the appropriation made by Laws 1978, Section 8, Subdivision 4(b) for design, land acquisition, and construction of the Mendota Heights truck station serving the Dakota County area.

\$

\$

Subd. 5. From the state transportation fund to the commissioner of transportation to acquire and better public land, buildings, and capital improvements in accordance with Minnesota Statutes, Section 174.50 and rules promulgated thereunder, to be expended for the purposes more specifically described in this subdivision

98,000,000

(a) For construction and reconstruction of key bridges and bridge approaches on routes on the trunk highway system, including interstate routes, for completion of non-interstate trunk highway bridges on projects in which a substantial investment has been made, and for construction of segments of the interstate highway system

95,000,000

(b) For matching funds not to exceed two-thirds of the nonfederal share of right-of-way, preliminary and construction engineering, and construction costs of local transportation projects which are funded with federal interstate substitution funds

3,000,000

Sec. 5. [MINNESOTA
HISTORICAL SOCIETY.]

To the Minnesota historical society for the purposes specified in this section

700,000

(a) Remodeling in main historical building for microfilm operations

45,000

(b) Fort Snelling

619,000

Up to \$200,000 may be used for reconstruction of the Commandants Quarters. Federal Great River Road funds may be used to supplement this appropriation.

(c) Remodeling and expansion of research center

36,000

\$

\$

Sec. 6. [VETERANS AFFAIRS.]

To the commissioner of administration to complete remodeling of the Hastings veterans home 261,000

Sec. 7. [ECONOMIC DEVELOPMENT.]

For the improvement of the Duluth Public Marine Terminal 2,500,000

Sec. 8. [BOND SALE EXPENSES.]

To the commissioner of finance for bond sale expenses pursuant to Minnesota Statutes, Sections 16A.64, Subdivision 4, and 174.51, Subdivision 3 116,300

Sec. 9. [BOND SALE; DEBT SERVICE.]

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 \$14,615,000 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.

Sec. 10. [AUTHORIZATION OF BONDS.]

To provide the money appropriated in section 4 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 \$98,000,000 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 for the acquisition and betterment of public land, buildings, and capital improvements in accordance with section 4 and Minnesota Statutes, Section 174.50.

Sec. 11. [REVIEW OF PLANS.]

The commissioner of administration shall not prepare final plans and specifications for any construction or major remodeling authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their

recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 12. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.]

Upon the awarding of final contracts for the completion of any project for construction or other permanent improvement authorized by this act, the commissioner of administration 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 commissioner of administration shall report to the chairman of the house appropriations committee and the chairman of the senate finance committee on any transfer made pursuant to this section.

Sec. 13. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.]

The commissioner of administration shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization shall be made only after the commissioner of administration has consulted with the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 14. Minnesota Statutes 1980, Section 116.18, Subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATION FROM THE FUND.] The sum of \$155,000,000, or so much thereof as may be necessary, is appropriated from the Minnesota state water pollution control fund in the state treasury to the pollution control agency, for the period commencing on July 23, 1971 and ending June 30, (1981) 1983, to be granted and disbursed to municipalities and agencies of the state in aid of the construction projects conforming to section 116.16, in accordance with the rules, priorities, and criteria therein described. Except as otherwise provided in this subdivision and in subdivision 2, these state funds shall be expended at 15 per centum of the eligible cost of construction and shall be expended only for projects tendered a grant of federal funds under section 201(g), section 202, section 203 or section 206(f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 75 per centum of the eligible cost for construction of the treatment works; provided, that not

less than ten percent of (SUCH) *the* cost shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered (SUCH) federal and state grants in a percentage cumulatively exceeding 90 per centum of the eligible cost of construction, the state pollution control agency shall reduce the grant to (SUCH) *the* municipality under this chapter to the extent necessary to assure that not less than ten percent of (SUCH) *the* cost shall be paid by (SAID) *the* municipality. It is the purpose of this appropriation that a grant of state funds for each project approved in each of the fiscal years ending June 30, 1971 through (1981) 1983, shall be made in an amount not less than that required in federal law and regulations as a condition for the grant of federal funds for the project and for all other water pollution control projects for which federal grants are allocated in the same year, in the maximum amount permissible under (SUCH) law and regulations.

Notwithstanding any other provision, the agency may, in its discretion, and after consideration of the amount of state funds required to match federal funds, make a grant of state funds not exceeding 15 per centum to a municipality that would qualify for a grant of federal funds but desires to initiate construction of a project without a federal grant. The agency may limit the scope and eligible cost of the project.

If a municipality is tendered a grant of federal funds under section 201, paragraph (g), section 202, section 203 or section 206, paragraph (f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 85 percent of the eligible cost for construction of treatment works utilizing innovative or alternative wastewater treatment processes and techniques, state funds shall be expended at nine percent of the eligible cost of construction; provided, that not less than six percent of the eligible cost of construction shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 94 percent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that the municipality receives no more than 94 percent of the eligible cost of construction.

Sec. 15. Minnesota Statutes 1980, Section 116.18, Subdivision 4, is amended to read:

Subd. 4. [BOND AUTHORIZATION.] For the purpose of providing money appropriated in subdivision 1 for expenditure from the Minnesota state water pollution control fund through grants to municipalities and agencies of the state for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control, and abatement of water pollution, the commissioner of finance is authorized upon request of the pollution control agency to sell and issue Minnesota state water pollution control

bonds in the amount of \$144,000,000, in the manner and upon the conditions prescribed in section 116.17 and in the Constitution, Article XI, Sections 4 to 7. The proceeds of (SUCH) the bonds, except as provided in section 116.17, subdivision 5, are appropriated and shall be credited to the Minnesota state water pollution control 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 water pollution control fund equal to the aggregate amount of grants then approved and not previously disbursed, plus the amount of grants to be approved in the current and the following fiscal year, as estimated by the pollution control agency.

Sec. 16. Minnesota Statutes 1980, Section 174.50, Subdivision 1, is amended to read:

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, and alternate to highways and are a proper object for contracting public debt and engaging in works of internal improvements under article XI, section 5, clause (a) of the constitution. These expenditures are needed to harmonize state and local highway systems with the requirements of the federal interstate highway system, to avoid harmful environmental impact of arterial highways on urban, scenic, and recreational areas, and to provide auxiliary facilities for the convenience and safety of persons crossing highways and persons living and working adjacent to them. Capital expenditures of this nature exceed requirements for basic highway systems and should be funded from sources other than the taxes and bonds authorized in article XIV of the constitution. However, the improvements tend to reduce the cost of maintenance of highways to the minimum required for accommodation of traffic, and the cost may and shall continue to be paid from 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 expedited completion of the interstate highway system in Minnesota by paying the state share of interstate highway segments, and a portion of the local share of interstate highway substitution projects when those interstate substitution projects are approved in accordance with state and federal law.*

Sec. 17. *Notwithstanding the provisions of Minnesota Statutes, Section 282.01, the commissioner of revenue shall transfer*

and convey, without monetary consideration and by quitclaim deed in a form approved by the attorney general, in the name of the state of Minnesota, to the city of Minneapolis, all of the interest of the state in the following described tract of land situated in the county of Hennepin:

Portions of D.L. Peck's rearrangement of D.L. Peck's Addition to Minneapolis, namely Block 3 including the alley in said block, now vacated; that part of the North Half of 37th Avenue North, now vacated, lying between extensions across it of the Easterly and Westerly lines of said Block 3; and that part of 1 1/2 Street North, now vacated, lying between extensions across it of the North line of said Block 3 and the center line of 37th Avenue North.

Block 4 including the alley in said block, now vacated; that portion of the South half of 37th Avenue North, now vacated, lying between extensions across it of the Easterly and Westerly lines of said Block 4; and that part of 1 1/2 Street North, now vacated, lying between extensions across it of the South line of said Block 4 and the center line of 37th Avenue North according to the plat thereof on file or of record in the office of the Register of Deeds in and for said Hennepin County.

The described land is registered land evidenced by Certificate of Title No. 247556.

The conveyance shall state that the state of Minnesota releases to the city of Minneapolis any interest that may have been reserved in prior conveyances, except mineral interest.

Sec. 18. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Further, amend the title as follows:

Page 1, line 8, before the period insert “; and 174.50, Subdivision 1”

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

House Conferees: PHYLLIS L. KAHN, GLEN H. ANDERSON, MICHAEL R. SIEBEN, MERLYN O. VALAN and JAMES P. METZEN.

Senate Conferees: WILLIAM P. LUTHER, GERALD L. WILLET, MARION MENNING, CLARENCE M. PURFEERST and ROBERT O. ASHBACH.

Kahn moved that the report of the Conference Committee on H. F. No. 1475 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 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 102 yeas and 30 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kalis | Nysether | Simoneau |
| Anderson, B. | Evans | Kelly | Ogren | Skoglund |
| Anderson, G. | Ewald | Knickerbocker | Onnen | Stadum |
| Anderson, I. | Fjoslien | Kostohryz | Osthoff | Staten |
| Anderson, R. | Forsythe | Laidig | Otis | Stumpf |
| Battaglia | Greenfield | Lehto | Peterson, D. | Sviggum |
| Begich | Gruenes | Lemen | Piepho | Swanson |
| Berkelman | Gustafson | Levi | Pogemiller | Tomlinson |
| Byrne | Halberg | Long | Redalen | Valan |
| Carlson, D. | Hanson | Luknic | Reding | Valento |
| Carlson, L. | Harens | Mann | Rees | Vanasek |
| Clark, J. | Hauge | McEachern | Rice | Vellenga |
| Clark, K. | Heap | Mehrkens | Rodriguez, C. | Voss |
| Clawson | Heinitz | Metzen | Rodriguez, F. | Welch |
| Dahlvang | Himle | Minne | Sarna | Wenzel |
| Dean | Hoberg | Munger | Schoenfeld | Wigley |
| Dempsey | Jacobs | Murphy | Schreiber | Wynia |
| Eken | Johnson, C. | Nelsen, B. | Searles | Spkr. Sieben, H. |
| Elioff | Johnson, D. | Nelson, K. | Sherman | |
| Ellingson | Jude | Norton | Sherwood | |
| Erickson | Kahn | Novak | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|----------|--------------|---------|
| Ainley | Friedrich | Kvam | Olsen | Shea |
| Blatz | Haukoos | Ludeman | Peterson, B. | Stowell |
| Brandl | Hokanson | Marsh | Reif | Weaver |
| Brinkman | Hokr | McCarron | Rose | Welker |
| Den Ouden | Jennings | McDonald | Rothenberg | Wieser |
| Drew | Kaley | Niehaus | Schafer | Zubay |

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

CALL OF THE HOUSE LIFTED

Kelly 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. 1143

A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction

of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, Subdivision 4.

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1143, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendments.

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

House Conferees: JOHN E. BRANDL, JOSEPH R. BEGICH and TERRY M. DEMPSEY.

Senate Conferees: NEIL DIETERICH, GEORGE S. PILLSBURY and GENE MERRIAM.

Brandl moved that the report of the Conference Committee on H. F. No. 1143 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosure of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Sub-

divisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, 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 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | Olsen | Simoneau |
| Ainley | Evans | Knickerbocker | Onnen | Skoglund |
| Anderson, B. | Ewald | Kostohryz | Osthoff | Stadum |
| Anderson, G. | Fjoslien | Kvam | Otis | Staten |
| Anderson, I. | Forsythe | Laidig | Peterson, B. | Stowell |
| Anderson, R. | Friedrich | Lehto | Peterson, D. | Stumpf |
| Battaglia | Greenfield | Lemen | Piepho | Sviggum |
| Begich | Gruenes | Levi | Pogemiller | Swanson |
| Berkelman | Halberg | Long | Redalen | Tomlinson |
| Blatz | Hanson | Ludeman | Reding | Valan |
| Brandl | Harens | Luknic | Rees | Valento |
| Brinkman | Hauge | Mann | Reif | Vanasek |
| Byrne | Haukoos | Marsh | Rice | Vellenga |
| Carlson, D. | Heap | McDonald | Rodriguez, C. | Voss |
| Carlson, L. | Heinitz | McEachern | Rodriguez, F. | Weaver |
| Clark, J. | Himle | Mehrkens | Rose | Welch |
| Clark, K. | Hoberg | Metzen | Rothenberg | Welker |
| Clawson | Hokanson | Minne | Samuelson | Wenzel |
| Dahlvang | Hokr | Munger | Sarna | Wieser |
| Dean | Jacobs | Murphy | Schafer | Wigley |
| Dempsey | Jennings | Nelsen, B. | Schoenfeld | Wynia |
| Den Ouden | Johnson, C. | Nelson, K. | Schreiber | Zubay |
| Drew | Johnson, D. | Niehaus | Searles | Spkr. Sieben, H. |
| Eken | Jude | Norton | Shea | |
| Elioff | Kahn | Novak | Sherman | |
| Ellingson | Kaley | Nysether | Sherwood | |
| Erickson | Kalis | Ogren | Sieben, M. | |

Those who voted in the negative were:

McCarron

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

CONFERENCE COMMITTEE REPORT ON H. F. NO. 604

A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 604, 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. 604 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 2, is amended to read:

Subd. 2. [INDIVIDUALS NOT QUALIFIED TO BE ELECTION JUDGES.] No individual shall be appointed as an election judge for any precinct if that individual:

(a) Is unable to read, write or speak the English language;

(b) Is the spouse, parent, child or sibling of any election judge serving in the same precinct or of any candidate at that election or of any member of the governing body of the municipality or county which established the precinct; or

(c) Is a candidate at that election (; OR)

((D) IS RECEIVING COMPENSATION AS AN EMPLOYEE OR OFFICER OF THE UNITED STATES, THE STATE OR ANY MUNICIPALITY OR COUNTY IN THE STATE).

Sec. 2. Laws 1981, Chapter 29, Article IV, Section 19, 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 Laws 1981, Chapter 29, Article IV, Section 21, Subdivision 2 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.

Sec. 3. Laws 1981, Chapter 29, Article IV, Section 31, is amended to read:

Sec. 31. [204B.31] [COMPENSATION FOR ELECTION SERVICES.]

The compensation for services performed under the Minnesota election law shall be as follows:

(a) To presidential electors from funds appropriated to the secretary of state for this purpose, \$35 for each day of attendance at the capitol and mileage for travel to and from the capitol in the amount allowed for state employees in accordance with rules adopted pursuant to Minnesota Statutes, Section (471.665, SUBDIVISION 1) *43.327*;

(b) To individuals, other than county, city, or town employees during their normal work day, who are appointed by the county auditor to carry ballots to or from the county auditor's office, a sum not less than the prevailing Minnesota minimum wage for each hour spent in carrying ballots and mileage in the amount allowed for state employees in accordance with rules adopted pursuant to Minnesota Statutes, Section (471.665, SUBDIVISION 1) *43.327*;

(c) To members of county canvassing boards, a sum not less than the prevailing Minnesota minimum wage for each hour necessarily spent and an amount for each mile of necessary travel equal to the amount allowed for state employees pursuant to Minnesota Statutes, Section (471.665, SUBDIVISION 1) *43.327*;

(d) (TO ELECTION JUDGES SERVING IN ANY CITY, AN AMOUNT FIXED BY THE GOVERNING BODY OF THE CITY, TO ELECTION JUDGES SERVING IN UNORGANIZED TERRITORY, AN AMOUNT FIXED BY THE COUNTY BOARD, AND TO ELECTION JUDGES SERVING IN TOWNS, AN AMOUNT FIXED BY THE TOWN BOARD. ELECTION JUDGES IN TOWNS AND UNORGANIZED TERRITORY SHALL RECEIVE AT LEAST THE PREVAILING MINNESOTA MINIMUM WAGE FOR EACH HOUR SPENT CARRYING OUT THEIR DUTIES AT THE POLLING PLACES.) *The compensation for election judges shall be set as follows: by the governing body in home rule charter and statutory cities, by the county board in unorganized territory, and by the town board in towns; provided that in all cases election judges shall receive not less than the prevailing Minnesota minimum wage for each hour spent carrying out their duties at the polling places and in attending training sessions required by Laws 1981, Chapter 29, Article IV, Section 25. An election judge who travels to pick up election supplies or to deliver election returns to the county auditor shall receive, in*

addition to other compensation authorized by this section, a sum not less than the prevailing Minnesota minimum wage for each hour spent performing these duties, plus mileage in (THE SAME) an amount (AS) *not less than that* allowed for state employees pursuant to section (471.665, SUBDIVISION 1) 43.327; and

(e) To sergeants at arms, an amount for each hour of service performed at the direction of the election judges, fixed in the same manner as compensation for election judges.

Sec. 4. Minnesota Statutes 1980, Section 410.12, Subdivision 4, is amended to read:

Subd. 4. [ELECTION.] Amendments shall be submitted to the qualified voters at a general or special election and published as in the case of the original charter. The form of the ballot shall be fixed by the governing body. The statement of the question on the ballot shall be sufficient to identify the amendment clearly and to distinguish the question from every other question on the ballot at the same time. If (51) 55 percent of the votes cast on any amendment are in favor of its adoption, copies of the amendment and certificates shall be filed, as in the case of the original charter and the amendment shall take effect in 30 days from the date of the election or at such other time as is fixed in the amendment.

Sec. 5. [REPEALER.]

Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 3, is repealed."

Delete the title and insert:

"A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; fixing the majority necessary to approve an amendment to a home rule charter; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Section 410.12, Subdivision 4; and Laws 1981, Chapter 29, Article IV, Sections 19, Subdivision 2, and by adding a subdivision; and 31; repealing Laws 1981, Chapter 29, Article IV, Section 19, Subdivision 3."

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

House Conferees: DONNA PETERSON, C. THOMAS OSTHOFF and GARY W. LAIDIG.

Senate Conferees: ANNE K. STOKOWSKI, EARL W. RENNEKE and MARILYN M. LANTRY.

Peterson, D., moved that the report of the Conference Committee on H. F. No. 604 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 604, A bill for an act relating to elections; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; amending Minnesota Statutes 1980, Sections 204A.18; and 204A.23.

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 127 yeas and 4 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kaley | Novak | Sherman |
| Ainley | Esau | Kalis | Nysether | Sherwood |
| Anderson, B. | Evans | Kelly | O'Connor | Sieben, M. |
| Anderson, G. | Ewald | Knickerbocker | Ogren | Simoneau |
| Anderson, I. | Fjoslien | Kostohryz | Olsen | Skoglund |
| Anderson, R. | Forsythe | Kvam | Onnen | Stadum |
| Battaglia | Friedrich | Laidig | Osthoff | Staten |
| Begich | Greenfield | Lehto | Otis | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, B. | Stumpf |
| Blatz | Halberg | Levi | Peterson, D. | Sviggum |
| Brandl | Hanson | Long | Piepho | Swanson |
| Brinkman | Harens | Ludeman | Pogemiller | Tomlinson |
| Byrne | Hauge | Luknic | Redalen | Valan |
| Carlson, D. | Haukoos | Mann | Reding | Vanasek |
| Carlson, L. | Heap | Marsh | Rees | Voss |
| Clark, J. | Heinitz | McCarron | Rice | Weaver |
| Clark, K. | Himle | McDonald | Rodriguez, C. | Welch |
| Clawson | Hoberg | McEachern | Rodriguez, F. | Wenzel |
| Dahlvang | Hokanson | Metzen | Rose | Wieser |
| Dean | Hokr | Minne | Rothenberg | Wigley |
| Dempsey | Jacobs | Munger | Samuelson | Wynia |
| Den Ouden | Jennings | Murphy | Sarna | Zubay |
| Drew | Johnson, C. | Nelsen, B. | Schoenfeld | Spkr. Sieben, H. |
| Eken | Johnson, D. | Nelson, K. | Schreiber | |
| Elioff | Jude | Niehaus | Searles | |
| Ellingson | Kahn | Norton | Shea | |

Those who voted in the negative were:

| | | | |
|------|---------|---------|--------|
| Reif | Schafer | Valento | Welker |
|------|---------|---------|--------|

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

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:

Peterson, B.; Drew; Dean and Kvam introduced:

H. F. No. 1539, A bill for an act relating to economic development; authorizing the creation of enterprise zones in distressed areas; granting powers to the department of economic development; providing special tax and other treatment for enterprise zones; proposing new law coded in Minnesota Statutes, Chapter 362.

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

Ogren introduced:

H. F. No. 1540, A bill for an act relating to local water management; establishing a natural resources management fund; providing for duties of counties, cities, towns, watershed districts, and soil and water conservation districts; appropriating money; amending Minnesota Statutes 1980, Sections 40.03, Subdivision 4; 40.036, by adding a subdivision; 40.07, Subdivision 9, and by adding a subdivision; 40.072, by adding a subdivision; 106.021, Subdivisions 3 and 6, and by adding a subdivision; 112.-39, Subdivision 3, and by adding a subdivision; 112.411, Subdivision 1, and by adding a subdivision; 112.43, Subdivision 1, and by adding subdivisions; 112.46; 112.47; 378.31, Subdivision 2; and 459.20; proposing new law coded as Minnesota Statutes, Chapter 105A.

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

MOTION FOR RECONSIDERATION

Ewald moved that the vote whereby the Dean motion to return S. F. No. 368 to Conference Committee prevailed be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Ewald motion and the roll was called. There were 67 yeas and 66 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|------------|---------------|
| Anderson, B. | Clark, K. | Hokanson | Mann | Peterson, D. |
| Anderson, G. | Clawson | Jacobs | McCarron | Pogemiller |
| Anderson, R. | Eken | Johnson, C. | Minne | Reding |
| Battaglia | Elioff | Jude | Munger | Rice |
| Begich | Ellingson | Kahn | Murphy | Rodriguez, C. |
| Berkelman | Ewald | Kalis | Nelson, K. | Rodriguez, F. |
| Brandl | Greenfield | Kelly | Norton | Samuelson |
| Brinkman | Gustafson | Kostohryz | Novak | Sarna |
| Byrne | Hanson | Laidig | O'Connor | Schoenfeld |
| Carlson, L. | Harens | Lehto | Ogren | Shea |
| Clark, J. | Hauge | Long | Otis | Sieben, M. |

| | | | | |
|----------|-----------|----------|-------|------------------|
| Simoneau | Stumpf | Vellenga | Wynia | Spkr. Sieben, H. |
| Skoglund | Tomlinson | Voss | Zubay | |
| Staten | Vanasek | Welch | | |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|------------|--------------|---------|
| Aasness | Forsythe | Lemen | Osthoff | Stowell |
| Ainley | Friedrich | Levi | Peterson, B. | Swiggum |
| Anderson, I. | Gruenes | Ludeman | Piepho | Swanson |
| Blatz | Halberg | Luknic | Redalen | Valan |
| Carlson, D. | Haukoos | Marsh | Rees | Valento |
| Dahlvang | Heap | McDonald | Reif | Weaver |
| Dean | Heinitz | McEachern | Rose | Welker |
| Dempsey | Himle | Mehrkens | Rothenberg | Wenzel |
| Den Ouden | Hoberg | Metzen | Schafer | Wieser |
| Drew | Hokr | Nelsen, B. | Schreiber | Wigley |
| Erickson | Jennings | Niehaus | Searles | |
| Esau | Johnson, D. | Nysether | Sherman | |
| Evans | Knickerbocker | Olsen | Sherwood | |
| Fjoslien | Kvam | Onnen | Stadium | |

The motion prevailed.

Clark, K., moved that the report of the Conference Committee on S. F. No. 368 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Clark, K., motion and the roll was called. There were 63 yeas and 68 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Ellingson | Kostohryz | Ogren | Skoglund |
| Anderson, G. | Ewald | Laidig | Otis | Staten |
| Battaglia | Greenfield | Lehto | Peterson, D. | Stumpf |
| Begich | Gustafson | Long | Pogemiller | Tomlinson |
| Berkelman | Hanson | Mann | Reding | Vanasek |
| Brandl | Harens | McCarron | Rice | Vellenga |
| Byrne | Hauge | Minne | Rodriguez, C. | Voss |
| Carlson, L. | Hokanson | Munger | Rodriguez, F. | Welch |
| Clark, J. | Johnson, C. | Murphy | Samuelson | Wenzel |
| Clark, K. | Jude | Nelson, K. | Sarna | Wynia |
| Clawson | Kahn | Norton | Shea | Spkr. Sieben, H. |
| Eken | Kalis | Novak | Sieben, M. | |
| Elioff | Kelly | O'Connor | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|---------------|------------|--------------|
| Aasness | Den Ouden | Heap | Lemen | Niehaus |
| Ainley | Drew | Heinitz | Levi | Nysether |
| Anderson, I. | Erickson | Himle | Ludeman | Olsen |
| Anderson, R. | Esau | Hoberg | Luknic | Onnen |
| Blatz | Evans | Hokr | Marsh | Osthoff |
| Brinkman | Forsythe | Jacobs | McDonald | Peterson, B. |
| Carlson, D. | Friedrich | Jennings | McEachern | Piepho |
| Dahlvang | Gruenes | Johnson, D. | Mehrkens | Redalen |
| Dean | Halberg | Knickerbocker | Metzen | Rees |
| Dempsey | Haukoos | Kvam | Nelsen, B. | Reif |

| | | | | |
|------------|-----------|---------|---------|--------|
| Rose | Schreiber | Stadum | Valan | Wieser |
| Rothenberg | Searles | Stowell | Valento | Wigley |
| Schafer | Sherman | Sviggum | Weaver | |
| Schoenfeld | Sherwood | Swanson | Welker | |

The motion did not prevail.

S. F. No. 368 and the Conference Committee Report were laid over temporarily.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned.

HOUSE CONCURRENT RESOLUTION NO. 5

A Concurrent Resolution relating to adjournment of the Senate and House of Representatives until 1982.

PATRICK E. FLAHAVERN, 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. 1139, A bill for an act relating to courts; providing for certain reorganization in the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; creating certain judicial positions to be filled by election; raising the jurisdictional limit in county and county municipal court; providing the county and county municipal court with gross misdemeanor jurisdiction; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; authorizing the judges of the courts within each judicial district to elect to form one unified court; creating an appellate division of the district court; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.01; 484.70, Subdivision 1, and by adding subdivisions; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 488A.01, Subdivisions 4, 6 and 8; 488A.18, Subdivisions 4, 7, 9 and 13; 488A.27, Subdivision 11; 525.10; proposing new law coded in Minnesota Statutes, Chapter 484; proposing new law coded as Minnesota Statutes, Chapter 484A; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and

5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

Schoenfeld moved that the House refuse to concur in the Senate amendments to H. F. No. 1139, 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 Schoenfeld motion and the roll was called. There were 85 yeas and 43 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|---------------|----------|
| Aasness | Esau | Johnson, C. | Nysether | Shea |
| Ainley | Evans | Johnson, D. | Ogren | Sherman |
| Anderson, B. | Ewald | Kalis | Onnen | Sherwood |
| Anderson, G. | Fjoslien | Knickerbocker | Otis | Simoneau |
| Anderson, I. | Friedrich | Kvam | Piepho | Stadum |
| Battaglia | Gruenes | Laidig | Pogemiller | Stowell |
| Begich | Halberg | Levi | Redalen | Stumpf |
| Berkelman | Hanson | Ludeman | Reding | Sviggum |
| Brinkman | Harens | Luknic | Rees | Valan |
| Byrne | Hauge | Mann | Reif | Valento |
| Clark, K. | Haukoos | Marsh | Rodriguez, C. | Vanasek |
| Clawson | Heap | McCarron | Rodriguez, F. | Voss |
| Dean | Heinitz | McDonald | Rose | Welker |
| Dempsey | Himle | Mehrkens | Rothenberg | Wenzel |
| Den Ouden | Hoberg | Nelsen, B. | Schafer | Wieser |
| Eken | Hokr | Niehaus | Schoenfeld | Wigley |
| Erickson | Jennings | Novak | Searles | Zubay |

Those who voted in the negative were:

| | | | | |
|-------------|------------|------------|--------------|------------------|
| Blatz | Forsythe | Long | Osthoff | Swanson |
| Brandl | Greenfield | McEachern | Peterson, B. | Tomlinson |
| Carlson, D. | Gustafson | Metzen | Peterson, D. | Vellenga |
| Carlson, L. | Hokanson | Minne | Rice | Weaver |
| Clark, J. | Jacobs | Murphy | Sarna | Welch |
| Dahlvang | Jude | Nelson, K. | Schreiber | Wynia |
| Drew | Kelly | Norton | Sieben, M. | Spkr. Sieben, H. |
| Elioff | Kostohryz | O'Connor | Skoglund | |
| Ellingson | Lehto | Olsen | Staten | |

The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 537.

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. 537

A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

May 18, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 537, 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. 537 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 169.81, Subdivision 3, is amended to read:

Subd. 3. [LENGTH OF COMBINATIONS AND SEMI-TRAILERS AND TRUCK-TRACTORS.] (a) No combination of vehicles coupled together unladen or with load, including truck-tractor and semitrailers, shall consist of more than two units unless the combination consists of a truck-tractor and semitrailer drawing one additional semitrailer equipped with an auxiliary dolly, and no combination of vehicles shall exceed a total length of 60 feet. The limitation shall not apply to the transportation of telegraph poles, telephone poles, electric light and power poles, piling, or pole length pulpwood, and is subject to the following further exceptions: The length limitations shall not apply to vehicles when transporting pipe, or other objects by a public utility when required for emergency or repair of public service facilities or when operated under special permits as provided in this subdivision, but with respect to night transportation a vehicle and the load shall be equipped with a suffi-

cient number of clearance lamps and marker lamps on both sides and upon the extreme ends of a projecting load to clearly mark the dimensions of the load. Mount combinations may be drawn but the combinations may not exceed (60) 65 feet in length. The limitation on the number of units shall not apply to vehicles used for transporting milk from point of production to point of first processing, in which case no combination of vehicles coupled together unladen or with load, including truck-tractor and semitrailers, shall consist of more than three units and no combination of those vehicles shall exceed a total length of 60 feet. For the purpose of registration, trailers coupled with a truck-tractor, semitrailer combination shall be considered the same as semitrailers. The state, as to state trunk highways, and a city or town, as to roads or streets located within the city or town, may issue permits authorizing the transportation of combinations of vehicles exceeding the limitations in this subdivision over highways, roads or streets within their boundaries. Combinations of vehicles authorized by this subdivision may be restricted as to the use of highways by the commissioner, as to state trunk highways, and a road authority, as to highways or streets subject to its jurisdiction. Nothing in this subdivision shall be deemed to alter or change the authority vested in local authorities under the provisions of section 169.04. This subdivision shall not apply to the operation of combinations of vehicles subject to the provisions of section 169.861.

(b) No single semitrailer or trailer shall have an overall length, exclusive of rear protective bumpers which do not increase the overall length by more than six inches and further exclusive of accessory equipment mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor, in excess of 45 feet, except for those semitrailers governed by subdivisions 3a, 3b and 7. For purposes of determining compliance with the provisions of this subdivision, the length of the semitrailer or trailer shall be determined separate from the overall length of the combination of vehicles.

Sec. 2. Minnesota Statutes 1980, Section 169.86, Subdivision 5, is amended to read:

Subd. 5. [FEES.] (TO COVER ADMINISTRATIVE COSTS IN ISSUING SUCH PERMIT,) The commissioner, with respect to highways under his jurisdiction, may charge a fee (OF \$5) for each (SUCH) permit issued (, EXCEPT A SEASONAL TRANSPORTATION PERMIT TO CONTRACTORS WHO MOVE THEIR OWN CONSTRUCTION MACHINERY AND EQUIPMENT FOR THEIR OWN USE, THE FEE FOR WHICH SEASONAL PERMIT SHALL BE \$25. AN ANNUAL PERMIT MAY BE ISSUED FOR REFUSE COMPACTOR VEHICLES WHICH WILL PERMIT UP TO BUT NOT IN EXCESS OF 22,000 POUNDS ON A SINGLE REAR AXLE AND NOT IN EXCESS OF 38,000 POUNDS ON A TANDEM REAR AXLE. THE FEE FOR THIS ANNUAL PERMIT SHALL BE

\$50). All such fees for permits issued by the commissioner of transportation shall be deposited in the state treasury and credited to the trunk highway fund. *Except for those annual permits for which the permit fees are specified elsewhere in this chapter, the fees shall be:*

(a) \$12 for each single trip permit.

(b) \$12 for each job permit. A job permit may be issued for like loads carried on a specific route for a period not to exceed two months. "Like loads" means loads of the same product, weight and dimension.

(c) \$60 for an annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) truck cranes;

(2) construction equipment, machinery, and supplies;

(3) mobile homes;

(4) farm equipment when the movement is not made according to the provisions of section 169.80, subdivision 1, clauses (a) to (f).

(5) refuse compactor vehicles that carry a gross weight up to but not in excess of 22,000 pounds on a single rear axle and not in excess of 38,000 pounds on a tandem rear axle;

(6) motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;

(7) motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a.

Sec. 3. [HIGHWAY POLICY STUDY COMMISSION.]

Subdivision 1. There is hereby created an interim commission to study the contracting of trunk highway maintenance by counties, and the collection of highway user taxes from out-of-state vehicles.

The study of county maintenance is to include:

(a) *historical and projected department of transportation expenditures including administrative, operating and capital expenditures for trunk highway maintenance, maintenance preservation, and associated activities;*

(b) *the experience of other states and Minnesota in contracting with governmental subdivisions for highway maintenance and associated activities; and a review of existing procedures for contracts between the department of transportation and local governments;*

(c) *consideration of alternatives which contemplate contracting with all counties, groups of counties, or several specific counties to perform maintenance functions on trunk highways;*

(d) *identification of the costs and benefits in each alternative to the state and to the pertinent counties, including the costs and benefits associated with operating, administrative, equipment, and capital expenditures;*

(e) *consideration of personnel issues, including but not limited to the transfer of affected state employees to county employment, and any effect on compensation and pensions;*

(f) *consideration of tort liability issues and how they might be addressed;*

(g) *any other pertinent matters.*

The study of the collection of highway user taxes from motor vehicles registered in other states is to include:

(a) *overview of the origination, routes, weight, and destination of truck shipments;*

(b) *current and alternative mechanisms to collect user revenues from out-of-state trucks, including reciprocity agreements for licenses and fuel;*

(c) *cost-effectiveness of alternative administrative and legislative methods to collect user revenues from out-of-state trucks;*

(d) *any other pertinent matters.*

Subd. 2. *The interim commission shall consist of seven members of the senate appointed by the subcommittee on committees of the committee on rules and administration of the senate and seven members of the house of representatives appointed by the speaker of the house. Payment of the expenses of the interim commission, including reimbursement for the expenses of the members shall be made pursuant to the rules of the legislature. 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. The commission shall select a chairman and other officers from its membership.*

Subd. 3. The interim commission may request information and staff assistance from any state officer or agency to assist it in carrying out its duties, and such information and staff assistance shall be promptly furnished to the extent permitted by law.

Subd. 4. The interim commission shall exist and act from the date its members are appointed. The commission shall file a report with the legislature by February 1, 1982, and shall be terminated upon that date.

Sec. 4. Minnesota Statutes 1980, Section 169.861, is amended to read:

169.861 [(PERMITS FOR) OPERATION OF CERTAIN COMBINATIONS (; FEES).]

(SUBDIVISION 1. [APPLICATIONS.] THE COMMISSIONER SHALL ISSUE AN ANNUAL PERMIT TO ENABLE) A combination of vehicles consisting of a truck and semitrailer or a truck-tractor and semitrailer drawing one additional semitrailer equipped with an auxiliary dolly between 55 and 65 feet in length (TO) may operate on the public highways (THE PERMIT SHALL ENTITLE THE COMBINATION OF VEHICLES TO OPERATE) only on divided highways having four or more lanes of travel, and on such other highways as may be designated by the commissioner of transportation subject to section 169.87, subdivision 1, and subject to the approval of the authority having jurisdiction over such highway, for the purpose of providing access between such divided highways of four or more lanes of travel and truck terminals and marshalling yards or for the purpose of providing continuity of route. All vehicles operated under the provisions of this section shall conform to the standards for such vehicles as prescribed by the United States Department of Transportation, Federal Highway Administration, Bureau of Motor Carrier Safety, and as may be amended.

(SUBD. 2. [DISPLAY.] THE PERMIT ISSUED UNDER THIS SECTION SHALL AT ALL TIMES BE CARRIED IN OR UPON THE VEHICLE SUPPLYING THE MODE OF POWER FOR THE COMBINATION OF VEHICLES FOR WHICH IT HAS BEEN ISSUED.)

(SUBD. 3. [FEES.] THE COMMISSIONER IS AUTHORIZED TO CHARGE A FEE OF \$75 FOR SUCH ANNUAL PERMIT FOR EACH COMBINATION EXCEEDING 55 BUT NOT MORE THAN 60 FEET IN LENGTH; AND \$200 FOR EACH COMBINATION EXCEEDING 60 BUT NOT MORE THAN 65 FEET IN LENGTH. ALL SUCH FEES FOR PERMITS ISSUED BY THE COMMISSIONER SHALL BE DEPOSITED IN THE STATE TREASURY AND CREDITED TO THE HIGHWAY USER TAX DISTRIBUTION FUND. THIS FEE MAY BE PRORATED IN THE SAME MANNER

AS REGISTRATION FEES ARE PRORATED PURSUANT TO SECTION 168.187. FOR THOSE VEHICLES NOT COVERED BY SECTION 168.187 OR RECIPROCAL AGREEMENTS PURSUANT TO SECTION 168.181, A TRIP FEE OF \$10 FOR COMBINATIONS EXCEEDING 55 BUT NOT MORE THAN 60 FEET IN LENGTH AND \$20 FOR COMBINATIONS EXCEEDING 60 BUT NOT MORE THAN 65 FEET IN LENGTH MAY BE CHARGED.)”

Delete the title and insert:

“A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; creating a legislative study commission; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5; and 169.861.”

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

Senate Conferees: CLARENCE M. PURFEERST, WILLIAM V. BELANGER, JR. and ROBERT J. SCHMITZ.

House Conferees: LYLE G. MEHRKENS, GEORGE C. DAHLVANG and LAWRENCE J. POGEMILLER.

Mehrkens moved that the report of the Conference Committee on S. F. No. 537 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 537, A bill for an act relating to highway traffic regulations; increasing the length of certain vehicles; establishing permit fees for certain oversize vehicles; directing the commissioner of transportation to conduct certain studies; clarifying the operation of certain combination vehicles; amending Minnesota Statutes 1980, Sections 169.81, Subdivision 3; 169.86, Subdivision 5, and by adding a subdivision; and 169.861.

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 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-------------|-----------|-----------|
| Aasness | Begich | Carlson, L. | Den Ouden | Ewald |
| Ainley | Berkelman | Clark, J. | Drew | Fjoslien |
| Anderson, B. | Blatz | Clark, K. | Elioff | Forsythe |
| Anderson, G. | Brandl | Clawson | Ellingson | Friedrich |
| Anderson, I. | Brinkman | Dahlvang | Erickson | Gruenes |
| Anderson, R. | Byrne | Dean | Esau | Gustafson |
| Battaglia | Carlson, D. | Dempsey | Evans | Hanson |

| | | | | |
|---------------|------------|---------------|---------------|------------------|
| Hauge | Laidig | Novak | Rodriguez, F. | Stumpf |
| Haukoos | Levi | Nysether | Rose | Swiggum |
| Heap | Long | O'Connor | Rothenberg | Swanson |
| Heinitz | Ludeman | Ogren | Samuelson | Tomlinson |
| Himle | Luknic | Olsen | Sarna | Valan |
| Hoberg | Mann | Onnen | Schafer | Valento |
| Hokanson | Marsh | Osthoff | Schoenfeld | Vanasek |
| Hokr | McCarron | Otis | Schreiber | Voss |
| Jacobs | McDonald | Peterson, B. | Searles | Weaver |
| Jennings | McEachern | Peterson, D. | Shea | Welch |
| Johnson, C. | Mehrkens | Piepho | Sherman | Welker |
| Johnson, D. | Minne | Pogemiller | Sherwood | Wenzel |
| Jude | Munger | Redalen | Sieben, M. | Wieser |
| Kaley | Murphy | Reding | Simoneau | Wigley |
| Kalis | Nelsen, B. | Rees | Skoglund | Wynia |
| Knickerbocker | Nelson, K. | Reif | Stadum | Zubay |
| Kostohryz | Niehaus | Rice | Staten | Spkr. Sieben, H. |
| Kvam | Norton | Rodriguez, C. | Stowell | |

Those who voted in the negative were:

Greenfield Kahn Lehto

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested.

H. F. No. 1253, A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Eken moved that the House concur in the Senate amendments to H. F. No. 1253 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1253, A bill for an act relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

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 90 yeas and 38 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, G. | Evans | Kostohryz | O'Connor | Skoglund |
| Anderson, R. | Fjoslien | Laidig | Ogren | Stadum |
| Battaglia | Greenfield | Lehto | Otis | Staten |
| Begich | Gruenes | Lemen | Peterson, D. | Stowell |
| Berkelman | Gustafson | Levi | Pogemiller | Stumpf |
| Brandl | Harens | Long | Reding | Swanson |
| Brinkman | Hauge | Luknic | Rees | Tomlinson |
| Byrne | Heap | Mann | Reif | Valan |
| Carlson, D. | Heinitz | McCarron | Rice | Valento |
| Carlson, L. | Hokanson | McEachern | Rodriguez, C. | Vanasek |
| Clark, J. | Jacobs | Mehrkens | Rodriguez, F. | Vellenga |
| Clark, K. | Johnson, C. | Metzen | Rose | Voss |
| Clawson | Johnson, D. | Minne | Samuelson | Welch |
| Dahlvang | Jude | Munger | Schoenfeld | Wenzel |
| Drew | Kahn | Murphy | Searles | Wigley |
| Eken | Kaley | Nelson, K. | Sherwood | Wynia |
| Elioff | Kalis | Norton | Sieben, M. | Zubay |
| Ellingson | Kelly | Novak | Simoneau | Sprk. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|---------------|--------------|-----------|
| Aasness | Forsythe | Knickerbocker | Olsen | Schreiber |
| Ainley | Friedrich | Kvam | Onnen | Sherman |
| Blatz | Halberg | Ludeman | Osthoff | Sviggum |
| Dempsey | Hanson | Marsh | Peterson, B. | Weaver |
| Den Ouden | Haukoos | McDonald | Piepho | Welker |
| Erickson | Himle | Nelsen, B. | Redalen | Wieser |
| Esau | Hokr | Niehaus | Rothenberg | |
| Ewald | Jennings | Nysether | Schafer | |

The bill was repassed, as amended by the Senate, 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. 1139:

Jude, Schoenfeld and Sieben, M.

MESSAGES FROM THE SENATE, Continued
Mr. Speaker:

I hereby announce that the Senate wishes to recall for the purpose of further consideration House File No. 1139.

H. F. No. 1139, A bill for an act relating to courts; providing for certain reorganization of the court system in the state; providing that Hennepin and Ramsey municipal courts shall also be probate courts; abolishing the office of referee; providing for continuance of certain referee positions for a limited time; providing for continuance of certain judicial officer positions for a limited time; abolishing the office of court commissioner; providing for continuance of the Ramsey county court commissioner position for a limited time; changing the jurisdiction of county courts and county municipal courts; providing for the prosecution of gross misdemeanors by municipalities; creating certain judicial positions; abolishing certain judicial positions

by attrition; appropriating money; amending Minnesota Statutes 1980, Sections 2.722, Subdivision 1, and by adding a subdivision; 260.031, Subdivision 1; 484.70, Subdivision 1, and by adding subdivisions; 487.03, by adding a subdivision; 487.08, Subdivisions 2 and 3; 487.15; 487.16; 487.18; 487.25, Subdivision 10; 488A.01, Subdivisions 4, 6, and 8; 488A.18, Subdivisions 4, 7, 9, and 13; 488A.27, Subdivision 11; 489.01; 525.10; repealing Minnesota Statutes 1980, Sections 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 525.04; and Laws 1978, Chapter 750, Section 6.

PATRICK E. FLAHAVER, Secretary of the Senate

Jude moved that the House reconsider the action whereby H. F. No. 1139 was sent to Conference Committee and that the House accede to the request of the Senate for the return of H. F. No. 1139 to the Senate for further consideration. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1475, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1980, Section 116.18, Subdivisions 1 and 4; and 174.50, 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. FLAHAVER, 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. 1143, A bill for an act relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing for disclosures of information between the department of economic security and the commissioner of revenue regarding unemployment compensation; allowing for disclosures of information between the commissioner of revenue and the commissioner of public welfare; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places

returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return; amending Minnesota Statutes 1980, Sections 10A.31, Subdivision 1; 15.1691, Subdivision 2; 268.12, Subdivision 12; 290.05; 290.06, Subdivision 3d; 290.067, Subdivision 2; 290.09, Subdivision 3; 290.095, Subdivisions 1, 9, and by adding a subdivision; 290.14; 290.37, Subdivision 1; 290.39, Subdivisions 1, 2, and by adding a subdivision; 290.41, Subdivision 2, and by adding subdivisions; 290.42; 290.43; 290.44; 290.46; 290.53, Subdivisions 3 and 3a; 290.61; 290.92, Subdivisions 1, 2a, 7, 15, and by adding subdivisions; 290.93, Subdivisions 1, 3 and 10; 290.931, Subdivision 1; 290.934, Subdivisions 4 and 5; 290A.03, Subdivision 8; 290A.07; 290A.08; 290A.11, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Section 290.032, 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

Eken moved that when the House adjourns today it adjourn until 12:00 noon, Tuesday, January 12, 1982. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER ON VETO MESSAGE

The Speaker announced to the House that a veto message had been received from Governor Albert H. Quie on H. F. No. 1445.

SPECIAL ORDERS

H. F. No. 1454 was reported to the House.

Jude moved to amend H. F. No. 1454 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1981, Chapter 59, Section 10, Subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Upon the termination or cancellation of any franchise, the new motor vehicle dealer shall, in the time prescribed, be allowed fair and reasonable compensation by the manufacturer for the following items:

(a) New motor vehicle inventory which was originally acquired from the manufacturer;

(b) Equipment and furnishings if the new motor vehicle dealer purchased them from the manufacturer;

(c) Special tools;

(d) Supplies, including parts, purchased from the manufacturer. Fair and reasonable compensation as applied to parts means that the manufacturer shall reimburse the dealer for 100 percent of the net cost of all current unused automobile and truck parts, including transportation charges, and 85 percent of the current net prices on repair parts, including superseded parts listed in current price lists or catalogs plus five percent of the current net price on all parts returned to compensate the dealer for the handling, packing, and loading of the parts;

(e) Except as provided in paragraph (f), dealership facilities if the facilities were required to be purchased or constructed as a precondition to obtaining the franchise or its renewal by the manufacturer. If the facilities described in this clause were leased and the lease was required by the manufacturer as a precondition to obtaining the franchise or to its renewal, then the manufacturer is liable for one year's payment of the rent or the remainder of the term of the lease, whichever is less. The manufacturer has no obligations under this clause if the termination or cancellation was for good cause based on the conviction or a plea of nolo contendere of the dealer or one of its principal owners for a crime which constitutes a felony as defined in Minnesota Statutes, Section 609.02, Subdivision 2, or where it has been demonstrated (AT THE HEARING) that the new motor vehicle dealer has repeatedly exhibited a course of conduct constituting fraud with respect to the manufacturer or the general public;

(f) In the event the termination or cancellation is due to a failure of performance of the dealer in sales or service as described in section 7, subdivision 2, the manufacturer shall have no obligation to purchase facilities owned by the dealer but

shall be required to pay the dealer a sum equivalent to the reasonable rental value of the facilities for one year. In all other respects the provisions of paragraph (e) shall apply.

Sec. 2. Laws 1981, Chapter 59, Section 11, Subdivision 4, is amended to read:

Subd. 4. [PAYMENTS.] In the event of nonrenewal or failure to renew, the manufacturer or distributor shall be obligated to make the same payments to the dealer and in the same manner, subject to the same limitations and restrictions, as are set forth in section (9) 10.

Sec. 3. Laws 1981, Chapter 59, Section 15, Subdivision 1, is amended to read:

Subdivision 1. [NOTIFICATION; PROTEST; HEARING.] In the event that a manufacturer seeks to enter into a franchise establishing an additional new motor vehicle dealership or relocating an existing new motor vehicle dealership within or into a relevant market area where the line make is then represented, the manufacturer shall, in writing, first notify each new motor vehicle dealer in this line make in the relevant market area of the intention to establish an additional dealership or to relocate an existing dealership within or into that market area. The relevant market area is a radius of ten miles around an existing dealership. Within 15 days of receiving the notice or within 15 days after the end of any appeal procedure provided by the manufacturer, the new motor vehicle dealership may commence a civil action in a court of competent jurisdiction pursuant to section (17) 18 challenging the establishing or relocating of the new motor vehicle dealership. An action brought under this section shall be placed on the calendar ahead of other civil actions to be heard and determined as expeditiously as possible. Thereafter the manufacturer shall not establish or relocate the proposed new motor vehicle dealership unless the court has determined that there is good cause for permitting the establishment or relocation of the motor vehicle dealership.

For the purposes of this section, the reopening in a relevant market area of a new motor vehicle dealership within two miles of a location at which a former dealership of the same line make had been in operation within the previous two years shall not be deemed the establishment of a new motor vehicle dealership.

The relocation of an existing dealer within its area of responsibility as defined in the franchise agreement shall not be subject to this section, if the proposed relocation site is not within five miles of an existing dealer of the same line make.

Sec. 4. A law enacted at the 1981 Regular Session styled as H. F. No. 493, Section 7, Subdivision 1, is amended to read:

Subdivision 1. [GENERAL OBLIGATION BONDS.] A municipality may, by resolution, authorize, issue and sell general obligation bonds or obligations to finance any expenditure by the municipality for the acquisition, construction, expansion, modification or operation of a district heating system and for the purpose of loaning the proceeds of the bonds or obligations to any person, firm or public or private corporation to acquire, construct, expand or modify a district heating system. Except with regard to the net debt limit as provided in section (465.74) 6, subdivision 4, the general obligation bonds or obligations authorized by this subdivision shall be authorized, issued and sold in the same manner and subject only to the same conditions as those provided in chapter 475. When revenues from the operation of a district heating system are pledged to the repayment of the bonds or obligations, the estimated collections of said revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds or obligations 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.

Sec. 5. A law enacted at the 1981 Regular Session styled as H. F. No. 493, Section 7, Subdivision 3, is amended to read:

Subd. 3. [REDEVELOPMENT AGENCY.] A municipality may itself, or by ordinance authorize any redevelopment agency as defined in section (474.03) 474.02, subdivision 3, acting for the municipality, to exercise any and all of the powers granted to the municipality under subdivision 2 and to the redevelopment agency under any other law for the purpose of financing all or any portion of the district heating system and any conversion facilities for modifying the user's heating or water system to use the heat energy converted from the steam or hot water furnished by the district heating system including, but without limitation, the payment of interest during construction and for a reasonable time thereafter and the establishment of reserves for bond payment and for working capital, in which event if the issuer is a redevelopment agency the sources of revenue that may be pledged to the payment of revenue bonds or obligations shall include any revenues of the redevelopment agency. The proceeds of bonds or obligations issued by the municipality or redevelopment agency may be used to make or purchase loans for facilities which the issuer estimates will require such financing, and, for the purpose of making or purchasing such loans the issuer shall have power to enter into loan agreements and other related agreements, both before and after the issuance of the obligations, with such persons, firms, public or private corporations, federal or state agencies, governmental units, and under such terms and conditions as the issuer shall deem appropriate; and any governmental unit in the state shall have the power to apply, contract for and receive the loans without limitation under any other provisions of chapter 475.

Sec. 6. A law enacted at the 1981 Regular Session styled as S. F. No. 1087, Section 42, is amended to read:

Sec. 42. [REPEALER.]

Minnesota Statutes 1980, Sections 60A.031, Subdivision 2; and 60A.11, Subdivisions 2, 3, 4, 5, 6, (7,) and 8, are repealed.

Sec. 7. Minnesota Statutes 1980, Section 60A.11, Subdivision 7, is amended to read:

Subd. 7. [INVESTMENTS IN NAME OF COMPANY OR NOMINEE AND PROHIBITIONS.] (ALL OF THE FUNDS OF AN INSURANCE COMPANY OTHER THAN A LIFE INSURANCE COMPANY SHALL BE HELD IN ITS CORPORATE NAME OR ITS NOMINEE NAME, EXCEPT THAT INVESTMENTS MAY BE HELD UNDER THE NAME OF A NOMINEE OF A BANK OR TRUST COMPANY IF THE SECURITIES ARE KEPT UNDER A CUSTODIAL ARRANGEMENT WITH SUCH BANK OR TRUST COMPANY. SUCH CUSTODIAL ARRANGEMENTS SHALL BE EVIDENCED BY AN AGREEMENT AND SHALL MEET THE FOLLOWING REQUIREMENTS:)

((1) THE SECURITIES SHALL BE HELD BY A BANK OR TRUST COMPANY LICENSED BY THE UNITED STATES OR ANY STATE THEREOF; AND)

((2) THE AGREEMENT SHALL PROVIDE THAT THE SECURITIES SO DEPOSITED SHALL AT ALL TIMES BE KEPT SEPARATE AND APART FROM OTHER DEPOSITS WITH THE DEPOSITORY, SO THAT AT ALL TIMES THEY MAY BE IDENTIFIED AS BELONGING SOLELY TO THE COMPANY MAKING THE DEPOSIT.)

No officer, director, or member of any committee passing on investments shall borrow any of such funds, or become, directly or indirectly, liable as a surety or endorser for or on account of loans thereof to others, or receive to his own use any fee, brokerage, commission, gift, or other consideration for, or on account of, any loan made by or on behalf of the company.

Sec. 8. Minnesota Statutes 1980, Section 595.02, as amended by Laws 1981, Chapter 131, Section 2, is amended to read:

595.02 [COMPETENCY OF WITNESSES.]

Every person of sufficient understanding, including a party, may testify in any action or proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as follows:

(1) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband

without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for non-support, neglect, dependency, or termination of parental rights;

(2) An attorney cannot, without the consent of his client, be examined as to any communication made by the client to him or his advice given thereon in the course of professional duty; nor can any employee of such attorney be examined as to such communication or advice, without the client's consent;

(3) A clergyman or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to him in his professional character, in the course of discipline enjoined by the rules or practice of the religious body to which he belongs; nor shall a clergyman or other minister of any religion be examined as to any communication made to him by any person seeking religious or spiritual advice, aid, or comfort or his advice given thereon in the course of his professional character, without the consent of such person;

(4) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of his patient, be allowed to disclose any information or any opinion based thereon which he acquired in attending the patient in a professional capacity, and which was necessary to enable him to act in that capacity; after the decease of such patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of such deceased person for the purpose of waiving the privilege hereinbefore created, and no oral or written waiver of the privilege hereinbefore created shall have any binding force or effect except that the same be made upon the trial or examination where the evidence is offered or received;

(5) A public officer shall not be allowed to disclose communications made to him in official confidence when the public interest would suffer by the disclosure;

(6) Persons of unsound mind; persons intoxicated at the time of their production for examination, and children under ten years of age, who appear incapable of receiving just impressions of the facts respecting which they are examined, or of relating them truly, are not competent witnesses;

(7) A registered nurse, psychologist or consulting psychologist shall not, without the consent of his client, be allowed to disclose any information or opinion based thereon which he acquired in attending the client in a professional capacity, and which was necessary to enable him to act in that capacity.

(8) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed to disclose any communication (OF THE PERSON) if the communication would, if the interpreter were not present, be privileged. For purposes of this section, a "person handicapped in communication" means a person who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend the English language, is unable to understand the proceedings in which he is required to participate. The presence of an interpreter as an aid to communication does not destroy an otherwise existing privilege.

Sec. 9. Minnesota Statutes 1980, Section 15.0413, Subdivision 3, as amended at the 1981 Regular Session by a law styled as S. F. No. 1043, Section 20, as enacted, is amended to read:

Subd. 3. [EXEMPT AGENCIES AND RULES.] (a) Any rules adopted, amended, suspended, or repealed by any agency but excluded from the administrative procedure act by section 15.0411, subdivision 2, shall have the force and effect of law upon compliance with the procedures of paragraph (c) of this subdivision. However, this subdivision does not apply to:

(1) rules implementing emergency powers pursuant to sections 12.31 to 12.37;

(2) rules of agencies directly in the legislative or judicial branches; or

(3) rules of the regents of the University of Minnesota.

(b) Rules adopted, amended, suspended, or repealed by any agency but excluded from the definition of "rule" in section 15.0411, subdivision 3, shall have the force and effect of law upon compliance with paragraph (c) of this subdivision. However, this subdivision does not apply to:

(1) rules concerning only the internal management of the agency or other agencies, and which do not directly affect the rights of or procedure available to the public; or,

(2) opinions of the attorney general.

(c) The rules have the force and effect of law if:

(1) the revisor of statutes approves the form of the rules by certificate;

(2) two copies of the rules with the revisor's certificate are filed in the office of the secretary of state; and,

(3) a copy is published in the state register.

(d) The rules become effective five working days after publication in the state register. The secretary of state shall forward one copy of each rule to the revisor of statutes. Rules filed in accordance with this subdivision, as it (IS) *was* in effect on the date the rules (ARE) *were* filed, shall be included in Minnesota Rules.

(e) Any law exempting an agency or rule from sections 15.0411 to 15.052 shall not be construed as preventing an agency from complying with this subdivision, unless the law specifically provides to the contrary.

Sec. 10. A law enacted at the 1981 Regular Session styled as S. F. No. 876, Section 30, Subdivision 3, is repealed.

Sec. 11. Minnesota Statutes 1980, Section 47.20, Subdivision 6a, as amended by Laws 1981, Chapter 137, Section 6, is amended to read:

Subd. 6a. If the purpose of a conventional loan, or loan made pursuant to the authority granted in subdivision 1, clause (3) or (4), is to enable a borrower to purchase a one to four family dwelling for his or her primary residence, the lender shall consent to the subsequent transfer of the real estate and shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making conventional loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the real estate used as collateral, (2) executes an agreement in writing with the lender whereby the transferee assumes the obligations of the existing borrower under the loan instruments, and (3) executes an agreement in writing to pay interest on the remaining obligation at a new interest rate which will be the (BANK'S) *lender's* current market rate of interest on similar loans at the time of the transfer, but which will be no greater than the most recently published monthly index of the federal national mortgage association yields as compiled by the federal national mortgage association. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument.

Sec. 12. A law enacted by the 1981 Regular Session styled as H. F. No. 182, Section 2, is amended to read:

Sec. 2. [56.002] [APPLICATION.]

This chapter does not apply to a person doing business under and as permitted by any law of this state or of the United States relating to banks, building and loan associations, savings and loan associations, trust companies, licensed pawnbrokers, or credit unions. Notwithstanding the provisions of section 3, an industrial loan and thrift company under chapter 53 may contract for and receive the charges, including those in section (15) 14, authorized by this chapter without being licensed pursuant to this chapter, but shall comply with all other provisions of this chapter when contracting for or receiving charges on loans regulated by this chapter.

Sec. 13. A law enacted by the 1981 Regular Session styled as H. F. No. 182, Section 11, Subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section (15) 14, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) Lawful fees and taxes paid to any public officer to record, file, or release security;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater:

(1) Fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) An amount not to exceed \$150, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, for fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees.

Sec. 14. Minnesota Statutes 1980, Section 56.19, Subdivision 1, as amended by a law enacted by the 1981 Regular Session as H. F. No. 182, Section 18, is amended to read:

Subdivision 1. [CRIMINAL PENALTY.] Any person and the several members, officers, directors, agents, and employees thereof, who shall violate or participate in the violation of any of the provisions of sections 56.01, 56.12, 56.14, 56.17, 56.18, and (SECTIONS 11 AND 12) section 11 shall be guilty of a gross misdemeanor.

Sec. 15. A law enacted by the 1981 Regular Session styled as H. F. No. 182, Section 11, Subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section (15) 14, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) Lawful fees and taxes paid to any public officer to record, file, or release security;

(b) With respect to a loan secured by an interest in real estate, the following closing costs, if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater:

(1) Fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) An amount not to exceed \$150, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, for fees for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees.

Sec. 16. A law enacted by the 1981 Regular Session styled as H. F. No. 1125, Article II, Section 3, Subdivision 2a, is amended to read:

Subd. 2a. [LICENSE; EXCEPTIONS.] "Business license" or "license" does not include the following:

(1) Any occupational license issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) Any license issued by a county, home rule charter city, statutory city, township or other political subdivision;

(3) Any license required to practice the following occupation regulated by the following sections:

(a) Abstracters regulated pursuant to chapter 386;

(b) Accountants regulated pursuant to chapter 326;

(c) Adjusters regulated pursuant to chapter 72B;

- (d) Architects regulated pursuant to chapter 326;
- (e) Assessors regulated pursuant to chapter 270;
- (f) Attorneys regulated pursuant to chapter 481;
- (g) Auctioneers regulated pursuant to chapter 330;
- (h) Barbers regulated pursuant to chapter 154;
- (i) Beauticians regulated pursuant to chapter 155;
- (j) Boiler operators regulated pursuant to chapter 183;
- (k) Chiropractors regulated pursuant to chapter 148;
- (l) *Collection agencies regulated pursuant to chapter 332;*
- ((L)) (m) Cosmetologists regulated pursuant to chapter 155;
- ((M)) (n) Dentists and dental hygienists regulated pursuant to chapter 150;
- ((N)) (o) Detectives regulated pursuant to chapter 326;
- ((O)) (p) Electricians regulated pursuant to chapter 326;
- ((P)) (q) Embalmers regulated pursuant to chapter 149;
- ((Q)) (r) Engineers regulated pursuant to chapter 326;
- ((R)) (s) Insurance brokers and salespersons regulated pursuant to chapter 60A;
- ((S)) (t) Midwives regulated pursuant to chapter 148;
- ((T)) (u) Morticians regulated pursuant to chapter 149;
- ((U)) (v) Nursing home administrators regulated pursuant to chapter 144A;
- ((V)) (w) Optometrists regulated pursuant to chapter 148;
- ((W)) (x) Osteopathic physicians regulated pursuant to chapter 147;
- ((X)) (y) Pharmacists regulated pursuant to chapter 151;

((Y)) (z) Physical therapists regulated pursuant to chapter 148;

((Z)) (aa) Physicians and surgeons regulated pursuant to chapter 147;

((AA)) (bb) Plumbers regulated pursuant to chapter 326;

((BB)) (cc) Podiatrists regulated pursuant to chapter 153;

((CC)) (dd) Practical nurses regulated pursuant to chapter 148;

((ee) Professional fundraisers regulated pursuant to chapter 309;

((DD)) (ff) *Psychologists regulated pursuant to chapter 148;*

((EE)) (gg) Real estate brokers (AND), salespersons *and others* regulated pursuant to (CHAPTER) *chapters 82 and 83;*

((FF)) (hh) Registered nurses regulated pursuant to chapter 148;

((GG)) (ii) Securities brokers, dealers (AND), agents *and investment advisers* regulated pursuant to chapter 80A;

((HH)) (jj) Steamfitters regulated pursuant to chapter 326;

((II)) (kk) Teachers and supervisory and support personnel regulated pursuant to chapter 125;

((JJ)) (ll) Veterinarians regulated pursuant to chapter 156;

((KK)) (mm) Watchmakers regulated pursuant to chapter 326;

((LL)) (nn) Water conditioning contractors and installers regulated pursuant to chapter 326;

((MM)) (oo) Water well contractors regulated pursuant to chapter 156A;

((NN)) (pp) Water and waste treatment operators regulated pursuant to chapter 115;

(4) Any driver's license required pursuant to chapter 171;

- (5) Any aircraft license required pursuant to chapter 360;
- (6) Any watercraft license required pursuant to chapter 361;
- (7) Any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air or water, which is required to be obtained from a state agency or instrumentality; and
- (8) Any pollution control rule or standard established by the pollution control agency or any health rule or standard established by the commissioner of health.

Sec. 17. Minnesota Statutes 1980, Section 216B.16, Subdivision 1b, as added by a law enacted by the 1981 Regular Session styled as H. F. No. 1434, Section 70, is amended to read:

Subd. 1b. When a public utility proposes changes in *general* rates that would increase *general* rates paid by consumers more than \$500,000, the commission shall not approve the change until after requiring the office of administrative hearings to conduct a contested case hearing on, at a minimum, the appropriate rate base, expense and revenue levels for the test year, and the rate of return. If the formal parties to the contested case choose not to cross-examine the testimony presented, it shall be the duty of the commission and its staff to make inquiry of the witnesses presented to ensure that the testimony is well reasoned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 18. A law enacted by the 1981 Regular Session styled as H. F. No. 1434, Section 2, Subdivision 4, is amended to read:

| | | |
|--|-----------|-----------|
| Subd. 4. Public Transportation | 2,474,400 | 1,487,800 |
|--|-----------|-----------|

The amounts that may be expended from this appropriation for each activity are as follows:

(a) Transportation Rates and Regulation

| | |
|------------|------------|
| \$ 539,000 | \$ 546,100 |
|------------|------------|

(b) Transit Administration

| | |
|------------|------------|
| \$ 352,000 | \$ 354,500 |
|------------|------------|

soned and constitutes substantial evidence. After a report of the examiner has been issued, the commission may proceed to take action on the proposed rates consistent with the provisions of this section. The commission shall not accept any stipulation that is not agreed to by all intervening parties.

Sec. 20. A law enacted at the 1981 Regular Session styled as H. F. No. 1434, Section 1, is amended to read:

Section 1. [TRANSPORTATION AND OTHER AGENCIES; 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 "1981", "1982", and "1983", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1981, June 30, 1982, or June 30, 1983, respectively.

SUMMARY BY FUND

((NET AFTER TRANSFERS))

| | 1981 | 1982 | 1983 | TOTAL |
|----------------------------|----------|--------------------|---------------|----------------------|
| General | \$75,000 | \$(37,793,800) | \$37,615,700 | \$(75,484,500) |
| | | <i>37,838,800</i> | | <i>75,529,500</i> |
| Airports | | 10,319,300 | 9,956,300 | 20,275,600 |
| M.S.A.S. | | 35,208,600 | 35,280,900 | 70,489,500 |
| C.S.A.H. | | 107,291,200 | 107,524,900 | 214,816,100 |
| Tr. Hwy. | | 337,171,700 | 341,119,500 | 678,291,200 |
| Hwy. User | | 6,077,500 | 6,129,200 | 12,206,700 |
| Special Revenue Fund | | 157,900 | 167,500 | 325,400 |
| TOTAL | \$75,000 | \$(534,020,000) | \$537,794,000 | \$(1,071,889,000) |
| | | <i>534,065,000</i> | | <i>1,071,934,000</i> |

Sec. 21. A law enacted at the 1981 Regular Session styled as H. F. No. 1446 is amended by inserting a heading above the first section 1 to read:

ARTICLE I

Sec. 22. A law enacted at the 1981 Regular Session styled as H. F. No. 1446, Article I, Section 2, Subdivision 5, is amended to read:

\$ \$

Subd. 5. Mental Health 146,855,000 146,157,300

The commissioner of public welfare may fill up to 120 human services technician positions in the state hospitals in addition to the approved complement specified in this subdivision for the purpose of alleviating recruitment delays in direct patient care, as salary savings become available to fund the positions.

The commissioner of public welfare shall not reduce the number of human services technician positions in the state hospital system.

As the hospital population decreases, the supportive staff complement shall be reduced in direct proportion.

The amounts that may be expended from this appropriation for each activity are as follows:

Program Offices

Mentally Ill

\$5,117,000 \$7,836,800

Mentally Retarded

\$1,733,400 \$2,512,700

The commissioner of public welfare may fund up to 200 families for the mentally retarded family subsidy program.

This appropriation contains \$12,000 each year for the brain-injured persons program. 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, 1982, 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.

Chemically Dependent

\$1,922,500 \$1,929,600

Any federal money received in excess of the estimates shown in the 1981 budget documents shall reduce the state appropriation available by a like dollar amount, unless otherwise directed by the governor, after he has consulted with the legislative advisory commission.

State Hospitals

Approved Complement—

By June 30, 1983—5485

Current Expense

\$14,449,000 \$15,450,300

Salaries

\$107,955,500 \$104,662,100

Repairs and Betterments

\$1,400,100

Special Equipment

\$521,700

Notwithstanding the provisions of Minnesota Statutes 1980, Sections 246.50 to 246.53, the commissioner of public welfare shall determine what part of the cost of care for state hospital treatment a patient or his relatives are able to pay. In no case, shall a (PATIENT OR HIS) *patient's* relatives, unless they

reside outside of the state, be ordered to pay more than ten percent of the cost of care.

\$ \$

By July 1, 1981, the chemical dependency and surgical units at Rochester state hospital shall be closed. The remaining units at Rochester state hospital shall be closed no later than June 30, 1982. Best efforts shall be made by the department of administration to sell the buildings and adjoining land within one year from the date of closure, after the commissioner of public welfare has certified to the commissioner of administration pursuant to provisions of Minnesota Statutes, Section 94.09, Subdivision 2, that the state hospital campus is no longer needed by the department of public welfare. Notwithstanding any other law to the contrary, a portion or all of the buildings and the adjacent lands can be sold to anyone.

Prior to the closure date for each unit, the commissioner of public welfare shall arrange for the orderly transfer of all affected patients. The commissioner shall, to the extent possible, provide at least 60 days notice of transfer and allow patients and their parents, spouse or guardian, and the appropriate county agency input regarding the institution or community placement to which the patient is to be transferred.

Effective immediately, the commissioner of employee relations shall monitor the orderly reassignment of affected employees of the state hospital pursuant to authority vested in him by Minnesota Statutes, Section 246.60. The commissioners of public welfare and employee relations shall provide training or other assistance as necessary for employees to aid in this transition. Direct care positions shall be transferred to other state hospitals in the same proportion as patients are transferred. Early retirement shall be encouraged where possible, with full protection for retirement benefits. Notwithstanding any other law an employee who waives his right to transfer to a hospital other than Rochester state

hospital or other state employment shall be entitled to severance pay in the amount equal to five percent of the employee's base salary or wage, not to exceed \$500, multiplied by the number of years of state service, but in no case shall the total amount exceed \$5,000.

Quarterly progress reports must be submitted by the commissioner of public welfare to the legislative advisory commission and must include information with respect to the following:

- (a) Employee negotiations;
- (b) Community placement of affected patients;
- (c) Admissions figures; and
- (d) Any other activities affecting closure.

Any savings in excess of the \$7,000,000 projected to result from the closure of the hospital may be directed by the commissioner of public welfare into funding for community facilities for mentally ill, chemically dependent, and mentally retarded persons.

Nursing Homes

Approved Complement—

By June 30, 1983—617

Current Expense

\$ 1,710,700 \$ 1,888,200

Salaries

\$11,238,300 \$11,298,000

Repairs and Betterments

\$146,500

\$

\$

Special Equipment

\$68,300

Mental Health Support

\$592,000 \$579,600

Any unexpended balance remaining in the first year for special equipment and repairs and betterments does not cancel but is available for the second year of the biennium.

The information for the budgets for the nursing homes and hospitals shall be submitted to the 1983 legislature on an individual institution basis.

Positions and administrative money may be transferred between the various activities within each subdivision in this section.

Work activity centers in state hospitals shall make available up to 25 percent of their capacity for community referrals. The community referrals will be funded by the division of vocational rehabilitation, will provide sheltered work and work activity, and will be certified under Minnesota Statutes, Chapter 129A.

Sec. 23. Minnesota Statutes 1980, Section 256D.03, Subdivision 2, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 1446, Article II, Section 34, is amended to read:

Subd. 2. After December 31, 1980, state aid shall be paid to local agencies for 75 percent of all general assistance grants up to the standards of section 256D.01, subdivision 1, and according to procedures established by the commissioner. Any local agency may, from its own resources, make payments of general assistance: (a) at a standard higher than that established by the commissioner without reference to the standards of section 256D.01, subdivision 1; or, (b) to persons not meeting the eligibility standards set forth in section 256D.05, subdivision (2) 1, but for whom the aid would further the purposes established in the general assistance program in accordance with rules promulgated

by the commissioner pursuant to the administrative procedure act.

Sec. 24. A law enacted at the 1981 regular session styled as H. F. No. 1446, Article II, Section 54, is amended to read:

Sec. 54. [SUNSET PROVISION.]

Article II, Sections 26, 27, 31 (AND), 36, and 40 are repealed effective June 30, 1983. Notwithstanding the provisions of Minnesota Statutes, Section 645.34, the repeal of Article II, Sections 26, 27, 31, and 36 shall revive the corresponding provision or section of the original law as it existed immediately prior to the amendments made by Article II, Sections 26, 27, 31, and 36; provided, however, that amendments made to the statutory sections amended by Article II, Sections 26, 27, 31, and 36 between the effective date of this section and June 30, 1983 shall remain effective after June 30, 1983 unless otherwise provided by law.

Sec. 25. Minnesota Statutes 1980, Section 256.05, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 1446, Article II, Section 36, is amended to read:

Subdivision 1. [STANDARDS.] Each person or family whose income and resources are less than the standard of assistance established by the commissioner, and who is not eligible for the federally aided assistance programs of emergency assistance or aid to families with dependent children, or any successor to those programs, shall be eligible for and entitled to general assistance if the person or family is:

(a) A person suffering from an illness, injury, or incapacity which is both medically certified and prevents the individual from engaging in suitable employment, if a plan for rehabilitation approved by the local agency through its director or designated representative is being followed when the situation is certified as temporary;

(b) A person whose presence in the home on a substantially continuous basis is required because of the certified illness or incapacity of another member of the household;

(c) A person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, if the placement is based on illness or incapacity, and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(d) A person who resides in a shelter facility described in subdivision 3;

(e) A person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40. In determining eligibility of the person for general assistance, income received as a stipend shall be disregarded as provided in section 4.40;

(f) A person who is unable to secure suitable employment due to inability to communicate in the English language, and who, if assigned to a language skills program by the local agency, is participating in that program;

(g) A person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally ill; or

(h) A person who is unable to secure suitable employment due to a lack of marketable skills as determined by the local agency, and who, if assigned to a vocational counseling, vocational rehabilitation, or work training program by the local agency, is participating in that program. Eligibility for general assistance under clause (h) of this (PARAGRAPH) *subdivision* is limited to five weeks per calendar year.

Sec. 26. A law enacted at the 1981 Regular Session styled as S. F. No. 359, Section 144, Subdivision 7, is amended to read:

Subd. 7. The following sums are appropriated from the general fund in the fiscal years indicated for the purposes of implementing the computerization of the records and information system of the department of labor and industry. The appropriations in this section shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30. The commissioner of insurance in consultation with the commissioners of labor and industry and of administration, shall propose a plan for implementation of this computerization no later than August 1, 1981. The commissioner of insurance shall consider use of the system evaluation and development methodology developed by the commissioner of administration pursuant to section 16.955, but this project is not subject to the requirements of that section. The installation and operation of computer equipment shall commence by October 1, 1981 and be completed by January 1, (1981) 1982.

Sec. 27. Minnesota Statutes 1980, Section 260.031, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 515, Section 1, is amended to read:

Subdivision 1. The office of referee is abolished. No vacancy in the office of referee shall be filled, nor new office created. Persons holding office of referee on June 30, 1980, in the second and (JUNE 30, 1977) *August 15, 1980*, in the fourth judicial district may continue to serve at the pleasure of the chief judge

of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to juvenile court. Referees shall be qualified for their duties by their previous training and experience and hold office at the pleasure of the judge. The compensation of a referee shall be fixed by the judge, approved by the county board and payable from the general revenue funds of the county not otherwise appropriated. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 28. Minnesota Statutes 1980, Section 484.70, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 515, Section 3, is amended to read:

Subdivision 1. The office of referee is abolished. No vacancy in the office of referee, including family, juvenile, probate, and special term referees, shall be filled, nor new office created. Persons holding the office of referee on June 30, 1980, in the second and (JUNE 30, 1978) *August 15, 1980*, in the fourth judicial district may continue to serve at the pleasure of the chief judge of the district under the terms and conditions of their appointment. All referees are subject to the administrative authority and assignment power of the chief judge of the district as provided in section 484.69, subdivision 3, and are not limited to assignment to family (OR), probate, juvenile or special term court. Part time referees holding office in the second judicial district pursuant to this subdivision shall cease to hold office on July 31, 1984.

Sec. 29. A law enacted at the 1981 Regular Session styled as H. F. No. 1443, Section 358, is amended to read:

Sec. 358. [EXPENSES OF JUDGES.]

During the biennium ending June 30, 1983, judges of the district court shall be reimbursed for all sums, not reimbursed by counties (.), they shall necessarily hereafter pay out for membership dues in state and local judges' associations.

Sec. 30. Minnesota Statutes 1980, Section 124.5624, Subdivision 3, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 70, Article V, Section 29, is amended to read:

Subd. 3. "Post-secondary vocational aid" means state funds, exclusive of post-secondary vocational instructional aid, supply aid, support services aid, debt service aid, and repair and betterment aid apportioned by the state board for vocational education to local school districts for the purpose of

- (a) acquisition or purchase of equipment or machinery;
- (b) betterment as defined in section 475.51 of equipment or machinery; and
- (c) paying leasing fees for computer systems hardware and related proprietary software, photocopy machines and telecommunications equipment, as necessary for the conduct of post-secondary vocational-technical training. Post-secondary vocational *equipment* aid shall be utilized solely for the purposes enumerated in this section.

Sec. 31. Minnesota Statutes 1980, Section 124.11, Subdivision 2a, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 70, Article V, Section 11, is amended to read:

Subd. 2a. (a) Through the 1981-1982 school year, 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. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The (TEN PERCENT) final payment, adjusted to reflect the actual average daily membership, shall be made (TO EACH DISTRICT) in September of the following fiscal year.

(b) Beginning in the 1982-1983 school year, eighty-five 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. The estimated aid payments shall be paid on the basis of the department of education's estimates of the current year's average daily membership adjusted for the latest available information in November, February and May. The (15 PERCENT) final payment, adjusted to reflect the actual average daily membership, shall be made (TO EACH DISTRICT) in September of the following fiscal year.

Sec. 32. Minnesota Statutes 1980, Section 124.11, Subdivision 2b, as amended by a law enacted at the 1981 Regular Session styled as H. F. No. 70, Article V, Section 12, is amended to read:

Subd. 2b. (a) Through the 1981-1982 school year, post-secondary vocational supply aid and support services aid shall be paid to districts in equal installments on or before August 1, November 1, February 1, and May 1 of each year. Eighty percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts on or before August 1 of each year. The remaining 20 percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts (ON OR BEFORE) by May 1 of each year.

(b) Beginning in the 1982-1983 school year, the state shall pay to districts 25 percent of post-secondary vocational supply aid and support services aid by August 1, 20 percent by November 1, 20 percent by February 1, and 20 percent by May 1 of each school year. Eighty-five percent of post-secondary vocational equipment aid and repair and betterment aid shall be paid to districts by August 1 of each year. The (15 PERCENT) final aid distribution shall be (PAID TO DISTRICTS) made by October 31 of the following (SCHOOL) fiscal year.

Sec. 33. Minnesota Statutes 1980, Section 177.25, Subdivision 1, as amended by a law enacted at the 1981 Regular Session styled as S. F. No. 338, Section 1, is amended to read:

Subdivision 1. No employer shall employ any of his employees for a workweek longer than 48 hours, unless such employee receives compensation for his employment in excess of 48 hours in a workweek at a rate of not less than one and one-half times the regular rate at which he is employed; (1) provided, however, that an employer if it is the State of Minnesota or a political subdivision may grant time off at the rate of one and one-half hours for each hour worked in excess of 48 hours in any week in lieu of monetary compensation; and, (2) provided, however, that no employer shall be deemed to have violated the overtime pay provisions of this section by employing any employees for a workweek in excess of that specified in this section without paying the compensation for overtime employment prescribed herein (a) if the employee is employed under an agreement meeting the requirement of section 7 (b) (2) of the Fair Labor Standards Act of 1938, as amended, or (b) if the employee is employed as a sugarbeet hand laborer on a piece rate basis, provided that the regular rate of pay received per hour of work pursuant to applicable rules exceeds the applicable wage provided in section (179.24) 177.24, subdivision 1, by at least 40 cents.

Sec. 35. Minnesota Statutes 1980, Section 290A.03, Subdivision 8, is amended by a law enacted at the 1981 Regular Session styled as H. F. No. 1445, Article III, Section 3, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person, other than a dependent, who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes or payments made in lieu of ad valorem taxes, including payments of special assessments imposed in lieu of ad valorem taxes, are payable at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on resi-

dence in a nursing home on which ad valorem taxes were not payable. "Claimant" shall not include a resident of a nursing home, intermediate care facility, or long term residential facility whose rent constituting property taxes is paid pursuant to the supplementary security income program under Title XVI of the social security act, the Minnesota supplemental aid program under sections 256D.35 to 256D.41, the medical assistance program pursuant to Title XIX of the social security act, or the general assistance medical care program pursuant to section 256D.03, Subdivision 3. If only a portion of the rent constituting property taxes is paid by these programs, the resident shall be a claimant for purposes of this chapter, but the refund calculated pursuant to section 290A.04 shall be multiplied by a fraction, the numerator of which is income as defined in subdivision 3 reduced by the total amount of income from the above sources *other than benefits received under the supplemental security income program or the supplemental aid program*, and the denominator of which is income as defined in subdivision 3 *plus vendor payments under the medical assistance program or the general assistance medical care program*, to determine the allowable refund pursuant to this chapter. In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more renters, who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 36. A law enacted at the 1981 Regular Session styled as S. F. No. 359, Section 144, Subdivision 3, is amended to read:

Subd. 3. There is appropriated from the general fund to the commissioner of labor and industry for the fiscal year indicated for the purpose of hiring six additional support personnel and ancillary expenses needed in conjunction with the departmental improvements provided in section 96; and for the purpose of hiring four additional rehabilitation personnel.

| | 1982 | 1983 |
|--|-----------|-----------|
| | \$246,200 | \$246,200 |

Additional approved complement—(6) 10

Sec. 37. A law enacted at the 1981 Regular Session styled as H. F. No. 1443, Section 377, is amended to read:

Sec. 377. [REPEALER.]

Minnesota Statutes 1980, Sections 3.86; 7.07; 16A.75; 16A.751; 16A.752; 16A.753; 16A.754; 168B.11; (363.073, SUBDIVISIONS 1 AND 2;) 481.15, Subdivision 3; 480.053; 483.01; 483.02; 648.45; and 648.46 are repealed. Minnesota Statutes 1980, Section 473.556, Subdivision 15 is repealed, effective July 1, 1982.

Sec. 38. A law enacted at the 1981 Regular Session styled as H. F. No. 1434, Section 6, is amended to read:

| | | |
|--------------------------|-------------|-----------|
| Sec. 6. PUBLIC UTILITIES | | |
| COMMISSION | (1,064,500) | 1,011,300 |
| | | 1,109,500 |

Approved Complement—27

\$85,000 the first year is for transfer to the special account for administrative hearing costs.

Sec. 39. A law enacted at the 1981 Regular Session styled as H. F. No. 182, Section 1, Subdivision 3, is amended to read:

Subd. 3. [APPLICABLE CHARGE.] "Applicable charge" means the amount of interest attributable to each monthly installment period of the loan contract. The applicable charge is computed as if each installment period were one month and any charge for extending the first installment period beyond one month is ignored. The applicable charge for any installment period is that which would have been made for the period had the loan been made on an interest-bearing basis at the single annual percentage rate permitted by section 11, subdivision 1, (PARAGRAPH (B),) based upon the assumption that all payments were made according to schedule. For convenience in computation, the licensee may round the single annual rate to the nearest one quarter of one percent.

Sec. 40. *Notwithstanding any provision in law enacted at the 1981 Regular Session styled as H. F. No.'s 515 and 1139 no new district court referee positions may be created but any vacancies in referee positions which position existed as of January 1, 1981 may be filled.*

Sec. 41. [EFFECT OF AMENDMENTS ON REPEALS BY THIS ACT.]

Regardless of the order of final enactment of sections 1 to 40 and the acts those sections amend or repeal, the amendments on repeals in sections 1 to 40 shall be given effect. Notwithstanding Minnesota Statutes, Section 645.34, or other law, a repeal in sections 1 to 40 of an amendatory law revives the original law as it existed before or without the amendment. Notwithstanding Minnesota Statutes, Sections 645.26, Subdivision 3, 645.33, or other law, an amendment in sections 1 to 40 shall prevail over any other act amending the same provisions of law in an irreconcilable manner.

Sec. 42. [EFFECTIVE DATE.]

This act is effective the day following final enactment. Unless otherwise provided within a section, each section of this act is effective on the effective date of the section amended by that section."

Amend the title as follows:

Page 1, delete lines 6 to 9 and insert: "182, Sections 1 and 2; Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 900, Section 4; 1125, Article II, Section 3, Subdivision 2a; 1434, Sections 1; 2, Subdivision 4 and 6; 1443, Sections 358 and 377; 1446; Articles I, Section 2, Subdivision 5; II, Section 54; S. F. No. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Minnesota Statutes 1980, Sections 15.0413, Subdivision 3, as amended; 47.20, Subdivision 6a, as amended; 60A.11, Subdivision 7; 124.11, Subdivisions 2a and 2b, as amended; 124.-5624, Subdivision 3, as amended; 177.25, Subdivision 1, as amended; 216B.16, Subdivision 1b, as amended; 237.075, Subdivision 1b, as amended; 256.05, Subdivision 1; 256D.03, Subdivision 2; 260.031, Subdivision 1, as amended; 290A.03, Subdivision 8, as amended; 484.70, Subdivision 1, as amended; 595.02, as amended; Laws 1981, Chapter 59, Section 10, Subdivision 1; 11, Subdivision 4; 15, Subdivision 1; repealing S. F. No. 876, Section 30, Subdivision 3."

Zubay moved to amend the Jude amendment to H. F. No. 1454, as follows:

Page 18, line 28, delete "and surgical units" and insert "unit"

The roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 66 yeas and 65 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|-----------|----------|-----------|---------|
| Aasness | Dean | Erickson | Fjoslien | Halberg |
| Ainley | Dempsey | Esau | Forsythe | Hauge |
| Blatz | Den Ouden | Evans | Friedrich | Haukoos |
| Carlson, D. | Drew | Ewald | Gruenes | Heap |

| | | | | |
|---------------|------------|--------------|------------|---------|
| Heinitz | Lemen | Olsen | Schoenfeld | Valento |
| Himle | Levi | Onnen | Schreiber | Weaver |
| Hoberg | Ludeman | Peterson, B. | Searles | Welker |
| Hokr | Luknic | Piepho | Shea | Wieser |
| Johnson, D. | Marsh | Redalen | Sherman | Wigley |
| Kaley | McDonald | Rees | Sherwood | Zubay |
| Knickerbocker | Mehrkens | Reif | Stadum | |
| Kostohryz | Nelsen, B. | Rose | Stowell | |
| Kvam | Niehaus | Rothenberg | Sviggum | |
| Laidig | Nysether | Schafer | Valan | |

Those who voted in the negative were :

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Clawson | Kalis | Novak | Simoneau |
| Anderson, G. | Dahlvang | Kelly | O'Connor | Skoglund |
| Anderson, I. | Eken | Lehto | Ogren | Staten |
| Anderson, R. | Elioff | Long | Otis | Stumpf |
| Battaglia | Ellingson | Mann | Peterson, D. | Swanson |
| Begich | Greenfield | McCarron | Pogemiller | Tomlinson |
| Berkelman | Hanson | McEachern | Reding | Vanasek |
| Brandl | Harens | Metzen | Rice | Vellenga |
| Brinkman | Hokanson | Minne | Rodriguez, C. | Voss |
| Byrne | Jacobs | Munger | Rodriguez, F. | Welch |
| Carlson, L. | Johnson, C. | Murphy | Samuelson | Wenzel |
| Clark, J. | Jude | Nelson, K. | Sarna | Wynia |
| Clark, K. | Kahn | Norton | Sieben, M. | Spkr. Sieben, H. |

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

Jude withdrew his amendment to H. F. No. 1454, as amended.

Laidig moved to amend H. F. No. 1454 by offering the Jude amendment, as amended by the Zubay amendment.

A roll call was requested and properly seconded.

The question was taken on the Laidig amendment and the roll was called. There were 63 yeas and 66 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|-------------|-------------|---------------|--------------|----------|
| Aasness | Forsythe | Knickerbocker | Olsen | Sherman |
| Ainley | Friedrich | Kvam | Onnen | Sherwood |
| Blatz | Gruenes | Laidig | Peterson, B. | Stadum |
| Carlson, D. | Halberg | Lemen | Piepho | Sviggum |
| Dean | Haukoos | Levi | Redalen | Valan |
| Dempsey | Heap | Ludeman | Rees | Valento |
| Den Ouden | Heinitz | Luknic | Reif | Weaver |
| Drew | Himle | Marsh | Rose | Welker |
| Erickson | Hoberg | McDonald | Rothenberg | Wieser |
| Esau | Hokr | Mehrkens | Schafer | Wigley |
| Evans | Jennings | Nelsen, B. | Schreiber | Zubay |
| Ewald | Johnson, D. | Niehaus | Searles | |
| Fjoslien | Kaley | Nysether | Shea | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Anderson, B. | Eken | Kostohryz | Ogren | Stowell |
| Anderson, G. | Elioff | Lehto | Otis | Swanson |
| Anderson, I. | Ellingson | Long | Peterson, D. | Tomlinson |
| Battaglia | Greenfield | Mann | Pogemiller | Vanasek |
| Begich | Hanson | McCarron | Reding | Vellenga |
| Berkelman | Harens | McEachern | Rice | Voss |
| Brandl | Hauge | Metzen | Rodriguez, C. | Welch |
| Brinkman | Hokanson | Minne | Rodriguez, F. | Wenzel |
| Byrne | Jacobs | Munger | Samuelson | Wynia |
| Carlson, L. | Johnson, C. | Murphy | Sarna | Spkr. Sieben, H. |
| Clark, J. | Jude | Nelson, K. | Sieben, M. | |
| Clark, K. | Kahn | Norton | Simoneau | |
| Clawson | Kalis | Novak | Skoglund | |
| Dahlvang | Kelly | O'Connor | Staten | |

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

H. F. No. 1454, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature; amending H. F. No. 332, Sections 11, Subdivision 4; and 15, 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 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kalis | Nysether | Sherwood |
| Anderson, B. | Esau | Kelly | O'Connor | Sieben, M. |
| Anderson, G. | Evans | Knickerbocker | Ogren | Simoneau |
| Anderson, I. | Ewald | Kostohryz | Olsen | Skoglund |
| Anderson, R. | Fjoslien | Kvam | Onnen | Stadum |
| Battaglia | Forsythe | Laidig | Otis | Staten |
| Begich | Greenfield | Lehto | Peterson, B. | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, D. | Stumpf |
| Blatz | Halberg | Levi | Piepho | Sviggum |
| Brandl | Hanson | Long | Pogemiller | Swanson |
| Brinkman | Harens | Luknic | Redalen | Tomlinson |
| Byrne | Hauge | Mann | Reding | Valan |
| Carlson, D. | Haukoos | Marsh | Reif | Valento |
| Carlson, L. | Heap | McCarron | Rice | Vanasek |
| Clark, J. | Heinitz | McEachern | Rodriguez, C. | Vellenga |
| Clark, K. | Himle | Mehrkens | Rodriguez, F. | Voss |
| Clawson | Hoberg | Metzen | Rose | Weaver |
| Dahlvang | Hokanson | Minne | Rothenberg | Welch |
| Dean | Hokr | Munger | Samuelson | Wenzel |
| Dempsey | Jacobs | Murphy | Sarna | Wieser |
| Den Ouden | Jennings | Nelsen, B. | Schafer | Wigley |
| Drew | Johnson, C. | Nelson, K. | Schoenfeld | Wynia |
| Eken | Johnson, D. | Niehaus | Schreiber | Zubay |
| Elioff | Jude | Norton | Searles | Spkr. Sieben, H. |
| Ellingson | Kaley | Novak | Sherman | |

Those who voted in the negative were:

Rees Shea Welker

The bill was passed 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 has concurred in and adopted the report of the Conference Committee on:

S. F. No. 775.

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. 775

A bill for an act relating to health; providing for home health services through the community health services act; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; 144A.54, Subdivision 1; 145.915, by adding a subdivision; 145.918, by adding subdivisions; 145.919; and 145.95, Subdivision 5.

May 18, 1981

The Honorable Jack Davies
President of the Senate

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 775, 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. 775 be further amended as follows:

Page 4, after line 24, insert:

"Sec. 5. [FLUORIDATION OF MUNICIPAL WATER SUPPLIES.]

Notwithstanding section 144.145, the commissioner of health shall exempt the community of Brainerd from the requirement for fluoridation of its water supply. This exemption is for a study by the commissioner of health of the impact of fluoridation on the health, including the dental health of the residents. All costs generated by this study shall be borne by the city of Brainerd. This exemption is only effective upon approval by a majority of registered Brainerd voters voting on the issue at a regular or special election set by the Brainerd city council."

Page 7, after line 19, insert:

"Subd. 3. [CANCER SURVEILLANCE SYSTEM.] *The sum of \$30,000 is appropriated to the commissioner of health for the biennium ending June 30, 1983 for the purpose of designing a statewide cancer and birth defects surveillance system and pilot testing the system. This amount shall be taken from the appropriations for subdivisions 1 and 2. The commissioner shall seek matching funds from other sources to supplement this amount."*

Page 7, line 21, delete "10" and insert "11"

Renumber the sections in sequence

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

Senate Conferees: TOM A. NELSON, GERRY SIKORSKI and EARL W. RENNEKE.

House Conferees: DON SAMUELSON, BOB ANDERSON and JANET H. CLARK.

Samuelson moved that the report of the Conference Committee on S. F. No. 775 be adopted and that the bill be repassed as amended by the Conference Committee.

POINT OF ORDER

Forsythe raised a point of order relating to the Conference Committee report on S. F. No. 775 pursuant to House rule 6.11.

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 question was taken on the point of order and the roll was called. There were 73 yeas and 59 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|-------------|-------------|---------------|------------|-----------|
| Ainley | Friedrich | Knickerbocker | Piepho | Stumpf |
| Berkelman | Gruenes | Kvam | Redalen | Sviggum |
| Blatz | Halberg | Laidig | Rees | Swanson |
| Byrne | Hanson | Lemen | Reif | Tomlinson |
| Carlson, D. | Haukoos | Levi | Rose | Valan |
| Carlson, L. | Heap | Ludeman | Rothenberg | Valento |
| Clawson | Heinitz | Luknic | Schafer | Voss |
| Dempsey | Himle | Marsh | Schreiber | Weaver |
| Den Ouden | Hoberg | McDonald | Searles | Welch |
| Drew | Hokanson | Murphy | Shea | Welker |
| Erickson | Hokr | Nelsen, B. | Sherman | Wieser |
| Esau | Jennings | Niehaus | Sherwood | Wigley |
| Ewald | Johnson, D. | Nysether | Skoglund | Zubay |
| Fjoslien | Kahn | Olsen | Stadum | |
| Forsythe | Kaley | Peterson, B. | Stowell | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Dean | Kelly | Norton | Rodriguez, F. |
| Anderson, B. | Eken | Kostohryz | Novak | Samuelson |
| Anderson, G. | Elioff | Lehto | O'Connor | Sarna |
| Anderson, I. | Ellingson | Long | Ogner | Schoenfeld |
| Anderson, R. | Evans | Mann | Onnen | Sieben, M. |
| Battaglia | Greenfield | McCarron | Osthoff | Simoneau |
| Begich | Harens | McEachern | Otis | Staten |
| Brandl | Hauge | Mehrkens | Peterson, D. | Vanasek |
| Brinkman | Jacobs | Metzen | Pogemiller | Vellenga |
| Clark, J. | Johnson, C. | Minne | Reding | Wenzel |
| Clark, K. | Jude | Munger | Rice | Spkr. Sieben, H. |
| Dahlvang | Kalis | Nelson, K. | Rodriguez, C. | |

It was the judgment of the House that the point of order relating to the Conference Committee report on S. F. No. 775 was well taken.

ADJOURNMENT

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Tuesday, January 12, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED
SUBSEQUENT TO ADJOURNMENT

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 14, relating to agriculture; requiring notice of real estate improvement liens to be given to certain farmers;

H. F. No. 582, relating to natural resources; regulating the use of state funded trails; permitting conservation officers to enforce prohibitions of vandalism of shelters and facilities on state and local trails; providing a penalty;

H. F. No. 562, relating to agriculture; regulating fertilizers and soil and plant amendments; regulating the transportation of certain fertilizer materials; providing a penalty;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 18, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 14 | 213 | May 18 | May 18 |
| | 562 | 214 | May 18 | May 18 |
| | 582 | 215 | May 18 | May 18 |
| 96 | | 216 | May 18 | May 18 |
| 99 | | 217 | May 18 | May 18 |
| 118 | | 218 | May 18 | May 18 |
| 121 | | 219 | May 18 | May 18 |
| 662 | | 220 | May 18 | May 18 |
| 732 | | 221 | May 18 | May 18 |
| 763 | | 222 | May 18 | May 18 |
| 808 | | 223 | May 18 | May 18 |
| 1106 | | 224 | May 18 | May 18 |
| 1321 | | 225 | May 18 | May 18 |
| 1323 | | 226 | May 18 | May 18 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 19, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 2, relating to crimes; establishing mandatory minimum terms of imprisonment for use of a dangerous weapon or possession of a firearm; increasing the penalty for intentional and unintentional homicides committed while committing certain felonies;

H. F. No. 673, relating to commerce; increasing the amount of the surety bond required of collection agencies; authorizing the commissioner of securities and real estate to investigate and examine certain collection agencies; broadening the classification of prohibited practices;

H. F. No. 284, relating to health; prescribing procedures for notification of parents, guardians and conservators prior to performing abortions on certain persons; providing a penalty;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 19, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 1190, relating to counties; providing that the compensation of members of the St. Louis county board of commissioners be set pursuant to general law; providing for a seven-member board of commissioners in certain counties;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 19, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 2 | 227 | May 19 | May 19 |
| | 284 | 228 | May 19 | May 19 |
| | 673 | 229 | May 19 | May 19 |
| | 1190 | 230 | May 19 | May 19 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 19, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 774, relating to children; providing for reports of neglect and abuse of children; allowing courts to compel testimony under certain circumstances;

H. F. No. 1301, relating to consumer protection; providing for a definition of building materials which may contain urea formaldehyde; providing for exceptions;

H. F. No. 1088, relating to the secretary of state; requiring that government survey documents be maintained on microfilm; providing for preserving certain documents;

H. F. No. 1022, relating to claims against the state; appropriating money for the payment thereof.

H. F. No. 829, relating to counties; concerning Anoka county; providing for a seven member board of commissioners;

H. F. No. 969, relating to metropolitan government; authorizing the metropolitan council to prepare guidelines relating to the amendment of comprehensive plans;

H. F. No. 696, relating to the city of East Grand Forks; permitting the city to acquire and develop certain land for industrial purposes.

H. F. No. 615, relating to corrections; providing for the transfer of convicted offenders under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 243.

H. F. No. 473, relating to energy; establishing rates and conditions of service for cogenerators and small power producers; proposing new law coded in Minnesota Statutes, Chapter 216B.

H. F. No. 161, relating to the city of Cloquet; permitting the city to contract, pay, and tax for certain public transportation services.

H. F. No. 25, relating to courts; providing for the establishment of misdemeanor violation bureaus for Hennepin county; changing the compensation of Hennepin county conciliation court referees;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 20, 1981

Speaker Harry Sieben
House of Representatives
State Capitol
St. Paul, Minnesota

Dear Mr. Speaker :

I am vetoing H. F. No. 1132 which increases spending and taxes by \$97.8 million. At the time I prepared my revised recommendation for the 1982/83 biennial budget, the financial and program needs of the recipients of state appropriations were carefully scrutinized. This scrutiny stemmed from the fact that every dollar reduced from state expenditures was one less dollar we would need to raise by increasing taxes on our citizens.

My review resulted in an overall budget which, in my judgment, adequately funds the programs and services supported by the State.

In presenting that budget for your consideration, I repeatedly stressed my conviction that additional spending beyond the overall amount I proposed would not be acceptable. I took this position for the following reasons :

- First, it was and remains my judgment that the spending level I have proposed is adequate,
- Second, in this period of economic adversity any tax increase should be rejected unless absolutely necessary, and
- Third, our experience of the current year should have taught us the need to control the growth of government spending to avoid similar problems in future years.

Therefore, for these reasons I am returning H. F. No. 1132 to you.

Sincerely,

ALBERT H. QUIE
GovernorSTATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 21, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 502 | | 231 | May 19 | May 21 |
| 980 | | 232 | May 19 | May 21 |
| 1174 | | 233 | May 19 | May 21 |
| 1247 | | 234 | May 19 | May 21 |
| | 25 | 235 | May 19 | May 21 |
| | 161 | 236 | May 19 | May 21 |
| | 473 | 237 | May 19 | May 21 |
| | 615 | 238 | May 19 | May 21 |
| | 696 | 239 | May 19 | May 21 |
| | 774 | 240 | May 19 | May 21 |
| | 829 | 241 | May 19 | May 21 |
| | 969 | 242 | May 19 | May 21 |
| | 1022 | 243 | May 19 | May 21 |
| | 1088 | 244 | May 19 | May 21 |
| | 1301 | 245 | May 19 | May 21 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 21, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 2 | | 246 | May 20 | May 21 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 21, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 131, relating to crimes; authorizing the release of account information to law enforcement authorities investigating the issuance of worthless checks; authorizing the issuance of account information to payee or holders when a check has been dishonored; providing notification of the release of information;

H. F. No. 1065, relating to public utilities; extending an option as to rate regulation by the public utilities commission to certain small telephone companies;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 22, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 131 | 247 | May 21 | May 22 |
| | 1065 | 248 | May 21 | May 22 |
| 177 | | 249 | May 21 | May 22 |
| 227 | | 250 | May 21 | May 22 |
| 279 | | 251 | May 21 | May 22 |
| 903 | | 252 | May 21 | May 22 |
| 1043 | | 253 | May 21 | May 22 |
| 1079 | | 254 | May 21 | May 22 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 27, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 409, relating to agriculture; requiring department of agriculture approval and receipt of certain grain storage receipts; regulating the family farm security program; changing terms of members of the family farm advisory council; regulating denaturing of certain food; identifying fur pelts; updating references in the shade tree control law;

H. F. No. 407, relating to insurance; modifying the definition of a covered claim for purposes of the state's insurance guaranty association act; defining an insolvent insurer;

H. F. No. 188, relating to financial institutions; increasing the maximum lawful interest rate chargeable by banks and savings banks on certain transactions; requiring disclosure of the right to prepay overdraft checking loan balances;

H. F. No. 157, relating to public welfare; providing that every birth to a minor shall be reported within three working days to the commissioner of public welfare;

H. F. No. 98, relating to energy; amending certain provisions for home energy disclosure reports;

H. F. No. 126, relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map in lieu of the names of owners or descriptions of affected properties in a notification of a proposed watershed improvement in a watershed benefit; permitting Murray County and the city of Slayton to enter an agreement for the administration of county ditches;

H. F. No. 182, relating to commerce; revising the small loan act; increasing the loan amount which determines the necessity

of obtaining a license; increasing the amount of liquid assets which must be maintained by a licensee; allowing certain purchasers of accounts to obtain a license; providing for the regulation of closings of licensees on holidays and weekends; providing for examinations at the commissioner's discretion; allowing the use of certain mechanical or electronic data processing methods to be used as books of account; allowing alternative compliance on certain rates of charge statements; allowing certain loans to be secured by real estate; restating maximum rates and charges; regulating licensee provisions concerning certain insurance in connection with loans made; allowing industrial loan and thrifts to make secured or unsecured loans on the terms, rates, and conditions permitted licensees; providing remedies; defining terms; providing for miscellaneous clarifications and revisions;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 27, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 98 | 255 | May 27 | May 27 |
| | 126 | 256 | May 27 | May 27 |
| | 157 | 257 | May 27 | May 27 |
| | 182 | 258 | May 27 | May 27 |
| | 188 | 259 | May 27 | May 27 |
| | 407 | 260 | May 27 | May 27 |

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| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 409 | 261 | May 27 | May 27 |
| 17 | | 262 | May 27 | May 27 |
| 28 | | 263 | May 27 | May 27 |
| 34 | | 264 | May 27 | May 27 |
| 56 | | 265 | May 27 | May 27 |
| 72 | | 266 | May 27 | May 27 |
| 74 | | 267 | May 27 | May 27 |
| 98 | | 268 | May 27 | May 27 |
| 132 | | 269 | May 27 | May 27 |
| 120 | | 270 | May 27 | May 27 |
| 136 | | 271 | May 27 | May 27 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 28, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 1200, relating to courts; extending application of the provision of law providing for payment of travel expenses for certain district court judges;

H. F. No. 1163, relating to the Greenway joint recreation board; regulating its tax levies.

H. F. No. 1160, relating to commerce; exempting certain real estate brokers and salespersons from the licensing requirements for mobile home manufacturers and dealers; setting a penalty;

H. F. No. 1052, relating to state lands; providing for the conveyance of certain land to the city of Fergus Falls.

H. F. No. 1051, relating to health; changing the claim limitations on cost of removing nuisances; authorizing the commissioner of health to issue orders concerning well water quality; requiring a report to the legislature on groundwater thermal exchange; clarifying the commissioner's authority over water wells and exploratory boring to include repairs and abandonment; changing the penalties for violations; imposing a moratorium on certain uranium drilling;

H. F. No. 515, relating to judicial procedures; eliminating the requirement of filing a certificate of no inquest; prescribing the duties of court referees; continuing and abolishing certain referee positions;

H. F. No. 586, relating to crimes; authorizing courts to order certain persons to participate in counseling in domestic abuse cases; creating the crime of intrafamilial sexual abuse; prescribing penalties;

H. F. No. 616, relating to commerce; requiring that consumer contracts be written in clear and coherent language; providing remedies; proposing new law coded in Minnesota Statutes, Chapter 325G.

H. F. No. 1044, relating to attachment; prescribing the grounds when a writ of attachment may be issued for purposes of securing property or acquiring quasi in rem jurisdiction over defendants;

H. F. No. 986, relating to financial institutions; savings associations; increasing the loan term of direct reduction loans; providing for the organization, operation, conversion, merger, reorganization, consolidation, and dissolution of mutual and capital stock associations; granting the commissioner certain supervisory powers; providing certain examination and reporting requirements; authorizing the issuance and sale of capital certificates; authorizing the payment of dividends on capital stock; authorizing the issuance of certain accounts to married persons or minors as sole owners thereof; defining terms; prescribing penalties;

Sincerely,

ALBERT H. QUITE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 28, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 766, relating to the University of Minnesota hospitals; authorizing the sale of state bonds and loan of the proceeds of the sale to the board of regents of the University of Minnesota; limiting the use of the proceeds of the bonds; requiring an annual report to the legislature; appropriating money.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 28, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 515 | 272 | May 28 | May 28 |
| | 586 | 273 | May 28 | May 28 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 616 | 274 | May 28 | May 28 |
| | 766 | 275 | May 28 | May 28 |
| | 986 | 276 | May 28 | May 28 |
| | 1044 | 277 | May 28 | May 28 |
| | 1051 | 278 | May 28 | May 28 |
| | 1052 | 279 | May 28 | May 28 |
| | 1160 | 280 | May 28 | May 28 |
| | 1163 | 281 | May 28 | May 28 |
| | 1200 | 282 | May 28 | May 28 |
| 188 | | 283 | May 28 | May 28 |
| 250 | | 284 | May 28 | May 28 |
| 254 | | 285 | May 28 | May 28 |
| 268 | | 286 | May 28 | May 28 |
| 278 | | 287 | May 28 | May 28 |
| 315 | | 288 | May 28 | May 28 |
| 338 | | 289 | May 28 | May 28 |
| 436 | | 290 | May 28 | May 28 |
| 440 | | 291 | May 28 | May 28 |
| 445 | | 292 | May 28 | May 28 |
| 489 | | 293 | May 28 | May 28 |
| 525 | | 294 | May 28 | May 28 |
| 533 | | 295 | May 28 | May 28 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

May 28, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 535 | | 296 | May 28 | May 28 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 247, relating to retirement; authorizing certain persons to purchase prior service credit; authorizing certain persons to change retirement coverage for future services; providing for retroactive coverage by the Minnesota state retirement system correctional employee retirement plan in certain instances;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 295, relating to retirement; providing post retirement annuity or benefit increases for certain retired or disabled public employees; removing the director from the state board investment advisory council; changing the investment authority of the fund; the Minneapolis employees retirement fund; establishing a new retirement benefit fund therein; transferring assets from the Minnesota post-retirement investment fund; appropriating funds;

H. F. No. 1048, relating to insurance; removing insurance solicitors from insurance licensing provisions; prescribing certain fees; providing for licensing of certain legal entities as agents; providing for the licensing of other insurance agents; providing for examinations; providing exceptions to the licensing requirements; authorizing temporary licenses; providing for appointment of agents by insurers; prohibiting certain persons from obtaining an agent's license; providing for the revocation or suspension of licenses upon specified conditions; providing for the surrender, loss, or destruction of licenses; prescribing certain powers of the commissioner; authorizing the sale of contracts on a variable basis without licensure in certain circumstances; authorizing the commissioner to promulgate rules; prescribing penalties;

H. F. No. 591, relating to the city of St. Paul; repealing the people mover act; repealing Minnesota Statutes 1980, Chapter 458B.

H. F. No. 487, relating to state and local government; providing for the appointment of additional members to the Ramsey County civil service commission; establishing an additional principal assistant position in the unclassified service for the Ramsey County Sheriff's Office; designating the office of county abstract clerk as an agency of Ramsey County; regulating the clerk's salary; providing for the employment of university or college students in the city of Minneapolis; providing for the dis-

position of tax-forfeited property within the capitol area; authorizing the clerk of probate court in the second district to collect a certain library fee; requiring fees to be taxed to the state and certain other government subdivisions in certain criminal prosecutions; requiring the state and the city of St. Paul to pay fees in civil actions; providing for compensation for Ramsey County conciliation court referees;

H. F. No. 477, relating to education; changing a reference to the provisions governing the student loan program; including parents within the definition of eligible student for guaranteed student loan purposes; requiring the higher education coordinating board to receive approval prior to implementing a parent loan program; increasing the bonding authority of the higher education coordinating board; expanding rights in certain records; providing for development or procedures by the higher education coordinating board;

H. F. No. 936, relating to natural resources; raising limitations on values of state timber which may be sold at public auction or informal sale; providing for intermediate auction sales and changing certain other provisions relating to the sale and removal of state timber; sale of stumpage; permitting extension of certain timber permits;

H. F. No. 305, relating to crimes; specifying the crime of theft of services; conforming the definition of trade secret in the law prescribing theft to the definition of trade secret in the uniform trade secrets act;

H. F. No. 691, relating to courts; permitting the use of electronic recording equipment in certain district court proceedings; permitting all judicial districts except Hennepin county to set salaries of law clerks; clarifying that all law clerks are unclassified employees and without tenure;

H. F. No. 900, relating to open space and recreation; authorizing the issuance of state bonds and expenditure of the proceeds for the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local governmental units and for the acquisition and betterment of state parks, trails, forest, fish and wildlife management, scientific and natural areas, water accesses, wild, scenic and recreational rivers, and canoe and boating routes by the commissioner of natural resources; changing the terms of certain grants administered by the state planning agency; appropriating money;

H. F. No. 1005, relating to housing; authorizing municipalities under 2,500 population to elect that the state building code not apply within their jurisdictions; permitting certain investments by the Minneapolis retirement board; authorizing temporary rulemaking power for the housing finance agency to define cer-

tain terms; providing for the continuation of staff complement; providing for changes in the assumability of agency loans; making non-citizen veterans eligible for certain loans; permitting certain loans; permitting the transfer of certain funds; providing for a revolving account; restricting the use of municipal housing revenue bonds in redevelopment areas; eliminating restrictions on the issuance of certain bonds exempted by federal law; appropriating money;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 493, relating to energy; authorizing the Minnesota energy agency to administer a program of loans to municipalities for establishing and improving district heating systems; authorizing the issuance of state bonds pursuant to Article XI of the Minnesota constitution; appropriating money;

H. F. No. 79, relating to commerce; providing for the regulation and licensing of precious metal dealers; establishing identification procedures and recording requirements; prohibiting certain transactions; providing for criminal and civil penalties; providing remedies;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 29, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State Capitol
St. Paul, Minnesota 55155

Dear Speaker Sieben:

House File 306, a bill establishing the crime of commercial bribery, is herewith returned to you unsigned. For the reasons stated below, I feel compelled to veto this legislation.

The language of this bill is, I believe, susceptible of widely differing interpretations. By excluding from the conduct which constitutes commercial bribery actions which are "usually accepted business practices", the Legislature is leaving it to the discretion of the various county attorneys to establish their own definitions of "usually accepted business practices." By failing to establish clear statutory standards, I believe that this legislation would subject persons to the threat of arbitrary prosecution.

Let me make it clear that I do not oppose the concept of proscribing conduct by an employee or agent which is intended to harm his employer or principal. We must provide law enforcement officials the tools necessary to enable them to combat white collar crime. However, because of the vagueness and indefiniteness of the language contained in this bill, I would encourage the Legislature to devote further study to this issue so that more specific legislation on this subject can be considered in the future.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

June 1, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 247 | 297 | May 29 | May 29 |
| | 295 | 298 | May 29 | May 29 |
| | 305 | 299 | May 29 | May 29 |
| | 477 | 300 | May 29 | May 29 |
| | 487 | 301 | May 29 | May 29 |
| | 591 | 302 | May 29 | May 29 |
| | 691 | 303 | May 29 | May 29 |
| | 900 | 304 | May 29 | May 29 |
| | 936 | 305 | May 29 | May 29 |
| | 1005 | 306 | May 29 | May 29 |
| | 1048 | 307 | May 29 | May 29 |
| 179 | | 308 | May 29 | May 29 |
| 393 | | 309 | May 29 | May 29 |
| 400 | | 310 | May 29 | May 29 |
| 470 | | 311 | May 29 | May 29 |
| 476 | | 312 | May 29 | May 29 |
| 574 | | 313 | May 29 | May 29 |
| 595 | | 314 | May 29 | May 29 |
| 649 | | 315 | May 29 | May 29 |
| 655 | | 316 | May 29 | May 29 |
| 660 | | 317 | May 29 | May 29 |
| 665 | | 318 | May 29 | May 29 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

June 1, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 690 | | 319 | May 29 | May 29 |
| 767 | | 320 | May 29 | May 29 |
| 804 | | 321 | May 29 | May 29 |
| 830 | | 322 | May 29 | May 29 |
| 886 | | 323 | May 29 | May 29 |
| 890 | | 324 | May 29 | May 29 |
| 915 | | 325 | May 29 | May 29 |
| 964 | | 326 | May 29 | May 29 |
| 1005 | | 327 | May 29 | May 29 |
| 1074 | | 328 | May 29 | May 29 |
| 1126 | | 329 | May 29 | May 29 |
| 1188 | | 330 | May 29 | May 29 |
| 1212 | | 331 | May 29 | May 29 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 1265 | | 332 | May 29 | May 29 |
| | 79 | 333 | May 29 | May 29 |
| | 493 | 334 | May 29 | May 29 |
| 1370 | Resolution No. 2 | | May 27 | May 27 |
| 674 | Resolution No. 3 | | May 29 | May 29 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

June 1, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 1210, relating to taxation; providing that an electing small business corporation for federal income tax purposes shall be an electing small business corporation for Minnesota income tax purposes;

H. F. No. 697, relating to agriculture; regulating alien use of agricultural land; providing penalties;

H. F. No. 968, relating to penalties for traffic offenses; authorizing penalty assessments for peace officers training; appropriating money;

H. F. No. 826, relating to health; proposing a population-based, statewide cancer and birth defects surveillance system; designing a system and pilot test.

H. F. No. 396, relating to the military; requiring the adjutant general to furnish an American flag upon request of the person disposing of the remains of a deceased person who served six years or more in the Minnesota national guard; proposing a new law coded in Minnesota Statutes, Chapter 192.

H. F. No. 321, relating to the city of St. Paul; authorizing the city of St. Paul to permit the dispensing of intoxicating liquor at Town Square Park.

H. F. No. 769, relating to transportation; appropriating money for acquisition, betterment, and maintenance of the state rail bank; authorizing the issuance of state transportation bonds;

H. F. No. 1125, relating to economic development; providing for changes in the small business finance agency law to better provide assistance for small business; making technical changes; establishing a uniform business licensing policy; defining its scope; and detailing its application and effect; prescribing the powers and duties of the bureau of business licenses regarding the consolidation, simplification and expedition of business license procedures of state agencies; appropriating money;

H. F. No. 1143, relating to taxation; income; property tax refund; adopting federal income tax limitations on the deduction of interest; authorizing the commissioner to provide a short form income tax return; clarifying the computation of the low income alternative tax; providing for the computation of net operating loss; allowing the commissioner to obtain information required on returns by court action; allowing the commissioner to designate the places returns may be filed; conforming information return requirements to the federal requirements; requiring certain statements to be furnished to subjects of information returns; providing that payment of taxes of a decedent shall be made by successors in the absence of a personal representative; adopting the federal requirements for withholding and reporting on tips; clarifying the liability of employers in regard to withholding tax returns; conforming information requirements of withholding statements to federal law; allowing notification of an employer by the department that a withholding certificate is invalid; providing for verification of withholding exemptions and appeal by the claimant; allowing certain spouses to file a joint property tax return claim; conforming estimated tax requirements with federal law; altering the computation of the corporate estimated tax; conforming tax exempt provisions with federal law; altering filing requirements for corporations; allowing the commissioner to adjust the computation of federal adjusted gross income in certain circumstances; specifying or increasing interest rates on certain delinquent taxes and penalties; abolishing an election relating to the lump sum distribution tax; providing penalties; providing the computation of basis; providing for the liability of taxes due on a combined return;

H. F. No. 817, relating to education; permitting the operation of single sex wrestling teams;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

June 1, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 553, relating to transportation; providing for the financing of certain services of the department of transportation; adjusting the motor vehicle registration tax on certain vehicles; increasing the fees for personalized license plates; defining and clarifying certain gross weights; providing for temporary farm truck licenses; increasing the tax on gasoline; increasing fees for motorized bicycle operator permits and for driver licenses; establishing a fee for the Minnesota identification card; providing for uniform application fees; requiring reexamination before issuance of new drivers license after revocation; authorizing married applicants to use their maiden name as their middle name; increasing bicycle registration fees; providing that the proceeds of the motor vehicle excise tax be allocated between the general fund, the transit assistance fund, and the highway user tax distribution fund for a certain period, and thereafter the proceeds to be deposited in the highway user tax distribution and transit assistance fund; providing for financial assistance for local transit service; providing for the coordination and financing of metropolitan transit service demonstration program; establishing a metropolitan transit service demonstration program; providing for alternative uses of metropolitan transit tax levies; authorizing the cities of Moorhead and Duluth to increase its mill rate for public transportation services; appropriating money;

H. F. No. 3, relating to public welfare; amending the community social services act; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; defining

the county of financial responsibility for participants in long term sheltered workshops;

H. F. No. 1434, relating to the organization and operation of state government; appropriating money for the department of transportation and for other agencies with certain conditions; providing for the regulation of professional wrestling; imposing a tax on the gross receipts from admission to professional wrestling exhibitions; and on the gross receipts from the lease or sale of radio, motion picture and television rights therein; providing penalties;

H. F. No. 1443, relating to the organization and operation of state government; appropriating money for the general legislative, judicial and administrative expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; creating, abolishing, modifying, and transferring agencies and functions; creating a department of energy, planning and development, transferring all the functions of the state planning agency, energy agency, and department of economic development, and the staff of the crime control planning board, to the department of energy, planning and development; abolishing the state planning agency, energy agency, and department of economic development; creating an advisory committee on energy policy development;

H. F. No. 1421, relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions;

H. F. No. 1446, relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, health, sentencing guidelines, corrections ombudsman, and health related boards;

H. F. No. 1474, relating to public improvements, authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 121.

H. F. No. 1475, relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of state bonds; appropriating money;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

June 1, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 70, relating to education; providing for aids to education, aids to libraries, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; replacing AVTI capital expenditure aid with AVTI equipment aid and AVTI repair and betterment aid; requiring a property accounting system for AVTI's; providing a new aid and levy authorization for certain capital expenditures; providing for certain alternative projects; modifying certain provisions relating to teacher mobility and early retirement programs; providing for the transfer of proceeds from the sale or exchange of buildings to the capital expenditure fund under certain circumstances; decreasing the state's obligation and changing eligibility standards for the maximum effort school aid program; appropriating money;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

June 1, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 1253, relating to the department of economic security; authorizing financial assistance to community action agencies; defining terms; providing a formula for the distribution of funds; proposing new law coded as Minnesota Statutes, Chapter 268A.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

June 2, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 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 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 321 | 335 | June 1 | June 1 |
| | 396 | 336 | June 1 | June 1 |
| | 697 | 337 | June 1 | June 1 |
| | 769 | 338 | June 1 | June 1 |
| | 817 | 339 | June 1 | June 1 |
| | 826 | 340 | June 1 | June 1 |
| | 968 | 341 | June 1 | June 1 |
| | 1125 | 342 | June 1 | June 1 |
| | 1143 | 343 | June 1 | June 1 |
| | 1210 | 344 | June 1 | June 1 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| 31 | | 345 | June 1 | June 1 |
| 359 | | 346 | June 1 | June 1 |
| 513 | | 347 | June 1 | June 1 |
| 537 | | 348 | June 1 | June 1 |
| 539 | | 349 | June 1 | June 1 |
| 937 | | 350 | June 1 | June 1 |
| 975 | | 351 | June 1 | June 1 |
| 1040 | | 352 | June 1 | June 1 |
| 1132 | | 353 | June 1 | June 1 |
| 1154 | | 354 | June 1 | June 1 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

June 2, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

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| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 3 | 355 | June 1 | June 1 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 1443 | 356 | June 1 | June 1 |
| | 1434 | 357 | June 1 | June 1 |
| | 70 | 358 | June 1 | June 1 |
| | 1421 | 359 | June 1 | June 1 |
| | 1446 | 360 | June 1 | June 1 |
| | 1475 | 361 | June 1 | June 1 |
| | 1474 | 362 | June 1 | June 1 |
| | 553 | 363 | June 1 | June 1 |
| 939 | | 364 | June 1 | June 1 |
| 694 | | 365 | June 1 | June 1 |
| 1164 | | 366 | June 1 | June 1 |
| | 1253 | 367 | June 1 | June 1 |
| 1084 | | 368 | June 1 | June 1 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

June 4, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 732, relating to agriculture; providing for continuation of certain farm tenancies on termination of life estates; proposing new law coded in Minnesota Statutes, Chapter 500.

H. F. No. 386, relating to the city of St. Paul; authorizing issuance of general obligation bonds for capital improvements; fixing amounts; amending Laws 1971, Chapter 773.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

June 4, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

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| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|-------------------------------------|-------------------------------|----------------------------|
| | 386 | 369 | June 4 | June 4 |
| | 732 | 370 | June 4 | June 4 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

DISPOSITION OF BILLS UPON ADJOURNMENT

REPORT PURSUANT TO JOINT RULE 3.02(a)

Pursuant to joint rule 3.02(a), H. F. Nos. 353, 356, 678 and 912 which were being considered by a Conference Committee at the time of adjournment were returned to the House and laid on the table. The Conference Committees were discharged.

REPORT PURSUANT TO JOINT RULE 3.02(b)

Pursuant to joint rule 3.02(b), H. F. No. 895 was returned to the Committee on Environment and Natural Resources.

REPORT PURSUANT TO JOINT RULE 3.02(c)

The following House Files were returned to the House following adjournment by the Governor with his objections and pursuant to joint rule 3.02(c) were laid on the table:

H. F. No. 306, relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

H. F. No. 1132, relating to state government; supplementing appropriations for the expenses of state government with certain conditions; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; increasing the rate of the tax on cigarettes, little cigars, tobacco products and alcoholic beverages; imposing the sales tax on candy and soft drinks; amending Minnesota Statutes 1980, Section 124.32, Subdivision 1, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.-02; 270A.03, Subdivisions 2 and 5; 297.32, Subdivisions 1 and 2; 297A.25, Subdivision 1; 340.47, Subdivisions 1, 1a and 2; amending Laws enacted at the 1981 regular session styled as H. F. No. 70, Article I, Section 21, Subdivision 1; H. F. No. 70, Article I, Section 45; and H. F. No. 1446, Article II, Section 2, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 297.

REPORT PURSUANT TO HOUSE RULE 9.4

Pursuant to House rule 9.4, the following bills were returned to the standing committee last acting on the bill:

H. F. Nos. 301 and 802 to the Committee on Appropriations.

H. F. Nos. 170 and 298 to the Committee on Commerce and Economic Development.

H. F. No. 977 to the Committee on Criminal Justice.

H. F. Nos. 234 and 236 and S. F. No. 140 to the Committee on Environment and Natural Resources.

H. F. No. 1429 and S. F. No. 365 to the Committee on Governmental Operations.

H. F. No. 874 to the Committee on Health and Welfare.

H. F. No. 325 to the Committee on Judiciary.

H. F. Nos. 4, 18, 544 and 1150 and S. F. Nos. 346 and 388 to the Committee on Labor-Management Relations.

H. F. Nos. 887 and 1166 to the Committee on Local and Urban Affairs.

H. F. No. 1478 to the Committee on Reapportionment and Elections.

H. F. Nos. 16, 763, 1189 and 1263 and S. F. No. 1305 to the Committee on Taxes.

CERTIFICATE

I certify that the Journal of the House for Monday, May 18, 1981, including subsequent proceedings, has been corrected and is hereby approved.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

JOURNAL
OF THE
HOUSE
OF REPRESENTATIVES

FIRST SPECIAL SESSION

OF THE
LEGISLATURE

STATE OF MINNESOTA

1981

RAMALEY PRINTING COMPANY

STATE OF MINNESOTA

FIRST SPECIAL SESSION - 1981

FIRST DAY

SAINT PAUL, MINNESOTA, SATURDAY, JUNE 6, 1981

In obedience to the proclamation of the Honorable Albert H. Quie, Governor of the State of Minnesota, summoning the two Houses of the Legislature to meet in Special Session, the members of the House of Representatives assembled in the chamber of the House of Representatives at the Capitol in Saint Paul on Saturday, the sixth day of June, 1981, at 9:00 a.m.

PROCLAMATION FOR SPECIAL SESSION 1981

Whereas, The Seventy-Second Legislature adjourned without enacting essential legislation to provide for the orderly financial management of state government and to raise revenues to fund the operations of the government and programs for which monies have been legislatively appropriated; and

Whereas, The time permitted by law for passage of such legislation during the 1981 Session of the Legislature has expired, and an extraordinary occasion is thereby created; and

Whereas, Article IV, Section 12 of the Constitution of the State of Minnesota provides that a special session of the Legislature may be called on extraordinary occasions;

Now, Therefore, I, Albert H. Quie, Governor of the State of Minnesota, do hereby summon you, members of the Legislature, to convene in Special Session on Saturday, June 6, 1981, at 9:00 in the forenoon at the Capitol in Saint Paul, Minnesota.

It is my belief that the interests of the people of Minnesota will be best served if the Legislature confines its work during the Special Session to passage of those items of legislation which have been agreed upon by legislative leaders of both parties and myself. I hope that this work will be completed as expeditiously as possible.

In Witness Whereof, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed this

fourth day of June in the year of our Lord one thousand nine hundred eighty-one, and of the State the one hundred twenty-third.

ALBERT H. QUIE
Governor

Attest:

JOAN ANDERSON GROWE
Secretary of State

At the hour of 9:00 a.m. and pursuant to the Proclamation of the Governor and pursuant to Minnesota Statutes 1980, Section 3.073, the Honorable Harry A. Sieben, Jr., Speaker of the House, called the House of Representatives to order.

Prayer was offered by Father Donald Dummer, Assumption Catholic Church, Richfield, Minnesota.

The Chief Clerk called the roll by legislative districts in numerical order and the following members answered to their names:

| | |
|--------------|---------------------|
| District 1A | Myron Nysether |
| District 1B | LeRoy Stumpf |
| District 2A | Tony Stadum |
| District 2B | Willis Eken |
| District 3A | Irv Anderson |
| District 3B | Robert Lemen |
| District 4A | John A. Ainley |
| District 4B | Glen Sherwood |
| District 5A | Dominic J. Elioff |
| District 5B | Lona Minne |
| District 6A | Joseph R. Begich |
| District 6B | David P. Battaglia |
| District 7A | Willard Munger |
| District 7B | Ben E. Gustafson |
| District 8A | |
| District 8B | Thomas R. Berkelman |
| District 9A | Dwaine H. Hoberg |
| District 9B | Merlyn Valan |
| District 10A | Jim Evans |
| District 10B | Bob Anderson |
| District 11A | Paul D. Aasness |
| District 11B | Dave Fjoslien |
| District 12A | Bruce Nelsen |
| District 12B | Stephen G. Wenzel |
| District 13A | Don Samuelson |
| District 13B | Paul Anders Ogren |
| District 14A | Doug Carlson |
| District 14B | Mary Murphy |
| District 15A | Earl Hauge |

| | |
|--------------|------------------------|
| District 15B | Glen Anderson |
| District 16A | Joe T. Niehaus |
| District 16B | B. J. Brinkman |
| District 17A | Marcus Marsh |
| District 17B | Dave Gruenes |
| District 18A | Dick Welch |
| District 18B | Bob McEachern |
| District 19A | John T. Clawson |
| District 19B | John Weaver |
| District 20A | Ray Welker |
| District 20B | Cal Ludeman |
| District 21A | Dean Elton Johnson |
| District 21B | Gaylin Den Ouden |
| District 22A | Adolph L. Kvam |
| District 22B | Tony Onnen |
| District 23A | Gary Schafer |
| District 23B | Carl M. Johnson |
| District 24A | Robert E. Vanasek |
| District 24B | Marnie Luknic |
| District 25A | Steve Sviggum |
| District 25B | Lyle Mehrkens |
| District 26A | Buzz Anderson |
| District 26B | Wendell O. Erickson |
| District 27A | |
| District 27B | David Jennings |
| District 28A | Gilbert Esau |
| District 28B | Terry Dempsey |
| District 29A | Mark Piepho |
| District 29B | Richard (Dick) Wigley |
| District 30A | Henry J. Kalis |
| District 30B | Jerry Schoenfeld |
| District 31A | Bob Haukoos |
| District 31B | Leo J. Reding |
| District 32A | Tom J. Shea |
| District 32B | Don L. Friedrich |
| District 33A | J. R. "Dick" Kaley |
| District 33B | Ken Zubay |
| District 34A | Warren "Tom" Stowell |
| District 34B | Tim Sherman |
| District 35A | Elton R. Redalen |
| District 35B | Al Wieser, Jr. |
| District 36A | K. J. McDonald |
| District 36B | |
| District 37A | Shirley Hokanson |
| District 37B | James C. "Jim" Swanson |
| District 38A | Kathleen Blatz |
| District 38B | Bill Peterson |
| District 39A | Mary Forsythe |
| District 39B | John Himle |
| District 40A | Doug Ewald |
| District 40B | Jerry Knickerbocker |
| District 41A | Sally Olsen |
| District 41B | Elliot Rothenberg |
| District 42A | Tad Jude |

| | |
|--------------|----------------------------|
| District 42B | Robert L. Searles |
| District 43A | Lon Heinitz |
| District 43B | Jim Heap |
| District 44A | Lyndon R. Carlson |
| District 44B | Dorothy Hokr |
| District 45A | Bill Schreiber |
| District 45B | Robert L. "Bob" Ellingson |
| District 46A | Paul McCarron |
| District 46B | Wayne Simoneau |
| District 47A | Joel Jacobs |
| District 47B | Gordon O. Voss |
| District 48A | Steven G. Novak |
| District 48B | John Rose |
| District 49A | Don Valento |
| District 49B | Robert W. (Bob) Reif |
| District 50A | Connie Levi |
| District 50B | Dick Kostohryz |
| District 51A | Gary W. Laidig |
| District 51B | Mike Sieben |
| District 52A | James P. Metzen |
| District 52B | Harry Sieben, Jr. |
| District 53A | Carolyn Rodriguez |
| District 53B | Charles C. "Chuck" Halberg |
| District 54A | George Dahlvang |
| District 54B | James I. Rice |
| District 55A | Lawrence J. Pogemiller |
| District 55B | John J. Sarna |
| District 56A | Randy W. Staten |
| District 56B | Dee Long |
| District 57A | Phyllis Kahn |
| District 57B | Lee Greenfield |
| District 58A | Bill Dean |
| District 58B | Todd Otis |
| District 59A | Karen Clark |
| District 59B | |
| District 60A | Janet Clark |
| District 60B | Donna Peterson |
| District 61A | John Brandl |
| District 61B | Wesley J. "Wes" Skoglund |
| District 62A | Ann Wynia |
| District 62B | Walter Hanson |
| District 63A | Kathleen Vellenga |
| District 63B | John Drew |
| District 64A | Tom Osthoff |
| District 64B | Peggy Byrne |
| District 65A | Fred C. Norton |
| District 65B | Tom Harens |
| District 66A | Richard M. O'Connor |
| District 66B | Randy C. Kelly |
| District 67A | Frank J. Rodriguez, Sr. |
| District 67B | John Tomlinson |

130 members answered to the call by legislative district.

Lehto, Mann and Nelson, K., were excused.

Rees was excused until 11:10 a.m.

The roll was called in alphabetical order and the following members were present:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Erickson | Kahn | Nysether | Sherman |
| Ainley | Esau | Kaley | O'Connor | Sherwood |
| Anderson, B. | Evans | Kalis | Ogren | Sieben, M. |
| Anderson, G. | Ewald | Kelly | Olsen | Simoneau |
| Anderson, I. | Fjoslien | Knickerbocker | Onnen | Skoglund |
| Anderson, R. | Forsythe | Kostohryz | Osthoff | Stadum |
| Battaglia | Friedrich | Kvam | Otis | Staten |
| Begich | Greenfield | Laidig | Peterson, B. | Stowell |
| Berkelman | Gruenes | Lemen | Peterson, D. | Stumpf |
| Blatz | Gustafson | Levi | Piepho | Swiggum |
| Brandl | Halberg | Long | Pogemiller | Swanson |
| Brinkman | Hanson | Ludeman | Redalen | Tomlinson |
| Byrne | Harens | Luknic | Reding | Valan |
| Carlson, D. | Hauge | Marsh | Reif | Valento |
| Carlson, L. | Haukoos | McCarron | Rice | Vanasek |
| Clark, J. | Heap | McDonald | Rodriguez, C. | Vellenga |
| Clark, K. | Heinitz | McEachern | Rodriguez, F. | Voss |
| Clawson | Himle | Mehrkens | Rose | Weaver |
| Dahlvang | Hoberg | Metzen | Rothenberg | Welch |
| Dean | Hokanson | Minne | Samuelson | Welker |
| Dempsey | Hokr | Munger | Sarna | Wenzel |
| Den Ouden | Jacobs | Murphy | Schafer | Wieser |
| Drew | Jennings | Nelsen, B. | Schoenfeld | Wigley |
| Eken | Johnson, C. | Niehaus | Schreiber | Wynia |
| Elioff | Johnson, D. | Norton | Searles | Zubay |
| Ellingson | Jude | Novak | Shea | Sprk. Sieben, H. |

A quorum was present.

Eken moved that pursuant to Minnesota Statutes 1980, Section 3.073, the officers elected, the rules adopted and the committees established by the House of Representatives for the 72nd Regular Legislative Session shall serve and be in effect during this Special Session of the Legislature.

The question was taken on the Eken motion and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|-----------|
| Aasness | Carlson, L. | Ewald | Hoberg | Kvam |
| Ainley | Clark, J. | Fjoslien | Hokanson | Laidig |
| Anderson, B. | Clark, K. | Forsythe | Hokr | Lemen |
| Anderson, G. | Clawson | Friedrich | Jacobs | Levi |
| Anderson, I. | Dahlvang | Greenfield | Jennings | Long |
| Anderson, R. | Dean | Gruenes | Johnson, C. | Ludeman |
| Battaglia | Den Ouden | Gustafson | Johnson, D. | Luknic |
| Begich | Drew | Halberg | Jude | Marsh |
| Berkelman | Eken | Hanson | Kahn | McCarron |
| Blatz | Elioff | Hauge | Kaley | McDonald |
| Brandl | Ellingson | Haukoos | Kalis | McEachern |
| Brinkman | Erickson | Heap | Kelly | Mehrkens |
| Byrne | Esau | Heinitz | Knickerbocker | Metzen |
| Carlson, D. | Evans | Himle | Kostohryz | Minne |

| | | | | |
|------------|---------------|------------|-----------|------------------|
| Munger | Otis | Samuelson | Stadum | Welch |
| Murphy | Peterson, B. | Sarna | Staten | Welker |
| Nelsen, B. | Peterson, D. | Schafer | Stowell | Wenzel |
| Niehaus | Pogemiller | Schoenfeld | Stumpf | Wieser |
| Norton | Redalen | Schreiber | Swiggum | Wigley |
| Novak | Reding | Searles | Swanson | Wynia |
| Nysether | Reif | Shea | Tomlinson | Zubay |
| O'Connor | Rice | Sherman | Valento | Spkr. Sieben, H. |
| Ogren | Rodriguez, C. | Sherwood | Vanasek | |
| Olsen | Rodriguez, F. | Sieben, M. | Vellenga | |
| Onnen | Rose | Simoneau | Voss | |
| Osthoff | Rothenberg | Skoglund | Weaver | |

The motion prevailed.

Eken moved that the Chief Clerk be and is hereby instructed to inform the Senate and the Governor by message that the House of Representatives is now duly organized for this Special Session pursuant to law. The motion prevailed.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced :

Anderson, I. ; Sieben, H., and Eken introduced :

H. F. No. 1, A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin and the city of Brainerd to hold land for future development; increasing the rate of interest payable on delinquent taxes; limiting property tax refund payments to certain claimants; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; imposing a temporary increase in the sales tax; exempting sales of farm machinery from the increase; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and ad-

missions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; requiring notice of state bond sales; validating rules of the state board of assessors; providing for accrediting of certain assessors; eliminating unnecessary language concerning a property tax exemption for cheese; clarifying an occupation tax credit; providing for distribution of proceeds of the taconite production tax; providing for certain credits; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance projects located in the cities of New Brighton and Shoreview; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commission; appropriating funds; amending Minnesota Statutes 1980, Sections 16A.66, by adding a subdivision; 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.115, Subdivisions 1, 2, and 3; 273.116, Subdivisions 1 and 2; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50; Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d and 3g; 290.08, by adding a subdivision; 290.09, Subdivision 15; 290.17, Subdivision 2; 290.18, by adding a subdivision; 290A.03,

Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 297A.01, Subdivision 3 and by adding a subdivision; 297A.02; 297A.03, Subdivision 2; 297A.14; 297A.24; 297A.25, Subdivision 1; 297B.08; 297B.09; 298.031, Subdivisions 2 and 3; 298.225; 298.24, Subdivision 3; 298.28, Subdivisions 1 and 2; 298.75, Subdivisions 1, 2 and 3; 298.76; 340.621; 360.035; 375.-167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 458.14; 473.626; 477A.03; and 477A.04, Subdivision 2; Laws 1975, Chapter 226, Section 4, as amended; Laws 1980, Chapter 607, Article V, Section 5; and Laws 1981, Chapters 356, Section 377; and 357, Section 5, Subdivision 6; proposing new law coded in Minnesota Statutes, Chapters 38; 273; and 477A; repealing Minnesota Statutes 1980, Sections 273.135, Subdivision 4; 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; 477A.01; and Laws 1981, Chapter 357, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98 and 99.

The bill was read for the first time.

Sieben, M., and Novak introduced:

H. F. No. 2, A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; increasing foundation aid, transportation aid, and special education aid to school districts; increasing aid for scholarships and private college contracts; increasing medical assistance for nursing home residents and others; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; conforming income tax deductions for medical expenses to federal law; amending Minnesota Statutes 1980, Section 124.223, as amended; 124.225, Subdivision 6, as amended; 124.32, Subdivisions 1 and 1a, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5; 290.067, Subdivision 2; and 290.09, Subdivision 10; amending Laws 1981, Chapter 358, Article I, Section 21, Subdivision 1; Article I, Section 45; Article II, Section 15, Subdivision 2; and Chapter 360, Article II, Section 2.

The bill was read for the first time.

Schreiber introduced:

H. F. No. 3, A bill for an act relating to the financing of state and local government; rescheduling certain payment dates; providing for deduction of federal income tax on the accrual basis; requiring declaration and estimated payment of gross earnings taxes by telephone and telegraph companies; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 15a; 273.136,

Subdivision 3; 290.10; 290.18, Subdivision 2; 290.37, Subdivision 3; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 477A.13; proposing new law coded in Chapters 295, and 477A.

The bill was read for the first time.

Nelsen, B., introduced:

H. F. No. 4, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

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, Eken moved that the rule therein be suspended and an urgency be declared so that H. F. Nos. 1, 2, 3 and 4 be given their second and third readings and be placed upon their final passage. The motion prevailed.

Eken moved that the rules of the House be so far suspended that H. F. Nos. 1, 2, 3 and 4 be given their second and third readings and be placed upon their final passage. The motion prevailed.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1, 2, 3 and 4 were read for the second time.

Eken 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 message was received from the Senate:

Mr. Speaker :

This is to notify you that the Senate is now duly organized pursuant to the Minnesota Constitution and Minnesota Statutes.

PATRICK E. FLAHAVERN, Secretary of the Senate

H. F. No. 1 was reported to the House.

McDonald offered an amendment to H. F. No. 1.

POINT OF ORDER

Anderson, I., 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 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 102 yeas and 20 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-------------|-----------|---------------|------------------|
| Anderson, B. | Ellingson | Jude | Ogren | Skoglund |
| Anderson, G. | Erickson | Kahn | Olsen | Stadum |
| Anderson, I. | Evans | Kaley | Onnen | Staten |
| Anderson, R. | Ewald | Kalis | Osthoff | Stowell |
| Battaglia | Forsythe | Kelly | Otis | Stumpf |
| Begich | Friedrich | Kostohryz | Pogemiller | Swanson |
| Berkelman | Greenfield | Kvam | Reding | Tomlinson |
| Blatz | Gruenes | Laidig | Reif | Valan |
| Brinkman | Gustafson | Levi | Rice | Vanasek |
| Byrne | Hanson | Long | Rodriguez, C. | Vellenga |
| Carlson, D. | Harens | Luknic | Rodriguez, F. | Voss |
| Carlson, L. | Hauge | McCarron | Rose | Weaver |
| Clark, J. | Haukoos | McEachern | Samuelson | Welch |
| Clark, K. | Heap | Mehrkens | Sarna | Wenzel |
| Clawson | Heinitz | Metzen | Schoenfeld | Wigley |
| Dahlvang | Himle | Munger | Schreiber | Wynia |
| Dean | Hoberg | Murphy | Shea | Zubay |
| Dempsey | Hokanson | Niehaus | Sherman | Spkr. Sieben, H. |
| Drew | Jacobs | Norton | Sherwood | |
| Eken | Johnson, C. | Novak | Sieben, M. | |
| Elioff | Johnson, D. | O'Connor | Simoneau | |

Those who voted in the negative were :

| | | | | |
|-----------|----------|--------------|------------|---------|
| Aasness | Fjoslien | Ludeman | Piepho | Searles |
| Ainley | Hokr | McDonald | Redalen | Sviggum |
| Den Ouden | Jennings | Nysether | Rothenberg | Welker |
| Esau | Lemen | Peterson, B. | Schafer | Wieser |

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

CALL OF THE HOUSE

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

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kaley | Ogren | Skoglund |
| Ainley | Evans | Kalis | Olsen | Stadum |
| Anderson, B. | Ewald | Kelly | Onnen | Staten |
| Anderson, G. | Fjoslien | Knickerbocker | Osthoff | Stowell |
| Anderson, I. | Forsythe | Kostohryz | Peterson, B. | Stumpf |
| Anderson, R. | Friedrich | Kvam | Piepho | Sviggum |
| Battaglia | Greenfield | Laidig | Pogemiller | Swanson |
| Begich | Gruenes | Lemen | Redalen | Tomlinson |
| Berkelman | Gustafson | Levi | Reding | Valan |
| Blatz | Halberg | Long | Reif | Valento |
| Brinkman | Hanson | Ludeman | Rice | Vanasek |
| Byrne | Harens | Luknic | Rodriguez, C. | Vellenga |
| Carlson, D. | Hauge | Marsh | Rodriguez, F. | Voss |
| Carlson, L. | Haukoos | McCarron | Rose | Weaver |
| Clark, J. | Heap | McDonald | Rothenberg | Welch |
| Clark, K. | Heinitz | McEachern | Samuelson | Welker |
| Clawson | Himle | Mehrkens | Sarna | Wenzel |
| Dahlvang | Hoberg | Metzen | Schafer | Wieser |
| Dean | Hokanson | Munger | Schoenfeld | Wigley |
| Dempsey | Hokr | Murphy | Schreiber | Wynia |
| Den Ouden | Jacobs | Nelsen, B. | Searles | Zubay |
| Drew | Jennings | Niehaus | Shea | Spkr. Sieben, H. |
| Eken | Johnson, C. | Norton | Sherman | |
| Elioff | Johnson, D. | Novak | Sherwood | |
| Ellingson | Jude | Nysether | Sieben, M. | |
| Erickson | Kahn | O'Connor | Simoneau | |

Eken 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. 1, A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increas-

ing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin and the city of Brainerd to hold land for future development; increasing the rate of interest payable on delinquent taxes; limiting property tax refund payments to certain claimants; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; imposing a temporary increase in the sales tax; exempting sales of farm machinery from the increase; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; requiring notice of state bond sales; validating rules of the state board of assessors; providing for accrediting of certain assessors; eliminating unnecessary language concerning a property tax exemption for cheese; clarifying an occupation tax credit; providing for distribution of proceeds of the taconite production tax; providing for certain credits; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance projects located in the cities of New Brighton and Shoreview; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commission; appropriating funds; amending Minnesota Statutes 1980, Sections 16A.66, by adding a subdivision; 18.023, by adding a subdivi-

sion; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.115, Subdivisions 1, 2, and 3; 273.116, Subdivisions 1 and 2; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d and 3g; 290.08, by adding a subdivision; 290.09, Subdivision 15; 290.17, Subdivision 2; 290.18, by adding a subdivision; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 297A.01, Subdivision 3 and by adding a subdivision; 297A.02; 297A.03, Subdivision 2; 297A.14; 297A.24; 297A.25, Subdivision 1; 297B.08; 297B.09; 298.031, Subdivisions 2 and 3; 298.225; 298.24, Subdivision 3; 298.28, Subdivisions 1 and 2; 298.75, Subdivisions 1, 2 and 3; 298.76; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 458.14; 473.626; 477A.03; and 477A.04, Subdivision 2; Laws 1975, Chapter 226, Section 4, as amended; Laws 1980, Chapter 607, Article V, Section 5; and Laws 1981, Chapters 356, Section 377; and 357, Section 5, Subdivision 6; proposing new law coded in Minnesota Statutes, Chapters 38; 273; and 477A; repealing Minnesota Statutes 1980, Sections 273.135, Subdivision 4; 275.-51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; 477A.01; and Laws 1981, Chapter 357, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98 and 99.

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 69 yeas and 60 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-------------|---------------|------------------|
| Aasness | Erickson | Johnson, C. | Nelsen, B. | Searles |
| Anderson, I. | Esau | Johnson, D. | Niehaus | Sherwood |
| Battaglia | Evans | Jude | Norton | Sieben, M. |
| Berkelman | Ewald | Kahn | Novak | Skoglund |
| Brandl | Forsythe | Kelly | Onnen | Sviggum |
| Brinkman | Greenfield | Kostohryz | Osthoff | Tomlinson |
| Carlson, D. | Gustafson | Kvam | Otis | Valan |
| Carlson, L. | Halberg | Laidig | Peterson, D. | Vellenga |
| Clark, J. | Harens | Levi | Piepho | Weaver |
| Clark, K. | Heap | Long | Redalen | Wenzel |
| Dean | Heinitz | Luknic | Reding | Wigley |
| Dempsey | Himle | Mehrkens | Rodriguez, C. | Wynia |
| Eken | Hokanson | Metzen | Rose | Spkr. Sieben, H. |
| Ellingson | Jacobs | Munger | Schreiber | |

Those who voted in the negative were :

| | | | | |
|--------------|---------------|--------------|---------------|---------|
| Ainley | Friedrich | Ludeman | Pogemiller | Stadum |
| Anderson, B. | Gruenes | Marsh | Reif | Staten |
| Anderson, G. | Hanson | McCarron | Rice | Stowell |
| Anderson, R. | Hauge | McDonald | Rodriguez, F. | Stumpf |
| Begich | Haukoos | McEachern | Rothenberg | Swanson |
| Blatz | Hoberg | Minne | Samuelson | Valento |
| Clawson | Hokr | Murphy | Sarna | Vanasek |
| Dahlvang | Jennings | Nysether | Schafer | Voss |
| Den Ouden | Kaley | O'Connor | Schoenfeld | Welch |
| Drew | Kalis | Ogren | Shea | Welker |
| Elioff | Knickerbocker | Olsen | Sherman | Wieser |
| Fjoslien | Lemen | Peterson, B. | Simoneau | Zubay |

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

H. F. No. 2 was reported to the House.

H. F. No. 2, A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; increasing foundation aid, transportation aid, and special education aid to school districts; increasing aid for scholarships and private college contracts; increasing medical assistance for nursing home residents and others; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; conforming income tax deductions for medical expenses to federal law; amending Minnesota Statutes 1980, Section 124.223, as amended; 124.225, Subdivision 6, as amended; 124.32, Subdivisions 1 and 1a, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5; 290.067, Subdivision 2; and 290.09, Subdivision 10; amending Laws 1981, Chapter 358, Article I, Section 21, Subdivision 1; Article I, Section 45; Article II, Section 15, Subdivision 2; and Chapter 360, Article II, Section 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.

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

There were 102 yeas and 27 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|--------------|-----------|------------------|----------|
| Anderson, B. | Anderson, I. | Battaglia | Berkelman | Brinkman |
| Anderson, G. | Anderson, R. | Begich | Brandl | Byrne |

| | | | | |
|-------------|---------------|--------------|---------------|------------------|
| Carlson, D. | Harens | Levi | Piepho | Stowell |
| Carlson, L. | Hauge | Long | Pogemiller | Stumpf |
| Clark, J. | Haukoos | Luknic | Redalen | Sviggum |
| Clark, K. | Heap | McCarron | Reding | Swanson |
| Clawson | Himle | McEachern | Reif | Tomlinson |
| Dahlvang | Hoberg | Mehrkens | Rice | Valan |
| Drew | Hokanson | Metzen | Rodriguez, C. | Vanasek |
| Eken | Jacobs | Minne | Rodriguez, F. | Vellenga |
| Elioff | Johnson, C. | Munger | Rose | Voss |
| Ellingson | Johnson, D. | Murphy | Samuelson | Weaver |
| Erickson | Jude | Norton | Sarna | Welch |
| Evans | Kahn | Novak | Schoenfeld | Wenzel |
| Ewald | Kalis | O'Connor | Schreiber | Wieser |
| Forsythe | Kelly | Ogren | Shea | Wigley |
| Greenfield | Knickerbocker | Olsen | Sherman | Wynia |
| Gruenes | Kostohryz | Onnen | Sieben, M. | Spkr. Sieben, H. |
| Gustafson | Kvam | Osthoff | Simoneau | |
| Halberg | Laidig | Otis | Skoglund | |
| Hanson | Lemen | Peterson, D. | Staten | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|------------|--------------|---------|
| Ainley | Fjoslien | Ludeman | Peterson, B. | Valento |
| Blatz | Friedrich | Marsh | Rothenberg | Welker |
| Dean | Heinitz | McDonald | Schafer | Zubay |
| Dempsey | Hokr | Nelsen, B. | Searles | |
| Den Ouden | Jennings | Niehaus | Sherwood | |
| Esau | Kaley | Nysether | Stadum | |

The bill was passed and its title agreed to.

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

The Speaker resumed the Chair.

H. F. No. 3 was reported to the House.

Schreiber and Anderson, I., moved to amend H. F. No. 3, as follows:

Page 11, after line 1, insert:

"Sec. 13. Minnesota Statutes 1980, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter and income or franchise taxes paid to any other state or to any province or territory of Canada for which a credit is allowed under section 290.081; (b) taxes assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under chapter 290A; (f) federal income taxes, by corporations, national and state banks except as pro-

vided in section 290.18; (g) mortgage registry tax; (h) real estate transfer tax; (i) federal telephone tax; (j) federal transportation tax; and (k) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1979. If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. (INCOME TAXES PERMITTED TO BE DEDUCTED HERE-UNDER SHALL, REGARDLESS OF THE METHODS OF ACCOUNTING EMPLOYED, BE DEDUCTIBLE ONLY IN THE TAXABLE YEAR IN WHICH PAID.) Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation."

Renumber remaining section

Page 11, line 7, after "5" insert "and 13"

Further amend the title as follows:

Page 1, line 9, after "3;" insert "290.09, Subdivision 4;"

The motion prevailed and the amendment was adopted.

H. F. No. 3, A bill for an act relating to the financing of state and local government; rescheduling certain payment dates; providing for deduction of federal income tax on the accrual basis; requiring declaration and estimated payment of gross earnings taxes by telephone and telegraph companies; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 15a; 273.136, Subdivision 3; 290.09, Subdivision 4; 290.10; 290.18, Subdivision 2; 290.37, Subdivision 3; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 477A.13; proposing new law coded in Chapters 295, and 477A.

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 69 yeas and 59 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------|-------------|----------|-----------|
| Aasness | Anderson, R. | Brinkman | Dahivang | Dempsey |
| Anderson, I. | Blatz | Carlson, D. | Dean | Den Ouden |

| | | | | |
|----------|---------------|--------------|---------------|------------------|
| Drew | Heinitz | Luknic | Reding | Stowell |
| Eken | Himle | Marsh | Reif | Stumpf |
| Erickson | Hoberg | Mehrrens | Rice | Tomlinson |
| Esau | Hokr | Nelsen, B. | Rodriguez, C. | Valan |
| Evans | Johnson, C. | Niehaus | Rose | Valento |
| Ewald | Johnson, D. | Norton | Rothenberg | Weaver |
| Forsythe | Kaley | Olsen | Schreiber | Wenzel |
| Gruenes | Knickerbocker | Onnen | Searles | Wieser |
| Halberg | Kvam | Peterson, B. | Sherman | Wigley |
| Harens | Laidig | Piepho | Sherwood | Zubay |
| Haukoos | Lemen | Pogemiller | Sieben, M. | Spkr. Sieben, H. |
| Heap | Levi | Redalen | Simoneau | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|-----------|---------------|----------|
| Ainley | Elioff | Kahn | Nysether | Skoglund |
| Anderson, B. | Ellingson | Kalis | O'Connor | Stadum |
| Anderson, G. | Fjoslien | Kelly | Ogren | Staten |
| Battaglia | Friedrich | Long | Osthoft | Sviggum |
| Begich | Greenfield | Ludeman | Otis | Swanson |
| Berkelman | Gustafson | McCarron | Peterson, D. | Vanasek |
| Brandl | Hanson | McDonald | Rodriguez, F. | Vellenga |
| Byrne | Hauge | McEachern | Samuelson | Voss |
| Carlson, L. | Hokanson | Metzen | Sarna | Welch |
| Clark, J. | Jacobs | Minne | Schafer | Welker |
| Clark, K. | Jennings | Murphy | Schoenfeld | Wynia |
| Clawson | Jude | Novak | Shea | |

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 the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 2, A bill for an act relating to the financing of state government; authorizing a deficit in the first year of a bien-nium; amending Minnesota Statutes 1980, Section 16A.15, Sub-division 1, as amended.

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, Forsythe moved that the rule therein be suspended and an urgency be declared so that S. F. No. 2 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Forsythe moved that the rules of the House be so far suspended that S. F. No. 2 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 2 was read for the second time.

S. F. No. 2, A bill for an act relating to the financing of state government; authorizing a deficit in the first year of a biennium; amending Minnesota Statutes 1980, Section 16A.15, Subdivision 1, 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 69 yeas and 60 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|------------|---------------|------------------|
| Aasness | Esau | Kaley | Peterson, B. | Simoneau |
| Ainley | Evans | Kvam | Piepho | Skoglund |
| Anderson, I. | Ewald | Laidig | Redalen | Stowell |
| Anderson, R. | Forsythe | Lemen | Rees | Stumpf |
| Blatz | Gruenes | Levi | Reif | Tomlinson |
| Brandl | Halberg | Long | Rice | Valan |
| Brinkman | Haukoos | Luknic | Rodriguez, C. | Valento |
| Carlson, D. | Heap | McCarron | Rose | Vanasek |
| Dean | Heinitz | Mehrkens | Rothenberg | Weaver |
| Dempsey | Himle | Nelsen, B. | Schreiber | Wigley |
| Den Ouden | Hoberg | Niehaus | Searles | Wynia |
| Drew | Hokr | Norton | Sherman | Zubay |
| Eken | Johnson, C. | Olsen | Sherwood | Spkr. Sieben, H. |
| Erickson | Johnson, D. | Onnen | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|---------------|---------------|------------|
| Anderson, B. | Ellingson | Kalis | Nysether | Schoenfeld |
| Anderson, G. | Fjoslien | Kelly | O'Connor | Shea |
| Battaglia | Greenfield | Knickerbocker | Ogren | Stadum |
| Begich | Gustafson | Ludeman | Osthoff | Staten |
| Berkelman | Hanson | Marsh | Otis | Sviggum |
| Byrne | Harens | McDonald | Peterson, D. | Swanson |
| Carlson, L. | Hauge | McEachern | Pogemiller | Vellenga |
| Clark, J. | Hokanson | Metzen | Reding | Voss |
| Clark, K. | Jacobs | Minne | Rodriguez, F. | Welch |
| Clawson | Jennings | Munger | Samuelson | Welker |
| Dahlvang | Jude | Murphy | Sarna | Wenzel |
| Elioff | Kahn | Novak | Schafer | Wieser |

The bill was passed and its title agreed to.

Rodriguez, F., was excused for the remainder of today's session.

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 the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1, A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superfluous provisions; reenacting certain laws; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature in the 1981 Regular Session; authorizing the establishment of certain detached banking facilities; extending the availability of a certain appropriation; authorizing changing of certain precinct boundaries; abolishing the office of court referee and court commissioner; providing for the continuance of certain referee and court commissioner positions; regulating natural gas service to customers in certain cities; defining "city" for the purpose of participation in municipal power agencies; extending the powers of a city to make loans under a municipal housing program; extending the availability of a certain appropriation; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.0413, Subdivision 3, as amended; 15.052, Subdivision 3, as amended; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 15A.081, Subdivision 1, as amended; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.68; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 56.19, Subdivision 1, as amended; 60A.11, Subdivision 7; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Sub-

division 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 124.11, Subdivisions 2a and 2b, as amended; 124.5624, Subdivision 3, as amended; 144.125; 144.653, Subdivision 4; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 162.09, Subdivision 1, as amended; 168.-013, Subdivisions 1c and 1e, as amended; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 177.25, Subdivision 1, as amended; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 204A.06, Subdivision 1; 216B.16, Subdivision 1b, as amended; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.075, Subdivision 1b, as amended; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.05, Subdivision 1, as amended; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256.73, Subdivision 2, as amended; 256B.15; 256D.03, Subdivision 2, as amended; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.031, Subdivision 1, as amended; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision 1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 453.52, Subdivision 3; 462C.05, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.-059, Subdivision 7; 484.70, Subdivision 1, as amended, and by adding subdivisions; 485.14; 487.08, Subdivisions 2 and 3; 489.01; 508.37, by adding a subdivision; 518.155; 518.66; 595.02, as amended; 595.021; 595.022; 611.07, Subdivision 3;

611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; proposing new law coded in Chapter 216B; amending Laws enacted in the 1981 Regular Session styled as H. F. Nos. 182, Section 1, Subdivision 3, Section 2, and Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 553, Section 44, Subdivision 4, and Section 55, Subdivision 3; 900, Section 4; 1005, Section 21; 1125, Article II, Section 3, Subdivision 2a; 1421, Section 2, Subdivisions 1 and 6; 1434, Section 1, Section 2, Subdivision 4, Section 3, Section 4, Section 5, Subdivisions 1 and 4, and Section 6; 1443, Sections 1, 3, 6, 23, 28, 30, 32 and 377; 1446, Article I, Section 2, Subdivision 5, Section 7, Article II, Section 54; 1475, Section 4, Subdivision 4; S. F. Nos. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Laws 1980, Chapter 614, Section 163; Laws 1981, Chapters 29, Article IV, Section 14, Subdivision 5; 59, Section 10, Subdivision 1, Section 11, Subdivision 4, and Section 15, Subdivision 1; 183, Section 2; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; 525.04; 508.37, Subdivision 1; Laws 1978, Chapter 750, Section 6; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8; laws enacted at the 1981 Regular Session styled as S. F. Nos. 359, Section 8; 876, Section 30, Subdivision 3; and H. F. No. 1443, Sections 181, 270, 271, and 358.

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, Jude moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Jude moved that the rules of the House be so far suspended that S. F. No. 1 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1 was read for the second time.

Ludeman moved to amend S. F. No. 1, as follows:

Page 89, line 23, to page 92, line 19, strike Section 31 from the bill

A roll call was requested and properly seconded.

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

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

There were 62 yeas and 63 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|------------|---------|
| Aasness | Friedrich | Knickerbocker | Ogren | Stowell |
| Ainley | Gruenes | Kvam | Olsen | Stumpf |
| Anderson, R. | Halberg | Laidig | Onnen | Sviggum |
| Blatz | Haukoos | Levi | Piepho | Valento |
| Brinkman | Heap | Ludeman | Redalen | Weaver |
| Carlson, D. | Heinitz | Luknic | Rees | Welker |
| Dempsey | Himle | Marsh | Reif | Wenzel |
| Den Ouden | Hoberg | McDonald | Schafer | Wieser |
| Drew | Hokr | McEachern | Schoenfeld | Wigley |
| Erickson | Jennings | Mehrkens | Searles | Zubay |
| Esau | Johnson, D. | Nelsen, B. | Shea | |
| Fjoslien | Kaley | Niehaus | Sherman | |
| Forsythe | Kalis | Nysether | Stadum | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|--------------|---------------|------------------|
| Anderson, I. | Elioff | Lemen | Peterson, D. | Skoglund |
| Battaglia | Ellingson | Long | Pogemiller | Staten |
| Begich | Ewald | McCarron | Reding | Swanson |
| Berkelman | Greenfield | Metzen | Rice | Tomlinson |
| Brandl | Gustafson | Minne | Rodriguez, C. | Valan |
| Byrne | Hanson | Munger | Rose | Vanasek |
| Carlson, L. | Harens | Murphy | Rothenberg | Vellenga |
| Clark, J. | Hokanson | Norton | Samuelson | Voss |
| Clark, K. | Jacobs | Novak | Sarna | Weich |
| Clawson | Johnson, C. | O'Connor | Schreiber | Wynia |
| Dahlvang | Jude | Osthoff | Sherwood | Spkr. Sieben, H. |
| Dean | Kahn | Otis | Sieben, M. | |
| Eken | Kelly | Peterson, B. | Simoneau | |

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

S. F. No. 1, A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating redundant, conflicting and superseded provisions; reenacting certain laws; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a noncontroversial nature in the 1981 Regular Session; extending the availability of a certain appropriation; authorizing changing of certain precinct boundaries; abolishing the office of court referee and court commissioner; providing for the continuance of certain referee and court commissioner positions; defining "city" for the purpose of participation in municipal power agencies; extending the powers of a city to make loans

under a municipal housing program; extending the availability of a certain appropriation; amending Minnesota Statutes 1980, Sections 10.30; 12.03, Subdivision 9; 12.25, Subdivision 1; 15.0412, Subdivision 4d; 15.0413, Subdivision 3, as amended; 15.052, Subdivision 3, as amended; 15.1611, Subdivisions 1 and 2; 15.1621, Subdivision 2; 15.163, Subdivision 6; 15.166, Subdivisions 1, 2 and 4; 15.1671; 15.50, Subdivision 1; 15.61, Subdivision 2; 15A.081, Subdivision 1, as amended; 16.172; 16.822, Subdivisions 3 and 6; 17.72; 17B.23; 27.01, Subdivision 1; 31.58; 32A.04, Subdivision 1; 35.067; 40.05, Subdivision 4; 40.071; 43.12, Subdivision 19; 43.126, Subdivisions 1 and 2; 43.24, Subdivision 2; 43.323, Subdivision 3; 47.203; 48.68; 48.88, Subdivision 2; 50.14, Subdivision 5, as reenacted; 55.15; 56.19, Subdivision 1, as amended; 60A.11, Subdivision 7; 60A.23, Subdivision 8; 62A.152, Subdivision 2; 62D.22, Subdivision 6; 62D.28, Subdivisions 2 and 3; 65B.05; 65B.06, Subdivision 2; 65B.71, Subdivision 2; 69.031, Subdivision 5; 69.29; 72A.20, Subdivision 15; 72C.11; 79.34, Subdivision 1; 84.55; 84A.52; 84B.05; 90.195; 92.36; 93.45, Subdivision 2; 111.09, Subdivision 2; 111.11; 111.31; 111.36; 111.78; 112.43, Subdivision 2; 115.34, Subdivision 1; 116.02, Subdivision 3; 116.06, Subdivision 1; 116.10; 122.532, Subdivision 3; 124.11, Subdivisions 2a and 2b, as amended; 124.5624, Subdivision 3, as amended; 144.125; 144.653, Subdivision 4; 144.801, Subdivision 8; 144.92; 144A.01, Subdivision 2; 144A.10, Subdivision 3; 145.838, Subdivision 3; 148.88; 151.26, Subdivision 1; 161.38, Subdivision 6; 162.08, Subdivision 3; 162.09, Subdivision 1, as amended; 173.12; 173.13, Subdivision 2; 173.20; 173.21; 174.256, Subdivision 5; 177.25, Subdivision 1, as amended; 179.68, Subdivision 2; 179.69, Subdivision 3a; 179.691; 179.692; 182.661, Subdivision 1; 183.52; 183.56; 183.57, Subdivision 2; 183.59; 197.13; 197.48; 197.603, Subdivision 2; 204A.06, Subdivision 1; 216B.16, Subdivision 1b, as amended; 218.031, Subdivision 1; 218.041, Subdivisions 2, 7 and 8; 219.39; 219.40; 219.741; 237.075, Subdivision 1b, as amended; 237.30; 239.05, Subdivision 1; 239.09; 241.021, Subdivision 2; 241.045, Subdivision 6; 241.27, Subdivision 2; 241.62, Subdivision 5; 243.87; 245.05; 245.06; 245.07; 245.781; 245.782, Subdivisions 1, 11 and 12; 245.783, Subdivisions 1, 2 and 3; 245.791; 245.801, Subdivision 5; 245.802, Subdivision 2; 245.803, Subdivisions 1, 2 and 3; 245.812, Subdivisions 2, 5 and 6; 250.05, Subdivisions 2 and 4; 256.05, Subdivision 1, as amended; 256.25; 256.263, Subdivision 1; 256.483, Subdivision 1; 256.73, Subdivision 2, as amended; 256B.15; 256D.03, Subdivision 2, as amended; 256E.03, Subdivision 2; 256E.06, Subdivision 2; 257.64, Subdivision 1; 260.031, Subdivision 1, as amended; 260.241, Subdivision 4; 273.13, Subdivision 6; 275.50, Subdivisions 2 and 5; 282.281; 290.05, Subdivision 1; 290.14; 290.35; 290.53, Subdivision 4; 290.92, Subdivision 5; 290A.01; 290A.02; 290A.03, Subdivisions 1, 3, 8, 11 and 12; 290A.08; 290A.09; 290A.11, Subdivision 1; 290A.13; 290A.15; 290A.16; 290A.17; 290A.20; 290A.22; 294.25; 295.34, Subdivision 1; 297.03, Subdivision 3; 298.223; 298.244, Subdivision 2; 299F.19, Subdivision 6; 299H.22, Subdivision 2; 308.07, Subdivision 10; 325F.34; 326.02, Subdivisions 1, 2, 3, 4a and 5; 326.03, Subdivision 5; 326.08, Subdivision 1; 326.11, Subdivision

1; 326.12, Subdivision 3; 326.13; 340.54, Subdivisions 1 and 2; 349.11; 352.22, Subdivision 3; 352B.075, Subdivision 1; 353.661, Subdivision 2; 353.71, Subdivision 1; 354.44, Subdivision 1a; 354A.21; 360.037, Subdivision 2; 368.86; 412.251; 414.0325, Subdivisions 1 and 5; 418.20; 423.075, Subdivision 2; 427.09; 447.34, Subdivision 1; 447.35; 447.45, Subdivision 1; 453.52, Subdivision 3; 462C.05, Subdivision 1; 465.72; 471.371, Subdivision 3; 471.616, Subdivision 1; 471.617; 471.74, Subdivision 2; 473.438, Subdivision 3; 473F.02, Subdivision 17; 474.03; 480.059, Subdivision 7; 484.70, Subdivision 1, as amended, and by adding subdivisions; 485.14; 487.08, Subdivisions 2 and 3; 489.01; 508.37, by adding a subdivision; 518.155; 518.66; 595.02, as amended; 595.021; 595.022; 611.07, Subdivision 3; 611.12, Subdivision 7; 626.556, Subdivision 11; 626A.12, Subdivision 5; 628.56; 629.404, Subdivision 1; amending Laws enacted in the 1981 Regular Session styled as H. F. Nos. 182, Section 1, Subdivision 3, Section 2, and Section 11, Subdivision 2; 493, Section 7, Subdivisions 1 and 3; 553, Section 44, Subdivision 4, and Section 55, Subdivision 3; 900, Section 4; 1005, Section 21; 1125, Article II, Section 3, Subdivision 2a; 1421, Section 2, Subdivisions 1 and 6; 1434, Section 1, Section 2, Subdivision 4, Section 3, Section 4, Section 5, Subdivisions 1 and 4, and Section 6; 1443, Sections 1, 3, 6, 23, 28, 30, 32 and 377; 1446, Article I, Section 2, Subdivision 5, Section 7, Article II, Section 54; 1475, Section 4, Subdivision 4; S. F. Nos. 359, Section 144, Subdivisions 3 and 7; 1087, Section 42; Laws 1980, Chapter 614, Section 163; Laws 1981, Chapters 29, Article IV, Section 14, Subdivision 5; 59, Section 10, Subdivision 1, Section 11, Subdivision 4, and Section 15, Subdivision 1; 82, by adding a section; 183, Section 2; reenacting Minnesota Statutes 1980, Section 50.14, Subdivision 5; reenacting and validating Laws 1980, Chapter 528; repealing Minnesota Statutes 1980, Chapters 2A and 3B; Sections 115.15; 115.16; 218.041, Subdivision 3; 273.061, Subdivision 11; 282.11; 325F.33; 325F.49; 325F.50; 473F.08, Subdivision 11; 475.53, Subdivision 2; 484.67; 484.70, Subdivisions 2, 3, 4 and 5; 487.08, Subdivision 4; 487.09; 489.05; 525.04; 508.37, Subdivision 1; Laws 1978, Chapter 750, Section 6; Laws 1979, Chapters 40, Sections 6 and 9; 303, Article 2, Section 7, and Article 10, Section 7; and 334, Article 3, Section 15; Laws 1980, Chapters 437, Section 4; 460, Sections 5, 18, 19 and 27; 487, Section 14; 509, Section 127; 528, Section 4; 534, Sections 27, 31, 39, 47, 53 and 54; 579, Section 3; and 600, Section 8; laws enacted at the 1981 Regular Session styled as S. F. Nos. 359, Section 8; 876, Section 30, Subdivision 3; and H. F. No. 1443, Sections 181, 270, 271, and 358.

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.

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

There were 103 yeas and 24 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-------------|---------------|------------------|
| Aasness | Esau | Johnson, D. | Ogren | Sieben, M. |
| Anderson, G. | Evans | Jude | Olsen | Simoneau |
| Anderson, I. | Ewald | Kahn | Otis | Skoglund |
| Battaglia | Friedrich | Kaley | Peterson, B. | Stadum |
| Begich | Greenfield | Kalis | Peterson, D. | Staten |
| Berkelman | Gruenes | Kelly | Piepho | Stowell |
| Blatz | Gustafson | Kvam | Pogemiller | Stumpf |
| Brandl | Halberg | Laidig | Redalen | Tomlinson |
| Brinkman | Hanson | Lemen | Reding | Valan |
| Byrne | Harens | Levi | Rees | Vanasek |
| Carlson, D. | Hauge | Long | Reif | Vellenga |
| Carlson, L. | Haukoos | Luknic | Rice | Voss |
| Clark, J. | Heap | McEachern | Rodriguez, C. | Welch |
| Clark, K. | Heinitz | Metzen | Rose | Wenzel |
| Clawson | Himle | Minne | Rothenberg | Wieser |
| Dahlvang | Hoberg | Munger | Sarna | Wigley |
| Dean | Hokanson | Murphy | Schoenfeld | Wynia |
| Dempsey | Hokr | Nelsen, B. | Schreiber | Zubay |
| Eken | Jacobs | Norton | Searles | Spkr. Sieben, H. |
| Elioff | Jennings | Novak | Sherman | |
| Ellingson | Johnson, C. | O'Connor | Sherwood | |

Those who voted in the negative were:

| | | | | |
|--------------|---------------|----------|-----------|---------|
| Ainley | Fjoslien | McCarron | Onnen | Swanson |
| Anderson, B. | Forsythe | McDonald | Osthoff | Valento |
| Den Ouden | Knickerbocker | Mehrkens | Samuelson | Weaver |
| Drew | Ludeman | Niehaus | Shea | Welker |
| Erickson | Marsh | Nysether | Sviggum | |

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

H. F. No. 4 was reported to the House.

H. F. No. 4, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

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 61 yeas and 68 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|--------------|------------------|
| Aasness | Forsythe | Knickerbocker | Peterson, B. | Stowell |
| Ainley | Friedrich | Kvam | Piepho | Sviggum |
| Anderson, R. | Gruenes | Laidig | Redalen | Valan |
| Blatz | Halberg | Lemen | Rees | Valento |
| Carlson, D. | Haukoos | Levi | Reif | Weaver |
| Dean | Heap | Luknic | Rose | Wieser |
| Dempsey | Himle | Marsh | Rothenberg | Wigley |
| Den Ouden | Hoberg | McDonald | Schafer | Zubay |
| Drew | Hokr | Mehrkens | Schreiber | Spkr. Sieben, H. |
| Erickson | Jacobs | Nelsen, B. | Searles | |
| Esau | Johnson, C. | Niehaus | Sherman | |
| Evans | Johnson, D. | Olsen | Sherwood | |
| Ewald | Kaley | Onnen | Sieben, M. | |

Those who voted in the negative were:

| | | | | |
|--------------|------------|-----------|---------------|-----------|
| Anderson, B. | Eken | Kalis | Ogren | Stadum |
| Anderson, G. | Elioff | Kelly | Osthoff | Staten |
| Anderson, I. | Ellingson | Long | Otis | Stumpf |
| Battaglia | Fjoslien | Ludeman | Peterson, D. | Swanson |
| Begich | Greenfield | McCarron | Pogemiller | Tomlinson |
| Berkelman | Gustafson | McEachern | Reding | Vanasek |
| Brandl | Hanson | Metzen | Rice | Vellenga |
| Brinkman | Harens | Minne | Rodriguez, C. | Voss |
| Byrne | Hauge | Munger | Samuelson | Welch |
| Carlson, L. | Heinitz | Murphy | Sarna | Welker |
| Clark, J. | Hokanson | Norton | Schoenfeld | Wenzel |
| Clark, K. | Jennings | Novak | Shea | Wynia |
| Clawson | Jude | Nysether | Simoneau | |
| Dahlvang | Kahn | O'Connor | Skoglund | |

The bill was not passed.

The Speaker resumed the Chair.

Eken 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.

Brinkman was excused at 1:00 p.m. Jude was excused at 1:15 p.m.

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:

H. F. No. 1, A bill for an act relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin and the city of Brainerd to hold land for future development; increasing the rate of interest payable on delinquent taxes; limiting property tax refund payments to certain claimants; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; imposing a temporary increase in the sales tax; exempting sales of farm machinery from the increase; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing

interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards; requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; requiring notice of state bond sales; validating rules of the state board of assessors; providing for accrediting of certain assessors; eliminating unnecessary language concerning a property tax exemption for cheese; clarifying an occupation tax credit; providing for distribution of proceeds of the taconite production tax; providing for certain credits; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance projects located in the cities of New Brighton and Shoreview; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commission; appropriating funds; amending Minnesota Statutes 1980, Sections 16A.66, by adding a subdivision; 18.023, by adding a subdivision; 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; 52.136; 124.213; 270.11, Subdivision 2; 270.47; 270.75; 271.10, Subdivision 2; 272.01, Subdivision 2; 272.02, Subdivision 1; 272.025, Subdivision 3; 272.46; 272.47; 273.11, Subdivision 1 and by adding a subdivision; 273.112, Subdivision 3; 273.115, Subdivisions 1, 2, and 3; 273.116, Subdivisions 1 and 2; 273.13, Subdivisions 6, 7, 9, 19 and by adding subdivisions; 273.138, Subdivision 2; 273.19, Subdivision 1 and by adding a subdivision; 273.40; 273.42, Subdivision 2; 275.075; 275.08; 275.50, Subdivisions 2 and 5; 275.51, Subdivisions 1, 4 and by adding a subdivision; 276.01; 277.15; 279.02; 279.03; 279.14; 279.37, Subdivision 6; 281.23, Subdivision 5; 290.01, Subdivision 20; 290.06, Subdivisions 2d and 3g; 290.08, by adding a subdivision; 290.09, Subdivision 15; 290.17, Subdivision 2; 290.18, by adding a subdivision; 290A.03, Subdivisions 8 and 13; 290A.04, Subdivision 2c and by adding a subdivision; 297A.01, Subdivision 3 and by adding a subdivision; 297A.02; 297A.03, Subdivision 2; 297A.14; 297A.24; 297A.25, Subdivision 1; 297B.08; 297B.09; 298.031, Subdivisions 2 and 3; 298.225; 298.24, Subdivision 3; 298.28, Subdivisions 1 and 2; 298.75, Subdivisions 1, 2 and 3; 298.76; 340.621; 360.035; 375.167, Subdivision 1; 375.192, Subdivision 2; 422A.101, Subdivision 3; 458.14; 473.626; 477A.03; and 477A.04, Subdivision 2; Laws 1975, Chapter 226, Section 4, as amended; Laws 1980, Chapter 607, Article V, Section 5; and Laws 1981, Chapters 356, Section 377; and 357, Section 5, Subdivision 6; proposing new law coded in Minnesota Statutes, Chapters 38; 273; and 477A; repealing Minnesota Statutes 1980, Sections 273.135, Subdivision 4; 275.51, Subdivision 3d; 275.52; 275.53; 275.551; 275.552; 275.59; 279.11; 290.09, Subdivision 30; 291.33; 477A.01; and Laws 1981, Chapter 357, Sections 78, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98 and 99.

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. 2, A bill for an act relating to state government; supplementing appropriations for the expenses of state government with certain conditions; increasing foundation aid, transportation aid, and special education aid to school districts; increasing aid for scholarships and private college contracts; increasing medical assistance for nursing home residents and others; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; conforming income tax deductions for medical expenses to federal law; amending Minnesota Statutes 1980, Section 124.223, as amended; 124.225, Subdivision 6, as amended; 124.32, Subdivisions 1 and 1a, as amended; 256B.02, Subdivision 8, as amended; 256B.03, as amended; 256B.06, Subdivision 1, as amended; 256B.08; 270A.02; 270A.03, Subdivisions 2 and 5; 290.067, Subdivision 2; and 290.09, Subdivision 10; amending Laws 1981, Chapter 358, Article I, Section 21, Subdivision 1; Article I, Section 45; Article II, Section 15, Subdivision 2; and Chapter 360, Article II, Section 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

MOTION FOR RECONSIDERATION

Heintz moved that the vote whereby H. F. No. 4 was not passed earlier today be now reconsidered. The motion prevailed.

H. F. No. 4 was reported to the House.

H. F. No. 4, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

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 64 yeas and 63 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|---------------|--------------|------------------|
| Aasness | Evans | Johnson, D. | Olsen | Sherwood |
| Ainley | Ewald | Kaley | Onnen | Sieben, M. |
| Anderson, I. | Fjosien | Knickerbocker | Peterson, B. | Stadum |
| Anderson, R. | Forsythe | Kvam | Piepho | Stowell |
| Blatz | Friedrich | Laidig | Redalen | Sviggum |
| Carlson, D. | Gruenes | Lemen | Rees | Valan |
| Dean | Halberg | Levi | Reif | Valento |
| Dempsey | Haukoos | Luknic | Rose | Weaver |
| Den Ouden | Heap | Marsh | Rothenberg | Wieser |
| Drew | Heinitz | McDonald | Schafer | Wigley |
| Eken | Himle | Mehrkens | Schreiber | Zubay |
| Erickson | Hoberg | Nelsen, B. | Searles | Spkr. Sieben, H. |
| Esau | Hokr | Niehaus | Sherman | |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|-----------|---------------|-----------|
| Anderson, B. | Ellingson | Long | Osthoff | Staten |
| Anderson, G. | Greenfield | Ludeman | Otis | Stumpf |
| Battaglia | Gustafson | McCarron | Peterson, D. | Swanson |
| Begich | Hanson | McEachern | Pogemiller | Tomlinson |
| Berkelman | Harens | Metzen | Reding | Vanasek |
| Brandl | Hauge | Minne | Rice | Vellenga |
| Byrne | Hokanson | Munger | Rodriguez, C. | Voss |
| Carlson, L. | Jacobs | Murphy | Samuelson | Welch |
| Clark, J. | Jennings | Norton | Sarna | Welker |
| Clark, K. | Johnson, C. | Novak | Schoenfeld | Wenzel |
| Clawson | Kahn | Nysether | Shea | Wynia |
| Dahlvang | Kalis | O'Connor | Simoneau | |
| Elioff | Kelly | Ogren | Skoglund | |

The bill was not passed.

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:

H. F. No. 3, A bill for an act relating to the financing of state and local government; rescheduling certain payment dates; providing for deduction of federal income tax on the accrual basis; requiring declaration and estimated payment of gross earnings taxes by telephone and telegraph companies; amending Minnesota Statutes 1980, Sections 273.13, Subdivision 15a; 273.136, Subdivision 3; 290.10; 290.18, Subdivision 2; 290.37, Subdivision 3; 290A.07, Subdivisions 2, 3 and by adding a subdivision; 477A.-13; proposing new law coded in Chapters 295, and 477A.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

This is to notify you that the Senate is about to adjourn the Special Session sine die.

PATRICK E. FLAHAVEN, Secretary of the Senate

MOTIONS AND RESOLUTIONS

Eken moved that the Chief Clerk be and is hereby instructed to inform the Senate and the Governor by message that the House of Representatives is about to adjourn this Special Session sine die. The motion prevailed.

Eken moved that the Chief Clerk be and he is hereby authorized to correct and approve the Journal of the House, 1981 Special Session, for today, Saturday, June 6, 1981, and that he be authorized to include in the Journal for today any subsequent proceedings and any appointments to legislative interim committees or commissions created by legislative action or by law. The motion prevailed.

MOTION TO ADJOURN SPECIAL SESSION SINE DIE

Eken moved that the House adjourn sine die for the 1981 First Special Session. The motion prevailed and the Speaker declared the House stands adjourned sine die for the 1981 First Special Session.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED
SUBSEQUENT TO ADJOURNMENT OF FIRST SPECIAL SESSION

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

June 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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 Special Session File:

Special Session H. F. No. 1, relating to the operation and financing of state and local government; providing for indexing of individual income tax brackets, credits and the standard deduction; extending the provision restricting deduction of costs incurred in connection with substandard housing; adjusting the state school agricultural credit; exempting certain airport property and leased park property from taxation; providing for the valuation of agricultural land; providing for the valuation of archery and firearms ranges and of property subject to a conservation restriction or easement; indexing the homestead brackets; providing homestead treatment for certain leased property; extending 3cc treatment to homesteads of persons receiving local government disability pensions; reducing the assessment ratios applied to apartments and commercial-industrial property; correcting the transmission line credit formula; requiring notice of possibility of forfeiture or default on tax-forfeited lands and providing a transitional provision; increasing the current targeting provision maximum; extending targeting provision maximum; extending targeting for future years; requiring reports on agricultural land valuations; authorizing the city of Austin and the city of Brainerd to hold land for future development; increasing the rate of interest payable on delinquent taxes; limiting property tax refund payments to certain claimants; limiting certain appropriations; eliminating payment of estate tax proceeds to counties; changing the definition of a "sale"; imposing a temporary increase in the sales tax; exempting sales of farm machinery from the increase; excluding certain foods from the sales tax exemption; exempting gross receipts from the sale of certain feminine hygiene products from the sales tax; providing an accelerated payment of June sales and use tax liability for certain vendors; clarifying the date of sale of tickets and admissions for purposes

of the sales and use tax; providing a municipal option to participate in the shade tree disease program; limiting certain property tax credits; providing a system for the limitation of levies by local governments; authorizing certain levies outside the limits for counties to fund legal assistance programs and seaway port authorities and to finance Goodhue county fairs; providing a formula for the distribution of local government aids; delaying implementation of the coefficient of dispersion penalty; authorizing the refunding of certain special assessments collected by the city of South St. Paul and the levying of a tax to finance the city's sewer separation project; authorizing the city of Inver Grove Heights to issue certain permits; requiring filing of reports by assessors; specifying parties to be served with notice of appeal; restricting native prairie designation; establishing dates for filing statements regarding tax-exempt property; setting certain fees; altering the attached machinery aid computation; clarifying the assessment of certain property of cooperative associations; allowing use of estimates of certain levy information; establishing interest rates on delinquent taxes; clarifying terminology; removing requirements of publishers' bonds; modifying property tax refunds payable to part-year homeowners; increasing abatement authority of county boards, requiring local assessment of airport property; providing for a subtraction from gross income for individual housing accounts in lieu of the deduction; modifying procedural requirements for individual housing accounts; requiring notice of state bond sales; validating rules of the state board of assessors; providing for accrediting of certain assessors; eliminating unnecessary language concerning a property tax exemption for cheese; clarifying an occupation tax credit; providing for distribution of proceeds of the taconite production tax; providing for certain credits; defining "gravel"; delaying the date for filing of gravel tax returns; providing for the registration of wine brand labels; authorizing use of industrial revenue bonds to finance projects located in the cities of New Brighton and Shoreview; preventing the extension of taxing regulations and taxation to wrestling; continuing certain functions of the tax study commission; appropriating funds.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

June 6, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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 Special Session Files:

Special Session H. F. No. 2, relating to state government; supplementing appropriations for the expenses of state government with certain conditions; increasing foundation aid, transportation aid, and special education aid to school districts; increasing aid for scholarships and private college contracts; increasing medical assistance for nursing home residents and others; expanding the definition of claimant agencies for purposes of the revenue recapture act to include counties and state district courts; conforming income tax deductions for medical expenses to federal law.

Special Session H. F. No. 3, relating to the financing of state and local government; rescheduling certain payment dates; providing for deduction of federal income tax on the accrual basis; requiring declaration and estimated payment of gross earnings taxes by telephone and telegraph companies.

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

June 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 First Special 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>First Special Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|---|-------------------------------|----------------------------|
| | 1 | 1 | June 6 | June 8 |
| | 2 | 2 | June 6 | June 8 |

| <i>S.F. No.</i> | <i>H.F. No.</i> | <i>First Special Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|---|-------------------------------|----------------------------|
| | 3 | 3 | June 6 | June 8 |
| 1 | | 4 | June 6 | June 8 |
| 2 | | 5 | June 6 | June 8 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

CERTIFICATE

I certify that the First Special Session Journal of the House for Saturday, June 6, 1981, including subsequent proceedings, has been corrected and is hereby approved.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

JOURNAL
OF THE
HOUSE
OF REPRESENTATIVES

SECOND SPECIAL SESSION

OF THE
LEGISLATURE

STATE OF MINNESOTA

1981

RAMALEY PRINTING COMPANY

STATE OF MINNESOTA

SECOND SPECIAL SESSION - 1981

FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, JULY 1, 1981

In obedience to the Proclamation of the Honorable Albert H. Quie, Governor of the State of Minnesota, summoning the two Houses of the Legislature to meet in Special Session, the members of the House of Representatives assembled in the chamber of the House of Representatives at the Capitol in Saint Paul on Wednesday, the first day of July, 1981, at 10:00 a.m.

PROCLAMATION FOR SECOND SPECIAL SESSION 1981

Whereas, The Legislature has established by law a schedule of aid payments by the State of Minnesota to local units of government and local school districts which will require the State to expend funds in excess of the cash on hand available at certain times during the coming biennium; and

Whereas, The authority of the State of Minnesota to engage in short-term borrowing to meet its financial obligations during these periods of cash shortage is insufficient to permit the State to meet these obligations in a timely manner; and

Whereas, It is necessary to provide state government with the financial management tools to enable it to meet its financial obligations prior to the next regular session of the Legislature and in future years, thereby creating an extraordinary occasion; and

Whereas, Article IV, Section 12 of the Constitution of the State of Minnesota provides that a special session of the Legislature may be called in extraordinary occasions;

Now, Therefore, I, Albert H. Quie, Governor of the State of Minnesota, do hereby summon you, members of the Legislature, to convene in special session on Wednesday, July 1, 1981, at 10:00 in the forenoon at the Capitol in Saint Paul.

In Witness Whereof, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed this

twenty-fifth day of June in the year of our Lord one thousand nine hundred eighty-one and of the State the one hundred twenty-third.

ALBERT H. QUIE
Governor

Attest:

JOAN ANDERSON GROWE
Secretary of State

At the hour of 10:00 a.m. and pursuant to the Proclamation of the Governor and pursuant to Minnesota Statutes 1980, Section 3.073, the Honorable Harry A. Sieben, Jr., Speaker of the House, called the House of Representatives to order.

Prayer was offered by Father Alan W. Moss, Our Lady of Lourdes, Minneapolis, Minnesota.

The Chief Clerk called the roll by legislative districts in numerical order and the following members answered to their names:

| | |
|--------------|---------------------|
| District 1A | Myron Nysether |
| District 1B | LeRoy Stumpf |
| District 2A | Tony Stadum |
| District 2B | Willis Eken |
| District 3A | Irv Anderson |
| District 3B | Robert Lemen |
| District 4A | John A. Ainley |
| District 4B | Glen Sherwood |
| District 5A | Dominic J. Elioff |
| District 5B | Lona Minne |
| District 6A | Joseph R. Begich |
| District 6B | David P. Battaglia |
| District 7A | Willard Munger |
| District 7B | Ben E. Gustafson |
| District 8A | Arlene Lehto |
| District 8B | Thomas R. Berkelman |
| District 9A | Dwaine H. Hoberg |
| District 9B | Merlyn Valan |
| District 10A | Jim Evans |
| District 10B | Bob Anderson |
| District 11A | Paul D. Aasness |
| District 11B | Dave Fjoslien |
| District 12A | Bruce Nelsen |
| District 12B | Stephen G. Wenzel |
| District 13A | Don Samuelson |
| District 13B | Paul Anders Ogren |
| District 14A | Doug Carlson |
| District 14B | Mary Murphy |

| | |
|--------------|------------------------|
| District 15A | Earl Hauge |
| District 15B | Glen Anderson |
| District 16A | Joe T. Niehaus |
| District 16B | B. J. Brinkman |
| District 17A | Marcus Marsh |
| District 17B | Dave Gruenes |
| District 18A | Dick Welch |
| District 18B | Bob McEachern |
| District 19A | John T. Clawson |
| District 19B | John Weaver |
| District 20A | Ray Welker |
| District 20B | Cal Ludeman |
| District 21A | Dean Elton Johnson |
| District 21B | Gaylin Den Ouden |
| District 22A | Adolph L. Kvam |
| District 22B | Tony Onnen |
| District 23A | Gary Schafer |
| District 23B | Carl M. Johnson |
| District 24A | |
| District 24B | Marnie Luknic |
| District 25A | Steve Sviggum |
| District 25B | Lyle Mehrkens |
| District 26A | Buzz Anderson |
| District 26B | Wendell O. Erickson |
| District 27A | George Mann |
| District 27B | David Jennings |
| District 28A | Gilbert Esau |
| District 28B | Terry Dempsey |
| District 29A | Mark Piepho |
| District 29B | Richard (Dick) Wigley |
| District 30A | Henry J. Kalis |
| District 30B | Jerry Schoenfeld |
| District 31A | Bob Haukoos |
| District 31B | Leo J. Reding |
| District 32A | Tom J. Shea |
| District 32B | |
| District 33A | |
| District 33B | Ken Zubay |
| District 34A | Warren "Tom" Stowell |
| District 34B | Tim Sherman |
| District 35A | Elton R. Redalen |
| District 35B | Al Wieser, Jr. |
| District 36A | K. J. McDonald |
| District 36B | Tom Rees |
| District 37A | Shirley Hokanson |
| District 37B | James C. "Jim" Swanson |
| District 38A | Kathleen Blatz |
| District 38B | Bill Peterson |
| District 39A | Mary Forsythe |
| District 39B | John Himle |
| District 40A | Doug Ewald |
| District 40B | Jerry Knickerbocker |
| District 41A | Sally Olsen |
| District 41B | Elliot Rothenberg |

| | |
|--------------|----------------------------|
| District 42A | Tad Jude |
| District 42B | Robert L. Searles |
| District 43A | Lon Heinitz |
| District 43B | Jim Heap |
| District 44A | Lyndon R. Carlson |
| District 44B | Dorothy Hokr |
| District 45A | Bill Schreiber |
| District 45B | |
| District 46A | Paul McCarron |
| District 46B | Wayne Simoneau |
| District 47A | Joel Jacobs |
| District 47B | |
| District 48A | Steven G. Novak |
| District 48B | John Rose |
| District 49A | Don Valento |
| District 49B | Robert W. (Bob) Reif |
| District 50A | Connie Levi |
| District 50B | Dick Kostohryz |
| District 51A | Gary W. Laidig |
| District 51B | Mike Sieben |
| District 52A | James P. Metzen |
| District 52B | Harry Sieben, Jr. |
| District 53A | Carolyn Rodriguez |
| District 53B | Charles C. "Chuck" Halberg |
| District 54A | George Dahlvang |
| District 54B | James I. Rice |
| District 55A | Lawrence J. Pogemiller |
| District 55B | John J. Sarna |
| District 56A | Randy W. Staten |
| District 56B | Dee Long |
| District 57A | |
| District 57B | Lee Greenfield |
| District 58A | Bill Dean |
| District 58B | Todd Otis |
| District 59A | |
| District 59B | Ken Nelson |
| District 60A | Janet Clark |
| District 60B | Donna Peterson |
| District 61A | John Brandl |
| District 61B | Wesley J. "Wes" Skoglund |
| District 62A | Ann Wynia |
| District 62B | Walter Hanson |
| District 63A | Kathleen Vellenga |
| District 63B | John Drew |
| District 64A | Tom Osthoff |
| District 64B | Peggy Byrne |
| District 65A | Fred C. Norton |
| District 65B | Tom Harens |
| District 66A | Richard M. O'Connor |
| District 66B | Randy C. Kelly |
| District 67A | Frank J. Rodriguez, Sr. |
| District 67B | John Tomlinson |

127 members answered to the call by legislative district.

Vanasek, Kaley, Ellingson, Voss, Kahn and Clark, K., were excused.

No one answered to the call by legislative district from district No. 32B due to the resignation of Don L. Friedrich effective June 14, 1981.

The roll was called in alphabetical order and the following members were present:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Evans | Kostohryz | Olsen | Sieben, M. |
| Ainley | Ewald | Kvam | Onnen | Simoneau |
| Anderson, B. | Fjoslien | Laidig | Osthoff | Skoglund |
| Anderson, G. | Forsythe | Lehto | Otis | Stadum |
| Anderson, I. | Greenfield | Lemen | Peterson, B. | Staten |
| Anderson, R. | Gruenes | Levi | Peterson, D. | Stowell |
| Battaglia | Gustafson | Long | Piepho | Stumpf |
| Begich | Halberg | Ludeman | Pogemiller | Sviggum |
| Berkelman | Hanson | Luknic | Redalen | Swanson |
| Blatz | Harens | Mann | Reding | Tomlinson |
| Brandl | Hauge | Marsh | Rees | Valan |
| Brinkman | Haukoos | McCarron | Reif | Valento |
| Byrne | Heap | McDonald | Rice | Vellenga |
| Carlson, D. | Heinitz | McEachern | Rodriguez, C. | Weaver |
| Carlson, L. | Himle | Mehrkens | Rodriguez, F. | Welch |
| Clark, J. | Hoberg | Metzen | Rose | Welker |
| Clawson | Hokanson | Minne | Rothenberg | Wenzel |
| Dahlvang | Hokr | Murphy | Samuelson | Wieser |
| Dean | Jacobs | Nelsen, B. | Sarna | Wigley |
| Dempsey | Jennings | Nelson, K. | Schafer | Wynia |
| Den Ouden | Johnson, C. | Niehaus | Schoenfeld | Zubay |
| Drew | Johnson, D. | Norton | Schreiber | Spkr. Sieben, H. |
| Eken | Jude | Novak | Searies | |
| Elioff | Kalis | Nysether | Shea | |
| Erickson | Kelly | O'Connor | Sherman | |
| Esau | Knickerbocker | Ogren | Sherwood | |

A quorum was present.

Eken moved that pursuant to Minnesota Statutes 1980, Section 3.073, the officers elected, the rules adopted and the committees established by the House of Representatives for the 72nd Regular Session shall serve and be in effect during this 1981 Second Special Session of the Minnesota Legislature.

The question was taken on the Eken motion and the roll was called. There were 122 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|-----------|------------|-------------|
| Aasness | Brinkman | Den Ouden | Forsythe | Heap |
| Ainley | Byrne | Drew | Greenfield | Heinitz |
| Anderson, B. | Carlson, D. | Eken | Gruenes | Himle |
| Anderson, G. | Carlson, L. | Elioff | Gustafson | Hoberg |
| Anderson, I. | Clark, J. | Erickson | Halberg | Hokanson |
| Anderson, R. | Clawson | Esau | Hanson | Hokr |
| Battaglia | Dahlvang | Evans | Harens | Jacobs |
| Begich | Dean | Ewald | Hauge | Jennings |
| Berkelman | Dempsey | Fjoslien | Haukoos | Johnson, C. |

| | | | | |
|---------------|------------|---------------|------------|------------------|
| Johnson, D. | McDonald | Onnen | Sarna | Tomlinson |
| Jude | McEachern | Otis | Schafer | Valan |
| Kalis | Mehrkens | Peterson, B. | Schoenfeld | Valento |
| Kelly | Metzen | Peterson, D. | Schreiber | Vellenga |
| Knickerbocker | Minne | Piepho | Searles | Weaver |
| Kostohryz | Munger | Pogemiller | Sherman | Welch |
| Kvam | Murphy | Redalen | Sherwood | Welker |
| Laidig | Nelsen, B. | Reding | Sieben, M. | Wenzel |
| Lehto | Nelson, K. | Rees | Simoneau | Wieser |
| Lemen | Niehaus | Reif | Skoglund | Wigley |
| Levi | Norton | Rice | Stadum | Wynia |
| Long | Novak | Rodriguez, C. | Staten | Zubay |
| Ludeman | Nysether | Rodriguez, F. | Stowell | Spkr. Sieben, H. |
| Luknic | O'Connor | Rose | Stumpf | |
| Marsh | Ogren | Rothenberg | Sviggum | |
| McCarron | Olsen | Samuelson | Swanson | |

Those who voted in the negative were :

Osthoff

The motion prevailed.

Eken moved that the Chief Clerk be and is hereby instructed to inform the Senate and the Governor by message that the House of Representatives is now duly organized for this 1981 Second Special Session pursuant to law. The motion prevailed.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced :

Eken introduced :

H. F. No. 1, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

The bill was read for the first time.

Wenzel, Kalis, Mann, Wigley and Anderson, G., introduced :

H. F. No. 2, A resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.

The bill was read for the first time.

McCarron introduced:

H. F. No. 3, A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 1 and 2.

The bill was read for the first time.

Valan and Hoberg introduced:

H. F. No. 4, A bill for an act relating to local government; providing that Clay county may levy a gravel tax of up to ten cents per cubic yard; amending Laws 1961, Chapter 605, Section 1.

The bill was read for the first time.

Wynia; Brandl; Peterson, D.; Luknic and Otis introduced:

H. F. No. 5, A resolution memorializing the President and Congress to promote responsible use of infant formula.

The bill was read for the first time.

Swanson and Carlson, L., introduced:

H. F. No. 6, A bill for an act relating to insurance; directing the commissioner of public safety to promulgate rules regarding mandatory vehicle insurance; amending Minnesota Statutes 1980, Section 65B.68, by adding a subdivision.

The bill was read for the first time.

H. F. No. 1 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Eken moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1 be given

its second and third readings and be placed upon its final passage. The motion did not prevail.

H. F. No. 2 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Wenzel moved that the rule therein be suspended and an urgency be declared so that H. F. No. 2 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Wenzel moved that the rules of the House be so far suspended that H. F. No. 2 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Wenzel motion and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Evans | Kvam | Olsen | Sieben, M. |
| Ainley | Ewald | Laidig | Onnen | Simoneau |
| Anderson, B. | Fjoslien | Lehto | Osthoff | Skoglund |
| Anderson, G. | Forsythe | Lemen | Otis | Stadum |
| Anderson, I. | Greenfield | Levi | Peterson, B. | Staten |
| Anderson, R. | Gruenes | Long | Peterson, D. | Stowell |
| Battaglia | Gustafson | Ludeman | Piepho | Stumpf |
| Begich | Halberg | Luknic | Pogemiller | Sviggum |
| Berkelman | Hanson | Mann | Redalen | Swanson |
| Blatz | Harens | Marsh | Reding | Tomlinson |
| Brandl | Hauge | McCarron | Rees | Valan |
| Brinkman | Haukoos | McDonald | Reif | Valento |
| Byrne | Heap | McEachern | Rice | Vellenga |
| Carlson, D. | Heinitz | Mehrkens | Rodriguez, C. | Weaver |
| Carlson, L. | Himle | Metzen | Rodriguez, F. | Welch |
| Clark, J. | Hoberg | Minne | Rose | Welker |
| Clawson | Hokanson | Munger | Rothenberg | Wenzel |
| Dahlvang | Jacobs | Murphy | Samuelson | Wieser |
| Dean | Jennings | Nelsen, B. | Sarna | Wigley |
| Dempsey | Johnson, C. | Nelson, K. | Schafer | Wynia |
| Den Ouden | Johnson, D. | Niehaus | Schoenfeld | Zubay |
| Drew | Jude | Norton | Schreiber | Spkr. Sieben, H. |
| Eken | Kalis | Novak | Searles | |
| Elioff | Kelly | Nysether | Shea | |
| Erickson | Knickerbocker | O'Connor | Sherman | |
| Esau | Kostohryz | Ogren | Sherwood | |

The motion prevailed.

H. F. No. 2 was read for the second time.

Shea and Redalen moved to amend H. F. No. 2, as follows:

Page 1, line 11, after "Freeborn," insert "Steele, Waseca, Mower,"

The motion prevailed and the amendment was adopted.

H. F. No. 2, A resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.

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 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Knickerbocker | Olsen | Sherwood |
| Ainley | Ewald | Kostohryz | Onnen | Sieben, M. |
| Anderson, B. | Fjoslien | Kvam | Osthoff | Simoneau |
| Anderson, G. | Forsythe | Laidig | Otis | Skoglund |
| Anderson, I. | Greenfield | Lehto | Peterson, B. | Stadum |
| Anderson, R. | Gruenes | Lemen | Peterson, D. | Staten |
| Battaglia | Gustafson | Levi | Piepho | Stowell |
| Begich | Halberg | Long | Pogemiller | Stumpf |
| Berkelman | Hanson | Luknic | Redalen | Sviggum |
| Blatz | Harens | Mann | Reding | Swanson |
| Brandl | Hauge | Marsh | Rees | Tomlinson |
| Brinkman | Haukoos | McCarron | Reif | Valan |
| Byrne | Heap | McEachern | Rice | Valento |
| Carlson, D. | Heinitz | Mehrkens | Rodriguez, C. | Vellenga |
| Carlson, L. | Himle | Metzen | Rodriguez, F. | Weaver |
| Clark, J. | Hoberg | Minne | Rose | Welch |
| Clawson | Hokanson | Munger | Rothenberg | Welker |
| Dahlvang | Hokr | Murphy | Samuelson | Wenzel |
| Dean | Jacobs | Nelson, K. | Sarna | Wieser |
| Dempsey | Jennings | Niehaus | Schafer | Wigley |
| Den Ouden | Johnson, C. | Norton | Schoenfeld | Wynia |
| Drew | Johnson, D. | Novak | Schreiber | Zubay |
| Eken | Jude | Nysether | Searles | Spkr. Sieben, H. |
| Erickson | Kalis | O'Connor | Shea | |
| Esau | Kelly | Ogren | Sherman | |

Those who voted in the negative were:

Ludeman

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

H. F. No. 3 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, McCarron moved that the rule therein be suspended and an urgency be declared so that H. F. No. 3 be

given its second and third readings and be placed upon its final passage. The motion prevailed.

McCarron moved that the rules of the House be so far suspended that H. F. No. 3 be given its second and third readings and be placed upon its final passage. The motion prevailed.

H. F. No. 3 was read for the second time.

Minne moved to amend H. F. No. 3, as follows:

Page 2, line 20, after the comma, insert "*and prior to the next election,*"

The motion prevailed and the amendment was adopted.

H. F. No. 3, A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 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 116 yeas and 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Evans | Kvam | Ogren | Sieben, M. |
| Ainley | Fjoslien | Laidig | Olsen | Simoneau |
| Anderson, B. | Forsythe | Lehto | Osthoff | Skoglund |
| Anderson, G. | Greenfield | Lemen | Otis | Stadum |
| Anderson, I. | Gruenes | Levi | Peterson, B. | Staten |
| Anderson, R. | Halberg | Long | Peterson, D. | Stowell |
| Battaglia | Hanson | Ludeman | Piepho | Stumpf |
| Begich | Harens | Mann | Pogemiller | Sviggum |
| Berkelman | Hauge | Marsh | Redalen | Swanson |
| Blatz | Haukoos | McCarron | Reding | Tomlinson |
| Brinkman | Heap | McDonald | Rees | Vellenga |
| Byrne | Heinitz | McEachern | Reif | Weaver |
| Carlson, D. | Himle | Mehrkens | Rice | Welch |
| Carlson, L. | Hoberg | Metzen | Rodriguez, C. | Welker |
| Clark, J. | Hokanson | Minne | Rodriguez, F. | Wenzel |
| Clawson | Jacobs | Munger | Rose | Wieser |
| Dahlvang | Jennings | Murphy | Rothenberg | Wigley |
| Dean | Johnson, C. | Nelsen, B. | Samuelsen | Wynia |
| Dempsey | Johnson, D. | Nelson, K. | Sarna | Zubay |
| Den Ouden | Jude | Niehaus | Schafer | Spkr. Sieben, H. |
| Eken | Kalis | Norton | Schoenfeld | |
| Elioff | Kelly | Novak | Searles | |
| Erickson | Knickerbocker | Nysether | Shea | |
| Esau | Kostohryz | O'Connor | Sherman | |

Those who voted in the negative were:

Drew Onnen Valento

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

H. F. No. 4 was reported to the House.

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Valan moved that the rule therein be suspended and an urgency be declared so that H. F. No. 4 be given its second and third readings and be placed upon its final passage. The motion did not prevail.

The Speaker referred the bill to the Committee on Taxes.

MOTION FOR RECONSIDERATION

Halberg moved to reconsider the vote on the Eken motion to suspend Article IV, Section 19, of the Constitution of the state of Minnesota relating to H. F. No. 1 which did not prevail.

A roll call was requested and properly seconded.

The question was taken on the Halberg motion and the roll was called. There were 89 yeas and 20 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Johnson, D. | Otis | Sieben, M. |
| Ainley | Ewald | Kelly | Peterson, B. | Stadium |
| Anderson, B. | Fjoslien | Knickerbocker | Piepho | Staten |
| Anderson, G. | Forsythe | Kvam | Pogemiller | Stowell |
| Anderson, R. | Greenfield | Lemen | Redalen | Sviggum |
| Berkelman | Gruenes | Levi | Rees | Swanson |
| Blatz | Halberg | Ludeman | Reif | Valan |
| Brandl | Harens | Luknic | Rice | Valento |
| Brinkman | Hauge | Mann | Rodriguez, C. | Vellenga |
| Carlson, D. | Haukoos | Marsh | Rodriguez, F. | Weaver |
| Carlson, L. | Heinitz | McDonald | Rose | Welker |
| Dean | Himle | Mehrkens | Rothenberg | Wenzel |
| Dempsey | Hoberg | Nelsen, B. | Schafer | Wieser |
| Den Ouden | Hokanson | Niehaus | Schreiber | Wigley |
| Drew | Hokr | Norton | Searles | Wynia |
| Eken | Jacobs | Nysether | Shea | Zubay |
| Erickson | Jennings | Olsen | Sherman | Spkr. Sieben, H. |
| Esau | Johnson, C. | Onnen | Sherwood | |

Those who voted in the negative were:

| | | | | |
|-----------|-----------|------------|--------------|-----------|
| Byrne | Kalis | Long | Osthoff | Simoneau |
| Clark, J. | Kostohryz | Minne | Peterson, D. | Skoglund |
| Hanson | Laidig | Munger | Reding | Tomlinson |
| Jude | Lehto | Nelson, K. | Schoenfeld | Welch |

The motion prevailed.

Eken 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 Eken motion was again reported to the House:

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Eken moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Eken motion and the roll was called. There were 99 yeas and 18 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Aasness | Evans | Lehto | Onnen | Sieben, M. |
| Ainley | Ewald | Lemen | Otis | Simoneau |
| Anderson, B. | Fjoslien | Levi | Peterson, B. | Stadum |
| Anderson, G. | Forsythe | Long | Piepho | Stowell |
| Anderson, R. | Gruenes | Ludeman | Pogemiller | Stumpf |
| Battaglia | Gustafson | Mann | Redalen | Sviggum |
| Begich | Halberg | Marsh | Rees | Tomlinson |
| Berkelman | Harens | McCarron | Reif | Valan |
| Blatz | Hauge | McDonald | Rice | Valento |
| Brandl | Heap | Mehrkens | Rodriguez, C. | Vellenga |
| Byrne | Heinitz | Minne | Rodriguez, F. | Weaver |
| Carlson, D. | Himle | Munger | Rose | Welch |
| Dean | Hoberg | Murphy | Rothenberg | Welker |
| Dempsey | Hokr | Nelsen, B. | Samuelson | Wenzel |
| Den Ouden | Jennings | Niehaus | Schafer | Wieser |
| Drew | Johnson, C. | Norton | Schreiber | Wigley |
| Eken | Johnson, D. | Novak | Searles | Wynia |
| Elioff | Kelly | Nysether | Shea | Zubay |
| Erickson | Knickerbocker | O'Connor | Sherman | Spkr. Sieben, H. |
| Esau | Laidig | Olsen | Sherwood | |

Those who voted in the negative were:

| | | | | |
|------------|----------|-----------|--------------|----------|
| Clark, J. | Hanson | McEachern | Peterson, D. | Skoglund |
| Clawson | Hokanson | Metzen | Reding | Staten |
| Dahlvang | Jude | Ogren | Sarna | |
| Greenfield | Kalis | Osthoff | Schoenfeld | |

The motion prevailed.

Eken moved that the rules of the House be so far suspended that H. F. No. 1 be given its second and third readings and be placed upon its final passage. The motion prevailed.

H. F. No. 1 was read for the second time.

Eken moved to amend H. F. No. 1, as follows:

Page 4, line 24, delete "\$100,000,000" and insert "\$440,000,000"

Page 7, line 13, after "reduce" delete the remainder of the line

Page 7, line 14, delete "1982"

Page 7, line 15, before the period, insert "in subsequent biennial budgets"

The motion prevailed and the amendment was adopted.

Nelsen, B., moved to amend H. F. No. 1, as amended, as follows:

Page 7, after line 10, insert:

"Sec. 6. [CASH FLOW MANAGEMENT REPORT.]

The commissioner of the department of finance shall prepare a comprehensive study of the state's cash flow management. The study shall evaluate options to reduce any cash flow management difficulties outlined in the study, including changes in payment or dates of payment for aids and credits paid by the state, expenditure reductions, revenue increases, or adoption of a budget stabilization reserve account. The study shall contain the recommendations of the commissioner to improve the state's cash flow management. The study shall be submitted by January 1, 1982 to the president of the senate; the speaker of the house; the chairmen of the senate finance committee, house appropriations committee, senate taxes and tax laws committee, house taxes committee; and to the house and senate majority and minority leaders."

Renumber the sections

Further, amend the title as follows:

Page 1, line 10, after the semicolon insert "requiring a study of the state's cash management;"

Nelsen, B., moved to amend the Nelsen, B., amendment to H. F. No. 1, as follows:

Page 1, delete line 18 of the amendment and insert "Page 7, delete lines 11 to 15"

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

The question recurred on the Nelsen, B., amendment to H. F. No. 1.

The motion prevailed and the amendment was adopted.

H. F. No. 1, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

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 51 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Evans | Knickerbocker | Olsen | Sieben, M. |
| Ainley | Ewald | Kostohryz | Peterson, B. | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Piepho | Stadum |
| Anderson, R. | Forsythe | Laidig | Redalen | Stowell |
| Berkelman | Gruenes | Lemen | Rees | Stumpf |
| Blatz | Halberg | Levi | Reif | Sviggum |
| Brandl | Harens | Luknie | Rodriguez, C. | Tomlinson |
| Carlson, D. | Haukoos | Mann | Rodriguez, F. | Valan |
| Dean | Heap | Marsh | Rose | Valento |
| Dempsey | Heinitz | McCarron | Schafer | Weaver |
| Den Ouden | Himle | Mehrkens | Schreiber | Wenzel |
| Drew | Hoberg | Nelsen, B. | Searles | Wieser |
| Eken | Hokr | Nelson, K. | Shea | Wigley |
| Erickson | Johnson, C. | Niehaus | Sherman | Zubay |
| Esau | Johnson, D. | Norton | Sherwood | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|------------|-----------|----------|
| Anderson, B. | Brinkman | Clawson | Gustafson | Jacobs |
| Anderson, I. | Byrne | Dahlvang | Hanson | Jennings |
| Battaglia | Carlson, L. | Elioff | Hauge | Jude |
| Begeh | Clark, J. | Greenfield | Hokanson | Kalis |

| | | | | |
|-----------|----------|--------------|------------|--------|
| Kelly | Munger | Osthoff | Samuelson | Welch |
| Lehto | Murphy | Otis | Sarna | Welker |
| Long | Novak | Peterson, D. | Schoenfeld | Wynia |
| Ludeman | Nysether | Pogemiller | Skoglund | |
| McEachern | O'Connor | Reding | Staten | |
| Metzen | Ogren | Rice | Swanson | |
| Minne | Onnen | Rothenberg | Vellenga | |

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

INTRODUCTION AND FIRST READING OF HOUSE BILLS, Continued

The following House Files were introduced:

Nelson, K., introduced:

H. F. No. 7, A bill for an act relating to the organization and operation of state government; correcting a provision relating to the weatherization program in the omnibus health, welfare, and corrections appropriations bill; amending Laws 1981, Chapter 360, Section 3.

The bill was read for the first time.

Heinitz and Brinkman introduced:

H. F. No. 8, A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.

The bill was read for the first time.

H. F. No. 5 was reported to the House.

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Wynia moved that the rule therein be suspended and an urgency be declared so that H. F. No. 5 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Wynia motion and the roll was called. There were 65 yeas and 41 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|--------|-------------|----------|
| Anderson, B. | Battaglia | Blatz | Carlson, L. | Dahlvang |
| Anderson, G. | Begich | Brandl | Clark, J. | Eken |
| Anderson, I. | Berkelman | Byrne | Clawson | Elioff |

| | | | | |
|-------------|-----------|--------------|---------------|------------------|
| Greenfield | Kalis | Murphy | Pogemiller | Simoneau |
| Gruenes | Kelly | Nelson, K. | Reding | Skoglund |
| Gustafson | Lehto | Niehaus | Reif | Staten |
| Hanson | Long | Norton | Rice | Stumpf |
| Harens | Luknic | Novak | Rodriguez, F. | Tomlinson |
| Hauge | Mann | O'Connor | Rose | Vellenga |
| Hokanson | McCarron | Ogren | Samuelson | Weaver |
| Hokr | McEachern | Osthoff | Schoenfeld | Wenzel |
| Johnson, C. | Minne | Otis | Shea | Wynia |
| Jude | Munger | Peterson, D. | Sieben, M. | Spkr. Sieben, H. |

Those who voted in the negative were:

| | | | | |
|--------------|-------------|--------------|------------|--------|
| Aasness | Evans | Lemen | Rees | Welch |
| Ainley | Ewald | Ludeman | Rothenberg | Welker |
| Anderson, R. | Fjoslien | Marsh | Schafer | Wieser |
| Carlson, D. | Halberg | Mehrkens | Schreiber | Wigley |
| Dean | Haukoos | Nelsen, B. | Searles | Zubay |
| Dempsey | Hoberg | Olsen | Sherwood | |
| Den Ouden | Jennings | Onnen | Stadum | |
| Erickson | Johnson, D. | Peterson, B. | Sviggum | |
| Esau | Laidig | Redalen | Valento | |

The motion did not prevail.

H. F. No. 6 was reported to the House. The Speaker referred the bill to the Committee on Health and Welfare.

H. F. No. 7 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Nelson, K., moved that the rule therein be suspended and an urgency be declared so that H. F. No. 7 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Nelson, K., moved that the rules of the House be so far suspended that H. F. No. 7 be given its second and third readings and be placed upon its final passage. The motion prevailed.

H. F. No. 7 was read for the second time.

Nelson, K., moved to amend H. F. No. 7, as follows:

Page 2, strike line 40

Page 2, line 41, strike "weatherization program" and delete "may"

Page 2, line 42, strike "a minimum of \$25,000" and delete "receive" and "or 7.5"

Page 2, delete line 43

Page 2, line 44, delete "allocation, whichever is greater," and strike "for"

Page 2, line 45, strike "administrative expenses." and insert "No"

Page 2, reinstate lines 46 to 48

Page 2, line 49, reinstate "(PROGRAM.)"

The motion prevailed and the amendment was adopted.

H. F. No. 7, A bill for an act relating to the organization and operation of state government; correcting a provision relating to the weatherization program in the omnibus health, welfare, and corrections appropriations bill; amending Laws 1981, Chapter 360, 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. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Kelly | Nysether | Sherman |
| Ainley | Evans | Knickerbocker | O'Connor | Sherwood |
| Anderson, B. | Ewald | Kostohryz | Ogren | Sieben, M. |
| Anderson, G. | Fjoslien | Kvam | Olsen | Simoneau |
| Anderson, I. | Forsythe | Laidig | Onnen | Skoglund |
| Anderson, R. | Greenfield | Lehto | Osthoff | Stadum |
| Battaglia | Gruenes | Lemen | Otis | Staten |
| Begich | Gustafson | Levi | Peterson, B. | Stowell |
| Berkelman | Halberg | Long | Peterson, D. | Stumpf |
| Blatz | Hanson | Ludeman | Piepho | Sviggum |
| Brandl | Harens | Luknic | Pogemiller | Swanson |
| Brinkman | Hauge | Mann | Redalen | Tomlinson |
| Byrne | Haukoos | Marsh | Reding | Valan |
| Carlson, D. | Heap | McDonald | Rees | Valento |
| Carlson, L. | Heinitz | McEachern | Reif | Vellenga |
| Clark, J. | Himle | Mehrkens | Rice | Weaver |
| Clawson | Hoberg | Metzen | Rodriguez, C. | Welch |
| Dahlvang | Hokanson | Minne | Rodriguez, F. | Welker |
| Dean | Hokr | Munger | Rose | Wenzel |
| Dempsey | Jacobs | Murphy | Rothenberg | Wieser |
| Den Ouden | Jennings | Nelsen, B. | Sarna | Wigley |
| Drew | Johnson, C. | Nelson, K. | Schafer | Wynia |
| Eken | Johnson, D. | Niehaus | Schoenfeld | Zubay |
| Elioff | Jude | Norton | Schreiber | Spkr. Sieben, H. |
| Erickson | Kalis | Novak | Searles | |

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

H. F. No. 8 was reported to the House.

SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Heinitz moved that the rule therein be suspended and an urgency be declared so that H. F. No. 8 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Heinitz moved that the rules of the House be so far suspended that H. F. No. 8 be given its second and third readings and be placed upon its final passage. The motion prevailed.

H. F. No. 8 was read for the second time.

H. F. No. 8, A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 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 120 yeas and 3 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Aasness | Esau | Knickerbocker | Novak | Shea |
| Ainley | Evans | Kostohryz | Nysether | Sherman |
| Anderson, B. | Ewald | Kvam | O'Connor | Sherwood |
| Anderson, G. | Fjoslien | Laidig | Ogren | Sieben, M. |
| Anderson, I. | Forsythe | Lehto | Olsen | Simoneau |
| Anderson, R. | Greenfield | Lemen | Onnen | Skoglund |
| Battaglia | Gruenes | Levi | Otis | Stadum |
| Begich | Halberg | Long | Peterson, B. | Stowell |
| Berkelman | Harens | Ludeman | Peterson, D. | Stumpf |
| Blatz | Hauge | Luknic | Piepho | Sviggum |
| Brandl | Haukoos | Mann | Redalen | Swanson |
| Brinkman | Heap | Marsh | Reding | Tomlinson |
| Byrne | Heinitz | McCarron | Rees | Valan |
| Carlson, D. | Himle | McDonald | Reif | Valento |
| Carlson, L. | Hoberg | McEachern | Rice | Vellenga |
| Clark, J. | Hokanson | Mehrrens | Rodriguez, C. | Weaver |
| Clawson | Hokr | Metzen | Rodriguez, F. | Welch |
| Dahlvang | Jacobs | Minne | Rose | Welker |
| Dean | Jennings | Munger | Rothenberg | Wenzel |
| Dempsey | Johnson, C. | Murphy | Sarna | Wieser |
| Den Ouden | Johnson, D. | Nelsen, B. | Schafer | Wigley |
| Drew | Jude | Nelson, K. | Schoenfeld | Wynia |
| Eken | Kalis | Niehaus | Schreiber | Zubay |
| Erickson | Kelly | Norton | Searles | Sprk. Sieben, H. |

Those who voted in the negative were:

Elioff Hanson Samuelson

The bill was passed and its title agreed to.

MESSAGES FROM THE SENATE

The following message was received from the Senate :

Mr. Speaker :

This is to notify you that the Senate is now duly organized pursuant to the Minnesota Constitution and Minnesota Statutes.

PATRICK E. FLAHAVEN, Secretary of the Senate

MOTIONS AND RESOLUTIONS

Wenzel moved that the name of Mann be stricken and the name of Novak be added as an author on H. F. No. 2. The motion prevailed.

Eken 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

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, July 2, 1981. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Thursday, July 2, 1981.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SECOND SPECIAL SESSION - 1981

SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, JULY 2, 1981

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

Prayer was offered by Bruce Buller, Pastor, Hamline United Methodist Church, St. Paul, Minnesota.

The roll was called and the following members were present:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Ewald | Kvam | Ogren | Sherwood |
| Anderson, B. | Fjoslien | Laidig | Olsen | Sieben, M. |
| Anderson, G. | Forsythe | Lehto | Onnen | Simoneau |
| Anderson, I. | Greenfield | Lemen | Osthoff | Skoglund |
| Battaglia | Gruenes | Levi | Otis | Stadum |
| Begich | Gustafson | Long | Peterson, B. | Staten |
| Berkelman | Halberg | Ludeman | Peterson, D. | Stowell |
| Blatz | Hanson | Luknic | Piepho | Stumpf |
| Brandl | Harens | Mann | Pogemiller | Sviggum |
| Brinkman | Hauge | Marsh | Redalen | Swanson |
| Byrne | Haukoos | McCarron | Reding | Tomlinson |
| Carlson, D. | Heap | McDonald | Rees | Valan |
| Carlson, L. | Heinitz | McEachern | Reif | Valento |
| Clark, J. | Himle | Mehrkens | Rice | Vellenga |
| Clawson | Hoberg | Minne | Rodriguez, C. | Weaver |
| Dahlvang | Hokanson | Munger | Rodriguez, F. | Welch |
| Dean | Hokr | Murphy | Rose | Welker |
| Den Ouden | Jacobs | Nelsen, B. | Rothenberg | Wenzel |
| Drew | Jennings | Nelson, K. | Samuelson | Wieser |
| Eken | Johnson, D. | Niehaus | Sarna | Wigley |
| Elioff | Jude | Norton | Schafer | Wynia |
| Erickson | Kalis | Novak | Schoenfeld | Zubay |
| Esau | Knickerbocker | Nysether | Schreiber | Spkr. Sieben, H. |
| Evans | Kostohryz | O'Connor | Sherman | |

A quorum was present.

Aasness; Anderson, R.; Clark, K.; Dempsey; Ellingson; Johnson, C.; Kahn; Kaley; Metzen; Searles; Shea and Vanasek were excused.

Kelly and Voss were excused until 3:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Simoneau 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.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The Speaker referred H. F. No. 5, which was introduced on Wednesday, July 1, 1981, by Wynia; Brandl; Peterson, D.; Luknic and Otis, to the Committee on Rules and Legislative Administration.

The following House Files were introduced:

Rees and McDonald introduced:

H. F. No. 9, A bill for an act relating to metropolitan solid waste management; allowing the removal of the moratorium on development at certain sites; amending Minnesota Statutes 1980, Section 473.803, Subdivision 1a, as amended.

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

Onnen and Lehto introduced:

H. F. No. 10, A bill for an act proposing an amendment to the Minnesota Constitution, changing Article IV, Sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25 and 26; Article V, Sections 3 and 5; Article VIII, Section 1; Article IX, Sections 1 and 2; and Article XI, Section 5; providing for a unicameral legislature of not more than 135 members.

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

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. 8, A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.

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. 1, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

PATRICK E. FLAHAVEN, Secretary of the Senate

Eken moved that the House concur in the Senate amendments to H. F. No. 1 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

The question was taken on the Eken motion and the roll was called. There were 28 yeas and 88 nays as follows :

Those who voted in the affirmative were :

| | | | | |
|--------------|-----------|------------|---------------|------------------|
| Anderson, G. | Gustafson | McCarron | Osthoff | Staten |
| Anderson, I. | Hanson | Munger | Peterson, D. | Vellenga |
| Berkelman | Harens | Murphy | Rice | Wenzel |
| Dahlvang | Jacobs | Nelson, K. | Rodriguez, C. | Spkr. Sieben, H. |
| Eken | Long | Novak | Rodriguez, F. | |
| Greenfield | Mann | O'Connor | Samuelson | |

Those who voted in the negative were :

| | | | | |
|--------------|-----------|----------|---------------|------------|
| Ainley | Clark, J. | Fjoslien | Hokanson | Lemen |
| Anderson, B. | Clawson | Forsythe | Hokr | Levi |
| Battaglia | Dean | Gruenes | Jennings | Ludeman |
| Begich | Den Ouden | Halberg | Johnson, D. | Luknic |
| Blatz | Drew | Hauge | Jude | Marsh |
| Brandl | Elioff | Haukoos | Kalis | McDonald |
| Brinkman | Erickson | Heap | Knickerbocker | McEachern |
| Byrne | Esau | Heinitz | Kvam | Mehrkens |
| Carlson, D. | Evans | Himle | Laidig | Minne |
| Carlson, L. | Ewald | Hoberg | Lehto | Nelsen, B. |

| | | | | |
|--------------|------------|------------|-----------|--------|
| Niehaus | Piepho | Schafer | Stowell | Welch |
| Norton | Pogemiller | Schoenfeld | Stumpf | Welker |
| Nysether | Redalen | Schreiber | Sviggum | Wieser |
| Ogren | Rees | Sherman | Swanson | Wigley |
| Olsen | Reif | Sherwood | Tomlinson | Wynia |
| Onnen | Rose | Simoneau | Valan | Zubay |
| Otis | Rothenberg | Skoglund | Valento | |
| Peterson, B. | Sarna | Stadum | Weaver | |

The motion did not prevail.

Eken moved that the House refuse to concur in the Senate amendments to H. F. No. 1, 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.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1:

Eken, Tomlinson, Brandl, Sherwood and Nelsen, B.

Eken 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.

Brinkman, Novak and O'Connor were excused for the remainder of the day.

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. 1, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt

of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

The Senate has appointed as such committee Messrs. Moe, R. D.; Hanson; Waldorf; Ashbach and Bang.

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. 2, A bill for an act memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.

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. 7, A bill for an act relating to the organization and operation of state government; correcting a provision relating to the weatherization program in the omnibus health, welfare, and corrections appropriations bill; amending Laws 1981, Chapter 360, Section 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker :

I hereby announce that the Senate wishes to recall for the purpose of further consideration House File No. 8.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wynia moved that the House accede to the request of the Senate for the return of H. F. No. 8 for further consideration by 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. 3, A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 1 and 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

McCarron moved that the House concur in the Senate amendments to H. F. No. 3 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 3, A bill for an act relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries; amending Minnesota Statutes 1980, Sections 201.061, Subdivision 1, as amended; and Laws 1981, Chapter 29, Article IV, Section 14, Subdivision 3, and Article VI, Section 16, as amended; repealing Special Session Laws 1981, Chapter 4, Article III, Sections 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 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|------------|-----------|---------------|------------|
| Ainley | Clawson | Gruenes | Jennings | Mann |
| Anderson, B. | Dahlvang | Gustafson | Johnson, D. | Marsh |
| Anderson, G. | Dean | Halberg | Jude | McCarron |
| Anderson, I. | Den Ouden | Hanson | Kalis | McDonald |
| Battaglia | Drew | Harens | Kelly | McEachern |
| Begich | Eken | Hauge | Knickerbocker | Mehrkens |
| Berkelman | Elioff | Haukoos | Kostohryz | Minne |
| Blatz | Erickson | Heap | Kvam | Munger |
| Brandl | Esau | Heinitz | Laidig | Murphy |
| Brinkman | Evans | Himle | Lehto | Nelsen, F. |
| Byrne | Ewald | Hoberg | Lemen | Nelson, K. |
| Carlson, D. | Fjoslien | Hokanson | Long | Norton |
| Carlson, L. | Forsythe | Hokr | Ludeman | Novak |
| Clark, J. | Greenfield | Jacobs | Luknic | Nysether |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Ogren | Rees | Schreiber | Stowell | Welch |
| Olsen | Reif | Shea | Stumpf | Welker |
| Osthoff | Rice | Sherman | Sviggum | Wenzel |
| Otis | Rodriguez, C. | Sherwood | Swanson | Wigley |
| Peterson, B. | Rose | Sieben, M. | Tomlinson | Wynia |
| Peterson, D. | Rothenberg | Simoneau | Valan | Zubay |
| Piepho | Sarna | Skoglund | Vellenga | Spkr. Sieben, H. |
| Pogemiller | Schafer | Stadum | Voss | |
| Redalen | Schoenfeld | Staten | Weaver | |

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. 7.

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. 8.

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. 6.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 7, A bill for an act relating to corporations; establishing filing fees for certain filings with the secretary of state; amending Minnesota Statutes 1980, Section 301.511, Subdivision 2.

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, Sieben, M., moved that the rule therein be

suspended and an urgency be declared so that S. F. No. 7 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Sieben, M., moved that the rules of the House be so far suspended that S. F. No. 7 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 7 was read for the second time.

S. F. No. 7, A bill for an act relating to corporations; establishing filing fees for certain filings with the secretary of state; amending Minnesota Statutes 1980, Section 301.511, 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 112 yeas and 1 nay as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|------------|---------------|------------------|
| Ainley | Fjoslien | Laidig | Onnen | Stadum |
| Anderson, B. | Forsythe | Lehto | Otis | Staten |
| Anderson, G. | Greenfield | Lemen | Peterson, B. | Stowell |
| Anderson, I. | Gruenes | Levi | Peterson, D. | Stumpf |
| Battaglia | Gustafson | Long | Piepho | Sviggum |
| Begich | Halberg | Ludeman | Pogemiller | Swanson |
| Berkelman | Hanson | Luknic | Redalen | Tomlinson |
| Blatz | Harens | Mann | Rees | Valan |
| Brandl | Haukoos | Marsh | Reif | Valento |
| Byrne | Heap | McCarron | Rice | Vellenga |
| Carlson, D. | Heinitz | McDonald | Rodriguez, C. | Voss |
| Carlson, L. | Himle | McEachern | Rose | Weaver |
| Clark, J. | Hoberg | Mehrkens | Rothenberg | Welch |
| Clawson | Hokanson | Minne | Sarna | Welker |
| Dahlvang | Hokr | Munger | Schafer | Wenzel |
| Den Ouden | Jacobs | Murphy | Schoenfeld | Wieser |
| Drew | Jennings | Nelsen, B. | Schreiber | Wigley |
| Eken | Johnson, D. | Nelson, K. | Shea | Wynia |
| Elioff | Jude | Norton | Sherman | Zubay |
| Erickson | Kalis | Novak | Sherwood | Spkr. Sieben, H. |
| Esau | Kelly | Nysether | Sieben, M. | |
| Evans | Knickerbocker | Ogren | Simoneau | |
| Ewald | Kvam | Olsen | Skoglund | |

Those who voted in the negative were:

Osthoff

The bill was passed and its title agreed to.

FIRST READING OF SENATE BILLS, Continued

S. F. No. 8, A bill for an act relating to judicial procedures; providing an effective date for certain changes in provisions

relating to guardianship, conservatorship, and actions brought on behalf of minor children.

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, Dean moved that the rule therein be suspended and an urgency be declared so that S. F. No. 8 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Dean moved that the rules of the House be so far suspended that S. F. No. 8 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 8 was read for the second time.

Dean moved to amend S. F. No. 8, as follows:

Page 1, line 8, after "Section 1." insert "*Laws 1980, Chapter 493 and*"

Page 1, line 8, delete "*is*" and insert "*are*"

The motion prevailed and the amendment was adopted.

S. F. No. 8, A bill for an act relating to judicial procedures; providing an effective date for certain changes in provisions relating to guardianship, conservatorship, and actions brought on behalf of minor children.

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 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-----------|------------|---------------|------------|
| Ainley | Clawson | Greenfield | Hokr | Long |
| Anderson, B. | Dahlvang | Gruenes | Jacobs | Ludeman |
| Anderson, G. | Dean | Gustafson | Jennings | Luknic |
| Anderson, I. | Den Ouden | Halberg | Johnson, D. | Mann |
| Battaglia | Drew | Hanson | Jude | Marsh |
| Begich | Eken | Harens | Kalis | McCarron |
| Berkelman | Elioff | Hauge | Kelly | McDonald |
| Blatz | Erickson | Haukoos | Knickerbocker | McEachern |
| Brandl | Esau | Heap | Kvam | Mehrkens |
| Byrne | Evans | Heinitz | Laidig | Minne |
| Carlson, D. | Ewald | Himle | Lehto | Munger |
| Carlson, L. | Fjoslien | Hoberg | Lemen | Murphy |
| Clark, J. | Forsythe | Hokanson | Levi | Nelsen, B. |

| | | | | |
|--------------|---------------|------------|-----------|------------------|
| Nelson, K. | Peterson, D. | Sarna | Stadum | Voss |
| Norton | Piepho | Schafer | Staten | Weaver |
| Novak | Pogemiller | Schoenfeld | Stowell | Welch |
| Nysether | Redalen | Schreiber | Stumpf | Welker |
| Ogren | Rees | Shea | Sviggum | Wenzel |
| Olsen | Reif | Sherman | Swanson | Wieser |
| Onnen | Rice | Sherwood | Tomlinson | Wigley |
| Osthoff | Rodriguez, C. | Sieben, M. | Valan | Wynia |
| Otis | Rose | Simoneau | Valento | Zubay |
| Peterson, B. | Rothenberg | Skoglund | Vellenga | Spkr. Sieben, H. |

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

FIRST READING OF SENATE BILLS, Continued

S. F. No. 6, A bill for an act relating to local government; providing that Clay county may levy a gravel tax of up to ten cents per cubic yard; amending Laws 1961, Chapter 605, Section 1.

The bill was read for the first time.

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Valan moved that the rule therein be suspended and an urgency be declared so that S. F. No. 6 be given its second and third readings and be placed upon its final passage. The motion did not prevail.

The Speaker referred the bill to the Committee on Taxes.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON SECOND SPECIAL SESSION H. F. NO. 1

A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

July 2, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

We, the undersigned conferees for H. F. No. 1, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that Second Special Session H. F. No. 1, be further amended as follows:

Page 2, after line 7, insert:

"Sec. 2. [16A.1531] [BUDGET RESERVE ACCOUNT.]

The commissioner of finance, at the close of the state's accounts for the second fiscal year of each biennium, shall transfer to a budget reserve account in the state treasury the amount by which the unrestricted balance in the general fund exceeds \$25,000,000, up to \$100,000,000. Thereafter, one-half of the remainder of the unrestricted balance shall be transferred until the balance in the budget reserve account equals 2-1/2 percent of appropriations from the general fund for the current biennium.

Sec. 3. Minnesota Statutes 1980, Section 16A.15, Subdivision 1, is amended to read:

Subdivision 1. [REDUCTION.] In case the commissioner of finance shall discover at any time that the probable receipts from taxes or other sources for any appropriation, fund, or item will be less than was anticipated, and that consequently the amount available for the remainder of the term of the appropriation or for any allotment period will be less than the amount estimated or allotted therefor, he shall, with the approval of the governor, and after notice to the agency concerned, *either:*

(a) after consultation with the legislative advisory commission created by section 3.30, transfer from the budget reserve account established in section 2, to the general fund the amount necessary to balance revenue and expenditures;

(b) reduce the amount allotted or to be allotted so as to prevent a deficit; or

(c) make any combination of transfers and reductions as provided by clauses (a) and (b).

In like manner he shall request reduction of the amount allotted or to be allotted to any agency by the amount of any saving which can be effected upon previous spending plans through a reduction in prices or other cause."

Page 4, line 24, delete "*in the fiscal year*"

Page 4, delete line 25

Page 4, line 26, delete "*thereafter*"

Page 7, after line 3, insert:

"Sec. 6. Minnesota Statutes 1980, Section 273.13, Subdivision 15a, as amended by Laws 1981, Special Session Chapter 3, Section 1, is amended to read:

Subd. 15a. [GENERAL FUND, REPLACEMENT OF REVENUE.] (1) Payment from the general fund shall be made, as provided herein, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in subdivisions 6, 7, and 14a.

(2) Each county auditor shall certify, not later than May 1 of each year commencing in 1968 to the commissioner of revenue the amount of reduction resulting from subdivisions 6 and 7 in his county, and not later than May 1 of each year commencing in 1970, the amount of reduction resulting from subdivision 14a. In 1975 and subsequent years, this certification shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

(3) Based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall annually determine the taxing district distribution of the amounts certified under clause (2). On or before July 15, 1981, and each year thereafter, the commissioner of revenue shall pay to each taxing district, *other than school districts*, one-sixth of its total payment for the year. The remaining five-sixths shall be paid in equal installments on or before August 15, September 15, October 15, November 15, and December 15, 1981, and each year thereafter. *By July 15, 1982, and each year thereafter, the commissioner of revenue shall pay to each school district one-half of its total payment for the year. The remaining one-half shall be paid by January 15, 1983, and each year thereafter.*"

Page 7, line 18, before "*revenue*" insert "*or*"

Page 7, line 18, delete "*, or adoption of a*"

Page 7, line 19, delete "*budget stabilization reserve account*"

Page 7, lines 21 and 22, delete "January 1, 1982" and insert "December 1, 1981"

Page 7, line 22, after "to" insert "the governor,"

Page 7, line 29, delete "reduce" and insert "eliminate"

Page 7, after line 30, insert:

"Sec. 11. [BUDGET REVIEW CONTINUED.]

The 72nd legislature reaffirms its commitment made in Laws 1981, Special Session Chapter 2, Section 18, to continue to review the 1982-83 state budget during the interim between the 1981 and 1982 sessions in order to find cost savings to further reduce expenditures in the biennium budget."

Page 7, delete line 32 and insert "Sections 1 to 5 and 7 to 11 are effective the day following final enactment. Section 6 is effective July 1, 1982."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "creating a budget reserve account;"

Page 1, line 10, after the semicolon insert "changing dates for making homestead credit payments to school districts;"

Page 1, line 13, delete ", and" and insert "; 16A.15, Subdivision 1, as amended;"

Page 1, line 13, after "16A.275;" insert "and 273.13, Subdivision 15a, as amended;"

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

House Conferees: WILLIS R. EKEN, JOHN D. TOMLINSON, JOHN E. BRANDL, GLEN A. SHERWOOD and BRUCE G. NELSEN.

Senate Conferees: ROGER D. MOE, MARV HANSON, GENE WALDORF, ROBERT O. ASHBACH and OTTO T. BANG, JR.

Eken moved that the report of the Conference Committee on H. F. No. 1 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum

deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended, and 16A.275; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

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 77 yeas and 40 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|---------------|--------------|---------------|------------------|
| Ainley | Greenfield | Lemen | Redalen | Stowell |
| Anderson, G. | Gruenes | Levi | Rees | Stumpf |
| Berkelman | Halberg | Luknic | Reif | Sviggum |
| Blatz | Harens | Mann | Rodriguez, C. | Tomlinson |
| Brandl | Hauge | Marsh | Rose | Valan |
| Carlson, D. | Haukoos | McCarron | Rothenberg | Valento |
| Dean | Heap | McDonald | Samuelson | Vellenga |
| Den Ouden | Heinitz | Mehrkens | Schafer | Weaver |
| Drew | Himle | Nelsen, B. | Schreiber | Wenzel |
| Eken | Hoberg | Nelson, K. | Shea | Wieser |
| Erickson | Hokr | Niehaus | Sherman | Wigley |
| Esau | Johnson, D. | Norton | Sherwood | Zubay |
| Evans | Knickerbocker | Olsen | Sieben, M. | Spkr. Sieben, H. |
| Ewald | Kostohryz | Onnen | Simoneau | |
| Fjoslien | Kvam | Peterson, B. | Stadum | |
| Forsythe | Laidig | Piepho | Staten | |

Those who voted in the negative were:

| | | | | |
|--------------|-----------|-----------|--------------|------------|
| Anderson, B. | Dahlvang | Kalis | Murphy | Sarna |
| Anderson, I. | Elioff | Kelly | Nysether | Schoenfeld |
| Battaglia | Gustafson | Lehto | Ogren | Skoglund |
| Begich | Hanson | Long | Osthoff | Swanson |
| Byrne | Hokanson | Ludeman | Otis | Voss |
| Carlson, L. | Jacobs | McEachern | Peterson, D. | Welch |
| Clark, J. | Jennings | Minne | Pogemiller | Welker |
| Clawson | Jude | Munger | Rice | Wynia |

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 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. 8, A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Heinitz 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. The motion prevailed.

H. F. No. 8, A bill for an act relating to financial institutions; excepting open end credit from the bank loan interest rate; amending Laws 1981, Chapter 259, Section 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 115 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|-------------|---------------|---------------|------------------|
| Ainley | Evans | Knickerbocker | Nysether | Sieben, M. |
| Anderson, B. | Ewald | Kostohryz | Ogren | Simoneau |
| Anderson, G. | Fjoslien | Kvam | Olsen | Skoglund |
| Anderson, I. | Forsythe | Laidig | Onnen | Stadum |
| Battaglia | Greenfield | Lehto | Osthoff | Staten |
| Begich | Gruenes | Lemen | Otis | Stowell |
| Berkelman | Gustafson | Levi | Peterson, B. | Stumpf |
| Blatz | Halberg | Long | Peterson, D. | Sviggum |
| Brandl | Hanson | Ludeman | Piepho | Swanson |
| Brinkman | Harens | Luknic | Redalen | Tomlinson |
| Byrne | Hauge | Mann | Rees | Valan |
| Carlson, D. | Haukoos | Marsh | Reif | Valento |
| Carlson, L. | Heap | McCarron | Rice | Vellenga |
| Clark, J. | Heinitz | McDonald | Rodriguez, C. | Voss |
| Clawson | Himle | McEachern | Rose | Weaver |
| Dahlvang | Hoberg | Mehrkens | Rothenberg | Welch |
| Dean | Hokanson | Minne | Sarna | Welker |
| Den Ouden | Hokr | Munger | Schafer | Wenzel |
| Drew | Jacobs | Murphy | Schoenfeld | Wieser |
| Eken | Jennings | Nelsen, B. | Schreiber | Wigley |
| Elioff | Johnson, D. | Nelson, K. | Shea | Wynia |
| Erickson | Jude | Niehaus | Sherman | Zubay |
| Esau | Kelly | Norton | Sherwood | Spkr. Sieben, H. |

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

MOTIONS AND RESOLUTIONS

Simoneau moved that the Chief Clerk be and he is hereby authorized to correct and approve the Journal of the House, 1981 Second Special Session, for today, Thursday, July 2, 1981, and that he be authorized to include in the Journal for today any subsequent proceedings and any appointments to legislative interim committees or commissions created by legislative action or by law. The motion prevailed.

Simoneau moved that the Chief Clerk be and he is hereby instructed to inform the Senate and the Governor by message that the House of Representatives is about to adjourn this 1981 Second Special Session sine die. 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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1, A bill for an act relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; creating a budget reserve account; facilitating the general fund's receipt of amounts from canceled warrants; modifying provisions relative to the state's issuance of certificates of indebtedness; appropriating money for the payment of certificates, interest thereon and other expenses; changing dates for making homestead credit payments to school districts; authorizing a state property tax under certain conditions; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing; amending Minnesota Statutes 1980, Sections 16A.128, as amended; 16A.15, Subdivision 1, as amended; 16A.275; 273.13, Subdivision 15a, as amended; proposing new law coded in Minnesota Statutes, Chapter 16A; repealing Minnesota Statutes 1980, Sections 16A.-67; 268.15, Subdivision 4; 352.04, Subdivision 10; 352B.061; and 354.61.

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:

This is to notify you that the Senate is about to adjourn the Second Special Session sine die.

PATRICK E. FLAHAVEN, Secretary of the Senate

MOTION TO ADJOURN SECOND SPECIAL SESSION SINE DIE

Eken moved that the House adjourn sine die for the 1981 Second Special Session. The motion prevailed and the Speaker declared the House stands adjourned sine die for the 1981 Second Special Session.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED
SUBSEQUENT TO ADJOURNMENT OF SECOND SPECIAL SESSION

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

July 2, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 1 Second Special Session, relating to the financing of state government; clarifying fee adjustments and minimum deposits with the state treasurer; facilitating the general fund's receipt of amounts from canceled warrants; creating a budget reserve account; modifying provisions relative to the state's issuance of certificates of indebtedness, appropriating money for the payment of certificates, interest thereon and other expenses; authorizing a state property tax under certain conditions; changing dates for making homestead credit payments of school districts; requiring a study of the state's cash management; requiring plan to reduce short-term borrowing;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

July 7, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 Second Special 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>Second Special Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|--|-------------------------------|----------------------------|
| | 1 | 1 | July 2 | July 6 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

July 8, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House
State of Minnesota

Dear Speaker Sieben:

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. 2, a resolution memorializing the President and Congress to declare certain Minnesota counties to be disaster areas for the purpose of receiving federal disaster aid.

H. F. No. 7, relating to the organization and operation of state government; correcting a provision relating to the weatherization program in the omnibus health, welfare and corrections appropriations bill;

H. F. No. 3, relating to elections; correcting provisions for registration prior to election day, for publishing of sample general election ballots, and for setting certain election precinct boundaries;

H. F. No. 8, relating to financial institutions; excepting open end credit from the bank loan interest rate;

Sincerely,

ALBERT H. QUIE
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

July 9, 1981

The Honorable Harry A. Sieben, Jr.
Speaker of the House of Representatives

The Honorable Jack Davies
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1981 Second Special 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>Second Special Session Laws Chapter No.</i> | <i>Date Approved 1981</i> | <i>Date Filed 1981</i> |
|---------------------|---------------------|--|-------------------------------|----------------------------|
| | 2 | Resolution No. 1 | July 8 | July 9 |
| | 3 | 2 | July 8 | July 9 |
| | 7 | 3 | July 8 | July 9 |
| | 8 | 4 | July 8 | July 9 |
| 7 | | 5 | July 8 | July 9 |
| 8 | | 6 | July 8 | July 9 |

Sincerely,

JOAN ANDERSON GROWE
Secretary of State

CERTIFICATE

I certify that the Second Special Session Journal of the House for Thursday, July 2, 1981, including subsequent proceedings, has been corrected and is hereby approved.

EDWARD A. BURDICK, Chief Clerk, House of Representatives