

**VOLUME 4**  
**JOURNAL**  
**OF THE**  
**HOUSE**  
**OF REPRESENTATIVES**  
**SEVENTY-SECOND SESSION**  
**OF THE**  
**LEGISLATURE**  
**STATE OF MINNESOTA**  
**1982**

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## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## EIGHTY-SECOND DAY

SAINT PAUL, MINNESOTA, FRIDAY, MARCH 5, 1982

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 Reverend Ronald Duty, Luther Northwestern Seminaries, Minneapolis, Minnesota.

The roll was called and the following members were present :

Aasness	Ewald	Knickerbocker	O'Connor	Sherwood
Ainley	Fjoslien	Kostohryz	Ogren	Sieben, M.
Anderson, B.	Forsythe	Kvam	Olsen	Simoneau
Anderson, G.	Frerichs	Laidig	Onnen	Skoglund
Anderson, I.	Greenfield	Lehto	Osthoff	Stadum
Battaglia	Gruenes	Lemen	Otis	Staten
Begich	Gustafson	Levi	Peterson, B.	Stowell
Berkelman	Hanson	Long	Peterson, D.	Stumpf
Blatz	Harens	Ludeman	Piepho	Sviggum
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
Clark, K.	Hoberg	McEachern	Rice	Vellenga
Clawson	Hokanson	Mehrkens	Rodriguez, C.	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
Eken	Jude	Nelson, K.	Schafer	Wynia
Elioff	Kahn	Niehaus	Schoenfeld	Zubay
Ellingson	Kaley	Norton	Schreiber	Spkr. Sieben, H.
Erickson	Kalis	Novak	Shea	
Evans	Kelly	Nysether	Sherman	

A quorum was present.

Anderson, R. ; Esau ; Halberg ; Searles and Voss were excused.

Brandl was excused until 2:55 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Niehaus 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. 2117, 2167, 2199, 1875, 2012, 2073, 1758, 2058, 1572, 1499, 2011 and 1872 and S. F. Nos. 1625, 1790, 1791, 1812, 1792, 1970, 1605, 1814 and 1837 have been placed in the members' files.

S. F. No. 1605 and H. F. No. 2012, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Onnen moved that S. F. No. 1605 be substituted for H. F. No. 2012 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1481 and H. F. No. 1559, 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. 1481 be substituted for H. F. No. 1559 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

March 3, 1982

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. 1616, relating to counties; permitting the counties to spend a certain sum for promotion of development;

Sincerely,

ALBERT H. QUIE  
Governor

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

March 4, 1982

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 1982 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> <i>1982</i>	<i>Date Filed</i> <i>1982</i>
	1616	381	March 3	March 4

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. 1176, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota

Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [115B.01] [CITATION.]

*Sections 1 to 22 may be cited as the Environmental Response and Liability Act.*

Sec. 2. [115B.02] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] For the purposes of sections 1 to 22, the following terms have the meanings given them.*

*Subd. 2. [ACT OF GOD.] “Act of God” means an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight.*

*Subd. 3. [AGENCY.] “Agency” means the pollution control agency.*

*Subd. 4. [DAMAGES.] “Damages” means damages for economic loss or personal injury or the loss of natural resources as specified in section 3.*

*Subd. 5. [DIRECTOR.] “Director” means the director of the pollution control agency.*

*Subd. 6. [FACILITY.] “Facility” means:*

*(a) Any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, or aircraft;*

*(b) Any watercraft of any description, or other artificial contrivance used or capable of being used as a means of transportation on water; or*

*(c) Any site or area where a hazardous substance has been deposited, stored, disposed of, or placed, or otherwise come to be located.*

*"Facility" does not include any consumer product in consumer use.*

*Subd. 7. [FEDERAL SUPERFUND ACT.] "Federal Superfund Act" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq.*

*Subd. 8. [FUND.] "Fund" means the environmental response, compensation and compliance fund established under section 17.*

*Subd. 9. [HAZARDOUS SUBSTANCE.] "Hazardous substance" means:*

*(a) Any commercial chemical designated pursuant to the Federal Water Pollution Control Act, under 33 U.S.C. Section 1321(b)(2)(A);*

*(b) Any hazardous air pollutant listed pursuant to the Clean Air Act, under 42 U.S.C. Section 7412;*

*(c) Any hazardous waste; and*

*(d) Any PCB as defined in section 116.36.*

*"Hazardous substance" does not include natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel, or mixtures of such synthetic gas and natural gas.*

*Subd. 10. [HAZARDOUS WASTE.] "Hazardous waste" means:*

*(a) Any hazardous waste as defined in section 116.06, subdivision 13, and any substance identified as a hazardous waste pursuant to rules adopted by the agency under section 116.07; and*

*(b) Any hazardous waste as defined in the Resource Conservation and Recovery Act, under 42 U.S.C. Section 6903, which is listed or has the characteristics identified under 42 U.S.C. Section 6921, not including any hazardous waste the regulation of which has been suspended by act of congress.*

*Subd. 11. [NATURAL RESOURCES.] "Natural resources" has the meaning given it in section 116B.02, subdivision 4.*

*Subd. 12. [RELEASE.] "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environ-*

ment which occurred at a point in time or which continues to occur.

*“Release” does not include:*

(a) Emissions from the engine exhaust of a motor vehicle, rolling stock, aircraft, watercraft, or pipeline pumping station engine;

(b) Release of source, byproduct, or special nuclear material from a nuclear incident, as those terms are defined in the Atomic Energy Act of 1954, under 42 U.S.C. Section 2014, if the release is subject to requirements with respect to financial protection established by the federal nuclear regulatory commission under 42 U.S.C. Section 2210;

(c) Release of source, byproduct or special nuclear material from any processing site designated pursuant to the Uranium Mill Tailings Radiation Control Act of 1978, under 42 U.S.C. Section 7912(a)(1) or 7942(a); or

(d) Any release resulting from the normal application of fertilizer or normal application of recommended levels of approved agricultural or silvicultural chemicals or disposal by a farmer of emptied pesticide containers or residues from a pesticide as defined in section 18A.21, subdivision 25, which were used by the farmer, if the containers are triple rinsed and the residues are disposed of on the farm in a manner consistent with instructions on the pesticide label.

**Subd. 13. [REMEDY OR REMEDIAL ACTION.]** *“Remedy” or “remedial action” means those actions consistent with permanent remedy taken instead of or in addition to removal actions in the event of a release or threatened release of a hazardous substance into the environment, to prevent, minimize or eliminate the release of hazardous substances to protect the public health or welfare or the environment.*

*“Remedy” or “remedial action” includes, but is not limited to:*

(a) Actions at the location of the release such as storage, confinement, perimeter protection using dikes, trenches, or ditches, clay cover, neutralization, cleanup of released hazardous substances or contaminated materials, recycling or reuse, diversion, destruction, segregation of reactive wastes, dredging or excavations, repair or replacement of leaking containers, collection of leachate and runoff, onsite treatment or incineration, provision of alternative water supplies, and any monitoring and maintenance reasonably required to assure that these actions protect the public health and welfare and the environment; and

(b) *The costs of permanent relocation of residents and businesses and community facilities when the agency determines that, alone or in combination with other measures, relocation is more cost effective than and environmentally preferable to the transportation, storage, treatment, destruction, or secure disposition offsite of hazardous substances, or may otherwise be necessary to protect the public health or welfare.*

*"Remedy" or "remedial action" does not include offsite transport of hazardous substances, or the storage, treatment, destruction, or secure disposition offsite of hazardous substances or contaminated materials unless the agency determines that these actions:*

(1) *Are more cost effective than other remedial actions;*

(2) *Will create new capacity to manage hazardous substances in addition to those located at the affected facility, in compliance with section 116.07 and subtitle C of the Solid Waste Disposal Act, 42 U.S.C. Section 6921 et seq.; or*

(3) *Are necessary to protect public health or welfare or the environment from a present or potential risk which may be created by further exposure to the continued presence of the substances or materials.*

*Subd. 14. [REMOVE OR REMOVAL.] "Remove" or "removal" means:*

(a) *The cleanup or removal of released hazardous substances from the environment;*

(b) *Necessary actions taken in the event of a threatened release of hazardous substances into the environment;*

(c) *Actions necessary to monitor, assess, and evaluate a release or threatened release of hazardous substances;*

(d) *disposal or processing of removed material; or*

(e) *Other actions necessary to prevent, minimize, or mitigate damage to the public health or welfare or to the environment, which may otherwise result from a release or threatened release.*

*"Remove" or "removal" includes, but is not limited to, security fencing or other measures to limit access, provision of alternative water supplies, temporary evacuation and housing of threatened individuals not otherwise provided for, action taken pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(b), and any emergency assistance which may be provided under the Disaster Relief Act of 1974, 42 U.S.C. Section 5121 et seq.*



*Subd. 15. [RESPOND OR RESPONSE.] "Respond" or "response" means remove, removal, remedy, and remedial action.*

*Subd. 16. [WATER.] "Water" has the meaning given to the term "waters of the state" in section 115.01, subdivision 9.*

**Sec. 3. [115B.03] [LIABILITY FOR RESPONSE COSTS AND DAMAGES.]**

*Subdivision 1. [GENERAL RULE.] Except as otherwise provided in subdivisions 3 to 10 and section 4, and notwithstanding any other provision or rule of law, any person who is responsible for a release or threatened release of a hazardous substance from a facility shall be strictly liable, jointly and severally, for:*

*(a) All reasonable and necessary costs of removal, or remedial action incurred by the state, a political subdivision of the state or the United States;*

*(b) Any other reasonable and necessary costs or expenses incurred by any person to remove a hazardous substance; and*

*(c) All damages for economic loss or loss due to personal injury or disease or loss of natural resources resulting from such a release including:*

*(1) Any injury to, destruction of, or loss of any real or personal property, including relocation costs;*

*(2) Any loss of use of real or personal property;*

*(3) Any injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss;*

*(4) Any loss of income or profits or impairment of earning capacity resulting from personal injury or disease or from injury to or destruction of real or personal property or natural resources without regard to the ownership of such property or resources; and*

*(5) All medical expenses, rehabilitation costs or burial expenses due to personal injury or disease.*

*Subd. 2. [RESPONSIBLE PERSON.] For the purpose of subdivision 1, a person is responsible for a release or threatened release of a hazardous substance from a facility if the person:*

(a) *Owned or operated the facility at the time the hazardous substance was placed or came to be located in or on the facility, during the time of the release or threatened release, or at any time between those occurrences;*

(b) *Owned or possessed the hazardous substance and arranged, by contract, agreement or otherwise, for the disposal, treatment or transport for disposal or treatment of the hazardous substance; or*

(c) *Accepted the hazardous substance for transport to a disposal or treatment facility and either selected the facility to which it was transported or disposed of the substance in a manner contrary to law.*

*Subd. 3. [TRANSPORTATION OF HOUSEHOLD REFUSE.] A person who accepts only household refuse for transport to a treatment or disposal facility is not liable under subdivision 1 for the release or threatened release of any hazardous substance unless he knew or reasonably should have known that the hazardous substance was present in the refuse. For the purpose of this subdivision, household refuse means garbage, trash, or septic tank sanitary wastes generated by single or multiple residences, hotels, motels, restaurants and other similar facilities.*

*Subd. 4. [DEFENSES AVAILABLE TO RESPONSIBLE PERSONS.] There shall be no liability under subdivision 1 for any person otherwise liable if the person establishes by a preponderance of the evidence that the release or threatened release was caused solely by:*

- (a) *An act of God;*
- (b) *An act of war; or*
- (c) *An act or omission of a third party.*

*"Third party" for the purposes of clause (c) does not include an employee or agent of the defendant, or a person whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant.*

*The defense provided in clause (c) applies only if the defendant establishes by a preponderance of the evidence that he exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of the hazardous substance in light of all relevant facts and circumstances which he knew or should have known, and that he took precautions against foreseeable acts or omissions of a third party and the consequences that could foreseeably result from those acts or omissions.*

*Subd. 5. [DEFENSE AVAILABLE TO OWNER OF REAL PROPERTY.] An owner of real property is not liable for damages under subdivision 1, clause (c), if he:*

*(a) Shows by a preponderance of the evidence that he neither knew nor reasonably should have known that any hazardous substance was present on the property before the release or threatened release; and*

*(b) Notifies the agency of the release or threatened release as soon as practicable after he knows about it.*

*Subd. 6. [CERTAIN EMPLOYEE CLAIMS NOT COVERED.] Except for a third party who is subject to liability under section 176.061, subdivision 5, there is no liability under subdivision 1 for personal injury or disease of employees arising out of and in the course of employment which is compensable under chapter 176.*

*Subd. 7. [NATURAL RESOURCES.] No liability with respect to natural resources shall be imposed when the defendant has demonstrated that:*

*(a) The damages to natural resources complained of were specifically identified as an irreversible and irretrievable commitment of natural resources in an approved final state or federal environmental impact statement, or other comparable approved final environmental analysis; and*

*(b) The facility or project was operating within the terms of its permit or license.*

*Subd. 8. [LIABILITY FOR A THREATENED RELEASE.] Liability for a threatened release of a hazardous substance is limited to the recovery by the agency of reasonable and necessary response costs pursuant to section 15, subdivision 7.*

*Subd. 9. [LIABILITY OF POLITICAL SUBDIVISIONS.] The liability of a political subdivision under this section is subject to the limits imposed under section 466.04, subdivision 1.*

*Subd. 10. [ACTS OF EMPLOYEES.] When a person who is responsible for a release or threatened release as provided in subdivision 2 is an employee who is acting in the scope of his employment:*

*(a) The employee is liable under subdivision 1 only if he failed to exercise due care with respect to the hazardous substance; and*

*(b) His employer shall be considered a person responsible for the release or threatened release and shall be liable under sub-*

*division 1 regardless of the degree of care exercised by the employee.*

*Subd. 11. [AWARD OF COSTS.] Upon motion of a party prevailing in an action under sections 1 to 11 the court may award costs, disbursements and reasonable attorney fees and witness fees to that party.*

**Sec. 4. [115B.04] [EXEMPTION FROM LIABILITY.]**

*A person shall not be liable under sections 1 to 12:*

*(a) For damages as a result of acts taken or omitted in preparation for, or in the course of rendering care, assistance, or advice to the director or agency pursuant to section 14 or in accordance with the national hazardous substance response plan pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9605, or at the direction of an on-scene coordinator appointed under that plan, with respect to an incident creating a danger to public health or welfare or the environment as a result of any release or threatened release of a hazardous substance;*

*(b) For damages or response costs as a result of the release or threatened release of a hazardous substance from a hazardous waste facility as defined under section 115A.03, for which a permit has been issued pursuant to section 116.07 or pursuant to subtitle C of the Solid Waste Disposal Act, 42 U.S.C. Section 6921 et seq., if the hazardous substance is specifically identified in the permit and the release is within the limits allowed in the permit for release of that substance;*

*(c) For damage or response costs as a result of the release of a hazardous substance: (1) if the hazardous substance is specifically identified in a federal or state permit held by the person and the release is within the limits allowed therein, (2) if the release results from circumstances identified and reviewed and made a part of the public record of a federal or state agency with respect to a permit held by the person, and the permit was issued or modified under federal or state law, and the release was subject to a condition of the permit, (3) if the release is any emission into the air subject to a permit held by the person or is in compliance with control rules or regulations adopted pursuant to state or federal law, or (4) if the release is the introduction of any pollutant into a publicly owned treatment works when the pollutant is specified in, and is in compliance with, applicable pretreatment standards under state or federal law; or*

*(d) If his liability has been transferred to and assumed by the federal post-closure liability fund pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9607(k).*

**Sec. 5. [115B.05] [PROVING CAUSATION OF PERSONAL INJURY OR DISEASE.]**

*In adjudicating under sections 1 to 12 the question of whether a plaintiff's personal injury or disease was caused by the release of a hazardous substance, the question shall be submitted to the trier of fact if the plaintiff shows evidence sufficient to enable the trier of fact to find that it is more likely than not that the plaintiff's exposure to the hazardous substance found in the release caused or significantly contributed to the injury or disease suffered by the plaintiff. Evidence to a reasonable medical certainty that a release of a hazardous substance caused or significantly contributed to a plaintiff's injury or disease is not necessary for the question of causation to be submitted to the trier of fact.*

*Nothing in this section affects the burden of persuasion on the question of whether the release of a hazardous substance caused a personal injury or disease. That burden remains with the plaintiff.*

**Sec. 6. [115B.06] [APPORTIONMENT OF LIABILITY; LIMITATION; CONTRIBUTION.]**

*Subdivision 1. [APPORTIONMENT FACTORS.] For the purposes of subdivisions 2 and 3, any person held jointly and severally liable under section 3 may seek an apportionment of the common liability. In apportioning the liability of any party under this section, the trier of fact shall consider the following:*

*(a) The ability of the party to demonstrate that his contribution to a release of a hazardous substance can be distinguished;*

*(b) The amount of hazardous substance involved;*

*(c) The degree of toxicity of the hazardous substance involved;*

*(d) The degree of involvement and care exercised in manufacturing, treating, transporting, and disposing of the hazardous substance;*

*(e) The degree of cooperation with federal, state, or local officials to prevent any harm to the public health or the environment; and*

*(f) Knowledge of the hazardous nature of the substance.*

*Subd. 2. [LIMITATION OF LIABILITY.] If a person who is held jointly and severally liable under section 3 is able to demonstrate by a preponderance of evidence that his share of*

*the common liability can be apportioned and that his actions were not a significant factor in causing or contributing to the release or the damages resulting from it, then the liability of that person shall be limited to his proportionate share of the common liability.*

*Subd. 3. [CONTRIBUTION.] Any person held jointly and severally liable under section 3 who is required to pay more than that person's proportionate share of the common liability is entitled to seek contribution from any other person liable for the damages to the extent of their proportionate liability.*

**Sec. 7. [115B.07] [CIVIL PENALTIES; FAILURE TO TAKE REQUESTED ACTIONS.]**

*Any person responsible for a release or threatened release of a hazardous substance, pollutant, or contaminant from a facility shall forfeit and pay to the state a penalty in an amount to be determined by the court of not more than \$10,000 per day for each day that the person fails to take response actions or to make reasonable progress in completing response actions requested as provided in this section. A request for emergency removal action shall be made by the director. Other requests for response actions shall be made by the agency. The request shall be in writing, shall state the action requested, the reasons for the action, and a reasonable time by which the action must be begun and completed taking into account the urgency of the action for protection of the public health, welfare, and environment.*

*The penalty provided under this section may be recovered by an action brought by the attorney general in the name of the state in connection with an action to recover expenses of the agency under section 15, subdivision 7, or by a separate action in the district court of Ramsey County. All penalties recovered under this section shall be deposited in the fund.*

**Sec. 8. [115B.08] [AGREEMENTS TO TRANSFER LIABILITY; INSURANCE AND SUBROGATION.]**

*No indemnification, hold harmless, conveyance, or similar agreement shall be effective to transfer the liability imposed under section 3 from the owner or operator of a facility or from any person who may be liable under section 3 to any other person. Nothing in this section shall be construed:*

*(a) To prohibit any party who may be liable under section 3 from entering an agreement by which that party is insured, held harmless or indemnified for part or all of that liability;*

*(b) To prohibit the enforcement of any insurance, hold harmless or indemnification agreement; or*

*(c) To bar any cause of action brought by a party who may be liable under section 3 or by an insurer or guarantor, whether by right of subrogation or otherwise.*

**Sec. 9. [115B.09] [STATUTE OF LIMITATIONS.]**

*No person may recover for any injury or loss pursuant to sections 3 to 11 unless the action is commenced within six years from the date of discovery of the injury or loss.*

**Sec. 10. [115B.10] [OTHER REMEDIES PRESERVED.]**

*Nothing in sections 1 to 12 shall affect the right of any person to bring a legal action or use any remedy available under any other provision of state or federal law, including common law, to recover for injury, disease or economic loss resulting from a release of any hazardous substance, or for removal or the costs of removal of that hazardous substance.*

**Sec. 11. [115B.11] [DOUBLE RECOVERY PROHIBITED.]**

*A person who recovers response costs or damages pursuant to sections 1 to 12 may not recover the same costs or damages pursuant to any other law. A person who recovers response costs or damages pursuant to any other state or federal law may not recover for the same costs or damages pursuant to sections 1 to 12.*

**Sec. 12. [115B.12] [APPLICATION OF SECTIONS 1 TO 11.]**

*Sections 1 to 11 apply to any release or threatened release of a hazardous substance occurring on or after July 1, 1982, including any release which began before July 1, 1982 and continued after that date. Sections 1 to 11 do not apply to a release or threatened release which occurred wholly before July 1, 1982, regardless of the date of discovery of any injury or loss caused by the release or threatened release.*

**Sec. 13. [APPLICATION TO CERTAIN ACTIONS.]**

*The provisions of sections 1 to 12 do not apply to any action brought before January 1, 1982 by any person who may be liable for the release of a hazardous substance for the purpose of determining liability for that release as between that person and any other person who may be liable for the release.*

**Sec. 14. [115B.13] [DISPOSITION OF FACILITIES.]**

**Subdivision 1. [CLOSED DISPOSAL FACILITIES; USE OF PROPERTY.]** *No person shall use any property on or in*

*which hazardous waste remains after closure of a disposal facility as defined in section 115A.03, subdivision 10, in any way that disturbs the integrity of the final cover, liners, or any other components of any containment system, or the function of the disposal facility's monitoring systems, unless the agency finds that the disturbance:*

*(a) Is necessary to the proposed use of the property, and will not increase the potential hazard to human health or the environment; or*

*(b) Is necessary to reduce a threat to human health or the environment.*

*Subd. 2. [RECORDING OF AFFIDAVIT AND NOTATION.] Before any transfer of ownership of any property which the owner knew or should have known was used as the site of a disposal facility as defined in section 115A.03, subdivision 10, or which the owner knew or should have known was subject to extensive contamination by release of a hazardous substance, the owner shall record with the county recorder of the county in which the property is located an affidavit that discloses to any potential transferee:*

*(a) That the land has been used to dispose of P waste or that the land has been contaminated by a release of a hazardous substance;*

*(b) The identity, quantity, location, condition and circumstances of the disposal or contamination to the full extent known or ascertainable; and*

*(c) That the use of the property may be restricted as provided in subdivision 1.*

*An owner must also file an affidavit within 60 days after any material change in any matter required to be disclosed under clauses (a) to (c) with respect to property for which an affidavit has already been recorded.*

*When an affidavit is recorded, the owner shall record with the county recorder a notation on the deed to the property which states the existence of a hazardous substance on the property and the place where the recorded affidavit may be found.*

*If the owner or any subsequent owner of the property removes the hazardous substance, together with any residues, liner, and contaminated underlying and surrounding soil, that owner may record a notation to the deed indicating the removal of the hazardous substance.*



*Failure to record an affidavit or notation as provided in this subdivision does not affect or prevent any transfer of ownership of the property.*

*Subd. 3. [DUTY OF COUNTY RECORDER.] The county recorder shall record all affidavits and notations presented to him in accordance with subdivision 2. The affidavits shall be recorded in a manner which will assure their disclosure in the ordinary course of a title search of the subject property.*

*Subd. 4. [PENALTIES.] (a) Any person who knowingly violates the provisions of subdivision 1 is subject to a civil fine of not more than \$100,000, and shall be liable under section 3 for any release or threatened release of any hazardous substance resulting from the violation.*

*(b) Any person who knowingly fails to record an affidavit or notation as required by subdivision 2 shall be liable under section 3 for any release or threatened release of any hazardous substance from a facility located on that property.*

*(c) A civil fine may be imposed and recovered by an action brought by a county attorney or by the attorney general in the district court of the county in which the property is located.*

*(d) Any civil fines recovered under this subdivision shall be deposited in the fund.*

#### **Sec. 15. [115B.14] [STATE RESPONSE TO RELEASES OF HAZARDOUS SUBSTANCES.]**

*Subdivision 1. [REMOVAL AND REMEDIAL ACTION.] Whenever there is a release or substantial threat of release from a facility into the environment of any pollutant or contaminant which presents an imminent and substantial danger to the public health or welfare, or whenever a hazardous substance is released or there is a threatened release of a hazardous substance into the environment from a facility:*

*(a) The agency may take any removal or remedial action relating to the hazardous substance, pollutant, or contaminant which the agency deems necessary to protect the public health or welfare or the environment. Before taking any action the agency shall:*

*(1) Request any responsible party known to the agency to take actions which the agency deems reasonable and necessary to protect the public health, welfare or the environment, stating the reasons for the actions, a reasonable time for beginning and completing the actions taking into account the urgency of the actions for protecting the public health, welfare and environ-*

ment, and the intention of the agency to take action if the requested actions are not taken as requested; and

(2) Determine that the actions requested by the agency will not be taken by any known responsible party in the manner and within the time requested.

(b) The director may take removal action which he deems necessary to protect the public health, welfare or the environment if the director determines that the release or threatened release constitutes an emergency requiring immediate action to prevent, minimize or mitigate damage to the public health, welfare or the environment. Before taking any action the director shall make reasonable efforts in light of the urgency of the action to follow the procedure provided in clause (a).

No removal action taken by any person shall be construed as an admission of liability for a release or threatened release.

Subd. 2. [POLLUTANT OR CONTAMINANT.] For the purposes of this section and section 7, "pollutant" or "contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release from a facility into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions (including malfunctions in reproduction) or physical deformations, in the organisms or their offspring. "Pollutant" or "contaminant" does not include natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel, or mixtures of such synthetic gas and natural gas.

Subd. 3. [OTHER ACTIONS.] Whenever the agency or director is authorized to act pursuant to subdivision 1 or whenever the agency or director has reason to believe that a release of a hazardous substance, pollutant or contaminant has occurred or is about to occur, or that illness, disease, or complaints thereof may be attributable to exposure to a hazardous substance, pollutant, or contaminant, the agency or director may undertake investigations, monitoring, surveys, testing, and other information gathering necessary or appropriate to identify the existence and extent of the release or threat thereof, the source and nature of the hazardous substances, pollutants or contaminants involved, and the extent of danger to the public health or welfare or to the environment. In addition, the agency may undertake planning, legal, fiscal, economic, engineering, architectural, and other studies or investigations necessary or appropriate to plan and direct a response action, to recover the costs of the response action, and to enforce the provisions of sections 1 to 15.

*Subd. 4. [DUTY TO PROVIDE INFORMATION.] Any person who is responsible for a release or threatened release as provided in section 3, subdivision 2, including a release or threatened release of a pollutant or contaminant, when requested by the agency, or any member, employee or agent thereof who is authorized by the agency, shall furnish to the agency any information which he may have or may reasonably obtain which is relevant to the release or threatened release.*

*Subd. 5. [ACCESS TO INFORMATION AND PROPERTY.] The agency or any member, employee or agent thereof authorized by the agency, upon presentation of credentials, may:*

*(a) Examine and copy any books, papers, records, memoranda or data of any person who the agency has reason to believe is responsible for a release or threatened release as provided in section 3, subdivision 2, including a release of a pollutant or contaminant; and*

*(b) Enter upon any property, public or private, for the purpose of taking any action authorized by this section including obtaining information, examining records, conducting surveys or investigations, and taking removal or remedial action.*

*Subd. 6. [CLASSIFICATION OF DATA.] Except as otherwise provided in this subdivision, data obtained from any person pursuant to subdivision 4 or 5 is public data as defined in section 15.162. Upon certification by the subject of the data that the data relates to sales figures, processes or methods of production unique to that person, or information which would tend to affect adversely the competitive position of that person, the director shall classify the data as private or nonpublic data as defined in section 15.162. Notwithstanding any other law to the contrary, data classified as private or nonpublic under this subdivision may be disclosed when relevant in any proceeding under sections 1 to 15, or to other public agencies concerned with the implementation of sections 1 to 15.*

*Subd. 7. [RECOVERY OF EXPENSES.] Any reasonable and necessary expenses incurred by the agency or director pursuant to this section including administrative and legal expenses may be recovered in a civil action brought by the attorney general under sections 1 to 12 or under any other law. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary. Any expenses incurred pursuant to this section which are recovered by the attorney general pursuant to sections 3 to 11 or any other law shall be deposited in the fund and may be appropriated only for additional response actions as provided in section 17, subdivision 2, clause (b) or (c).*

*Subd. 8. [ACTIONS RELATING TO NATURAL RESOURCES.] For the purpose of this subdivision, the state is*

*the trustee of the air, water and wildlife of the state. An action pursuant to sections 1 to 12 for damages with respect to air, water or wildlife may be brought by the attorney general in the name of the state as trustee for those natural resources. Any damages recovered by the attorney general pursuant to sections 1 to 12 or any other law for injury to, or loss of natural resources resulting from the release of a hazardous substance shall be deposited in the fund and may be appropriated only for rehabilitation or restoration of natural resources as provided in section 17, subdivision 2, clause (e).*

**Subd. 9. [ACTIONS RELATING TO PESTICIDES.]** *When the commissioner of agriculture has reported an incident involving the release of pesticides under the provisions of section 18A.37, and the agency determines that the incident constitutes a release of a hazardous substance, pollutant or contaminant, the agency shall authorize the commissioner, subject to the provisions of subdivision 13, to take any action which the agency would be authorized to take under subdivisions 1 to 5. Subject to the provisions of section 17, subdivision 3, the agency shall reimburse the commissioner from the fund for the reasonable and necessary expenses incurred in taking those actions and may recover any amount spent from the fund under subdivision 7.*

**Subd. 10. [ACTIONS RELATING TO OCCUPATIONAL SAFETY AND HEALTH.]** *The agency, director and the commissioner of labor and industry shall make reasonable efforts to coordinate any actions taken under this section and under sections 182.65 to 182.674 to avoid duplication or conflict of actions or requirements with respect to a release or threatened release affecting the safety of any conditions or place of employment.*

**Subd. 11. [ACTIONS RELATING TO HEALTH.]** *The agency and director shall make reasonable efforts to coordinate and consult with the commissioner of health in planning and directing response actions with respect to a release or threatened release affecting the public health. If the commissioner of health, upon the request of the agency, takes any actions authorized under this section, the agency shall reimburse the commissioner from the fund for the reasonable and necessary expenses incurred in taking those actions and may recover any amount spent from the fund under subdivision 7.*

**Subd. 12. [LIMIT ON ACTIONS BY POLITICAL SUBDIVISIONS.]** *When the agency or director has requested a person who is responsible for a release or threatened release to take any response action under subdivision 1, no political subdivision shall request or order that person to take any action which conflicts with the action requested by the agency or director.*

**Subd. 13. [PRIORITIES; RULES.]** *By January 1, 1983, the agency shall, following appropriate study and investigation and following at least one public hearing, prepare and submit*

a report to the legislative commission on waste management which:

(a) identifies the sites and facilities within the state where the past disposal or storage of hazardous substances and pollutants and contaminants has created or threatens to create a significant hazard to the public health, safety and welfare;

(b) describes the hydrogeologic setting, the nature and source of the polluting substance involved, the location and use of waters potentially affected by the pollution, and the potential risk associated with each of the sites;

(c) recommends remedial and removal actions which should be undertaken to prevent or mitigate the hazard involved for each of the sites and facilities identified; and

(d) provides an estimate of the costs of completing the recommended actions for each of the sites and facilities identified.

By August 1, 1982, the agency shall establish a temporary list of priorities among releases or threatened releases for the purpose of taking remedial action and, to the extent practicable consistent with the urgency of the action, for taking removal action under this section. The temporary list, with any necessary modifications, shall remain in effect until nine months after criteria for determining priorities are published in the national contingency plan pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9605. By that date, the agency shall adopt rules establishing state criteria for determining priorities among releases and threatened releases. After rules are adopted, a permanent priority list shall be established, and may be modified from time to time, according to the criteria set forth in the rules. Before any list is established under this subdivision the agency shall publish the list in the state register and allow 30 days for comments on the list by the public.

The temporary list and the rules required by this subdivision shall be based upon the relative risk or danger to public health or welfare or the environment, taking into account to the extent possible the population at risk, the hazardous potential of the hazardous substances at the facilities, the potential for contamination of drinking water supplies, the potential for direct human contact, the potential for destruction of sensitive ecosystems, the administrative and financial capabilities of the agency, and other appropriate factors.

Subd. 14. [REWARDS FOR INFORMATION.] The agency may, subject to the availability of legislative appropriation, establish an informer fund for the purpose of rewarding persons furnishing information regarding violations of sections 1 to 15, which information leads to the arrest and conviction of a violator

*or the imposition of a civil fine or punitive damages pursuant to sections 1 to 15. No official or employee of the agency shall be entitled to a reward pursuant to this subdivision. The agency shall maintain confidential the identity of the informant in all instances wherein disclosure is not essential to prosecution of the violation or recovery of civil penalties.*

**Sec. 16. [PURPOSES OF FUND, TAXES AND FEES.]**

*In establishing the environmental response, compensation and compliance fund and imposing the tax in section 19, it is the purpose of the legislature to:*

*(a) Encourage treatment and disposal of hazardous waste in a manner that adequately protects the public health and welfare and the environment;*

*(b) Encourage responsible parties to provide the response actions necessary to protect the public and the environment from the effects of the release of hazardous substances;*

*(c) Encourage the use of alternatives to land disposal of solid and hazardous waste including resource recovery, recycling, neutralization and reduction;*

*(d) Provide state agencies with the financial resources needed to prepare and implement an effective and timely state response to the release of hazardous substances, including investigation, planning, removal and remedial action;*

*(e) Compensate local units of government for increased governmental expenses and loss of revenue and to provide other appropriate assistance to mitigate any adverse impact on communities in which commercial hazardous waste processing or disposal facilities are located under the siting process provided in chapter 115A; and*

*(f) Recognize the environmental and public health costs of land disposal of solid waste and of the use and disposal of hazardous substances and to place the burden of financing state waste management activities on those whose products and services contribute to waste management problems and increase the risks of harm to the public and the environment.*

**Sec. 17. [ENVIRONMENTAL RESPONSE, COMPENSATION AND COMPLIANCE FUND.]**

*Subdivision 1. [ESTABLISHMENT.] The environmental response, compensation and compliance fund is created as an account in the state treasury and may be spent only for the purposes provided in subdivision 2.*

*Subd. 2.* [PURPOSES FOR WHICH MONEY MAY BE SPENT.] *Subject to appropriation by the legislature the money in the fund may be spent for any of the following purposes:*

(a) *Preparation by the agency for taking removal or remedial action under section 15, including investigation, monitoring and testing activities, enforcement and compliance efforts relating to the release of hazardous substances, pollutants or contaminants;*

(b) *Removal and remedial actions taken or authorized by the agency or director under section 15 and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(c)(3) for actions related to facilities other than those located under the siting authority of chapter 115A;*

(c) *Removal and remedial actions taken or authorized by the agency or director under section 15 and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(c)(3) for actions related to commercial hazardous waste facilities located under the siting authority of chapter 115A;*

(d) *Compensation to local units of government as provided by law, after submission by the waste management board of the report required under section 115A.08, subdivision 5, to mitigate any adverse impact of the location of commercial hazardous waste processing or disposal facilities located pursuant to the siting authority of chapter 115A;*

(e) *Planning and implementation by the commissioner of natural resources of the rehabilitation, restoration or acquisition of natural resources to remedy injuries or losses to natural resources resulting from the release of a hazardous substance;*

(f) *Inspection and monitoring by the agency, or by local units of government with agency approval, of commercial hazardous waste facilities located under the siting authority of chapter 115A;*

(g) *Grants by the agency or the waste management board to demonstrate alternatives to land disposal of solid and hazardous waste including reduction, separation, pretreatment, processing and resource recovery, for education of persons involved in regulating and handling solid and hazardous waste, and to assist counties to develop comprehensive waste management plans; and*

*(h) Intervention and environmental mediation by the legislative commission on waste management under chapter 115A.*

*Subd. 3. [LIMIT ON CERTAIN EXPENDITURES.] The director or agency may not spend any money under subdivision 2, clause (b) or (c) for removal or remedial actions to the extent that the costs of those actions may be compensated from any fund established under the Federal Superfund Act, 42 U.S.C. Section 9600 et seq. The director or agency shall determine the extent to which any of the costs of those actions may be compensated under the federal act based on the likelihood that the compensation will be available in a timely fashion taking into account:*

*(a) The urgency of the removal or remedial actions and the priority assigned under the Federal Superfund Act to the release which necessitates those actions;*

*(b) The availability of money in the funds established under the Federal Superfund Act; and*

*(c) The consistency of any compensation for the cost of the proposed actions under the Federal Superfund Act with the national contingency plan, if such a plan has been adopted under that act.*

*Subd. 4. [REVENUE SOURCES.] Revenue from the following sources shall be deposited in the environmental response, compensation and compliance fund:*

*(a) The proceeds of the tax imposed pursuant to section 19, including interest and penalties;*

*(b) All money recovered by the state under section 15, subdivisions 7 and 8;*

*(c) All money paid to the agency in matters relating to the enforcement of sections 1 to 14 or any other statute or rule related to the regulation of hazardous waste or hazardous substances, including civil penalties and money paid under any agreement, stipulation or settlement;*

*(d) All interest attributable to investment of money deposited in the fund; and*

*(e) All money received in the form of gifts, grants, reimbursement or appropriation from any source for any of the purposes provided in subdivision 2, except federal grants.*

*Subd. 5. [RECOMMENDATION BY LCWM.] The legislative commission on waste management shall make recommendations on appropriations from the fund to the standing legislative committees on finance and appropriations.*



*Subd. 6. [REPORT TO LEGISLATURE.] At the end of each fiscal year, the agency shall submit to the senate finance committee, the house appropriations committee and the legislative commission on waste management a report detailing the activities for which money from the environmental response, compensation and compliance fund has been spent during that year.*

**Sec. 18. [TAXES AND FEES; DEFINITIONS.]**

*Subdivision 1. [APPLICATION.] The definitions provided in this section apply to sections 18 to 22.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of revenue.*

*Subd. 3. [MIXED MUNICIPAL SOLID WASTE.] "Mixed municipal solid waste" means the waste defined in section 115A.02, subdivision 21.*

*Subd. 4. [SOLID WASTE DISPOSAL FACILITY.] "Solid waste disposal facility" means real or personal property which is primarily used for the land disposal of mixed municipal solid waste.*

*Subd. 5. [GENERATOR.] "Generator" means a person who generates hazardous waste and who is required to disclose the generation of hazardous waste under the hazardous waste rules of the agency adopted under section 116.07.*

*Subd. 6. [OPERATOR.] "Operator" means the permittee, owner, or other person in control of the facility under a lease, contract, or other arrangement.*

*Subd. 7. [LONG TERM CONTAINMENT.] "Long term containment" means land disposal or storage for a period of more than one year.*

*Subd. 8. [TREATMENT.] "Treatment" means any material, technique or process designed to change the physical, chemical or biological character or composition of a hazardous waste in order to: (a) neutralize it; (b) render it nonhazardous or less hazardous; (c) render it safer to transport, store or dispose of; (d) make it amenable to storage; or (e) reduce its volume.*

**Sec. 19. [HAZARDOUS WASTE GENERATOR TAX.]**

*Subdivision 1. [TAX IMPOSED; EXCLUSIONS.] Each generator of hazardous waste shall pay the tax imposed by this section based upon the volume and destination of the hazardous wastes generated. The tax imposed by this section does not apply to hazardous wastes destined for recycling or reuse or to used crankcase oil.*

**Subd. 2. [LONG TERM CONTAINMENT WITHOUT TREATMENT.]** *Hazardous waste destined for long term containment without treatment shall be taxed at the rate of 20 cents per gallon of liquid or \$20 per cubic yard of solid.*

**Subd. 3. [LONG TERM CONTAINMENT AFTER TREATMENT.]** *Hazardous waste destined for long term containment after treatment shall be taxed at the rate of 16 cents per gallon of liquid or \$16 per cubic yard of solid.*

**Subd. 4. [OTHER TREATMENT.]** *Hazardous waste destined for treatment to produce a material which is not hazardous, including treatment permitted by the agency in a sewage treatment works, or hazardous waste which is destined for destructive treatment by incineration, shall be taxed at the rate of eight cents per gallon of liquid or \$8 per cubic yard of solid.*

**Subd. 5. [ON-SITE TREATMENT; REDUCED TAX.]** *Hazardous wastes which are treated in a manner provided in subdivision 3 or 4 before the wastes are transported along any public street or highway as defined in section 169.01, subdivision 29, or are put into any sewer system as permitted by the agency, shall be taxed at one-half the rate at which they would otherwise be taxed.*

**Subd. 6. [DISPOSITION OF PROCEEDS.]** *The proceeds of the tax imposed under this section including any interest and penalties, less the commissioner's costs of administration, shall be deposited in the fund and may be appropriated for any purpose provided in section 17, subdivision 2, except the purposes provided in clauses (b) and (c) of that subdivision.*

**Subd. 7. [PAYMENT BY OUT OF STATE GENERATORS.]** *A generator of any hazardous waste which is generated outside of this state and is transported into this state for long term containment or treatment as described in subdivisions 2 to 4 shall pay the tax imposed by this section at the first point at which the hazardous wastes are received by a person in this state for storage, treatment or long term containment. The tax shall be paid to the person who first receives the wastes in this state at the time the waste is received and shall be remitted by that person to the commissioner of revenue quarterly in the form and manner provided by the commissioner.*

## **Sec. 20. [SEVERABILITY.]**

*If any tax imposed under section 19 is found to be invalid because of the purpose for which the proceeds were appropriated or made available under section 17, subdivision 2, the proceeds of that tax shall not be appropriated or available for the objectionable purposes, but the tax shall continue to be imposed and the proceeds shall be appropriated and made available for other purposes provided in section 17, subdivision 2.*

**Sec. 21. [TAX ADMINISTRATION AND ENFORCEMENT.]**

*Subdivision 1. [QUARTERLY REPORTS AND PAYMENTS; EXCEPTION.] By the fourteenth day following the last day of each calendar quarter beginning after December 31, 1982, every person liable for payment of a tax under section 19 shall make and file with the commissioner of revenue a report under oath, in the form and containing the information required by the commissioner. The amount of the tax due shall be remitted together with the form. The commissioner may establish rules under which a generator of a low volume of hazardous wastes may file the report and pay the tax annually.*

*Subd. 2. [AMENDED RETURNS.] Any taxpayer who finds that a return filed under this section as originally filed is in error may correct the error by filing an amended return. If the taxpayer is entitled to a refund due to the correction, the amended return will serve as a claim for the refund provided it is filed no later than three years after the original return is filed.*

*Subd. 3. [EXCHANGE OF INFORMATION.] Notwithstanding the provisions of section 116.075 or 290.61 or any other law to the contrary, the department of revenue and the pollution control agency may provide each other with the information necessary for the enforcement of section 19. Information disclosed in a return filed pursuant to this section or information exchanged between the department and the agency shall be public records unless the information is of the type determined to be for the confidential use of the agency pursuant to section 116.075 or is trade secret information classified pursuant to section 15.1673.*

*Subd. 4. [PAYMENT BY OUT-OF-STATE GENERATORS.] A generator of any hazardous waste which is generated outside of this state and is transported into this state for long term containment or treatment as described in section 19, subdivisions 2 to 4 shall pay the tax imposed by this section at the first point at which the hazardous wastes are received by a person in this state for storage, treatment or long term containment. The tax shall be paid to the person who first receives the wastes in this state at the time the waste is received and shall be remitted by that person to the commissioner of revenue quarterly in the form and manner provided by the commissioner.*

*Subd. 5. [DUTIES OF THE AGENCY.] The agency shall provide to the commissioner the names and addresses of all persons known to the agency who are subject to tax under section 19, together with any information which the agency possesses concerning the amount of hazardous waste generated and disposed of by those persons. The agency shall notify the commissioner of any suspected inaccurate or fraudulent declaration or*

*return and may audit any person subject to tax under section 19 when requested by the commissioner.*

*Subd. 6. [PENALTIES; ENFORCEMENT.] The audit, penalty and enforcement provisions applicable to taxes imposed under chapter 290 apply to the tax imposed under section 19 and those provisions shall be administered by the commissioner.*

*Subd. 7. [RULES.] The commissioner may adopt temporary and permanent rules necessary to implement the provisions of this section. The agency may adopt temporary and permanent rules necessary to implement the provisions of section 19.*

**Sec. 22. [HAZARDOUS WASTE ADMINISTRATION FEES.]**

*Subdivision 1. [FEE SCHEDULES.] The agency shall establish the fees provided in subdivisions 2 and 3 in the manner provided in section 16A.128 in order to raise an amount of fees sufficient to cover the non-federally funded portion of the amount appropriated to the agency for that year for permitting, inspection, monitoring and enforcement expenses of the hazardous waste activities of the agency, excluding any amount appropriated under section 17, subdivision 2, clauses (a) and (f). Fees collected from hazardous waste activities shall approximate the expenses of the agency for regulation of hazardous waste. The legislature may appropriate additional amounts which need not be raised by fees or may provide that the fees shall cover a proportion of the appropriation for the division in order to assure adequate funding for the regulatory and enforcement functions of the division related to its hazardous waste activities. All fees collected by the agency under this section shall be deposited in the general fund.*

*Subd. 2. [HAZARDOUS WASTE GENERATOR FEE.] Each generator of hazardous waste shall pay a fee on the hazardous waste which he generates. The agency shall compute the amount of the fee due based on the hazardous waste disclosures submitted by the generators and other information available to the agency. The agency shall annually prepare a statement of the amount of the fee due from each generator. The fee shall be paid annually commencing with the first day of the calendar quarter after the date of the statement.*

*The agency may exempt generators of small quantities of hazardous wastes otherwise subject to the fee if it finds that the cost of administering a fee on those generators is excessive relative to the proceeds of the fee. The fee shall consist of a minimum fee for each generator not exempted by the agency and an additional fee which generally reflects the quantity of wastes generated by the generator.*

*If any metropolitan counties recover the costs of administering county hazardous waste regulations by charging fees, the fees charged by the agency outside of those counties shall not exceed the fees charged by those counties. The agency shall not charge a fee in any metropolitan county which charges such a fee. The agency shall impose a surcharge on the fees charged by the metropolitan counties and by the agency to reflect the agency's expenses in carrying out its statewide hazardous waste regulatory responsibilities. The surcharge imposed on the fees charged by the metropolitan counties shall be collected by the metropolitan counties in the form and manner in which the counties collect their generator fees. Metropolitan counties shall remit the proceeds of the surcharge to the agency by the last day of the month following the month in which they were collected.*

**Subd. 3. [FACILITY FEES.]** *The agency shall charge an original permit fee, a reissuance fee and an annual operator's fee for any hazardous waste facility permitted by the agency. The agency may include reasonable and necessary costs of any environmental review required under chapter 116D in the original permit fee for any hazardous waste facility.*

**Sec. 23.** Minnesota Statutes 1980, Section 116.03, Subdivision 3, is amended to read:

**Subd. 3.** The director of the pollution control agency is the state agent to apply for, receive, and disburse federal funds made available to the state by federal law or rules and regulations promulgated thereunder for any purpose related to the powers and duties of the pollution control agency or the director. He shall comply with any and all requirements of such federal law or such rules and regulations promulgated thereunder to enable him to apply for, receive, and disburse such funds. All such moneys received by the director shall be deposited in the state treasury and are hereby annually appropriated to him for the purposes for which they are received. None of such moneys in the state treasury shall cancel and they shall be available for expenditure in accordance with the requirements of federal law.

**(NO APPLICATION FOR FEDERAL FUNDS UNDER THIS SUBDIVISION SHALL BE SUBMITTED TO FEDERAL AUTHORITIES FOR APPROVAL UNLESS THE PROPOSED BUDGET FOR THE EXPENDITURE OF FEDERAL FUNDS IS APPROVED BY THE GOVERNOR AND REPORTED TO THE LEGISLATIVE COMMITTEES DESIGNATED IN SECTION 16.165 AND, WHEN THE LEGISLATURE IS NOT IN SESSION, REPORTED TO THE STANDING COMMITTEE ON FINANCE OF THE SENATE AND THE STANDING COMMITTEE ON APPROPRIATIONS OF THE HOUSE OF REPRESENTATIVES.)**

*The provisions of section 3.3005 shall not apply to emergency response moneys available without requirement of a state match*

*under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C., Sections 9601 to 9657. The receipt of the moneys shall be reported to the legislative advisory commission.*

**Sec. 24. [116.102] [PIPELINE TESTING.]**

*Subdivision 1. [TEST REQUIRED.] Any pipeline from which a release occurs or has occurred after January 1, 1981, shall be tested for integrity and shall be operated at no more than 90 percent of maximum operating pressure until integrity is certified.*

*Subd. 2. [DETAILS; REPORTS; CERTIFICATION.] Testing shall be conducted within the section of the pipeline from which the release occurred and shall conform with the requirements of the United States Department of Transportation Regulations for Transportation of Liquids by Pipeline, Code of Federal Regulations, title 42, part 195, subpart E—Hydrostatic Testing, except that only water shall be used as a test medium and the test pressure shall be maintained for at least three hours throughout the part of the system being tested. Appropriation and disposal of the test medium shall conform with the requirements of applicable law. Any pipeline failures occurring during testing shall be reported immediately to the agency. In addition, a written report containing all relevant information regarding the extent of any pollution of land or water resulting from a failure during testing as well as information regarding recovery of the material lost during testing and reclamation of the affected area shall be submitted to the agency within a reasonable period.*

*Certification of integrity as demonstrated by successful testing, including a written report containing all pertinent data from the test, shall be submitted to the agency within eight months after the discovery of the release or within eight months after the effective date of this section, whichever occurs later.*

*Subd. 3. [ADDITIONAL TESTING.] In addition to any tests required under subdivisions 2 and 3, the agency may require testing of any pipeline on the basis of relevant factors including but not limited to age of the pipe, measures taken to protect the pipe, location, potential effect of a release on health or welfare or the environment, and past incidence of releases.*

*Subd. 4. [DEFINITIONS.] As used in this section, the following term has the meaning given:*

*“Maximum operating pressure” means the maximum operating pressure allowable under the United States Department of Transportation Regulations for Transportation of Liquids by*

*Pipeline, Code of Federal Regulations, title 42, part 195, subpart F—Operation and Maintenance.*

Sec. 25. Minnesota Statutes 1980, Section 466.01, is amended by adding a subdivision to read:

*Subd. 3. For the purposes of sections 466.01 to 466.15, "release" and "hazardous substance" have the meanings given in section 2.*

Sec. 26. Minnesota Statutes 1980, Section 466.04, Subdivision 1, is amended to read:

Subdivision 1. [LIMITS; PUNITIVE DAMAGES.] Liability of any municipality on any claim within the scope of sections 466.01 to 466.15 shall not exceed

(a) \$100,000 when the claim is one for death by wrongful act or omission and \$100,000 to any claimant in any other case;

(b) \$300,000 for any number of claims arising out of a single occurrence;

(c) *Twice the limits provided in clauses (a) and (b) when the claim arises out of the release or threatened release of a hazardous substance, whether the claim is brought under sections 1 to 12 or under any other law.*

No award for damages on any such claim shall include punitive damages.

Sec. 27. [APPROPRIATIONS; APPROVED COMPLEMENT.]

*Subdivision 1. [DEDICATED FUND.] The appropriations in subdivisions 2 and 3 are from the environmental response, compensation and compliance fund, and are available until July 1, 1983.*

*Subd. 2. [RESPONSE ACTIONS.] All revenues deposited in the fund before July 1, 1983, except the proceeds of the tax imposed under section 19 and any money recovered under section 15, subdivision 8, are appropriated to the agency for actions under section 17, subdivision 2, clause (b).*

*Subd. 3. [PREPARATION FOR RESPONSE.] All revenues deposited in the fund before July 1, 1983 as proceeds of the tax imposed under section 19 are appropriated to the agency for the purposes of section 17, subdivision 2, clause (a).*

*Subd. 4. [GENERAL FUND.] The appropriations in subdivisions 5 and 6 are from the general fund for the biennium*

*ending June 30, 1983. The commissioner of finance shall reimburse the general fund for these appropriations by transferring these amounts from the environmental response, compensation and compliance fund not later than June 30, 1983.*

*Subd. 5. [REVENUE DEPARTMENT.] The sum of \$ . . . . . is appropriated from the general fund to the department of revenue for development costs and other expenses to enforce the provisions of sections 19 to 21. The approved complement of the department is increased by . . positions.*

*Subd. 6. [POLLUTION CONTROL AGENCY.] The sum of \$ . . . . . is appropriated from the general fund to the pollution control agency to adopt rules and take other actions necessary to prepare the agency to implement its authority under sections 15, and 19 to 21. The approved complement of the agency is increased by . . positions.*

**Sec. 28. [APPROPRIATION.]**

*There is appropriated from the general fund \$2,700,000 to the environmental response, compensation and compliance fund.*

**Sec. 29. [EFFECTIVE DATE.]**

*Sections 19 to 21 and 23 and 24 are effective the day following final enactment except that the tax imposed by section 19 is effective January 1, 1983. Section 22 is effective July 1, 1983. The remaining sections of this act are effective July 1, 1982."*

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

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1440, A bill for an act relating to game and fish; expanding the list of counties in which the use of snowmobiles may be authorized in connection with taking beaver or otter; amending Minnesota Statutes 1980, Section 100.29, Subdivision 30.

Reported the same back with the following amendments:

Page 1, line 24, after "vehicle" insert "in any county"

Page 1, line 25, strike "in" and delete "Kittson, Roseau,"

Page 1, delete line 26



Page 2, line 1, delete the new language and strike "Lake"

Page 2, line 2, strike everything before the period

Amend the title as follows:

Page 1, line 2, delete "expanding the list of"

Page 1, line 3, delete "counties in which" and insert "allowing the commissioner of natural resources to authorize"

Page 1, line 3, delete "may be"

Page 1, line 4, delete "authorized"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

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.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 41.51, is amended to read:

41.51 [LEGISLATIVE FINDINGS; PURPOSE.]

(IN ORDER TO AID FARMERS IN OBTAINING CREDIT FOR THE ACQUISITION OF FARM REAL ESTATE, THERE IS ESTABLISHED A FAMILY FARM SECURITY PROGRAM WHICH SHALL PROVIDE STATE MONEY IN GUARANTEE OF LOANS MADE ACCORDING TO THE PROVISIONS OF LAWS 1976, CHAPTER 210.)

*The legislature finds:*

(a) *That the high cost and unavailability of loans to farmers for the purchase of farm land, particularly for young farmers,*

*threatens the continued existence of the family farm in Minnesota;*

*(b) That the high cost and the unavailability of credit cannot be remedied by private enterprise and private financial institutions; and*

*(c) That the creation of a family farm finance agency will increase the availability of credit for acquisition of farm land at a more reasonable cost and will encourage additional investment of private capital in the agricultural sector of the state economy.*

*It is the purpose of sections 41.51 to 41.61 to aid farmers in obtaining credit at a reasonable cost for the acquisition of farm land and to encourage the investment of private capital in a manner that will foster the continued existence and prosperity of the family farm and will contribute to a healthy agricultural economy in Minnesota.*

Sec. 2. Minnesota Statutes 1980, Section 41.52, Subdivision 1, is amended to read:

Subdivision 1. For the purposes of (LAWS 1976, CHAPTER 210) sections 41.51 to 41.61 the following terms shall have the meanings given.

Sec. 3. Minnesota Statutes 1980, Section 41.52, is amended by adding a subdivision to read:

*Subd. 1a. "Agency" means the family farm finance agency established in section 10.*

Sec. 4. Minnesota Statutes 1980, Section 41.52, is amended by adding a subdivision to read:

*Subd. 1b. "Bonds" means any bonds, notes, debentures, interim certificates, grant or revenue anticipation notes or any other evidences of indebtedness.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 5, is amended to read:

Subd. 5. "Family farm (SECURITY) loan" (, EXCEPT IN THE CASE OF A SELLER-SPONSORED LOAN, MEANS A LOAN SECURED BY A FIRST REAL ESTATE MORTGAGE. IN THE CASE OF A SELLER-SPONSORED LOAN, IT MEANS A LOAN SECURED EITHER BY A REAL ESTATE MORTGAGE EVIDENCED BY ONE OR MORE NOTES OR SECURED BY A CONTRACT FOR DEED. IT SHALL BE USED FOR ACQUISITION OF FARM LAND AND SHALL BE APPROVED BY THE COMMISSIONER. THIS LOAN SHALL BE GUARANTEED AND MAY QUALIFY FOR A PAYMENT ADJUSTMENT AS DEFINED IN SUBDIVISION 10 AND MAY BE A SELLER-SPONSORED LOAN AS DEFINED IN SUBDIVISION 8) *means a loan for the acquisition of farm land.*

Sec. 6. Minnesota Statutes 1980, Section 41.52, is amended by adding subdivisions to read:

*Subd. 5a. "Family farm first mortgage loan" means a family farm loan made or purchased by the agency pursuant to section 15, subdivision 2.*

*Subd. 5b. "Family farm down payment loan" means a family farm loan made or purchased by the agency pursuant to section 15, subdivision 3.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 8, is amended to read:

Subd. 8. "Seller-sponsored loan" means a loan in which part or all of the purchase price of the farm is financed by a loan from the seller of the property who is a natural person, a partnership or a family farm corporation as defined in section 500.24, and the remainder of the loan, if any, is supplied by a lender as defined in subdivision 7 (OR OTHER PERSON), *by another person, or by the agency.* This loan shall be secured by a real estate mortgage evidenced by one or more notes that may carry different interest rates, or by a contract for deed.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 41.52, Subdivision 9, is amended to read:

Subd. 9. "(FAMILY FARM) State loan guarantee" means an agreement that in the event of default the (STATE OF MINNESOTA SHALL) *agency will* pay the lender 90 percent of the sums due and payable under (THE FIRST) *a real estate mortgage* (, OR, IN THE CASE OF A SELLER-SPONSORED LOAN, 90 PERCENT OF THE SUMS DUE AND PAYABLE UNDER THE NOTE AND MORTGAGE) *held by a lender to secure a family farm loan or contract for deed.*

Sec. 9. Minnesota Statutes 1980, Section 41.52, Subdivision 10, is amended to read:

Subd. 10. "(PAYMENT) Interest adjustment" means an amount of money equal to four percent interest on the principal balance of (THE) *a family farm (SECURITY) loan.*

Sec. 10. [41.521] [FAMILY FARM FINANCE AGENCY.]

*Subdivision 1. [ESTABLISHMENT; BOARD.] The family farm finance agency is created and authorized to act within the scope of the powers and duties provided in sections 41.51 to 41.61 in order to carry out the purposes of those sections. The powers of the agency are vested in a board as provided in section 41.54. The board is responsible for management and control of the agency. A majority of the members, excluding vacant member-*

*ships, is a quorum. When a quorum is present at any meeting of which notice has been given to or waived by all absent members in the manner provided in bylaws adopted by the vote of a majority of all members, any action of the agency may be taken by the vote of a majority of the members present. Fewer than a quorum may hear reports and adjourn from time to time.*

*Subd. 2. [ADMINISTRATION OF AGENCY.] An officer or employee of the department of agriculture may be designated by the agency to act as executive director. The agency shall operate as a division of the department of agriculture. The commissioner of agriculture shall provide the agency with necessary staff, office space, and administrative services. The agency and the housing finance agency shall cooperate to the extent practicable to minimize duplication of effort and encourage efficient administration of the bonding and loan programs of those agencies.*

Sec. 11. Minnesota Statutes 1980, Section 41.54, Subdivision 1, is amended to read:

*Subdivision 1. [MEMBERSHIP.] (THERE IS ESTABLISHED A) The board of the family farm (ADVISORY COUNCIL COMPOSED OF SEVEN) finance agency shall consist of seven members. The members of the board shall annually elect the chairman and other officers as they deem necessary. The remaining members shall be appointed by the (COMMISSIONER OF AGRICULTURE AS FOLLOWS) governor with the advice and consent of the senate and shall meet the following qualifications:*

- (a) Two shall be officers (FROM) of a commercial lending institution;*
- (b) One shall be a dairy farmer;*
- (c) One shall be a livestock farmer;*
- (d) One shall be a cash grain farmer;*
- (e) One shall be an officer from a farm credit association;*
- (f) One shall be an agricultural economist.*

Sec. 12. Minnesota Statutes 1981 Supplement, Section 41.54, Subdivision 2, is amended to read:

*Subd. 2. [TERMS AND COMPENSATION.] The compensation and removal of board members (OF THE COUNCIL) and appointments to fill vacancies on the board shall be governed by section (15.059) 15.0575. (THE COUNCIL SHALL MEET MONTHLY OR MORE OFTEN AS NEEDED.)*

The terms of the members serving on January 15, 1981, shall end on the first Monday in April in the year indicated as follows:

(a) The dairy farmer and one officer from a commercial lending institution, 1982;

(b) The cash grain farmer and the officer from a farm credit association, 1983;

(c) The livestock farmer and one officer from a commercial lending institution, 1984; and

(d) The agricultural economist, 1985.

After a term expires as provided in clauses (a) to (d), all successors shall be appointed for four year terms. The terms of the present officers from a commercial lending institution shall be decided by lot subject to clauses (a) and (c).

Sec. 13. Minnesota Statutes 1980, Section 41.54, Subdivision 4, is amended to read:

Subd. 4. [ADDITIONAL DUTIES.] (THE DUTIES OF THE COUNCIL SHALL BE AS FOLLOWS) *In addition to its other powers and duties under chapter 41, the board shall:*

(a) (TO) *Periodically* review and appraise the (FAMILY FARM SECURITY PROGRAM) *programs of the agency;*

((B) TO GIVE ADVICE AND COUNSEL TO THE COMMISSIONER REGARDING THE FAMILY FARM SECURITY PROGRAM;)

((C) TO REVIEW) *(b) Approve or disapprove all applications for family farm (SECURITY) loans which may be made, purchased or participated in by the agency or for which a state loan guarantee may be made (AND MAKE RECOMMENDATIONS TO THE COMMISSIONER AS TO THEIR DISPOSITION; and*

((D) TO) *(c) Make recommendations to the (COMMISSIONER OF AGRICULTURE,) legislature and the public on or before December 31 of each year regarding any needed state policy or program changes to foster and promote the economic health and viability of the family farm.*

Sec. 14. Minnesota Statutes 1980, Section 41.54, is amended by adding a subdivision to read:

Subd. 6. [COUNCIL MEMBERS TO BECOME BOARD MEMBERS; VACANCIES.] *Notwithstanding any other law, the members of the advisory council serving on the effective date*

*of this section shall be the members of the board of the agency for the terms as provided in this section. When any of those members cease to serve as members of the board for any reason, the vacancy shall be filled by appointment of a new member by the governor with the advice and consent of the senate as provided in subdivision 1.*

**Sec. 15. [41.541] [SPECIFIC POWERS OF AGENCY.]**

*Subdivision 1. [POWERS.] The agency shall have the specific powers and duties set forth in this section.*

*Subd. 2. [FAMILY FARM FIRST MORTGAGE LOANS.] Subject to the provisions of section 41.55, the agency may make or purchase from an originating lender a family farm first mortgage loan.*

*Subd. 3. [DOWN PAYMENT LOANS.] Subject to the provisions of section 41.55, the agency may make or purchase from an originating lender a family farm down payment loan in an amount not exceeding the difference between the purchase price of the farm land and:*

*(a) The amount of a family farm first mortgage loan secured by that land; or*

*(b) The amount of a family farm loan made by a lender which is secured by a first mortgage on the land or by a contract for deed.*

*A down payment loan for the purchase of farm land which is subject to a family farm first mortgage loan shall be secured by a mortgage subordinate to the lien of the first mortgage.*

*Subd. 4. [STATE LOAN GUARANTEE.] Subject to the provisions of section 41.55, the agency may agree in the event of default of a family farm loan to pay the lender 90 percent of the sum due and owing under a first mortgage or contract for deed held by the lender to secure the loan. A state loan guarantee shall be void only if the guaranteed loan was obtained by fraud or material misrepresentation of which the original lender or subsequent holder had actual knowledge.*

*Subd. 5. [INTEREST ADJUSTMENT.] Subject to the provisions of sections 41.55 and 41.58, the agency may pay an interest adjustment on a family farm loan secured by a real estate mortgage or contract for deed held by a lender.*

*Subd. 6. [LOANS BY FEDERAL LAND BANK; STATE PARTICIPATION AND GUARANTEE.] The agency may participate in or provide a state loan guarantee for a family farm loan made by the federal land bank. The state share of any loan*

and any state loan guarantee under this subdivision may be secured by a mortgage lien subordinate to the lien of the federal land bank. The agency may not act under this subdivision until it has entered an agreement with the federal land bank which identifies the type of family farm loans in which the agency will participate or which it will guarantee, and specifies the duties and obligations of the agency and the federal land bank with regard to family farm loans in which the agency participates or which it guarantees. The agreement shall be consistent as far as practicable with the eligibility criteria provided in section 41-55, subdivision 1, and with the intent and purposes of chapter 41. The agreement shall provide that the state will share in any losses or gains realized by the federal land bank from loans in which the agency participates or which it guarantees.

**Subd. 7. [COMMITMENTS AND SERVICE CONTRACTS.]** The agency may make commitments to lenders to purchase family farm first mortgage or down payment loans, and may enter agreements with lenders to service and process those loans or other family farm loans for which a state loan guarantee or interest adjustment is sought.

**Subd. 8. [GUARANTEES.]** The agency may procure from any agency or instrumentality of the state or federal government, a private mortgage insurance company, or any other private or public agency an agreement to insure or guarantee the payment of all or a portion of a family farm first mortgage or down payment loan.

**Subd. 9. [AGREEMENTS.]** The agency may enter into agreements with any department, agency or instrumentality of the United States or this state and with lenders including loan agreements with contracting parties for the purpose of planning, regulating and providing for the acquisition of farm land by means of a family farm first mortgage or down payment loan or a family farm loan in which the state participates or which is subject to a state loan guarantee or interest adjustment.

**Subd. 10. [SECONDARY MARKET GUARANTEES WITHOUT RECOURSE.]** In the case of all state loan guarantees, except seller-sponsored loan guarantees, the agency may extend said guarantees to a bona fide purchaser of the guaranteed portion of the note and mortgage executed by an original lender and borrower without recourse by the agency against said bona fide purchaser of said guaranteed portion, provided the agency is made the named beneficiary of a title insurance policy insuring marketable title to the farm land in question and the agency is given the written opinion of original lender's counsel that the original loan transaction was fully closed, that disbursements were made correctly, that lender's security was properly perfected and constitutes a valid first lien upon the property, that original borrower's note is a valid and binding obligation, and that all conditions deemed desirable to assure the validity and legal enforceability of the note and mortgage and all agree-

*ments delivered to the original lender in connection with the original loan have been complied with satisfactorily. In the event title insurance is, as a practical matter, unavailable or an undue hardship, the agency may provide said guarantee without recourse by the agency against said bona fide purchaser provided the agency is given the written opinion of competent local counsel concerning marketable title and the written opinion of original lender's counsel that the original loan transaction was fully closed, that disbursements were made correctly, that lender's security was properly perfected and constitutes a valid first lien upon the property, that original borrower's note is a valid and binding obligation, and that all conditions deemed desirable to assure the validity and legal enforceability of the note and mortgage and all agreements delivered to the original lender in connection with the original loan have been complied with satisfactorily. The making of such a guarantee without recourse shall not affect the rights the state of Minnesota may have with respect to the original lender, mortgagor, or any other party.*

Sec. 16. [41.542] [GENERAL POWERS.]

*Subdivision 1. [POWERS.] For the purpose of exercising the specific powers granted in section 15 and effectuating the other provisions of sections 41.51 to 41.61, the agency shall have the general powers granted in this section.*

*Subd. 2. [MAY SUE.] It may sue and be sued.*

*Subd. 3. [SEAL.] It may have a seal and alter the same at will.*

*Subd. 4. [RULEMAKING.] It may adopt rules necessary to implement the provisions of sections 41.51 to 41.61. The rules are subject to the provisions of the administrative procedure act, sections 15.041 to 15.052.*

*Subd. 5. [PERSONAL PROPERTY.] It may acquire, hold and dispose of personal property for its corporate purposes.*

*Subd. 6. [AGREEMENTS.] It may enter into agreements or other transactions with any federal or state agency, any person, or any domestic or foreign partnership, corporation, organization, or association.*

*Subd. 7. [REAL PROPERTY.] It may acquire real property or interest therein in its own name by purchase or foreclosure where acquisition is necessary or appropriate to protect any loan in which the agency has an interest.*

*Subd. 8. [SALE OF DEBT OR SECURITY INSTRUMENT.] It may sell at public or private sale any note, mortgage or other instrument or obligation evidencing or securing a loan.*



*Subd. 9. [INSURANCE.] It may procure insurance against any loss in connection with its property in the amounts, for the risks and from the insurers as may be necessary or desirable.*

*Subd. 10. [MODIFICATION OF TERMS.] It may consent, whenever it deems necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment, or any installment of principal or interest or any other term of any loan, loan commitment, contract or agreement of any kind to which the agency is a party.*

*Subd. 11. [ACCEPTANCE OF MONEY AND PROPERTY.] It may accept appropriations, gifts, grants, bequests and devises, and utilize or dispose of them to carry out its corporate purposes.*

*Subd. 12. [REPORT.] On or before January 1 of each year the agency shall submit a report to the legislature, as provided in section 3.195, concerning the actions of the agency and the status of loans granted and guaranteed during the preceding fiscal year.*

**Sec. 17. [41.543] [BONDS; POWERS AND DUTIES.]**

*Subdivision 1. [GENERAL POWERS.] The agency may borrow money to carry out and effectuate its corporate purpose and may issue its negotiable bonds as evidence of any borrowing in accordance with sections 462A.08 to 462A.13 and 462A.17, all with the force and effect stated and the incidental powers granted and the duties imposed in those sections.*

*Subd. 2. [OUTSTANDING AMOUNT LIMITED.] The aggregate principal amount of the agency's bonds outstanding at any one time, excluding the amount satisfied and discharged by payment or provision for payment in accordance with their terms, and deducting amounts held in debt service reserve funds therefor, shall not exceed \$20,000,000 unless authorized by another law.*

*Subd. 3. [BONDS PAYABLE FROM PARTICULAR MONEYS.] It may issue and sell bonds, payable solely from particular moneys, assets, or revenues derived from its program notwithstanding section 462A.08, subdivision 3.*

*Subd. 4. [SALE.] It may sell any of its bonds at public or private sale, at such price or prices as the agency shall determine.*

*Subd. 5. [LOAN TERMS.] It may establish and collect reasonable interest and amortization payments on loans, and in connection therewith may establish and collect or authorize the collection of reasonable fees and charges or require funds to be placed in escrow, sufficient to provide for the payment and security of its bonds, commitments, and other obligations and for the servicing thereof, to provide reasonable allowances for*

*or insurance against losses which may be incurred and to cover the cost of issuance of obligations and technical, consultative, and project assistance services. It shall require the payment of all processing, administrative and guarantee fees, and the deposit in escrow of all funds required by any federal agency or instrumentality guaranteeing any loan and shall comply and enforce compliance with all terms and conditions of each guarantee, and the prompt filing of all claims which may arise thereunder.*

*Subd. 6. [INVESTMENT OF CERTAIN FUNDS.] It may cause any funds not required for immediate disbursement to be invested in direct obligations of or obligations guaranteed as to principal and interest by the United States, or in insured savings accounts, up to the amount of the insurance, in any institution the accounts of which are insured by the federal savings and loan insurance corporation or to be deposited in a savings or other account in a bank insured by the federal deposit insurance corporation or to be invested in time certificates of deposit issued by a bank insured by the federal deposit insurance corporation and maturing within one year or less. It may deposit funds in excess of the amount insured with security as provided in chapter 118. Notwithstanding the foregoing, it may invest and deposit funds into accounts established pursuant to resolutions or indentures securing its bonds or notes in such investments and deposit accounts or certificates, and with such security, as may be agreed therein with the holders or a trustee for the holders.*

*Subd. 7. [NON-LIABILITY OF STATE.] The state of Minnesota is not liable on bonds of the agency. The bonds of the agency are not a debt of the state. The bonds shall contain on the face thereof a statement of the provisions of this section.*

*Subd. 8. [STATE PLEDGE AGAINST IMPAIRMENT OF CONTRACT.] The state pledges and agrees with the holders of any bonds issued under this section that the state will not limit or alter the rights vested in the agency to fulfill the terms of any agreements made with the holders thereof, or in any way impair the rights and remedies of holders until the bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders, are fully met and discharged. The agency is authorized to include this pledge and agreement of the state in any agreement with the holders of the bonds.*

*Subd. 9. [STATE CONTROL OF AGENCY.] The provisions of this section do not affect the power of the state to supervise and control the agency or to discontinue its operation or alter its organization, programs or activities or transfer its powers to a successor agency, provided that the action of the state is consistent with the provisions of subdivision 8 and that title to all property then owned by the agency will remain or vest in the agency, its successor, or the state, as the case may be.*

*Subd. 10. [AGENCY PROPERTY AND OPERATION EXEMPT FROM TAXATION.] The property of the agency and its income and operation shall be exempt from all taxation by the state or any of its political subdivisions. All bonds of the agency shall be exempt from all taxation by the state or any of its political subdivisions.*

*Subd. 11. [BONDS EXEMPT FROM TAXATION.] The state covenants with the purchasers and all subsequent holders and transferees of bonds issued by the agency in consideration of the acceptance of and payment for the bonds, that all bonds of the agency issued pursuant to this section and the income therefrom and all its fees, charges, gifts, grants, revenues, receipts, and other moneys received or to be received, pledges to pay or secure the payment of the bonds shall at all times be free and exempt from all state, city, county or other taxation provided by the laws of the state, except for estate and gift taxes and taxes on transfers, and except for the Minnesota corporate franchise tax measured by income, so long as the interest on federal bonds is included in the income by which the tax is measured.*

**Sec. 18. [41.544] [DEBT SERVICE RESERVE FUNDS.]**

*Subdivision 1. [CREATION.] The agency may create special funds designated as debt service reserve funds, for the security of any issue of its bonds or notes. The agency may pay into each debt service reserve fund:*

*(a) Any proceeds of sale of bonds or notes to the extent provided in the resolution or indenture authorizing the issuance thereof;*

*(b) Any revenues from the loan or investment of such proceeds which are appropriated to the fund by the resolution or indenture; and*

*(c) Any moneys appropriated by the state only for the purposes of such funds.*

*Subd. 2. [USE OF MONEY IN FUND.] The money held in or credited to each debt service reserve fund, except as provided in this section, shall be used solely for the payment of the principal of bonds of the agency as the same mature, the purchase of such bonds, the payment of interest thereon, or the payment of any premium required when such bonds are redeemed before maturity; provided, that moneys in any fund shall not be withdrawn at any time in an amount that would reduce the amount of the fund to less than the amount which the agency shall determine to be reasonably necessary for the purposes of the fund, except for the purpose of paying principal or interest due on bonds secured by the fund, for the payment of which other moneys of the agency are not available.*

*Subd. 3. [INVESTMENT.] Moneys in any debt service reserve fund not required for immediate use or disbursement may be invested in obligations of the state or the United States of America, or obligations the principal and interest of which are guaranteed by the state or the United States of America. In computing the amount of any debt service reserve fund for the purpose of this section, securities in which all or a portion of the fund are invested shall be valued at par or, if purchased at less than par, at their cost to the agency.*

*Subd. 4. [CERTIFICATION OF AMOUNTS NEEDED BY FUND.] In order to assure the payment of the principal of and interest on bonds of the agency and the continued maintenance of all debt service reserve funds created and established therefor, the agency shall annually determine and certify to the governor, on or before December 1:*

*(a) The amount, if any, then needed to restore each debt service reserve fund to the minimum amount required by the resolution or indenture establishing the fund, not exceeding the maximum amount of principal and interest to become due and payable in any subsequent year on all bonds or notes which are then outstanding and secured by such fund; and*

*(b) The amount, if any, determined by the agency to be needed in the then immediately ensuing fiscal year, with other funds pledged and estimated to be received during that year, for the payment of the principal and interest due and payable in that year on all then outstanding bonds and notes secured by a debt service reserve fund the amount of which is then less than the minimum amount agreed.*

*The governor shall include and submit to the legislature, in the budget for the following fiscal year, or in a supplemental budget if the regular budget for that year has previously been approved, the amounts certified to him by the agency in accordance with this subdivision.*

**Sec. 19. [41.545] [FINANCIAL INFORMATION.]**

*Financial information including but not limited to credit reports, financial statements and net worth calculations, received or prepared by the agency regarding any family farm loan and the name of each individual who is the recipient of a loan is private data on individuals pursuant to section 15.162, subdivision 5a.*

**Sec. 20. [41.546] [APPROPRIATION OF BOND PROCEEDS AND OTHER MONEY TO AGENCY.]**

*All proceeds of the agency's bonds, any amounts granted or appropriated to the agency for the making or purchase or the insurance or guarantee of loans or for bond reserves, all income*

*from their investment and all revenues from loans, fees and charges of the agency are annually appropriated to the agency for the accomplishment of its corporate purposes and shall be expended, administered and accounted for in accordance with the applicable provisions of all bond resolutions, indentures and other instruments, contracts, and agreements of the agency.*

Sec. 21. Minnesota Statutes 1980, Section 41.55, is amended to read:

**41.55 [ELIGIBILITY AND APPLICATIONS FOR LOANS, GUARANTEES AND INTEREST ADJUSTMENT.]**

*Subdivision 1. [ELIGIBILITY GENERALLY.] The agency may not make, purchase, participate in, guarantee or approve an interest adjustment for a family farm (SECURITY) loan (APPROVAL MAY BE GRANTED IF THE FOLLOWING CRITERIA ARE SATISFIED) unless the agency determines:*

(a) That the applicant is a resident of the state of Minnesota, or shows sufficient evidence that he intends to become a resident;

(b) That the applicant has sufficient education, training, or experience in the type of farming for which he wishes the loan and (CONTINUED PARTICIPATION IN) *that the application outlines a farm management program, (APPROVED BY THE COMMISSIONER,) appropriate for the land to be acquired, or conforming to practices specified by any comprehensive plan of the local soil and water conservation district, which the applicant will follow for the duration of the family farm security loan;*

(c) That the applicant (,) *has demonstrated a need for the loan and that, with his dependents and spouse (HAVE) the applicant has a total net worth valued at less than \$75,000 (AND HAS DEMONSTRATED A NEED FOR THE LOAN), increased by the percentage of increase from January 1, 1981, to the date of the loan application in the consumer price index published by the federal department of labor which is considered by the agency to most closely reflect the prices of farm land and commodities;*

(d) That the applicant intends to purchase farm land to be used by the applicant for agricultural purposes;

(e) That the applicant is credit worthy according to standards prescribed by the (COMMISSIONER) agency;

(f) That the seller has not acquired the farm land for purposes of obtaining the income tax exemption allowed by (SEC-

TIONS) section 41.58 (AND LAWS 1976, CHAPTER 210, SECTION 12);

(g) *That the purchase price of the farm land does not exceed the appraisal value as determined under subdivision 5.*

**Subd. 2. [FIRST MORTGAGE LOANS BY AGENCY.]** *The agency may not make or purchase a family farm first mortgage loan unless the agency determines that:*

(a) *The ratio of the principal amount of the loan to the value of the farm land to be mortgaged does not exceed the ratio determined by the agency to provide sufficient security for holders of bonds secured by the mortgage and to assure marketability of those bonds:*

(b) *The income producing potential of the farm land to be acquired, as determined according to the rules of the agency, exceeds the amounts required annually for first mortgage loan amortization, conditioned upon the interest cost of bonds issued by the agency to finance the loan, and for down payment, taxes, insurance, seed and feed costs, equipment rental or purchase and other expenses necessary to implement and finance the applicant's farm management program;*

(c) *The purchase price of the farm land, in excess of the amount of the first mortgage loan, is paid in cash, or provision is made for the payment of part or all of the excess by a down payment loan or other loan or purchase contract subordinated to the first mortgage;*

(d) *The applicant will pay the first mortgage loan in not exceeding 20 equal annual installments including principal and interest on the declining principal balance at a rate not less than the interest rate on bonds to be issued by the agency to finance the loan;*

(e) *Marketable title to the land subject to the recorded first mortgage is established by title insurance or an opinion of counsel satisfactory to the agency; and*

(f) *The applicant agrees for the duration of the loan to furnish to the agency annual financial statements fairly presenting his financial condition in accordance with accepted accounting principles.*

**Subd. 3. [DOWN PAYMENT LOANS.]** *The agency may not approve an application for a down payment loan unless the agency finds that:*

(a) *The loan is for an amount not exceeding the balance of the purchase price of real estate subject to a family farm first*

*mortgage loan, or a first mortgage or contract for deed held by a lender;*

*(b) The applicant demonstrates that, with the down payment loan, his other resources and credit are sufficient, but not more than sufficient, to supply or finance equipment and supplies necessary for the success of his approved farm management program;*

*(c) The loan will be secured by a recorded mortgage on the real estate purchased or assignment of the contract for deed; and*

*(d) If the land is subject to a family farm first mortgage loan, the mortgage securing the down payment loan is subordinate to the lien of that first mortgage but to no other lien on the land.*

*Subd. 4. [APPLICATION.] Any person desiring to acquire farm land may make application to the agency or to a lender for a family farm security first mortgage or down payment loan, a state loan guarantee or interest adjustment. If application is made to a lender, the lender shall forward the application to the agency for approval. The agency shall prescribe a screening process to determine eligibility and may arrange for local lenders to perform this function for the state. The agency may approve the application if it complies with the provisions of subdivision 1 and, for an application for an interest adjustment, with the provisions of section 41.57. The agency shall notify the applicant and any lender of its decision.*

*If the application is denied, the agency shall provide the applicant with a written statement of the reasons for the denial. If the circumstances of the applicant change such that he becomes eligible, he may reapply.*

*If the agency approves an application made to a lender, it shall retain a copy and return the original to the lender for completion of the transaction. All loans shall be on forms approved by the agency with the advice of the attorney general.*

*Subd. 5. [APPRAISAL.] The agency shall establish by rule an appraisal procedure to determine the value of any property before making, purchasing, or providing a family farm first mortgage or down payment loan, a state loan guarantee or an interest adjustment for a family farm loan and a procedure to determine the income potential of any property before making or purchasing a family farm first mortgage loan.*

**Sec. 22. Minnesota Statutes 1981 Supplement, Section 41.56, Subdivision 3, is amended to read:**

Subd. 3. [DEFAULT, FILING CLAIM.] Within 90 days of a default on a (GUARANTEED) family farm (SECURITY) loan *which the agency has made, purchased, or guaranteed with a state loan guarantee*, the lender or agency shall send notice to the applicant stating that the (COMMISSIONER MUST BE NOTIFIED IF THE DEFAULT CONTINUES FOR 180 DAYS, AND THE CONSEQUENCES OF THAT DEFAULT) *applicant must make arrangements to meet his obligation within 180 days of the initial default and stating the consequences of failing to do so.* (THE) A lender and (THE) an applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.

After 180 days from the initial default *on a state guaranteed loan*, if the applicant has not made arrangements to meet his obligation, the lender shall file a claim with the (COMMISSIONER) *agency*, identifying the loan and the nature of the default, and assigning to the (STATE) *agency* all of the lender's security and interest in the loan in exchange for payment according to the terms of the (FAMILY FARM SECURITY) *state loan guarantee*. In the case of a seller-sponsored loan, the seller may elect to pay the (COMMISSIONER) *agency* all sums owed the (COMMISSIONER) *agency* by the applicant and retain title to the property in lieu of payment by the (COMMISSIONER) *agency* under the terms of the loan guarantee. If the (COMMISSIONER) *agency* determines that the terms of the (FAMILY FARM SECURITY) *state loan guarantee* have been met, (HE) *it shall authorize payment (OF STATE FUNDS) to the lender, and shall notify the defaulting party.* The (STATE OF MINNESOTA) *agency shall then succeed to the interest of the mortgagee or the vendor of the contract for deed. Taxes shall be levied and paid on the land as though the owner were a natural person and not a political subdivision of the state. (THE COMMISSIONER MAY, ON BEHALF OF THE STATE,)* *After 180 days from the initial default of a loan which the agency has made or purchased, or when the agency has succeeded to the interest of a mortgagee or a vendor as provided in this subdivision, the agency may commence foreclosure or termination proceedings in the manner provided by law.*

Sec. 23. Minnesota Statutes 1981 Supplement, Section 41.56, Subdivision 4, is amended to read:

Subd. 4. [SALE OF DEFAULTED PROPERTY.] In the event that title to (THE) *any property* is acquired by the (STATE) *agency*, upon conveyance of title to the (STATE) *agency* and (EXPIRATION OF THE PERIOD OF REDEMPTION, THE COMMISSIONER SHALL), within 15 days of the expiration of (SUCH PERIOD,) *the period of redemption, the agency shall undertake to sell the property by publishing a notice of the impending sale at least once each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the county in which the property to*



be sold is situated. (SUCH) *The notice shall (SPECIFY THE TIME AND PLACE IN THE COUNTY AT WHICH THE SALE WILL COMMENCE, A DESCRIPTION OF) describe the lots or tracts to be offered (,) and (A GENERAL STATEMENT OF) state the terms of the sale. (EXCEPT AS FURTHER PROVIDED IN THIS SUBDIVISION, THE TERMS AND METHOD OF SALE SHALL BE DETERMINED BY THE COMMISSIONER.)*

*The agency shall first endeavor to sell the property to a person who is eligible for a family farm loan which is made, purchased, participated in, or guaranteed by the agency. If the agency is unable to effect a sale to an eligible person, it shall endeavor to sell the property for cash as provided in subdivision 4a. If the agency is unable to effect a sale to an eligible person or for cash as provided in subdivision 4a, or if the agency finds that sale to an eligible person or for cash would not best protect the interests of the state, the agency shall sell the property on the terms which the agency finds will best protect the interests of the state. The agency may lease any real property which it is unable to sell with reasonable promptness. In any event the agency shall sell any real property which it acquires within two years after the conveyance of title to the state or after the expiration of the period of redemption.*

*Subd. 4a. [SALE FOR CASH.] When the agency sells any real property for cash it shall follow the procedures provided in this subdivision. If the sale will be completed more than 15 days after the last published notice of sale as provided in subdivision 4, the agency shall publish another notice as provided in that subdivision. The (COMMISSIONER) agency shall sell the property to the highest bidder as determined by taking sealed bids or by bids at public auction (, PROVIDED THAT IN EITHER EVENT HE). The agency may refuse to accept any or all bids. If it accepts a bid, it shall (SELECT THE SUCCESSFUL BIDDER) do so within 15 days of the date of the last published notice of sale. Bidders shall submit bid security in the form of a certified check or bid bond in the amount of two percent of their bid price and the successful bidder shall remit the balance of the purchase price to the (COMMISSIONER) agency within 90 days of the date of sale. Upon remittance of (SUCH) the balance within 90 days of the date of sale, the (COMMISSIONER) agency shall transfer title to the property, including any acquired mineral rights, to the purchaser by quitclaim deed. In the event that the purchaser fails to remit any part of such balance within 90 days of the date of sale, the purchaser shall forfeit all rights to the property and any moneys paid thereon and the (STATE) agency shall recommence the sale process as specified in this subdivision.*

*Subd. 4b. [PROCEEDS OF SALE.] Proceeds from the sale of a parcel of property obtained by the (STATE) agency pursuant to this section shall be paid into the special account*

authorized in section 41.61, subdivision 1, to the extent that funds from the special account were disbursed according to the terms of the (FAMILY FARM SECURITY) *state* loan guarantee and into the general fund to the extent that funds were disbursed as payment adjustments by the (COMMISSIONER) *agency*. Proceeds in excess of these amounts shall be paid to the lender to the extent that payment to the lender pursuant to the loan guarantee was less than the money due and payable to the lender under the family farm security loan. Proceeds in excess of these amounts shall be paid to cooperating agencies according to the terms of the family farm (SECURITY) memorandum of understanding. Additional proceeds, if any, shall be paid into the general fund.

*Proceeds of the sale of property which secured a family farm loan which the agency made, purchased or participated in shall be deposited in the family farm loan fund, or other fund into which the proceeds must be deposited in accordance with the applicable provisions of all bond resolutions, indentures and other instruments, contracts, and agreements of the agency.*

Sec. 24. Minnesota Statutes 1980, Section 41.57, is amended to read:

**41.57 [(TERMS OF THE LOAN) INTEREST ADJUSTMENT.]**

Subdivision 1. ([FORMS; APPRAISAL PROCEDURE; LIMITATIONS.] A FAMILY FARM SECURITY LOAN SHALL BE TRANSACTED ON FORMS APPROVED BY THE COMMISSIONER WITH THE ADVICE OF THE ATTORNEY GENERAL. THE COMMISSIONER SHALL ESTABLISH BY RULE AN APPRAISAL PROCEDURE. HE SHALL THEREBY DETERMINE THE VALUE AND INCOME POTENTIAL OF THE PROPERTY BEFORE GUARANTEEING A FAMILY FARM SECURITY LOAN. NO GUARANTEE SHALL BE MADE IF THE PURCHASE PRICE OF THE FARM LAND EXCEEDS THE APPRAISAL VALUE AS DETERMINED UNDER THE PROVISIONS OF THIS SUBDIVISION.)

(SUBD. 2.) [(PAYMENT) INTEREST ADJUSTMENT.] To be eligible for (PAYMENT) *an interest* adjustment a family farm (SECURITY) loan shall have a maximum term of 20 years, and (SHALL) provide for payments *to a lender* at least annually so that the loan (SHALL BE) *is* amortized over its term with equal annual payments of principal and interest, except that a loan to be amortized over a term of ten years or less need not provide for equal annual payments of principal and interest. During the first ten years of a family farm (SECURITY) loan *which has been approved for an interest adjustment*, the (COMMISSIONER) *agency* shall annually pay to the lender four percent of the outstanding balance due at the beginning of that year and the applicant shall pay the remainder of the pay-

ment due. After the tenth year, the applicant shall make payments according to the stated interest rate. The applicant may petition the (COMMISSIONER) *agency* for one ten year renewal of the (PAYMENT) *interest* adjustment. If a renewal is granted, in the 21st year the applicant shall reimburse the (COMMISSIONER) *agency* for the sums paid on the applicant's behalf under this subdivision. If no renewal is granted, the applicant shall reimburse the (COMMISSIONER) *agency* in the 11th year for the sums paid on the applicant's behalf under this subdivision. The obligation to repay the payment adjustment shall be a lien against the property.

Subd. (3) 2. [ANNUAL REVIEW OF NET WORTH.] The applicant, his dependents and spouse shall annually submit to the (COMMISSIONER) *agency* a statement of their net worth. If their net worth in any year exceeds the sum of \$135,000, *increased by the percentage of increase from January 1, 1981, to the date of the loan application in the consumer price index published by the federal department of labor which is considered by the agency to most closely reflect the prices of farm land and commodities*, the applicant shall be ineligible for (A PAYMENT) *an interest* adjustment in that year.

Sec. 25. Minnesota Statutes 1980, Section 41.58, Subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] The (COMMISSIONER) *agency* may provide a *state loan* guarantee to (THE LENDERS ON SELLER-SPONSORED LOANS) *a lender on a seller-sponsored loan* when the buyer satisfies the eligibility criteria in section 41.55. The commissioner may also provide (A PAYMENT) *an interest* adjustment on behalf of the applicant in the case of a seller-sponsored (LOANS) *loan*.

Sec. 26. Minnesota Statutes 1981 Supplement, Section 41.58, Subdivision 2, is amended to read:

Subd. 2. [NEGOTIABILITY AND MARKETABILITY.] A seller-sponsored loan shall be secured by a purchase money real estate mortgage evidenced by negotiable note or notes as defined in section 336.3-104 or by a contract for deed. The (COMMISSIONER) *agency* must be notified in writing within 30 days after a family farm security loan note is sold or exchanged or vendor's interest in a contract for deed is sold, exchanged, assigned or transferred.

Sec. 27. Minnesota Statutes 1980, Section 41.58, Subdivision 3, is amended to read:

Subd. 3. [TAXABILITY.] The interest earned by the seller of the property on a seller-sponsored loan that is (GUARANTEED BY THE COMMISSIONER SHALL BE) *subject to a*

*state loan guarantee* is excludable from gross income for purposes of chapter 290 for the year in which it is received.

Sec. 28. Minnesota Statutes 1980, Section 41.59, Subdivision 1, is amended to read:

Subdivision 1. [IMMEDIATE REPAYMENT OF LOAN.] Any applicant who sells or conveys the property (FOR) which is *subject to* a family farm (SECURITY) loan (WAS ISSUED) which was made or purchased by the agency or for which a state loan guarantee was provided shall immediately retire the entire indebtedness still owed to the lender and the (COMMISSIONER) agency. The new owner may negotiate (A FAMILY FARM SECURITY) another loan in his own right, but under no circumstances may the original loan be assumed by the new owner. This subdivision is not intended to prohibit the applicant from granting a security interest in the property for the purposes of securing an additional loan.

Any applicant who fails to maintain the land covered by a family farm security loan in active agricultural production for a period of time longer than one year shall be in default. Such a default may be waived by the (COMMISSIONER) agency in the event of a physical disability or other extenuating circumstances.

Sec. 29. Minnesota Statutes 1980, Section 41.59, Subdivision 2, is amended to read:

Subd. 2. [TAX PENALTY ON CAPITAL GAIN.] Chapter 290 shall apply to determine the amount of the gain realized on the sale of property (FOR) which is *subject to* a family farm (SECURITY) loan (HAS BEEN ISSUED) which was made or purchased by the agency or for which a state loan guarantee was provided. The tax imposed by chapter 290 shall be imposed on the following percentages of any gain realized on the sale of the property:

Time lapsed from issuance of loan

	At least	but less than	Percent
(a)		1 year	100
(b)	1 year	3 years	90
(c)	3 years	5 years	80
(d)	5 years	7 years	70
(e)	7 years	9 years	60
(f)	9 years	10 years	50

This tax shall no longer be applicable and the tax imposed by chapter 290 shall apply when the property (FOR WHICH A) *subject to the family farm (SECURITY) loan (WAS ISSUED)* has been held by the applicant for more than ten years after the issuance of the loan. Chapter 290 shall apply when the applicant has realized a loss on the sale of the property.

Sec. 30. Minnesota Statutes 1980, Section 41.60, is amended to read:

41.60 [DISCRIMINATION PROHIBITED.]

In carrying out their respective duties under (LAWS 1976, CHAPTER 210) *chapter 41*, the council and the (COMMISSIONER) *agency* shall not discriminate between applicants because of race, color, creed, religion, national origin, sex, marital status, disability, political or ideological persuasion.

Sec. 31. [41.505] [FAMILY FARM LOAN FUND.]

*Subdivision 1. [CREATION.] There is created and established under the jurisdiction and control of the agency a revolving fund to be known as the family farm loan fund.*

*Subd. 2. [CONTENTS OF FUND.] There shall be paid into the family farm loan fund:*

*(a) All amounts appropriated and made available by the state for the purposes of the fund;*

*(b) Any money which the agency receives in repayment of family farm loans made from the fund or in which the fund participated;*

*(c) Proceeds of the sale of defaulted property on which the agency had a lien to secure a family farm loan made from the fund or in which the fund participated;*

*(d) Any other money which may be made available to the agency for the purpose of the fund from any other source;*

*(e) All revenues from the loan and investment of the proceeds of any issue of bonds which, in accordance with the provisions of the resolution or indenture under which the bonds or notes are issued, may be and are transferred to the family farm loan fund.*

*Subd. 3. [USE OF FUND; APPROPRIATION.] Amounts from time to time held in the family farm loan fund, including income from the investment thereof, are annually appropriated for the following purposes:*

(a) To restore to any debt service reserve fund for bonds of the agency, if necessary, the minimum balance required to be maintained therein;

(b) To pay administrative expenses incurred by the agency pursuant to sections 41.51 to 41.61; and

(c) To make or participate in family farm loans including family farm first mortgage loans, down payment loans and loans of the federal land bank as provided in section 15, subdivision 6.

## Sec. 32. [41.528] [GENERAL OBLIGATION BONDS.]

*Subdivision 1. [PROCEDURE.] For the purpose of providing money to be appropriated to the family farm loan fund for the purposes provided in section 31, subdivision 3, clauses (b) and (c), the commissioner of finance, upon request of the governor, shall sell and issue Minnesota state family farm finance bonds for the prompt and full payment of which, with interest thereon, the full faith, credit and taxing powers of the state are irrevocably pledged. Bonds shall be issued pursuant to this section only as authorized by a law specifying the purpose thereof and the amount of the proceeds which may be expended for that purpose. Any accrued interest and premium received upon the sale thereof is appropriated and shall be credited to a separate bookkeeping account to be maintained in the state bond fund and designated as the Minnesota state family farm finance bond account. The bonds shall be issued, sold, executed, authenticated, and secured in the manner prescribed in section 16A.64. The bonds are issued pursuant to the Minnesota Constitution, Article XI, Section 5, clause (h), and further secured by Article XI, Section 7. All money appropriated and taxes levied for the payment of the bonds shall be credited to the Minnesota state family farm finance bond account.*

*Subd. 2. [FAMILY FARM FINANCE BOND ACCOUNT.] In order to reduce the amount of taxes otherwise required by the Minnesota Constitution, Article XI, Section 7, to be levied for the payment of interest and principal on the bonds authorized by this section, there is hereby appropriated annually to the family farm finance bond account in the state bond fund from the general fund in the state treasury a sum of money sufficient in amount, when added to the balance on hand on November 1 in each year in the family farm finance bond account, to pay all principal and interest due and to become due on the bonds within the then ensuing year and to and including July 1 in the second ensuing year. The moneys received and on hand pursuant to the appropriation annually made by this subdivision are available in the state bond fund prior to the levy of the tax in any year required by the Minnesota Constitution, Article XI, Section 7, and shall be used to reduce the amount of tax otherwise required to be levied.*

*Subd. 3. [APPLICATION OF OTHER SECTIONS.] None of the provisions of sections 17, 18, or 20 apply to bonds issued or sold under this section.*

**Sec. 33. [TRANSITION TO NEW AGENCY.]**

*The transfer of all responsibilities of the department of agriculture under chapter 41, to the family farm finance agency shall be accomplished as provided in section 15.039.*

**Sec. 34. [BOND AUTHORIZATION.]**

*The commissioner of finance is authorized upon the request of the governor to sell and issue Minnesota state family farm finance bonds for the purposes provided in section 31, subdivision 3, clauses (b) and (c), in the aggregate principal amount of \$20,000,000, in the manner and upon the conditions prescribed in section 32 and in article XI of the Minnesota Constitution. Except as provided in section 36, subdivision 1, all of the proceeds of the bonds are appropriated to the family farm loan fund for expenditure as provided in section 31, subdivision 3, clauses (b) and (c).*

**Sec. 35. [APPROPRIATION.]**

*Subdivision 1. The sum of \$185,000 is appropriated from the family farm loan fund to the board of the family farm finance agency for expenses necessary to organize and prepare the agency for operation.*

*Subd. 2. The approved complement of the department of agriculture is increased by two positions, which shall be assigned to the family farm finance agency when the agency is in operation.*

**Sec. 36. [REPEALER.]**

*Minnesota Statutes 1980, Sections 41.53; 41.54, Subdivisions 3 and 5; and 41.56, Subdivisions 5 and 6; and Minnesota Statutes 1981 Supplement, Section 41.56, Subdivisions 1 and 2, are repealed.*

**Sec. 37. [EFFECTIVE DATE.]**

*This act is effective August 1, 1982."*

Delete the title and insert:

*"A bill for an act relating to agriculture; creating a family farm finance agency; authorizing the agency to issue bonds 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 and 10, and by adding subdivisions; 41.54, Subdivisions 1 and 4, and by adding a subdivision; 41.55; 41.57; 41.58, Subdivisions 1 and 3; 41.59, Subdivisions 1 and 2; and 41.60; Minnesota Statutes 1981 Supplement, Sections 41.52, Subdivisions 5, 8, and 9; 41.54, Subdivision 2; 41.56, Subdivisions 3 and 4; and 41.58, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 41; repealing Minnesota Statutes 1980, Sections 41.53; 41.54, Subdivisions 3 and 5; and 41.56, Subdivisions 5 and 6; and Minnesota Statutes 1981 Supplement, Section 41.56, Subdivisions 1 and 2."

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

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1816, A bill for an act relating to the environment; expediting the receipt of federal moneys for emergency response to hazardous waste releases; expediting the variance issuance procedures of the pollution control agency; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; and 116.07, Subdivision 5.

Reported the same back with the following amendments:

Page 2, line 11, delete "*as amended*"

Page 2, delete line 12

Page 2, line 13, delete "*sections*" and insert "*42 U.S.C. Sections*"

Page 2, line 18, strike "*the requirements of*"

Page 2, strike line 19

Page 2, line 20, strike "*it may by regulation prescribe*" and insert "*its rules as provided in section 15.0412, subdivision 1a,*"

Page 2, line 21, before "*promote*" insert "*to*"

Page 2, line 29, after the period, insert "*The variance rules shall provide for notice and opportunity for hearing before a variance is granted.*"

Page 2, line 30, strike "*No*" and insert "*A*"

Page 2, line 32, strike "*shall*" and insert "*may*" and after "*variances*" insert "*after notice and public hearing*"

Page 2, line 33, strike "*law,*"



Page 2, line 36, strike “, except after notice and public”

Page 3, line 1, strike “hearing”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1838, A bill for an act relating to natural resources; extending the time during which the commissioner of natural resources may extend timber permits; amending Laws 1981, Chapter 305, Section 11.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 90.201, is amended to read:

**90.201 [VOID TIMBER SALES (, WHEN VOID); REFUNDS; ADJUSTMENT OF SALE TERMS.]**

*Subdivision 1. [VOID SALES; REFUNDS.] Any sale of timber made by fraud or mistake or in violation of the provisions of this chapter shall be void, the permit issued thereon shall be of no effect, and the holder shall be required to surrender the same. In case of a sale made by mistake the amount (SO) paid shall be refunded to the permit holder, or at his request the commissioner may credit the refund as payment upon any other timber purchased by the permit holder. If timber has been cut on a permit which required cancellation due to error by the state, it may be sold at single stumpage rate without formalities.*

*Subd. 2. [REFUNDS ON FINAL BILLING; INTEREST PAYMENT ON LATE REFUNDS.] The commissioner shall refund to a permit holder any amount paid on a timber sale which exceeds the value of the timber cut under that sale as determined on a final statement transmitted pursuant to section 90.181. The permit holder may request that the commissioner credit the refund as payment on another permit held by that permit holder.*

*Any refund of cash which is due to a permit holder as determined on a final statement transmitted pursuant to section 90.181 which is not paid to the permit holder within 45 days after the date of that statement shall bear interest at the rate determined pursuant to section 549.09 unless the refund is credited*

*on another permit held by that permit holder. Interest shall be paid from the date of the final statement. No interest shall be paid in an amount of \$1 or less.*

**Subd. 3. [REAPPRAISAL OF DAMAGED TIMBER.]**  
*When timber under a valid permit is damaged or destroyed by natural causes, including fire, windstorm, or flood, the commissioner may reappraise the timber and make a correction in the permit.*

**Subd. 4. [SETTLEMENT OF PERMIT OBLIGATIONS.]**  
*When a permit holder dies or becomes permanently incapacitated, the commissioner may compromise and settle the remaining obligations to the state."*

Page 1, line 13, strike "Section 90.191" and insert "Chapter 90"

Page 1, line 14, delete "June 30" and insert "December 31"

Page 1, lines 16 and 18, strike "section 90.191" and insert "chapter 90"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "requiring payment of interest on late refunds to timber sale permit holders; authorizing reappraisal of damaged or destroyed timber sold under a permit; authorizing settlement of permit obligations when a permittee is incapacitated or deceased;"

Page 1, line 4, after "amending" insert "Minnesota Statutes 1980, Section 90.201; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1844, A bill for an act relating to game and fish; removing the restriction upon issuance of wild turkey licenses; amending Minnesota Statutes 1980, Section 100.271, Subdivision 3a.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. [98.456] [TURKEY HUNTER GUIDE LICENSE.] *No person shall for compensation engage in the business or occupation of guiding hunters in seeking to take turkeys without an annual license from the commissioner. The commissioner shall promulgate rules governing qualifications for issuance and administration of licenses required by this section. No license shall be issued under this section after the day prior to the opening of the season for taking turkeys.*

Sec. 2. Minnesota Statutes 1981 Supplement, 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;

(2) To trap fur bearing animals, except beaver, for residents 18 years of age and older, \$13;

(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, \$100, provided that any employee, partner or officer buying or selling at the established place of business only for the licensee may secure a supplemental license for \$50;

(4) To trap beaver during an open season or by permit when doing damage, \$2.50;

(5) To guide bear hunters, \$75;

(6) *To guide turkey hunters, \$20.*"

Page 1, line 12, strike "within either" and insert "*during any*" and strike "two" and insert "*five*"

Renumber the section

Amend the title as follows:

Page 1, line 5, before the period insert "; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 98"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brinkman from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1864, A bill for an act relating to credit unions; providing for maximum interest rates on the unpaid balance of loans made by a credit union; making a temporary, superseding interest rate provision permanent; amending Minnesota Statutes 1980, Section 52.14, Subdivision 2; repealing Minnesota Statutes 1980, Section 52.14, Subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1980, Section 48.153, Subdivision 1a, is amended to read:

Subd. 1a. ((A) NOTWITHSTANDING SUBDIVISION 1,) A bank organized under the laws of this state, or a national banking association doing business in this state, making a loan of money not exceeding \$35,000 repayable in installments, may charge, at the time the loan is made, a rate of interest upon the unpaid principal balance of the amount financed of 12 percent a year, or the rate of interest authorized by section (334.011) 48.195, whichever is greater. If the rate of interest charged is permitted by section (334.011) 48.195 at the time the loan is made, the rate does not later become usurious because of a fluctuation in the federal discount rate.

((B) THIS SUBDIVISION SUPERSEDES SUBDIVISION 1 FROM APRIL 8, 1980 UNTIL JUNE 30, 1982.)

Sec. 2. Minnesota Statutes 1980, Section 48.153, Subdivision 3a, is amended to read:

Subd. 3a. ((A) NOTWITHSTANDING SUBDIVISION 3,) A savings bank organized (PURSUANT TO) *under* chapter 50, a savings association or savings and loan association subject to the provisions of sections 51A.01 to 51A.57, or a savings and loan association chartered under the laws of the United States, that has its principal place of business in this state, may make a loan for consumer purposes to a natural person in an amount not exceeding \$25,000 repayable in installments, and may charge a rate of interest upon the unpaid principal balance of the amount financed of 12 percent a year, or the rate of interest authorized by section (334.011) 48.195, whichever is greater. If the rate of interest charged is permitted by section (334.011) 48.195 at the time the loan is made, the rate does not later become usurious because of a fluctuation in the federal discount rate.

((B) THIS SUBDIVISION SUPERSEDES SUBDIVISION 3 FROM APRIL 8, 1980 UNTIL JUNE 30, 1982.)

Sec. 3. Minnesota Statutes 1981 Supplement, Section 48.195, is amended to read :

**48.195 [INTEREST RATES; USURY LIMIT FOR (BANKS) DEPOSITORY INSTITUTIONS.]**

Notwithstanding any law to the contrary, (BANKS AND) a bank, savings (BANKS) bank, savings association, savings and loan association, or credit union organized under the laws of this state (AND ANY), or a national bank or federally chartered savings bank, savings and loan association, or credit union, doing business in this state, may charge on any loan or discount made or upon any note, bill or other evidence of debt, except an extension of credit made pursuant to section 48.185, interest at a rate of not more than four and one-half percent in excess of the discount rate, including any surcharge thereon, on 90 day commercial paper in effect at the federal reserve bank located in the Ninth Federal Reserve District."

Page 1, lines 15 and 17, strike "334.011" and insert "48.195"

Page 1, line 23, delete "Section" and insert "Sections 48.153, Subdivisions 1 and 3; and"

Page 1, line 23, delete "is" and insert "are"

Page 1, after line 24 insert

"Sec. 6. [EFFECTIVE DATE.]

*Sections 1 to 5 are effective the day following final enactment."*

Renumber the sections

Amend the title as follows :

Page 1, line 2, delete "credit unions" and insert "financial institutions"

Page 1, line 4, after the first "a" insert "bank, savings bank, savings association, or"

Page 1, line 6, delete "Section" and insert "Sections 48.153, Subdivisions 1a and 3a; and" and after the semicolon insert "and Minnesota Statutes 1981 Supplement, Section 48.195;"

Page 1, line 7, delete "Section" and insert "Sections 48.153, Subdivisions 1 and 3; and"

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

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1935, A bill for an act relating to waters and watercraft safety; clarifying certain watercraft definitions and changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, by adding subdivisions; and 361.03, Subdivision 3.

Reported the same back with the following amendments:

Page 1, delete lines 14 to 19

Page 2, line 2, delete "*and all watercraft,*"

Page 2, delete line 3

Page 2, line 4, delete "*less,*"

Page 2, after line 18, insert a new section to read:

"Sec. 3. Minnesota Statutes 1980, Section 361.03, Subdivision 12, is amended to read:

Subd. 12. [EXEMPTIONS.] No license hereunder shall be required for the following described watercraft:

(a) Watercraft which is covered by a license or number in full force and effect pursuant to federal law or a federally approved licensing or numbering system of another state, and which has not been within this state for more than 90 consecutive days, the aforesaid 90 consecutive days shall not include days in which a watercraft is laid up at dock over winter or for repairs at any Lake Superior port, or any other Minnesota port.

(b) Watercraft from a country other than the United States which have not been within this state for more than 90 consecutive days, the aforesaid 90 consecutive days shall not include days in which a watercraft is laid up at dock over winter or for repairs at any Lake Superior port, or any other Minnesota port.

(c) Watercraft owned by the United States, a state, or a political subdivision thereof except watercraft used for recreational purposes.

(d) Ship's lifeboat.

(e) Watercraft which has a valid marine document issued by the United States government.

(f) *Nonmotorized watercraft nine feet in length or less.*"

Renumber the section.

Amend the title as follows:

Page 1, line 5, delete "subdivisions" and insert "a subdivision"

Page 1, line 6, delete "Subdivision 3" and insert "Subdivisions 3 and 12"

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. 1961, A bill for an act relating to natural resources; authorizing the acquisition of certain state water access sites.

Reported the same back with the following amendments:

Page 1, line 9, delete everything after "The"

Page 4, after line 3, insert

"Sec. 2. [ALTERNATIVE SITE.]

*Before the lands described in section 1 are developed, the commissioner of natural resources will determine if an alternative water access site exists in the vicinity of the lands described in section 1. If such lands exist, the commissioners of natural resources and administration may sell or exchange the lands described in section 1 in accordance with chapters 16 and 94."*

Renumber the section

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1982, A bill for an act relating to forestry; establishing a forest research management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, Subdivision 6, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1 and insert:

"Section 1. [SHORT TITLE.]

*Sections 1 to 31 may be cited as the Forest Resource Management Act of 1982."*

Page 2, after line 32, insert:

*"Subd. 13. [FOREST LANDS UNDER THE AUTHORITY OF THE COMMISSIONER.] "Forest lands under the authority of the commissioner" means state forest lands and other forest lands managed by the commissioner outside of state forest, except for tax-forfeited lands held in trust for the taxing districts and for the following units of the outdoor recreation system as defined in section 86A.04: state parks, state trails, state wildlife management areas, state scientific and natural areas, state water access sites, state historic sites, state rest areas and state wilderness areas."*

Page 2, line 36, after "lands" insert "*under the authority of the commissioner*"

Page 3, line 6, delete "*state forest lands or other*"

Page 3, line 9, delete "*state forest land and other forest land*" and insert "*forest lands*"

Page 3, line 10, delete "*his*" and after "*authority*" insert "*of the commissioner*"

Page 3, line 17, delete "*land under his*" and insert "*lands under the*"

Page 3, line 18, after "*authority*" insert "*of the commissioner*"



Page 4, line 15, after "base" insert "*compatible with the data base of the Minnesota land management information center,*"

Page 6, after line 18, insert:

"Sec. 7. [89.014] [PRESENTATION TO LEGISLATURE.]

*The completed forest resource management plan and unit plans shall be presented at hearings before the standing committees of each house of the legislature with jurisdiction over natural resources or appropriation matters.*"

Page 6, line 19, delete "[89.014]" and insert "[89.015]"

Page 6, line 24, delete "state forest land" and insert "forest lands"

Page 6, line 25, delete "his" and insert "the"

Page 6, line 25, after "authority" insert "of the commissioner"

Page 8, line 2, delete "10" and insert "11"

Page 8, line 27, delete "and" and insert

*"(c) Money from the sale of tree planting stock as provided in section 89.37, subdivision 4; and"*

Reletter remaining clause

Page 9, delete lines 4 to 6

Reletter the clauses

Page 11, line 15, reinstate the stricken language

Page 11, line 16, delete "are annually appropriated" and insert "forest management fund pursuant to section 10 and are available"

Page 12, line 8, after "RESEARCH" insert "AND EXTENSION"

Page 12, line 9, delete "ACTIVITIES ENUMERATED" and insert "AGRICULTURE EXPERIMENT STATION"

Page 12, line 31, delete everything before "To"

Page 13, after line 3, insert:

"Subd. 2. [AGRICULTURAL EXTENSION SERVICE.]  
*The director of the agricultural extension service at the Universti-*

*ty of Minnesota is authorized to conduct, support, and cooperate in forestry extension activities including, but not limited to, the following:*

*(a) Providing educational programs that will enable individuals to recognize and capture opportunities for managing forests for purposes of recreation, timber, water, wildlife, forage, and other purposes;*

*(b) Using educational programs to disseminate the results of forestry research;*

*(c) Providing for the forestry educational needs of the private, nonindustrial forest landowner;*

*(d) Assisting in providing continuing education programs for professionally trained resource managers;*

*(e) Providing educational programs that will enhance in harvesting, processing, and marketing of wood;*

*(f) Assisting in the identification of topics in need of forestry research.*

*In implementing this subdivision, all appropriate educational methods may be used.*

*To ensure efficient and effective accomplishment of forestry extension goals and objectives, the director of the state extension service shall cooperate with the commissioner in the development and implementation of the forest resources management policy and plan, and shall encourage close cooperation between forestry extension staffs in county, state, and federal service, and between personnel involved in forestry research and land management in all public and private agencies.*

Sec. 20. Minnesota Statutes 1980, Section 90.201, is amended to read:

**90.201. [VOID TIMBER SALES (, WHEN VOID); REFUNDS; ADJUSTMENT OF SALE TERMS.]**

*Subdivision 1. [VOID SALES; REFUNDS.] Any sale of timber made by fraud or mistake or in violation of the provisions of this chapter shall be void, the permit issued thereon shall be of no effect, and the holder shall be required to surrender the same. In case of a sale made by mistake the amount (SO) paid shall be refunded to the permit holder, or at his request the commissioner may credit the refund as payment upon any other timber purchased by the permit holder. If timber has been cut on a permit which required cancellation due to error by the state, it may be sold at single stumpage rate without formalities.*

*Subd. 2. [REFUNDS ON FINAL BILLING; INTEREST PAYMENT ON LATE REFUNDS.] The commissioner shall refund to a permit holder any amount paid on a timber sale which exceeds the value of the timber cut under that sale as determined on a final statement transmitted pursuant to section 90.181. The permit holder may request that the commissioner credit the refund as payment on another permit held by that permit holder.*

*Any refund of cash which is due to a permit holder as determined on a final statement transmitted pursuant to section 90.-181 which is not paid to the permit holder within 45 days after the date of that statement shall bear interest at the rate determined pursuant to section 549.09 unless the refund is credited on another permit held by that permit holder. Interest shall be paid from the date of the final statement. No interest shall be paid in an amount of \$1 or less.*

*Subd. 3. [REAPPRAISAL OF DAMAGED TIMBER.] When timber under a valid permit is damaged or destroyed by natural causes, including fire, windstorm, or flood, the commissioner may reappraise the timber and make a correction in the permit.*

*Subd. 4. [SETTLEMENT OF PERMIT OBLIGATIONS.] When a permit holder dies or becomes permanently incapacitated, the commissioner may compromise and settle the remaining obligations to the state."*

Page 13, line 15, after the period insert "The standards shall not be subject to the rule-making provisions of chapter 15."

Page 14, delete lines 14 to 31

Page 23, line 10, before the period insert " , except in the case of oral or sealed bid auction sales, the down payment shall be 20 percent of the full sale value, and the remaining 80 percent shall be paid prior to entry. In the case of auction sales that are partitioned and sold as a single sale with predetermined cutting blocks, the down payment shall be 20 percent of the full sale price of the entire timber sale which may be held until the satisfactory completion of the sale or applied in whole or in part to the final cutting block. The value of each separate block must be paid in full before any cutting may begin in that block. With the permission of the county administrator the purchaser may enter unpaid blocks and cut necessary timber incidental to developing logging roads as may be needed to log other blocks provided that no timber may be removed from an unpaid block until separately scaled and paid for"

Page 27, line 5, delete "10" and insert "11"

Page 28, line 3, delete "25" and insert "26"

Page 28, after line 23, insert :

**"Sec. 34. [EFFECTIVE DATE.]**

*Sections 10, 11, 14, 15, 16, 17 and 30 are effective July 1, 1982. The remaining sections of this act are effective the day following final enactment."*

**Renumber the sections**

**Amend the title as follows:**

**Page 1, line 7, delete "Subdivision 6, and"**

**Page 1, line 10, after "and 4;" insert "90.201," and delete "Subdivisions 1 and 4" and insert "Subdivision 1"**

**With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.**

**The report was adopted.**

**Wenzel from the Committee on Agriculture to which was referred:**

**H. F. No. 2033, A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Chapter 223, as amended; and Sections 232.01; 232.02, as amended; 232.04; and 232.06, Subdivision 5.**

**Reported the same back with the following amendments:**

**Delete everything after the enacting clause and insert:**

**"Section 1. [PURPOSE.]**

*The grain industry is an important source of revenue for many of Minnesota's citizens, and the regulation of grain buyers is consistent with the public welfare. It is the purpose of sections 2 to 8 to give the commissioner of agriculture the authority to regulate grain buyers.*

**Sec. 2. [223.15] [CITATION.]**

*Sections 2 to 6 may be cited as the grain buyers act.*

**Sec. 3. [223.16] [DEFINITIONS.]**

*Subdivision 1. [APPLICABILITY.] For the purpose of sections 2 to 6 the terms defined in this section have the meanings given them.*

Subd. 2. [BOND.] "Bond" means an obligation acceptable to and running to the state, as obligee, for the purpose of indemnifying producers of grain against the breach of a contract by a grain buyer.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture or the commissioner's designee.

Subd. 4. [GRAIN.] "Grain" means any cereal grain, coarse grain or oilseed in unprocessed form for which a standard has been established by the United States secretary of agriculture or the Minnesota board of grain standards.

Subd. 5. [GRAIN BUYER.] "Grain buyer" means a person who purchases grain from a producer with the exception of a person who purchases seed grain for crop production or who purchases grain as feed for the person's own livestock.

Subd. 6. [GRAIN WAREHOUSE.] "Grain warehouse" means an elevator, flour, cereal or feed mill, malthouse or warehouse in which grain belonging to a person other than the warehouse operator is received for purchase or storage.

Subd. 7. [ITINERANT GRAIN BUYER.] "Itinerant grain buyer" means a person who travels from place to place to purchase grain for resale using a truck, semitrailer or trailer owned or operated by that person.

Subd. 8. [NONWAREHOUSE GRAIN BUYER.] "Nonwarehouse grain buyer" means a person without a private or public grain warehouse license who is licensed to engage in the business of purchasing grain for resale, excluding an itinerant grain buyer. A nonwarehouse grain buyer need not use his own vehicles to transport the purchased grain.

Subd. 9. [PERSON.] "Person" means a corporation, company, joint stock company or association, partnership, firm or individual and includes their agents, trustees, assignees or duly appointed receivers.

Subd. 10. [PRIVATE GRAIN WAREHOUSE OPERATOR.] "Private grain warehouse operator" means a person licensed to operate a grain warehouse for the sole purpose of purchasing, handling, processing and shipping grain or its byproducts who is not licensed by the commissioner to accept grain belonging to others for storage. "Private grain warehouse operator" includes any person licensed under the United States Warehouse Act, Title 7, Chapter 11.

Subd. 11. [PRODUCER.] "Producer" means a person who owns or manages a grain producing or growing operation and holds or shares the responsibility for marketing the grain produced.

*Subd. 12. [PUBLIC GRAIN WAREHOUSE OPERATOR.] "Public grain warehouse operator" means a person operating a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase or who offers grain storage or warehouse facilities to the public for hire.*

*Subd. 13. [SEMITRAILER.] "Semitrailer" means a vehicle described in Minnesota Statutes, Section 168.011, Subdivision 14, used to haul grain.*

*Subd. 14. [TRAILER.] "Trailer" means a vehicle described in section 168.011, subdivision 13, used to haul grain.*

*Subd. 15. [TRUCK.] "Truck" means a single unit vehicle described in section 168.011, subdivision 10, used to haul grain.*

**Sec. 4. [223.17] [LICENSES; BONDING; CLAIMS; DISBURSEMENTS.]**

*Subdivision 1. [LICENSES.] An application for a grain buyer's license must be filed with the commissioner and the license issued before any grain may be purchased. The types of grain buyers' licenses are:*

- (a) private grain warehouse operator's license;*
- (b) public grain warehouse operator's license;*
- (c) nonwarehouse grain buyer's license; and*
- (d) itinerant grain buyer's license.*

*Public grain warehouse operators' licenses cover both grain buying and grain storage. The applicant for a grain buyer's license shall identify all grain buying locations owned or controlled by the grain buyer and all vehicles owned or controlled by the grain buyer used to transport purchased grain.*

*Subd. 2. [LICENSE RENEWAL.] A license must be renewed annually. If a person receives more than one license from the commissioner, the licenses shall be issued at the same time, but only after all conditions for each license are met. Multiple licenses should be combined into one license if possible.*

*Subd. 3. [GRAIN BUYERS AND STORAGE FUND; FEES.] The commissioner shall set the fees for inspections and licenses under sections 2 to 6 at levels necessary to pay the expenses of administering and enforcing sections 2 to 6.*

*There is created in the state treasury the grain buyers and storage fund. Fees and penalties collected pursuant to sections*

2 to 6 shall be paid into the state treasury and credited to the grain buyers and storage fund. Money in the grain buyers and storage fund, including interest earned on the money in the fund and any money appropriated by the legislature for the purposes of sections 2 to 6, is annually appropriated to the commissioner for the administration and enforcement of sections 2 to 6.

*Subd. 4. [BOND.] Before a license is issued, the applicant for a grain buyers license shall file with the commissioner a bond in a penal sum prescribed by the commissioner but not more than the following amounts:*

*(a) \$10,000 for each private or public grain warehouse up to a maximum of five grain warehouses;*

*(b) \$10,000 for each semitrailer used by an itinerant grain buyer up to a maximum of five semitrailers;*

*(c) \$5,000 for each truck used by an itinerant grain buyer up to a maximum of five trucks;*

*(d) \$5,000 for each trailer used by an itinerant grain buyer up to a maximum of five trailers; and*

*(e) \$50,000 for each nonwarehouse grain buyer.*

*In lieu of the bond required by this subdivision the applicant may deposit with the state treasurer cash, a certified check, 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.*

*Subd. 5. [VOLUNTARY EXTENSION OF CREDIT.] Upon demand by a seller of grain, a grain buyer shall pay 90 percent of the estimated or actual value of grain purchased at the time the physical possession of the grain is conveyed from the seller to the grain buyer. The grain buyer shall complete final settlement as rapidly as possible through ordinary diligence. Any transaction wherein this demand is not exercised constitutes a voluntary extension of credit and is not afforded protection under the grain buyer's bond.*

*Subd. 6. [CONFIDENTIAL STATEMENTS REQUIRED.] For the purpose of fixing or changing the amount of a required bond or for any other proper reason, the commissioner may require financial statements from a licensee. If the licensee fails to furnish financial statements or to furnish any new bond required, the commissioner may immediately suspend the license and the licensee shall surrender the license to the commissioner. Within 15 days the licensee may request an administrative hear-*

ing subject to chapter 15 to determine whether the license should be revoked. If no request is made within 15 days, the commissioner shall revoke the license. All financial statements submitted to the commissioner are confidential.

*Subd. 7. [BOND CLAIMS.] A producer claiming to be damaged by a breach of the conditions of a bond of a licensed grain buyer may file a written claim with the commissioner. The claim must state the facts constituting the claim. The claim must be filed with the commissioner within 180 days of the breach of the conditions of the bond. If the commissioner believes that a claim is valid, the commissioner may immediately suspend the license, in which case the licensee shall surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 15 to determine whether the license should be revoked. If no request is made within 15 days, the commissioner shall revoke the license.*

*Subd. 8. [BOND DISBURSEMENT.] (a) The bond shall provide for payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer. The bond shall be conditioned upon the grain buyer being duly licensed as provided herein. The bond shall not cover any transaction which constitutes a voluntary extension of credit.*

*(b) Upon notification of default, the commissioner shall determine the validity of all claims and notify all parties having filed claims. An aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding. In the absence of such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment to those claimants entitled to payment. When the commissioner determines it necessary, the commissioner may apply to the district court for an order appointing a trustee or receiver to manage and supervise the operations of the grain buyer in default. The commissioner may participate in any resulting court proceeding as an interested party.*

*(c) If a grain buyer has become liable to more than one producer by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay the entire liability to all producers entitled to the protection of the bond, the proceeds of the bond shall be apportioned among the bona fide claimants.*

*(d) The bond shall not be cumulative from one licensing period to the next. The maximum liability of the bond shall be its face value for the licensing period.*

Sec. 5. [223.18] [PENALTY.]



*A person buying grain without first obtaining a grain buyer's license is guilty of a misdemeanor. Each day of operation without a grain buyer's license constitutes a separate offense.*

**Sec. 6. [223.19] [RULES.]**

*The commissioner may promulgate rules to carry out the provisions of sections 2 to 6.*

**Sec. 7. [APPROPRIATION.]**

*The sum of \$30,000 is appropriated to the commissioner for establishment of the grain buyers and storage fund pursuant to section 4. The amount appropriated pursuant to this section shall be repaid to the general fund by July 1, 1983.*

**Sec. 8. [REPEALER.]**

*Minnesota Statutes 1980, Sections 223.04; 223.07; 223.08; 223.09; 223.10; 223.11; 232.01; 232.02, Subdivisions 4, 5, 6, 7, 8 and 9; 232.03; 232.04; and 232.06, Subdivision 5; Minnesota Statutes 1981 Supplement, Sections 223.01; 223.02; 223.03; 223.05; and 232.02, Subdivisions 1, 2 and 3, are repealed. Sections 1 to 7 are repealed July 1, 1983 except that the provisions of section 4, subdivisions 7 and 8 shall remain in effect for the settlement of any claims.*

**Sec. 9. [EFFECTIVE DATE.]**

*This act is effective July 1, 1982."*

Delete the title and insert:

**"A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Sections 223.04; 223.07 to 223.11; 232.01; 232.02, Subdivisions 4, 5, 6, 7, 8 and 9; 232.03; 232.04; and 232.06, Subdivision 5; Minnesota Statutes 1981 Supplement, Sections 223.01; 223.02; 223.03; 223.05; and 232.02, Subdivisions 1, 2 and 3."**

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

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2125, A bill for an act relating to the Red River watershed; naming all counties in which the special taxing

authority of certain watershed districts applies; amending Laws 1976, Chapter 162, Section 1.

Reported the same back with the following amendments:

Page 1, line 17, strike "the 1974 edition of"

Page 1, line 22, strike "the 1974 edition of"

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

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 2132, A bill for an act relating to highway traffic regulations; including a person in a wheelchair within the definition of pedestrian; amending Minnesota Statutes 1980, Sections 169.01, Subdivision 24; and 169.21, Subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 169.01, Subdivision 24, is amended to read:

Subd. 24. [PEDESTRIAN.] "Pedestrian" means any person afoot or in a wheelchair.

Sec. 2. Minnesota Statutes 1980, Section 169.01, is amended by adding a subdivision to read:

Subd. 24a. [WHEELCHAIR.] *For the purposes of chapter 169 "wheelchair" is defined to include any manual or motorized wheelchair, scooter, tricycle, or similar device used by a handicapped person as a substitute for walking.*

Sec. 3. Minnesota Statutes 1980, Section 169.21, Subdivision 5, is amended to read:

Subd. 5. [WALK ON LEFT SIDE OF ROADWAY.] Pedestrians when walking or moving in a wheelchair along a roadway shall, when practicable, walk or move on the left side of the roadway or its shoulder giving way to oncoming traffic. Where sidewalks are provided and are accessible and usable it shall be unlawful for any pedestrian to walk or move in a wheelchair along and upon an adjacent roadway.

**Sec. 4. [EFFECTIVE DATE.]**

*Sections 1 to 3 are effective the day following their final enactment."*

Amend the title as follows:

Page 1, line 5, after "Subdivision 24" insert ", and by adding a subdivision"

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

The report was adopted.

McCarron from the Committee on Reapportionment and Elections to which was referred:

H. F. No. 2194, A bill for an act relating to elections; fixing expenditure limits for campaigns for certain offices; amending Minnesota Statutes 1980, Section 210A.22.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 2, is amended to read:

Subd. 2. [TRADE OR BUSINESS EXPENSES; EXPENSES FOR PRODUCTION OF INCOME.] (a) In General. There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered;

(2) Traveling expenses (including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances) while away from home in the pursuit of a trade or business; and

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. For purposes of the preceding sentence, the place of residence of a member of congress within the state shall be considered his home, but amounts expended by such members within each taxable year

for living expenses shall not be deductible for income tax purposes in excess of \$3,000.

(b) Expenses for Production of Income. In the case of an individual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year.

(1) For the production or collection of income;

(2) For the management, conservation, or maintenance of property held for the production of income; or

(3) In connection with the determination, collection, or refund of any tax.

(c) Campaign expenditures in an amount not to exceed **(THE LIMITS SET OUT IN SECTION 210A.22) one-third of the salary of the office sought, for the year the election is held, by the candidate, but no less than \$100**, not subsequently reimbursed, which have been personally paid by a candidate for public office **(IF THE CANDIDATE HAS COMPLIED WITH THE EXPENDITURE LIMITATIONS SET OUT IN SECTION 210A.22, EVEN THOUGH THE CANDIDATE'S EXPENDITURES ARE LIMITED UNDER OTHER STATE OR FEDERAL LAWS)**;

(d) No deduction shall be allowed under this subdivision for any contribution or gift which would be allowable as a deduction under section 290.21 were it not for the percentage limitations set forth in such section;

(e) All expense money paid by the legislature to legislators;

(f) The provisions of section 280A (disallowing certain expenses in connection with the business use of the home and rental of vacation homes) of the Internal Revenue Code of 1954, as amended through December 31, 1979, shall be applicable in determining the availability of any deduction under this subdivision.

(g) Entertainment, amusement, or recreation expenses shall be allowed under this subdivision only to the extent that they qualify as a deduction under section 274 of the Internal Revenue Code of 1954, as amended through December 31, 1979.

Sec. 2. [REPEALER.]

*Minnesota Statutes 1980, Section 210A.22, is repealed."*

Amend the title as follows:

Page 1, line 3, after "amending" insert "Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 2; repealing"

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

The report was adopted.

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

H. F. No. 2195, A bill for an act relating to local government; providing for the economic development of University Avenue in the cities of Minneapolis and St. Paul; creating an authority to develop and implement transit, housing, and economic development projects; authorizing bonding; providing for a tax levy, special assessments, and eminent domain; appropriating money.

Reported the same back with the following amendments:

Page 1, line 16, delete "construct" and insert "evaluate the feasibility of"

Page 3, delete lines 8 to 36

Page 4, delete lines 1 to 30 and lines 32 to 36

Page 5, line 1, delete "Subd. 2. [SPECIAL DUTIES.]" and "also" and "special"

Page 5, line 3, after "with" insert "local community and business organizations and"

Page 5, line 6, after "plan" insert "by March 15, 1983"

Page 5, line 7, after "zone" insert:

"The comprehensive plan shall evaluate the costs, benefits, and feasibility of a project using a rapid transit system coordinated with accelerated investment in housing and commerce to revitalize and develop the University Avenue corridor between the cities of Minneapolis and St. Paul and the University of Minnesota. The plan shall include findings on the costs and benefits and on the technical, economic, and financial feasibility of the project. The report may include recommendations on legal, institutional, and financial methods of implementing the project. The metropolitan council and the metropolitan transit commis-

*sion shall provide technical and staff assistance to the authority for developing the plan"*

Page 5, delete lines 17 to 36

Page 6, delete lines 1 to 16

Pages 6 to 13, delete sections 7, 8, 9, 10, 11, 12, 13, 14 and 15

Page 13, line 9, delete "APPROPRIATIONS" and insert "APPROPRIATION"

Page 13, delete lines 10 to 14 and insert:

*"Subdivision 1. [AMOUNT.] The sum of \$100,000 is appropriated from the general fund to the authority upon receipt of a resolution of the authority requesting payment, together with documentation showing that the requirements of subdivision 2 have been satisfied.*

*Subd. 2. [REQUIREMENTS.] The appropriation in this section is contingent upon the commitment to the authority of an additional \$100,000 or the equivalent in services, from the cities or from private sources. At least 30 days before requesting payment of the appropriation under subdivision 1, the authority shall submit to the chairs of the house appropriations and senate finance committees a work plan for the study, a description of how the study will be managed and staffed, and documentation of the \$100,000 matching commitment required. The committees shall review and make advisory recommendations to the authority."*

Renumber the sections

Page 13, line 16, delete "16" and insert "6"

Amend the title as follows:

Page 1, line 6, delete "authorizing"

Page 1, delete lines 7 and 8 and insert "providing for a preliminary comprehensive plan; appropriating money."

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

The report was adopted.

Jude from the Committee on Judiciary to which was referred:

H. F. No. 2245, A bill for an act relating to real property; providing that covenants, conditions, restrictions or extensions

thereof annexed to a grant, devise or conveyance of land that are or become nominal shall not operate as a basis of forfeiture; removing a time limitation on the duration of covenants, conditions and restrictions; amending Minnesota Statutes 1980, Section 500.20, Subdivision 1; repealing Minnesota Statutes 1980, Section 500.20, Subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 22, insert:

"Sec. 2. [508.545] [CONTRACTS FOR DEED; MODIFICATION.]

*Notwithstanding any law to the contrary, a renegotiated contract for deed or an agreement modifying the terms of a contract for deed which was valid at its inception shall not be construed as creating a mortgage or an equitable mortgage. This section does not modify any other requirements relating to contracts for deed."*

Page 1, after line 25, insert:

"Sec. 4. [EFFECTIVE DATE.]

*Section 2 is curative and is effective the day after final enactment as to all modifications and renegotiations occurring before, on, or after that date."*

Renumber the section

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "providing that contracts for deed do not create a mortgage;"

Page 1, line 9, after the semicolon, insert "proposing new law coded in Minnesota Statutes, Chapter 508;"

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

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 411, A bill for an act relating to game and fish; limiting eligibility for antlerless deer permits in certain restricted hunting areas; amending Minnesota Statutes 1980, Section 97.48, Subdivision 24.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 97.48, Subdivision 24, is amended to read:

Subd. 24. The commissioner may limit the number of persons who may hunt deer *or bear in any areas*, when he determines that **(THE GAME SUPPLY OR AREA OPEN TO HUNTING IS TOO SMALL FOR UNRESTRICTED HUNTING)** *it is necessary to prevent an overharvest or to provide for a suitable distribution of hunters*, and he may establish by order any practicable method, including a drawing, for impartially determining the persons who may hunt in such areas. *Beginning with data available for the 1981 seasons, the commissioner shall give preference to hunters who have previously unsuccessfully applied for the license in question.*

Sec. 2. 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.

Sec. 3. Minnesota Statutes 1980, Section 97.49, is amended by adding a subdivision to read:

Subd. 1b. (a) *For the purposes of this subdivision, "resident deer license" means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clauses (2) and (3), and "resident bear license" means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clause (7).*

(b) *It is the policy of this state that at least \$1 from each resident deer license and each resident bear license shall be used to fund deer and bear management programs, including the computerized licensing system.*

Sec. 4. Minnesota Statutes 1980, Section 98.455, is amended to read:

98.455 [BEAR HUNTING GUIDE LICENSE.]



No person shall for compensation engage in the business or occupation of placing bait for bear or guiding hunters in seeking to take bear without an annual license from the commissioner. The commissioner shall promulgate rules governing qualifications for, issuance and administration of licenses required by this section. No license shall be issued under this section after the day prior to the opening of the season for taking bear by firearms, and all license agents shall return all stubs and unsold license blanks to the county auditor at a time and in a manner to be determined by the commissioner. *No license to take bear is necessary to guide bear hunters unless the guide is shooting or attempting to shoot a bear.*

Sec. 5. Minnesota Statutes 1980, Section 100.29, Subdivision 14, is amended to read:

Subd. 14. It shall be unlawful to take deer or moose from any artificial scaffold, platform, or other construction higher than (SIX) *nine* feet above the ground, or to take any big game animal or timber wolf with the aid of dogs or horses. *The height restrictions in this subdivision shall not apply to portable stands that are chained, belted, clamped, or tied with rope.*

Sec. 6. Minnesota Statutes 1980, Section 100.29, Subdivision 18, is amended to read:

Subd. 18. *Except as provided in this subdivision, it shall be unlawful to place decoys or erect blinds in public waters or on public lands more than one hour before the open season for waterfowl (. IT SHALL BE UNLAWFUL) or, thereafter, to place decoys in any public waters or on public lands more than one hour before sunrise (OR TO RESERVE OR PREEMPT A SHOOTING LOCATION IN PUBLIC WATERS OR ON PUBLIC LANDS, OR TO SO ATTEMPT, BY THE DEVICE OF LEAVING DECOYS, OR A BOAT, UNATTENDED IN PUBLIC WATERS OR ON PUBLIC LANDS BETWEEN SUNSET AND ONE HOUR BEFORE SUNRISE. THIS SUBDIVISION SHALL NOT APPLY TO DESIGNATED HUNTING STATIONS ESTABLISHED ON PUBLIC LANDS BY ORDER OF THE COMMISSIONER TO REGULATE HUNTING THEREON) each day of the open waterfowl season. During the open season for waterfowl it shall be unlawful to leave decoys, or an unattended boat used for hunting waterfowl, in public waters between sunset and one hour before sunrise unless the decoys or boat are adjacent to private lands under the control of the hunter and there is not a natural growth of weeds, rushes, flags, or other vegetation growing in water sufficient to partially conceal a hunter or a boat. It shall be unlawful at all times of the year to leave decoys in public waters between sunset and one hour before sunrise if the decoys constitute a navigational hazard.*

Sec. 7. Minnesota Statutes 1980, Section 101.42, Subdivision 18, is amended to read:

Subd. 18. Except as otherwise specifically permitted, it shall be unlawful to have in possession in an automobile or any vehicle or on their person, or at or near any waters, a spear, *fish* trap, net, dip net, seine, or any other device capable of taking fish, (WHICH MAY BE POSSESSED BETWEEN THE HOURS OF SUNRISE AND SUNSET) or to take any fish by means of such devices during the period of February 16 to April 30, inclusive, except when acting under permit or contract to trap or seine from the division of (FISHERIES, DURING THE PERIOD OF FEBRUARY 16 TO APRIL 30, INCLUSIVE AND EXCEPT THAT) *fish and wildlife*. Spears, dip nets, bows and arrows, and devices permitted in section 101.51 used for the taking of rough fish may be possessed between the hours of sunrise and sunset after April 30. This subdivision does not apply to nets used in the taking of trout and smelt in season or to seines or traps used for the taking of minnows for bait or to legal angling equipment.

Sec. 8. Minnesota Statutes 1981 Supplement, 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, \$7;
- (2) To take deer with firearms, (\$14) \$15;
- (3) To take deer with bow and arrow, (\$14) \$15;
- (4) To take fish by angling, \$6.50;
- (5) Combination husband and wife, to take fish by angling, \$10.50;
- (6) To take moose, \$140 for an individual or for a party of not to exceed four persons;
- (7) To take bear only, (\$14) \$15;
- (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. 9. [DISPOSAL OF CERTAIN SURPLUS EQUIPMENT.]

*Notwithstanding the provisions of section 16.07, or any other law, the commissioner of natural resources is authorized to negotiate the sale of surplus state equipment to the Leech Lake Band of Chippewa Indians. This authorization is limited to equipment in the possession of the Leech Lake Band of Chippewa Indians and being used for enforcement of game and fish laws on March 1, 1982.*

**Sec. 10. [MILLE LACS BAND OF CHIPPEWA INDIANS.]**

*The commissioner, in consultation with the Mille Lacs Band of Chippewa Indians and other interested persons, shall review and evaluate the claimed right of the Mille Lacs Band to hunt, trap, fish and gather wild rice within the original boundaries of the Mille Lacs Indian Reservation and on contiguous waters free of state regulation and control. Based on this review the commissioner shall submit a report to the legislature by January 1, 1983, which shall include, but not be limited to, a discussion of the desirability and feasibility of entering into an agreement with the Mille Lacs Band similar to the agreements authorized by sections 97.431 to 97.433. Nothing herein shall be construed to authorize the commissioner to enter into any such agreement.*

**Sec. 11. [APPROPRIATION; COMPUTERIZED LICENSING SYSTEM.]**

*The sum of \$180,000 is appropriated from the game and fish fund to the commissioner of natural resources to develop and operate computerized licensing systems for the period ending June 30, 1983.*

**Sec. 12. [APPROPRIATION; EMERGENCY FEEDING.]**

*The sum on \$250,000 is appropriated from the game and fish fund to the commissioner of natural resources for the emergency feeding of deer, pheasants, and other wild animals during the winter of 1982. All money so appropriated which is unencumbered on July 1, 1982, shall revert to the game and fish fund.*

**Sec. 13. [EFFECTIVE DATE.]**

*Sections 1, 4, and 5 are effective the day after final enactment. Sections 2 and 3 are effective March 1, 1983."*

Delete the title and insert:

"A bill for an act relating to wild animals; providing additional authority for the commissioner of natural resources to limit the numbers of deer and bear hunters under certain circumstances; increasing resident deer and bear license fees; appropriating money for deer and bear management, computerized licensing systems, and emergency feeding of wild animals during

the winter of 1982; clarifying provisions concerning possession of certain equipment usable in taking fish; increasing the deer license habitat amount; authorizing the review of a possible agreement between the commissioner and the Mille Lacs Band of Chippewa Indians; clarifying the guide license to take bear; authorizing negotiated sale of certain surplus equipment; amending Minnesota Statutes 1980, Sections 97.48, Subdivision 24; 97.49, Subdivision 1a, and by adding a subdivision; 98.455; 100.29, Subdivisions 14 and 18; 101.42, Subdivision 18; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 2."

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

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 536, A bill for an act relating to local government; providing for the board membership and powers of the Moose Lake and Windemere area sanitary sewer district; amending Laws 1974, Chapter 400, Section 3, Subdivision 12, as amended; and Section 4, Subdivision 2, as amended; repealing Laws 1974, Chapter 400, Section 8, Subdivision 5, as amended.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

"Section 1. Laws 1971, Chapter 478, Section 2, Subdivision 17, is amended to read:

Subd. 17. "Current costs of acquisition, betterment and debt service" means interest and principal estimated to be due during the budget year on bonds issued to finance said acquisition and betterment and all other costs of acquisition and betterment estimated to be (PAID) *incurred* during such year (FROM FUNDS OTHER THAN) *but not otherwise payable out of* bond proceeds and federal or state grants.

Sec. 2. Laws 1971, Chapter 478, Section 8, as amended by Laws 1974, Chapter 377, Section 9, is amended to read:

Sec. 8. [BUDGET.]

The board shall prepare and adopt, on or before December 31, 1971, and on or before September 1, 1972, and each year thereafter, a budget showing for the following calendar year or other fiscal year determined by the board, sometimes referred to in this act as the budget year, *the* estimated (RECEIPTS OF MONEY) *revenue* from all sources, including but not limited to

(PAYMENTS BY EACH LOCAL GOVERNMENT UNIT), *income earned in the operation of the district disposal system*, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated (EXPENDITURES) *expenses* for:

(1) Credits to each local government unit under section 6, subdivision 4;

(2) Deferred payments under section 9, subdivision 3;

(3) Costs of operation, administration and maintenance of the district disposal system;

(4) Costs of acquisition and betterment of the district disposal system; and

(5) Debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 13, obligations assumed under section 6, subdivision 3, and any money judgments entered by a court of competent jurisdiction. (EXPENDITURES) *Expenses* within these general categories, and such others as the board may from time to time determine, shall be itemized in such detail as the board shall prescribe. The board and its officers, agents and employees shall not (SPEND MONEY) *incur an expense* for any purpose other than debt service without having set forth such expense in the budget nor in excess of the amount set forth in the budget therefor, and no obligation to (MAKE) *incur* such an (EXPENDITURE) *expense* shall be enforceable except as the obligation of the person or persons incurring it; providing that the board may amend the budget at any time by transferring from one purpose to another any (SUMS) *revenue* except (MONEY) for debt service and bond proceeds and by increasing (EXPENDITURES) *expenses* in any amount by which (CASH RECEIPTS) *revenue* during the budget year (ACTUALLY) *is estimated* to exceed the total amounts designated in the original budget. The creation of any obligation pursuant to section 13 or the (RECEIPT) *award* of any federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation and interest on it, whether or not specifically included in any annual budget. The budget shall contain, in addition to the provisions above, *the estimated* (RECEIPTS OF MONEY FROM) *revenue from income earned* in the operation of solid waste disposal sites or facilities and estimated (EXPENDITURES) *expenses* for the operation of such solid waste disposal sites or facilities. Revenues from the operation of disposal sites or facilities shall not be used to fund in whole or in part the maintenance or operation of the district disposal system as that term is defined in section 2 above.

Sec. 3. Laws 1971, Chapter 478, Section 9, Subdivision 1, is amended to read:

**Sec. 9. [ALLOCATION OF COSTS.]**

Subdivision 1. [DEFINITION OF CURRENT COSTS.] The estimated cost of administration, operation, maintenance and debt service of the district disposal system (TO BE PAID BY THE BOARD IN EACH FISCAL YEAR) and the estimated costs of acquisition and betterment of the system which (ARE TO BE PAID DURING THE YEAR FROM FUNDS OTHER THAN) *the board shall incur in the budget year other than cost of acquisition and betterment which are payable out of state or federal grants and bond proceeds and all other previously (UNALLOCATED PAYMENTS MADE) unrecovered costs incurred by the board pursuant to this act to be allocated in such year are referred to as current costs and shall be (ALLOCATED) recovered by the board (TO) from the local government units as hereinafter provided in the budget for such year.*

Sec. 4. Laws 1971, Chapter 478, Section 9a, Subdivision 1, as added by Laws 1974, Chapter 377, Section 10 is amended to read:

**Sec. 9a. [ALLOCATION OF COST OF OPERATION OF SOLID WASTE DISPOSAL SITES OR FACILITIES.]**

Subdivision 1. [DEFINITION OF CURRENT COSTS.] The estimated cost to the district of the administration, operation, maintenance and debt service of solid waste disposal sites or facilities and the estimated costs of acquisition and betterment of the disposal sites or facilities which (ARE TO BE PAID FROM FUNDS, OTHER THAN) *the board shall incur in the budget year, other than cost of acquisition and betterment which are payable out of state or federal grants and bond proceeds, and all other previously (UNALLOCATED PAYMENTS MADE) unrecovered costs incurred by the board are referred to as current costs and shall be recovered by the board through a system of user charges."*

Page 2, after line 5, insert:

**"Sec. 7. [CITY OF SANDSTONE LAND EXCHANGE.]**

*Subdivision 1. The city of Sandstone, hereafter called the city, is the owner of certain tracts of land located within the county of Pine, state of Minnesota, more particularly described as the:*

*Southeast Quarter of the Northwest Quarter (SE1/4 NW1/4),  
Northeast Quarter of the Southeast Quarter (NE1/4 SE1/4),  
Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4),  
Southwest Quarter of the Southeast Quarter (SW1/4 SE1/4),  
Southeast Quarter of the Southwest Quarter (SE1/4 SW1/4),  
of Section Three (3), Township Forty-Two (42) North, Range*

*Twenty (20) West, and the Northeast Quarter of the Northwest Quarter (NE1/4 NW1/4), Northwest Quarter of the Northeast Quarter (NW1/4 NE1/4), of Section Ten (10), Township Forty-Two (42) North, Range Twenty (20) West, the above described property constituting tax forfeited land conveyed to the city by the state of Minnesota by deeds of conveyance dated February 13, 1959 and May 15, 1959.*

*Subd. 2. The United States government, department of interior, fish and wildlife service, hereafter called the federal government, is the owner of a certain tract or tracts of land located in close proximity to the city and constituting a part of the Sandstone unit of the Rice Lake national wildlife refuge.*

*Subd. 3. The city desires to acquire certain portions of that tract or tracts of land owned by the federal government for use in the location and construction of a wastewater stabilization pond and setback area. The federal government in turn, desires to acquire certain portions of the land described in subdivision 1 and owned by the city, for wildlife management purposes.*

*Subd. 4. The city may negotiate an agreement with appropriate authorities of the federal government and may execute the required conveyance to the federal government of all or any portion of the lands described in subdivision 1 in exchange for the conveyance by the federal government to the city of lands of a substantially equal valuation owned by the federal government which are suitable and desirable for the location and construction of a wastewater stabilization pond and setback area. Land conveyed by the city is hereby released from the reservation for public use required by Minnesota Statutes, Section 282.01, Subdivision 1, and stated in the deeds described in subdivision 1 of this section as being exclusively for public recreational, camping, picnic grounds and park purposes, and is also released from the accompanying reversion."*

Renumber the sections

Page 2, line 10, delete "This act is" and insert "Sections 5, 6, and 8 are"

Page 2, line 12, after the period insert "Section 7 is effective upon approval by the Sandstone city council and compliance with Minnesota Statutes, Section 645.021, Subdivision 3."

Amend the title as follows:

Page 1, line 2, after the semicolon insert "providing for powers of the Western Lake Superior Sanitary District;"

Page 1, line 4, after the semicolon, insert "authorizing the city of Sandstone to exchange certain lands with the federal

government;" and after "amending" insert "Laws 1971, Chapter 478, Section 2, Subdivision 17; Section 8, as amended; Section 9, Subdivision 1; and Section 9a, Subdivision 1, as amended;"

With the recommendation that when so amended the bill pass.

The report was adopted.

McCarron from the Committee on Reapportionment and Elections to which was referred:

S. F. No. 639, A bill for an act relating to metropolitan government; requiring that metropolitan council boundaries be redrawn after each federal census; amending Minnesota Statutes 1980, Section 473.123, Subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 473.123, Subdivision 2, is amended to read:

Subd. 2. [TERMS AND APPORTIONMENT.] (COMMENCING THE FIRST MONDAY IN JANUARY, 1975,) The council members shall be appointed by the governor from each of the districts described in subdivision 3. The terms of the members shall be as follows: members representing even numbered districts for terms ending the first Monday in (JANUARY, 1977) *February, 1985*; members representing odd numbered districts for terms ending the first Monday in (JANUARY, 1979) *February, 1983*.

*The districts boundaries shall be redrawn by the legislature after each decennial federal census so that each has substantially equal population. A municipality may not be divided in forming a district unless the municipality's population is at least 1/16 of the population of the metropolitan area, as that term is defined in section 473.121, subdivision 2. The redistricting shall be effective December 31 in the year of each decade ending in the numeral "2". Within two months thereafter, the governor shall appoint members from all newly drawn districts in which no incumbent member resides. Members appointed after the redistricting following each federal census from odd numbered districts shall serve terms ending the first Monday in February of the year ending in 7. Those from even numbered districts shall serve terms ending the first Monday in February of the year ending in 5. The terms of incumbent council members representing districts for which new members are appointed by the governor after a redistricting are extended to the first Monday in February of the year the appointee takes office. Thereafter the term of each member shall be for a term of four years and until*



his successor is appointed and qualified *or until a subsequent redistricting.*

Members of the council serving as of the first Monday in January, (1975) 1982 shall continue to serve the district described in subdivision 3 in which they reside for the term herein prescribed for that district, provided that if more than one such member resides in the same district (THE GOVERNOR SHALL DESIGNATE ONE OF THEM) *the member who has the longest remaining term shall continue* to serve as the council member from the district and the terms of the other members are thereupon terminated. The governor shall appoint as members of the council one resident of each district described in subdivision 3 in which no present member of the council resides to serve for the term herein defined. (FOR THE PURPOSE OF THIS SUBDIVISION THE RESIDENCE OF PRESENT MEMBERS OF THE COUNCIL SERVING AS OF THE FIRST MONDAY IN JANUARY, 1975 SHALL BE THEIR RESIDENCE AS OF JULY 1, 1974.)

Sec. 2. Minnesota Statutes 1980, Section 473.123, Subdivision 3, is amended to read:

Subd. 3. [MEMBERSHIP.] (SIXTEEN) Members of the metropolitan council shall be appointed by the governor on a nonpartisan basis, after consulting with all members of the legislature from the area composing the council district for which the member is to be appointed, by and with the advice and consent of the senate. Each (SUCH) council member shall reside in the council district which he represents. Each council district shall be represented by one member of the council. Council districts are hereby created as follows:

((1) THE FIRST COUNCIL DISTRICT CONSISTS OF THAT PART OF THE CITY OF ST. PAUL DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF UNIVERSITY AVENUE WITH THE WEST CITY LIMITS, EXTENDING EASTERLY ALONG THE CENTER LINE OF UNIVERSITY AVENUE TO THE CENTER LINE OF RICE STREET, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF RICE STREET TO THE CENTER LINE OF INTERSTATE 94, EXTENDING EASTERLY ALONG THE CENTER LINE OF INTERSTATE 94 TO THE CENTER LINE OF SUMMIT AVENUE EXTENDED, EXTENDING SOUTHWESTERLY ALONG THE CENTER LINE OF SUMMIT AVENUE EXTENDED AND SUMMIT AVENUE TO THE CENTER LINE OF KELLOGG BOULEVARD, EXTENDING SOUTHEASTERLY ALONG THE CENTER LINE OF KELLOGG BOULEVARD TO THE CENTER LINE OF EAGLE STREET, EXTENDING SOUTHEASTERLY ALONG THE CENTER LINE OF EAGLE STREET TO THE MAIN CHANNEL OF THE MISSISSIPPI RIVER, EXTENDING SOUTHWESTERLY, WESTERLY, AND NORTHERLY ALONG THE MAIN CHANNEL OF THE

MISSISSIPPI RIVER TO THE WEST CITY LIMITS, AND EXTENDING NORTHERLY ALONG THE WEST CITY LIMITS, AND EXTENDING NORTHERLY ALONG THE WEST CITY LIMITS TO THE POINT OF ORIGIN.)

((2) THE SECOND COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF RAMSEY CONSISTING OF THE CITIES OF LAUDERDALE, FALCON HEIGHTS, AND ROSEVILLE; AND THAT PART OF THE CITY OF ST. PAUL DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF UNIVERSITY AVENUE WITH THE WEST CITY LIMITS, EXTENDING EASTERLY ALONG THE CENTER LINE OF UNIVERSITY AVENUE TO THE CENTER LINE OF RICE STREET, EXTENDING NORTHERLY ALONG THE CENTER LINE OF RICE STREET TO THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY, EXTENDING EASTERLY ALONG THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY TO THE CENTER LINE OF SYLVAN STREET, EXTENDING NORTHERLY ALONG THE CENTER LINE OF SYLVAN STREET TO THE CENTER LINE OF MAGNOLIA AVENUE WEST, EXTENDING EASTERLY ALONG THE CENTER LINE OF MAGNOLIA AVENUE WEST TO THE CENTER LINE OF AGATE STREET, EXTENDING NORTHERLY ALONG THE CENTER LINE OF AGATE STREET TO THE CENTER LINE OF JESSAMINE AVENUE WEST EXTENDED, EXTENDING EASTERLY ALONG THE CENTER LINE OF JESSAMINE AVENUE WEST EXTENDED TO THE CENTER LINE OF INTERSTATE 35E, EXTENDING NORTHERLY ALONG THE CENTER LINE OF INTERSTATE 35E TO THE NORTH CITY LIMITS, AND EXTENDING WESTERLY, SOUTHERLY, WESTERLY, SOUTHERLY, WESTERLY, NORTHERLY, WESTERLY, AND SOUTHERLY ALONG THE CITY LIMITS TO THE POINT OF ORIGIN.)

((3) THE THIRD COUNCIL DISTRICT CONSISTS OF THAT PART OF THE CITY OF ST. PAUL DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF INTERSTATE 35E WITH THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF INTERSTATE 35E TO THE CENTER LINE OF JESSAMINE AVENUE WEST EXTENDED; EXTENDING WESTERLY ALONG THE CENTER LINE OF JESSAMINE AVENUE WEST EXTENDED TO THE CENTER LINE OF AGATE STREET, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF AGATE STREET TO THE CENTER LINE OF MAGNOLIA AVENUE WEST, EXTENDING WESTERLY ALONG THE CENTER LINE OF MAGNOLIA AVENUE WEST TO THE CENTER LINE OF SYLVAN STREET. EXTENDING SOUTHERLY ALONG THE CENTER LINE OF SYLVAN STREET TO THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY, EXTENDING WESTERLY ALONG THE BURLINGTON NORTHERN

RAILROAD RIGHT OF WAY TO THE CENTER LINE OF RICE STREET, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF RICE STREET TO THE CENTER LINE OF INTERSTATE 94, EXTENDING EASTERLY ALONG THE CENTER LINE OF INTERSTATE 94 TO THE CENTER LINE OF SUMMIT AVENUE EXTENDED, EXTENDING SOUTHWESTERLY ALONG THE CENTER LINE OF SUMMIT AVENUE EXTENDED AND SUMMIT AVENUE TO THE CENTER LINE OF KELLOGG BOULEVARD, EXTENDING SOUTHEASTERLY ALONG THE CENTER LINE OF KELLOGG BOULEVARD TO THE CENTER LINE OF EAGLE STREET, EXTENDING SOUTHEASTERLY ALONG THE CENTER LINE OF EAGLE STREET TO THE MAIN CHANNEL OF THE MISSISSIPPI RIVER, EXTENDING SOUTHWESTERLY ALONG THE MAIN CHANNEL OF THE MISSISSIPPI RIVER TO THE SOUTH CITY LIMITS, EXTENDING EASTERLY, NORTHERLY, EASTERLY, SOUTHERLY, EASTERLY, SOUTHEASTERLY, EASTERLY, NORTHERLY, AND WESTERLY ALONG THE CITY LIMITS TO THE POINT OF ORIGIN.)

((4) THE FOURTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF RAMSEY CONSISTING OF THE TOWN OF WHITE BEAR; THE CITIES OF ARDEN HILLS, GEM LAKE, LITTLE CANADA, MOUNDSVIEW, NEW BRIGHTON, NORTH OAKS, NORTH ST. PAUL, SHOREVIEW, AND VADNAIS HEIGHTS; THAT PART OF THE CITY OF WHITE BEAR LAKE LYING IN THE COUNTY OF RAMSEY; AND THAT PART OF THE CITY OF MAPLEWOOD LYING NORTH OF THE CENTER LINE OF LARPENTEUR AVENUE.)

((5) THE FIFTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF HENNEPIN CONSISTING OF THE CITY OF ROBBINSDALE; THAT PART OF THE CITY OF GOLDEN VALLEY DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF TRUNK HIGHWAY NO. 100 WITH THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF TRUNK HIGHWAY NO. 100 TO THE MINNESOTA WESTERN RAILROAD RIGHT OF WAY, EXTENDING EASTERLY ALONG THE MINNESOTA WESTERN RAILROAD RIGHT OF WAY TO THE EAST CITY LIMITS, AND EXTENDING NORTHERLY, WESTERLY, NORTHERLY, AND WESTERLY ALONG THE CITY LIMITS TO THE POINT OF ORIGIN; AND THAT PART OF THE CITY OF MINNEAPOLIS DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE MAIN CHANNEL OF THE MISSISSIPPI RIVER WITH THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE MAIN CHANNEL OF THE MISSISSIPPI RIVER TO THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY, EXTENDING SOUTHWESTERLY ALONG

THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY TO THE CENTER LINE OF SIXTH STREET NORTH EXTENDED, EXTENDING SOUTHEASTERLY ALONG THE CENTER LINE OF SIXTH STREET NORTH EXTENDED AND SIXTH STREET NORTH TO THE CENTER LINE OF HENNEPIN AVENUE, EXTENDING SOUTHWESTERLY ALONG THE CENTER LINE OF HENNEPIN AVENUE TO THE CENTER LINE OF FRANKLIN AVENUE WEST, EXTENDING WESTERLY ALONG THE CENTER LINE OF FRANKLIN AVENUE WEST TO THE CENTER LINE OF LAKE OF THE ISLES BOULEVARD EAST, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF LAKE OF THE ISLES BOULEVARD EAST TO THE CENTER LINE OF LAKE CALHOUN BOULEVARD EAST, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF LAKE CALHOUN BOULEVARD EAST TO THE CENTER LINE OF LAKE STREET WEST, EXTENDING WESTERLY ALONG THE CENTER LINE OF LAKE STREET WEST TO THE WEST CITY LIMITS, AND EXTENDING NORTHERLY, EASTERLY, NORTHERLY, AND EASTERLY ALONG THE CITY LIMITS TO THE POINT OF ORIGIN.)

((6) THE SIXTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF HENNEPIN CONSISTING OF THAT PART OF THE CITY OF ST. ANTHONY LYING IN THE COUNTY OF HENNEPIN; AND THAT PART OF THE CITY OF MINNEAPOLIS DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE MAIN CHANNEL OF THE MISSISSIPPI RIVER WITH THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE MAIN CHANNEL OF THE MISSISSIPPI RIVER TO THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY, EXTENDING SOUTHWESTERLY ALONG THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY TO THE CENTER LINE OF SIXTH STREET NORTH EXTENDED, EXTENDING SOUTHEASTERLY ALONG THE CENTER LINE OF SIXTH STREET NORTH EXTENDED AND SIXTH STREET NORTH TO THE CENTER LINE OF HENNEPIN AVENUE, EXTENDING SOUTHWESTERLY ALONG THE CENTER LINE OF HENNEPIN AVENUE TO THE CENTER LINE OF LINCOLN AVENUE EXTENDED, EXTENDING EASTERLY ALONG THE CENTER LINE OF LINCOLN AVENUE EXTENDED TO THE CENTER LINE OF LYNDALE AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF LYNDALE AVENUE SOUTH TO THE CENTER LINE OF TWENTY-FOURTH STREET EAST, EXTENDING EASTERLY ALONG THE CENTER LINE OF TWENTY-FOURTH STREET EAST TO THE CENTER LINE OF STEVENS AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF STEVENS AVENUE SOUTH TO THE CENTER LINE OF TWENTY-FIFTH STREET EAST, EXTENDING EASTERLY ALONG THE CENTER LINE OF TWENTY-FIFTH STREET EAST TO THE CENTER LINE

OF FIFTEENTH AVENUE SOUTH, EXTENDING NORTHERLY ALONG THE CENTER LINE OF FIFTEENTH AVENUE SOUTH TO THE CENTER LINE OF TWENTY-FOURTH STREET EAST, EXTENDING EASTERLY ALONG THE CENTER LINE OF TWENTY-FOURTH STREET EAST TO THE CENTER LINE OF CEDAR AVENUE SOUTH, EXTENDING NORTHERLY ALONG THE CENTER LINE OF CEDAR AVENUE SOUTH TO THE CENTER LINE OF SIXTH STREET SOUTH; EXTENDING EASTERLY ALONG THE CENTER LINE OF SIXTH STREET SOUTH TO THE CENTER LINE OF TWENTY-SEVENTH AVENUE SOUTH EXTENDED, EXTENDING NORTHERLY ALONG THE CENTER LINE OF TWENTY-SEVENTH AVENUE SOUTH EXTENDED TO THE MAIN CHANNEL OF THE MISSISSIPPI RIVER, EXTENDING SOUTHEASTERLY ALONG THE MAIN CHANNEL OF THE MISSISSIPPI RIVER TO THE EAST CITY LIMITS, AND EXTENDING NORTHERLY, WESTERLY, NORTHERLY, WESTERLY, NORTHERLY, AND WESTERLY TO THE POINT OF ORIGIN; AND THAT PART OF THE COUNTY OF RAMSEY CONSISTING OF THAT PART OF THE CITY OF ST. ANTHONY LYING IN THE COUNTY OF RAMSEY.)

((7) THE SEVENTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE CITY OF MINNEAPOLIS DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF LAKE STREET WEST WITH THE WEST CITY LIMITS, EXTENDING EASTERLY ALONG THE CENTER LINE OF LAKE STREET WEST TO THE CENTER LINE OF LAKE CALHOUN BOULEVARD EAST, EXTENDING NORTHERLY ALONG THE CENTER LINE OF LAKE CALHOUN BOULEVARD EAST TO THE CENTER LINE OF LAKE OF THE ISLES BOULEVARD EAST, EXTENDING NORTHERLY ALONG THE CENTER LINE OF LAKE OF THE ISLES BOULEVARD EAST TO THE CENTER LINE OF FRANKLIN AVENUE WEST, EXTENDING EASTERLY ALONG THE CENTER LINE OF FRANKLIN AVENUE WEST TO THE CENTER LINE OF HENNEPIN AVENUE, EXTENDING NORTHEASTERLY ALONG THE CENTER LINE OF HENNEPIN AVENUE TO THE CENTER LINE OF LINCOLN AVENUE EXTENDED, EXTENDING EASTERLY ALONG THE CENTER LINE OF LINCOLN AVENUE EXTENDED TO THE CENTER LINE OF LYNDALE AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF LYNDALE AVENUE SOUTH TO THE CENTER LINE OF TWENTY-FOURTH STREET EAST, EXTENDING EASTERLY ALONG THE CENTER LINE OF TWENTY-FOURTH STREET EAST TO THE CENTER LINE OF STEVENS AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF STEVENS AVENUE SOUTH TO THE CENTER LINE OF TWENTY-FIFTH STREET EAST, EXTENDING EASTERLY ALONG THE CENTER LINE OF TWENTY-FIFTH STREET EAST TO

THE CENTER LINE OF CHICAGO AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF CHICAGO AVENUE SOUTH TO THE CENTER LINE OF THIRTY-EIGHTH STREET EAST, EXTENDING WESTERLY ALONG THE CENTER LINE OF THIRTY-EIGHTH STREET EAST TO THE CENTER LINE OF FOURTH AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF FOURTH AVENUE SOUTH TO THE CENTER LINE OF FORTY-SECOND STREET EAST, EXTENDING WESTERLY ALONG THE CENTER LINE OF FORTY-SECOND STREET EAST TO THE CENTER LINE OF INTERSTATE 35W, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF INTERSTATE 35W TO THE CENTER LINE OF FORTY-EIGHTH STREET EAST EXTENDED, EXTENDING WESTERLY ALONG THE CENTER LINE OF FORTY-EIGHTH STREET EAST EXTENDED AND FORTY-EIGHTH STREET EAST TO THE CENTER LINE OF NICOLLET AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF NICOLLET AVENUE SOUTH TO THE CENTER LINE OF FIFTY-SEVENTH STREET EAST, EXTENDING EASTERLY ALONG THE CENTER LINE OF FIFTY-SEVENTH STREET EAST AND FIFTY-SEVENTH STREET EAST EXTENDED TO THE CENTER LINE OF INTERSTATE 35W, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF INTERSTATE 35W TO THE SOUTH CITY LIMITS, AND EXTENDING WESTERLY, NORTHERLY, WESTERLY, AND NORTHERLY TO THE POINT OF ORIGIN.)

((8) THE EIGHTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE CITY OF MINNEAPOLIS DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE MAIN CHANNEL OF THE MISSISSIPPI RIVER WITH THE EAST CITY LIMITS, EXTENDING NORTHWESTERLY ALONG THE MAIN CHANNEL OF THE MISSISSIPPI RIVER TO THE CENTER LINE OF TWENTY-SEVENTH AVENUE SOUTH EXTENDED, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF TWENTY-SEVENTH AVENUE SOUTH EXTENDED TO THE CENTER LINE OF SIXTH STREET SOUTH, EXTENDING WESTERLY ALONG THE CENTER LINE OF SIXTH STREET SOUTH TO THE CENTER LINE OF CEDAR AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF CEDAR AVENUE SOUTH TO THE CENTER LINE OF TWENTY-FOURTH STREET EAST, EXTENDING WESTERLY ALONG THE CENTER LINE OF TWENTY-FOURTH STREET EAST TO THE CENTER LINE OF FIFTEENTH AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF FIFTEENTH AVENUE SOUTH TO THE CENTER LINE OF TWENTY-FIFTH STREET EAST, EXTENDING WESTERLY ALONG THE CENTER LINE OF TWENTY-FIFTH STREET EAST TO THE CENTER LINE OF CHICAGO AVENUE SOUTH, EXTENDING SOUTHERLY

ALONG THE CENTER LINE OF CHICAGO AVENUE SOUTH, TO THE CENTER LINE OF THIRTY-EIGHTH STREET EAST, EXTENDING WESTERLY ALONG THE CENTER LINE OF THIRTY-EIGHTH STREET EAST TO THE CENTER LINE OF FOURTH AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF FOURTH AVENUE SOUTH TO THE CENTER LINE OF FORTY-SECOND STREET EAST, EXTENDING WESTERLY ALONG THE CENTER LINE OF FORTY-SECOND STREET EAST TO THE CENTER LINE OF INTERSTATE 35W, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF INTERSTATE 35W TO THE CENTER LINE OF FORTY-EIGHTH STREET EAST EXTENDED, EXTENDING WESTERLY ALONG THE CENTER LINE OF FORTY-EIGHTH STREET EAST EXTENDED AND FORTY-EIGHTH STREET EAST TO THE CENTER LINE OF NICOLLET AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF NICOLLET AVENUE SOUTH TO THE CENTER LINE OF FIFTY-SEVENTH STREET EAST, EXTENDING EASTERLY ALONG THE CENTER LINE OF FIFTY-SEVENTH STREET EAST AND FIFTY-SEVENTH STREET EAST EXTENDED TO THE CENTER LINE OF INTERSTATE 35W, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF INTERSTATE 35W TO THE SOUTH CITY LIMITS, AND EXTENDING EASTERLY, NORTHERLY, EASTERLY, AND NORTHERLY TO THE POINT OF ORIGIN.)

((9) THE NINTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF HENNEPIN CONSISTING OF THE FORT SNELLING AREA; THE CITY OF RICHFIELD; AND THAT PART OF THE CITY OF BLOOMINGTON DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FRANCE AVENUE SOUTH WITH THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF FRANCE AVENUE SOUTH TO THE CENTER LINE OF ONE HUNDRED SECOND STREET WEST, EXTENDING WESTERLY ALONG THE CENTER LINE OF ONE HUNDRED SECOND STREET WEST TO THE CENTER LINE OF JOHNSON AVENUE, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF JOHNSON AVENUE TO THE MINNEAPOLIS, NORTHFIELD, AND SOUTHERN RAILROAD RIGHT OF WAY, EXTENDING SOUTHWESTERLY ALONG THE MINNEAPOLIS, NORTHFIELD, AND SOUTHERN RAILROAD RIGHT OF WAY TO THE CENTER LINE OF NORMANDEALE BOULEVARD, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF NORMANDEALE BOULEVARD TO THE SOUTH CITY LIMITS, EXTENDING EASTERLY, NORTHEASTERLY, WESTERLY, NORTHERLY, AND WESTERLY ALONG THE CITY LIMITS TO THE POINT OF ORIGIN.)

((10) THE TENTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF HENNEPIN CONSIST-

ING OF THE CITIES OF NEW HOPE, CRYSTAL AND ST. LOUIS PARK; AND THAT PART OF THE CITY OF GOLDEN VALLEY DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF TRUNK HIGHWAY NO. 100 AND THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF TRUNK HIGHWAY NO. 100 TO THE MINNESOTA WESTERN RAILROAD RIGHT OF WAY, EXTENDING EASTERLY ALONG THE MINNESOTA WESTERN RAILROAD RIGHT OF WAY TO THE EAST CITY LIMITS, EXTENDING SOUTHERLY, WESTERLY, SOUTHERLY, WESTERLY, AND NORTHERLY ALONG THE CITY LIMITS TO THE CENTER LINE OF OLSON MEMORIAL HIGHWAY, EXTENDING EASTERLY ALONG THE CENTER LINE OF OLSON MEMORIAL HIGHWAY TO THE CENTER LINE OF WINNETKA AVENUE NORTH, EXTENDING NORTHERLY ALONG THE CENTER LINE OF WINNETKA AVENUE NORTH TO THE NORTH CITY LIMITS, AND EXTENDING EASTERLY ALONG THE NORTH CITY LIMITS TO THE POINT OF ORIGIN.)

((11) THE ELEVENTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF HENNEPIN CONSISTING OF THE CITIES OF EDINA, MEDICINE LAKE, MINNETONKA, PLYMOUTH, HOPKINS AND WAYZATA; AND THAT PART OF THE CITY OF GOLDEN VALLEY DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF WINNETKA AVENUE NORTH AND THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF WINNETKA AVENUE NORTH TO THE CENTER LINE OF OLSON MEMORIAL HIGHWAY; EXTENDING WESTERLY ALONG THE CENTER LINE OF OLSON MEMORIAL HIGHWAY TO THE WEST CITY LIMITS, AND EXTENDING NORTHERLY AND EASTERLY ALONG THE CITY LIMITS TO THE POINT OF ORIGIN.)

((12) THE TWELFTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF ANOKA CONSISTING OF THE TOWNS OF BURNS, CROW, OAK GROVE, AND RAMSEY; THE CITIES OF ANOKA, BETHEL AND ST. FRANCIS; AND THAT PART OF THE COUNTY OF HENNEPIN CONSISTING OF THE TOWN OF HASSAN: THE CITIES OF CORCORAN, CHAMPLIN, DAYTON, GREENFIELD, INDEPENDENCE, LORETTO, MAPLE GROVE, MAPLE PLAIN, MEDINA, MINNETRISTA, OSSEO, ROGERS, ST. BONIFACIUS, BROOKLYN CENTER AND BROOKLYN PARK; AND THAT PART OF THE CITIES OF HANOVER AND ROCKFORD LYING IN THE COUNTY OF HENNEPIN.)

((13) THE THIRTEENTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF ANOKA



CONSISTING OF THE TOWN OF HAM LAKE; THE CITIES OF EAST BETHEL, HILLTOP, COLUMBIA HEIGHTS, COON RAPIDS, AND FRIDLEY; AND THAT PART OF THE CITY OF SPRING LAKE PARK AND THE CITY OF BLAINE LYING IN ANOKA COUNTY; AND THAT PART OF THE COUNTY OF RAMSEY CONSISTING OF THAT PART OF THE CITIES OF SPRING LAKE PARK AND BLAINE LYING IN THE COUNTY OF RAMSEY.)

((14) THE FOURTEENTH COUNCIL DISTRICT CONSISTS OF THE COUNTY OF WASHINGTON; THAT PART OF THE COUNTY OF ANOKA CONSISTING OF THE TOWNS OF COLUMBUS AND LINWOOD; AND THE CITIES OF CENTERVILLE, CIRCLE PINES, LEXINGTON, AND LINO LAKES; THAT PART OF THE COUNTY OF DAKOTA CONSISTING OF THE TOWNS OF MARSHAN, NININGER, AND RAVENNA; THE CITY OF HASTINGS; AND THAT PART OF THE COUNTY OF RAMSEY CONSISTING OF THAT PART OF THE CITY OF MAPLEWOOD LYING SOUTH OF THE CENTER LINE OF LARPENTEUR AVENUE.)

((15) THE FIFTEENTH COUNCIL DISTRICT CONSISTS OF THAT PART OF THE COUNTY OF DAKOTA CONSISTING OF THE TOWNS OF CASTLE ROCK, DOUGLAS, EAGAN, EMPIRE, EUREKA, GREENVALE, HAMPTON, RANDOLPH, SCIOTA, VERMILLION, AND WATERFORD, EXCLUDING THE CITY OF NORTHFIELD; THE CITIES OF APPLE VALLEY, BURNSVILLE, COATES, FARMINGTON, HAMPTON, INVER GROVE HEIGHTS, LILYDALE, MENDOTA, MENDOTA HEIGHTS, MIESVILLE, NEW TRIER, RANDOLPH, ROSEMOUNT, SUNFISH LAKE, VERMILLION, SOUTH ST. PAUL AND WEST ST. PAUL.)

((16) THE SIXTEENTH COUNCIL DISTRICT CONSISTS OF THE COUNTIES OF CARVER AND SCOTT, EXCLUDING THE CITY OF NEW PRAGUE; THAT PART OF THE COUNTY OF DAKOTA CONSISTING OF THE CITY OF LAKEVILLE; AND THAT PART OF THE COUNTY OF HENNEPIN CONSISTING OF THE CITIES OF DEEPHAVEN, EDEN PRAIRIE, EXCELSIOR, GREENWOOD, LONG LAKE, MINNETONKA BEACH, MOUND, ORONO, SHOREWOOD, SPRING PARK, TONKA BAY, AND WOODLAND; THAT PART OF THE CITY OF CHANHASSEN LYING IN THE COUNTY OF HENNEPIN; AND THAT PART OF THE CITY OF BLOOMINGTON DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FRANCE AVENUE SOUTH WITH THE NORTH CITY LIMITS, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF FRANCE AVENUE SOUTH TO THE CENTER LINE OF ONE HUNDRED SECOND STREET WEST, EXTENDING WESTERLY

ALONG THE CENTER LINE OF ONE HUNDRED SECOND STREET WEST TO THE CENTER LINE OF JOHNSON AVENUE SOUTH, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF JOHNSON AVENUE SOUTH TO THE MINNEAPOLIS, NORTHFIELD, AND SOUTHERN RAILROAD RIGHT OF WAY, EXTENDING SOUTHWESTERLY ALONG THE MINNEAPOLIS, NORTHFIELD AND SOUTHERN RAILROAD RIGHT OF WAY TO THE CENTER LINE OF NORMANDALE BOULEVARD, EXTENDING SOUTHERLY ALONG THE CENTER LINE OF NORMANDALE BOULEVARD TO THE SOUTH CITY LIMITS, AND EXTENDING WESTERLY, NORTHERLY, AND EASTERLY, ALONG THE CITY LIMITS TO THE POINT OF ORIGIN.)

(1) *The first council district consists of that part of the county of Anoka consisting of the cities of St. Francis, Bethel, East Bethel, Ramsey, Andover, Ham Lake, Anoka, Circle Pines, Lino Lakes, and Centerville, and the townships of Burns, Oak Grove, Linwood, and Columbus; that part of the county of Washington consisting of the cities of Forest Lake, Marine-on-St. Croix, Hugo, and Stillwater, and the townships of Forest Lake, New Scandia, May, and Stillwater; that part of the county of Hennepin consisting of the cities of Champlain, Dayton, and Rogers, and the township of Hassan; and that part of the city of Hanover lying in Hennepin County.*

(2) *The second council district consists of that part of the county of Washington consisting of the cities of Dellwood, Mahtomedi, Birchwood, Willernie, Pine Springs, Oakdale, Lake Elmo, Landfall, Woodbury, Newport, St. Paul Park, Cottage Grove, Oak Park Heights, Bayport, Lakeland, Lakeland Shores, Lake St. Croix Beach, St. Marys Point, and Afton, and the townships of Grant, Grey Cloud Island, Baytown, West Lakeland, and Denmark; that part of the city of Hastings lying in Washington County; that part of Dakota County consisting of the cities of Hastings, Coates, Vermillion, Farmington, Lakeville, Hampton, New Trier, Miesville, and Randolph, and the townships of Nininger, Ravenna, Marshan, Vermillion, Empire, Eureka, Castle Rock, Hampton, Douglas, Greenvale, Waterford, Sciota, and Randolph; and that part of the city of Northfield lying within the county of Dakota.*

(3) *The third council district consists of that part of the county of Dakota consisting of the cities of Lilydale, Mendota, Mendota Heights, Sunfish Lake, Eagan, Inver Grove Heights, Burnsville, Apple Valley, and Rosemount; and that part of the county of Scott consisting of the cities of Savage and Shakopee.*

(4) *The fourth council district consists of that part of the county of Scott consisting of the cities of Prior Lake, Elko, New Market, Jordan, and Belle Plaine, and the townships of Jackson, Louisville, St. Lawrence, Sand Creek, Spring Lake, Credit River, Blakeley, Belle Plaine, Helena, Cedar Lake, and New Market;*

*the county of Carver; that part of the county of Hennepin consisting of the cities of Eden Prairie, St. Bonifacius, Minnetrista, Maple Plain, Independence, Medina, Loretto, Greenfield, Corcoran, Maple Grove, and Osseo; and those parts of the cities of Chanhassen and Rockford lying within Hennepin County and the county of Carver.*

*(5) The fifth council district consists of that part of the county of Hennepin consisting of the cities of Bloomington and Richfield; and the Fort Snelling Military Reservation.*

*(6) The sixth council district consists of that part of the county of Hennepin consisting of the cities of Robbinsdale, Golden Valley, St. Louis Park, and Edina.*

*(7) The seventh council district consists of that part of the county of Hennepin consisting of the cities of Plymouth, Medicine Lake, Minnetonka, Hopkins, Wayzata, Woodland, Deephaven, Greenwood, Excelsior, Shorewood, Tonka Bay, Minnetonka Beach, Spring Park, Mound, Orono, and Long Lake.*

*(8) The eighth council district consists of that part of the county of Hennepin consisting of the cities of Brooklyn Park, Brooklyn Center, New Hope, and Crystal.*

*(9) The ninth council district consists of that part of the county of Anoka consisting of the cities of Columbia Heights, Hilltop, Fridley, Spring Lake Park, Coon Rapids, Blaine, and Lexington; and those parts of the cities of Spring Lake Park and Blaine lying within Ramsey County.*

*(10) The tenth council district consists of that part of the county of Hennepin consisting of the city of St. Anthony, and that part of the city of Minneapolis described as follows: commencing at the intersection of the center line of Golden Valley Road with the west city limits, extending easterly along the center line of Golden Valley Road to the center line of Girard Avenue North, extending northerly along the center line of Girard Avenue North to the center line of Broadway Avenue North, extending easterly along the center line of Broadway Avenue North to the center line of Interstate 94, extending southerly, then easterly along the center line of Interstate 94, to the intersection of Interstate 94 with Interstate 35W, then extending easterly and northeasterly along the center line of Interstate 35W to the main channel of the Mississippi River, extending southeasterly along the main channel of the Mississippi River to the east city limits, extending northerly, westerly, northerly, westerly, northerly, then westerly to the main channel of the Mississippi River, extending northerly along the main channel of the Mississippi River to the north city limits, and extending westerly and southerly to the point of origin; and that part of Ramsey County consisting of the city of St. Anthony.*

(11) *The eleventh council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of Golden Valley Road with the west city limits, extending easterly along the center line of Golden Valley Road to the center line of Girard Avenue North, extending northerly along Girard Avenue North to the intersection of Broadway Avenue North, extending easterly along the center line of Broadway Avenue North to the center line of Interstate 94, extending southerly along the center line of Interstate 94, then extending easterly along the center line of Interstate 94 to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the south city limits, then extending westerly, northerly, westerly, northerly, easterly, and northerly along the city limits to the point of origin.*

(12) *The twelfth council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi River, with the east city limits, between East 28th Street extended and East 26th Street extended, extending northwesterly along the main channel of the Mississippi River to the center line of Interstate 35W, extending southwest, westerly, and southerly along the center line of Interstate 35W to the south city limits, then extending easterly, northerly, and easterly along the city limits to the main channel of the Mississippi River, then extending northerly along the main channel of the Mississippi River to the point of origin.*

(13) *The thirteenth council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the north city limits with the center line of McKnight Road, extending southerly along the center line of McKnight Road to the south city limits, extending westerly along the city limits to the main channel of the Mississippi River, extending northwesterly along the main channel of the Mississippi River to the center line of Lafayette Road, extending northerly along the center line of Lafayette Road to the center line of Kellogg Boulevard, extending northeasterly along the center line of Kellogg Boulevard to the Burlington Northern railroad right-of-way, extending northerly along the Burlington Northern railroad right-of-way to the center line of Minnehaha Avenue extended, extending westerly to the center line of Interstate 35E, extending southerly along the center line of Interstate 35E to University Avenue, extending westerly along the center line of University Avenue to the center line of Rice Street, extending southerly along the center line of Rice Street to the center line of Interstate 94, extending westerly along the center line of Interstate 94 to the center line of Lexington Avenue, extending northerly along the center line of Lexington Avenue to the Burlington Northern railroad right-of-way immediately north of Pierce Butler Route, extending easterly along the southernmost boundary of the Burlington Northern railroad right-of-way to the center line of North Dale Street, extending northerly along*

*North Dale Street to the north city limits, and extending easterly along the city limits to the point of origin.*

(14) *The fourteenth council district consists of that part of the county of Ramsey consisting of the cities of Maplewood, North St. Paul, Little Canada, White Bear Lake, Gem Lake, Vadnais Heights, Shoreview, Arden Hills, Mounds View, and North Oaks, and the township of White Bear; and that part of the county of Washington consisting of the city of White Bear Lake.*

(15) *The fifteenth council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the main channel of the Mississippi River with the center line of St. Clair Avenue, extending easterly along the center line of St. Clair Avenue to the center line of Lexington Avenue, extending northerly along the center line of Lexington Avenue to the center line of Interstate 94, extending easterly along the center line of Interstate 94, extending northerly along the center line of Rice Street to the center line of University Avenue, extending easterly along the center line of University Avenue to the center line of Interstate 35E, extending northerly along the center line of Interstate 35E to the center line of Minnehaha Avenue extended, extending easterly along the center line of Minnehaha Avenue extended, extending easterly to the Burlington Northern railroad right-of-way, extending southerly along the Burlington Northern railroad right-of-way to the center line of Kellogg Boulevard, extending westerly along the center line of Kellogg Boulevard to the center line of Lafayette Road, extending southerly along the center line of Lafayette Road to the main channel of the Mississippi River, extending easterly and southerly along the main channel of the Mississippi River to the south city limits at the center line of Annapolis Street extended, extending westerly, northerly, westerly, southerly, and westerly along the south city limits to the main channel of the Mississippi River, extending southerly along the main channel of the Mississippi River to the main channel of the Minnesota River, extending westerly along the main channel of the Minnesota River to the main channel of the Mississippi River, extending northerly along the main channel of the Mississippi River to the point of origin; and that part of the county of Dakota consisting of the cities of South St. Paul and West St. Paul.*

(16) *The sixteenth council district consists of that part of the county of Ramsey consisting of the cities of New Brighton, Roseville, Lauderdale, Falcon Heights, and that part of the city of St. Paul described as follows: commencing at the intersection of the main channel of the Mississippi River with the center line of St. Clair Avenue, extending northerly along the main channel of the Mississippi River to the west city line, extending northerly along the west city line to the north city line, then extending easterly, southerly, easterly, northerly, easterly, north-*

*erly, and easterly along the city line to the center line of North Dale Street, extending southerly along the center line of North Dale Street to the Burlington Northern railroad right-of-way immediately north of Pierce Butler Route, extending westerly along the Burlington Northern railroad right-of-way to the center line of Lexington Avenue, extending southerly along the center line of Lexington Avenue to the center line of St. Clair Avenue, then extending westerly along the center line of St. Clair Avenue to the point of origin.*

Sec. 3. Minnesota Statutes 1980, Section 473.141, Subdivision 2, amended to read:

Subd. 2. [MEMBERSHIP.] Each commission shall consist of eight members, plus a chairman appointed as provided in subdivision 3. The eight members shall be appointed by the metropolitan council. One member shall be appointed from each of the following precincts:

- (1) Precinct A, consisting of council districts 1 and (2) 8;
- (2) Precinct B, consisting of council districts (3) 2 and (14) 3;
- (3) Precinct C, consisting of council districts 4 and (13) 7;
- (4) Precinct D, consisting of council districts 5 and 6;
- (5) Precinct E, consisting of council districts (7) 9 and (8) 10;
- (6) Precinct F, consisting of council districts (9) 11 and (11) 12;
- (7) Precinct G, consisting of council districts (10) 13 and (12) 14; and
- (8) Precinct H, consisting of council districts 15 and 16.

Sec. 4. Minnesota Statutes 1980, Section 473.141, Subdivision 5, is amended to read:

Subd. 5. [TERMS, REMOVAL.] Commencing the first Monday in (JANUARY, 1975) *February, 1983* the terms of members of each commission shall be as follows: members representing precincts A, B, C, and D for terms ending the first Monday in (JANUARY, 1977) *February, 1985*, members representing precincts E, F, G, and H and the chairman for terms ending the first Monday in (JANUARY, 1979) *February, 1987*. Thereafter the term of each member and chairman shall be for a term of four years and until his successor is appointed and

qualified. *The terms of incumbent commissioners representing precincts for which new members are appointed by the council after a redistricting are extended to the first Monday in February of the year the appointee takes office.* Members, other than the chairman, may be removed by the council only for cause in the manner specified in chapter 351. The chairman may be removed at the pleasure of the governor.

Members of any commission serving as of the first Monday in (JANUARY, 1975) *February, 1983* shall continue to serve the precinct described in subdivision 2 in which they reside for the term herein prescribed for that precinct, provided that if more than one such member resides in the same precinct the council shall designate one of them to serve as the commission member from the precinct and the terms of the other members are thereupon terminated. The council shall appoint as members of the commission, in the manner prescribed by subdivision 2, one resident of each precinct described in said subdivision in which no present member of the commission resides to serve for the term herein defined. For the purpose of this subdivision the residence of present members of the commissions serving as of the first Monday in (JANUARY, 1975) *February, 1983* shall be their residence as of July 1, (1974) *1982*.

Sec. 5. [EFFECTIVE DATE.]

*This act is effective the day after final enactment in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington."*

Delete the title and insert:

"A bill for an act relating to metropolitan government; apportioning metropolitan council districts; requiring that metropolitan council boundaries be redrawn from each federal census; amending Minnesota Statutes 1980, Sections 473.123, Subdivisions 2 and 3; and 473.141, Subdivisions 2 and 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

S. F. No. 1364, A bill for an act relating to local government; providing for the separation of the city and town of Sturgeon Lake and the city of Rutledge and town of Kettle River.

Reported the same back with the following amendments:

Page 1, after line 20, insert:

"Sec. 3. Laws 1981, Chapter 183, Section 3, is amended to read:

Sec. 3. [TOWN OF OAKPORT: CLAY COUNTY.]

The town of Oakport in Clay county may exercise the powers of certain towns (AS PROVIDED) *described in Minnesota Statutes, Section 368.01, Subdivision 1, including without limitation the powers of a municipality under Minnesota Statutes, Chapter 474.*"

Page 1, line 22, delete "60 days" and insert "the day"

Page 2, line 1, delete "60 days" and insert "the day"

Page 2, line 3, after the period insert "*Section 3 is effective the day after compliance with Minnesota Statutes, Section 645.-021, Subdivision 3, by the town board of the town of Oakport.*"

Renumber the section

Amend the title as follows:

Page 1, line 4, before the period insert "; authorizing the town of Oakport in Clay county to exercise certain powers; amending Laws 1981, Chapter 183, Section 3"

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

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 1503, A bill for an act relating to game and fish; fees for firearms safety courses; amending Minnesota Statutes 1980, Section 97.85, Subdivision 1.

Reported the same back with the following amendments:

Page 1, line 10, strike "game and fish" and insert "enforcement"

Page 1, line 14, after the period strike the remainder of the line

Page 1, strike lines 15 to 17

Page 1, line 18, strike "last, thereafter"



Page 1, line 18, strike "section of warden service" and insert "division of enforcement"

Page 1, after line 20, insert a new section to read:

"Sec. 2. Minnesota Statutes 1980, Section 84.86, Subdivision 1, is amended to read:

Subdivision 1. With a view of achieving maximum use of snowmobiles consistent with protection of the environment the commissioner of natural resources shall adopt rules and regulations in the manner provided by chapter 15, for the following purposes:

(1) Registration of snowmobiles and display of registration numbers.

(2) Use of snowmobiles insofar as game and fish resources are affected.

(3) Use of snowmobiles on public lands and waters under the jurisdiction of the commissioner of natural resources.

(4) Uniform signs to be used by the state, counties, and cities, which are necessary or desirable to control, direct, or regulate the operation and use of snowmobiles.

(5) Specifications relating to snowmobile mufflers.

(6) A comprehensive snowmobile information and safety education and training program, including but not limited to the preparation and dissemination of snowmobile information and safety advice to the public, the training of snowmobile operators, and the issuance of snowmobile safety certificates to snowmobile operators who successfully complete the snowmobile safety education and training course. For the purpose of administering such program and to defray a portion of the expenses of training and certifying snowmobile operators, the commissioner shall collect a fee of not to exceed (\$2) \$5 from each person who receives the training and shall deposit the fee in the general fund and the amount thereof is appropriated annually to the commissioner of natural resources for the administration of such programs. The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the program established under this clause. The commissioner shall consult with the commissioner of public safety in regard to training program subject matter and performance testing that leads to the certification of snowmobile operators.

(7) The operator of any snowmobile involved in an accident resulting in injury requiring medical attention or hospitaliza-

tion to or death of any person or total damage to an extent of \$100 or more, shall promptly forward a written report of the accident to the commissioner on such form as he shall prescribe."

Amend the title as follows:

Page 1, line 2, after "safety" insert "and snowmobile training"

Page 1, line 3, after "1980," delete "Section" and insert "Sections 84.86, Subdivision 1; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1440, 1816, 1838, 1844, 1935, 1961, 2125, 2132 and 2245 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1605, 1481, 536, 639, 1364 and 1503 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Welch introduced:

H. F. No. 2279, A bill for an act relating to commerce; regulating the substitution of certain fuels sold; requiring the grading and labeling of gasoline; defining a term; prescribing penalties; amending Minnesota Statutes 1980, Sections 325E.01; 325E.09, Subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Section 325E.09, Subdivisions 4a to 8.

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

Sarna; Munger; Sieben, H.; Anderson, I., and Halberg introduced:

H. F. No. 2280, A bill for an act relating to watercraft; requiring titling for certain vessels; regulating perfection of security interests in vessels; proposing new law coded in Minnesota Statutes, Chapter 361.

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

Rose, Munger, Dean and Laidig introduced :

H. F. No. 2281, A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

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

Tomlinson; Eken; Onnen; Sieben, H., and Searles introduced :

H. F. No. 2282, A bill for an act relating to taxation; providing that Minnesota itemized deductions shall be federal itemized deductions with certain modifications; amending Minnesota Statutes 1980, Section 290.07, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 19; 290.077, Subdivision 2; 290.09, Subdivisions 1, 2, 3, as amended, 4, 5, and 6; 290.14; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 1 and 3; 290.23, Subdivision 5; 290.31, Subdivisions 2 and 3; 290.39, Subdivision 2; 290.92, Subdivision 2a; 290A.16; proposing new law coded in Minnesota Statutes, Chapter 290; repealing Minnesota Statutes 1980, Section 290.09, Subdivisions 22 and 27; Minnesota Statutes 1981 Supplement, Sections 290.09, Subdivisions 10 and 15; 290.21, Subdivisions 3a and 7.

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

#### 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 added to Special Orders pending for Friday, March 5, 1982:

H. F. No. 438, S. F. No. 358, H. F. Nos. 1278, 950, 1994, 2057, 1867, 1897, 917, 1743, 1879, 1997, 1894, 1018, 1642 and 1704.

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has refused to adopt the Conference Committee report on the following House File and has voted that the bill be returned to the House and to the Conference Committee:

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.

House File No. 604 is herewith returned to the House.

PATRICK E. FLAHAVERN, Secretary of the Senate

Peterson, D., moved that the House accede to the request of the Senate, and that H. F. No. 604 be returned to the Conference Committee. The motion prevailed.

### CONSENT CALENDAR

S. F. No. 2095 was reported to the House.

Skoglund moved to amend S. F. No. 2095 as follows:

Page 8, after line 9, insert:

"Sec. 5. Laws 1982, Chapter 375, Section 1, is amended to read:

Section 1. [341.115] [PROFESSIONAL BOXING.] Any contest, match or exhibition in which *cash prizes of \$5 or more* or (COMPENSATION) *other prizes worth (\$5) \$100 or more (IS) are* offered to any boxer shall comply with all rules of the board of boxing governing professional boxing. *For purposes of this section, trophies, travel expenses and subsistence expenses shall not be considered prizes.* No boxer participating in these contests, matches, or exhibitions shall engage in consecutive contests with less than a seven day interval. No boxer shall participate in these contests, matches, or exhibitions unless the boxer has submitted an affidavit of physical fitness to the board and has been examined by a physician designated by the board. The affidavit shall state: (a) that the boxer has previously participated in ten amateur or professional matches sanctioned by the board of boxing or sanctioned by a board which regulates boxing in another jurisdiction; or (b) that the boxer has *regularly* trained for at least 90 days under the supervision of a (TRAINER) *second* licensed by the board of boxing, *or a second or trainer or the equivalent licensed in another jurisdiction.* The examination shall include, but not be limited to, an electroencephalogram, *unless the boxer has submitted to the examining physician (a) the results of an electroencephalogram administered within one year of the contest, match or exhibition; and (b) an affidavit stating that the boxer has not been knocked unconscious in boxing competition since the last electroencephalogram was administered.* The examination shall be performed at the expense of the promoter.

Sec. 6. [EFFECTIVE DATE.]

*Section 5 is effective the day following final enactment."*

Further, amend the title as follows:

Page 1, line 4, after the semi-colon insert "clarifying certain regulations relating to professional boxing;"

Page 1, line 6, "after 76;" delete "and"

Page 1, line 7, after "474.03" insert "; and Laws 1982, Chapter 375, Section 1"

The motion prevailed and the amendment was adopted.

S. F. No. 2095, A bill for an act relating to state government; implementing the provisions of certain reorganization orders issued by the commissioner of administration; amending Minnesota Statutes 1980, Sections 176.281; and 474.01, Subdivisions 7a and 7b; and Minnesota Statutes 1981 Supplement, Section 474.03.

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

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

S. F. No. 1613 was reported to the House.

Ellingson moved to amend S. F. No. 1613 as follows:

Page 2, line 24, delete "*shall be without compensation and*"

Page 2, line 27, after the period insert "*Any parcel which became tax-forfeited before February 28, 1982 shall be conveyed pursuant to this section without compensation.*"

The motion prevailed and the amendment was adopted.

S. F. No. 1613, A bill for an act relating to state departments and agencies; regulating the disposition of certain land within the capitol area; amending Minnesota Statutes 1981 Supplement, Section 15.50, Subdivision 6.

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

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Anderson, I., requested immediate consideration of H. F. No. 1872.

The Speaker called Wynia to the Chair.

H. F. No. 1872 was reported to the House.

Valan moved to amend H. F. No. 1872, the first engrossment, as follows:

Page 106, after line 17, insert:

**"Sec. 2. [VALIDATION OF COLLECTIONS IN CLAY COUNTY.]**

*All collections of taxes imposed upon gravel removed from a pit or deposit by the county of Clay after the date of the resolution by the Clay county board which increased the rate of tax from five to ten cents per cubic yard are hereby validated."*

Renumber the remaining sections

Amend the title as follows:

Page 1, line 10, after the semicolon insert "validating certain tax collections by Clay county;"

The motion prevailed and the amendment was adopted.

Schreiber and Blatz moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 253, line 17, delete "(a)"

Page 253, delete lines 23 to 28

Page 254, line 6, after "3 year" insert "and 5 year"

Page 254, line 7, delete "5 year" and insert "all other"

Page 254, line 7, delete "2" and insert "3"

Page 254, delete lines 8 and 9

Page 256, line 2, after "1981" insert "and before December 31, 1982,"

Page 256, after line 11, insert:

*"For taxable years beginning after December 31, 1982, the term reasonable allowance means the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981."*

Page 256, line 26, after "3 year" insert "and 5 year"

Page 256, line 27, delete "5 year" and insert "all other"

Page 256, line 27, delete "2" and insert "3"

Page 256, delete lines 28 and 29

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

The question was taken on the amendment and the roll was called. There were 61 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Kvam	Onnen	Stowell
Ainley	Frerichs	Laidig	Peterson, B.	Sviggum
Anderson, B.	Gruenes	Lemen	Piepho	Valan
Blatz	Haukoos	Levi	Redalen	Valento
Carlson, D.	Heap	Ludeman	Rees	Weaver
Dean	Heinitz	Luknic	Reif	Welker
Dempsey	Himle	Marsh	Rose	Wieser
Den Ouden	Hoberg	McDonald	Rothenberg	Wigley
Drew	Hokr	Mehrkens	Schafer	Zubay
Erickson	Jennings	Nelsen, B.	Schreiber	
Evans	Johnson, D.	Niehaus	Sherman	
Ewald	Kaley	Nysether	Sherwood	
Fjoslien	Knickerbocker	Olsen	Stadum	

Those who voted in the negative 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
Brinkman	Hokanson	Munger	Rodriguez, F.	Welch
Byrne	Johnson, C.	Murphy	Samuelson	Wenzel
Carlson, L.	Jude	Nelson, K.	Sarna	Wynia
Clark, J.	Kahn	Norton	Schoenfeld	Spkr. Sieben, H.
Clawson	Kalis	Novak	Shea	
Dahlvang	Kelly	O'Connor	Sieben, M.	
Eken	Kostohryz	Ogren	Simoneau	
Elioff	Lehto	Osthoff	Skoglund	

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

Schreiber moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 249, strike lines 28 to 30

Page 249, line 31, strike "(16)" and insert "(15)"



Page 249, line 35, strike "(17)" and insert "(16)"

Page 250, line 1, strike "(18)" and insert "(17)"

Page 250, line 3, strike "(19)" and insert "(18)"

Page 250, line 6, strike "(20)" and insert "(19)"

Page 250, line 9, strike "(21)" and insert "(20)"

Page 250, line 16, strike "(22)" and insert "(21)"

Page 250, line 18, strike "(23)" and insert "(22)"

Page 251, line 7, strike "(24)" and insert "(23)"

Amend the title as follows:

Page 2, line 17, after "amendments;" insert "adopting federal income tax treatment of unemployment compensation; increasing the rate of interest allowed on certain contracts for deed qualifying for an income tax exclusion;"

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 46 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kaley	Ogren	Sherman
Ainley	Ewald	Kalis	Olsen	Sherwood
Anderson, B.	Fjoslien	Knickerbocker	Onnen	Stadum
Anderson, G.	Forsythe	Kvam	Peterson, B.	Stowell
Berkelman	Frerichs	Laidig	Piepho	Stumpf
Blatz	Gruenes	Lemen	Redalen	Sviggum
Brandl	Hauge	Levi	Rees	Swanson
Brinkman	Haukoos	Ludeman	Reif	Valan
Carlson, D.	Heap	Marsh	Rodriguez, C.	Valento
Clawson	Heinitz	McDonald	Rose	Weaver
Dean	Himle	Mehrkens	Rothenberg	Welker
Dempsey	Hoberg	Nelsen, B.	Schafer	Wieser
Den Ouden	Hokr	Niehaus	Schoenfeld	Wigley
Drew	Jennings	Novak	Schreiber	Zubay
Erickson	Johnson, D.	Nysether	Shea	

Those who voted in the negative were:

Anderson, I.	Ellingson	Lehto	Otis	Skoglund
Battaglia	Greenfield	Mann	Peterson, D.	Staten
Begich	Gustafson	McCarron	Pogemiller	Tomlinson
Byrne	Hanson	McEachern	Reding	Welch
Carlson, L.	Harens	Minne	Rice	Wenzel
Clark, J.	Hokanson	Murphy	Rodriguez, F.	Spkr: Sieben, H.
Clark, K.	Jacobs	Nelson, K.	Samuelson	
Dahlvang	Johnson, C.	Norton	Sarna	
Eken	Kahn	O'Connor	Sieben, M.	
Elioff	Kelly	Osthoff	Simoneau	

The motion prevailed and the amendment was adopted.

Redalen; Anderson, G., and Valan moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 250, line 20, strike "eight" and insert "nine"

The motion prevailed and the amendment was adopted.

Begich moved to amend H. F. No. 1872, the first engrossment, as amended, by adding an article to read:

Page 275, after line 1, insert:

"ARTICLE XXXI

Section 1. [297A.253] [PAPER PLANT MATERIAL: EX-EMPTIONS.]

*Notwithstanding the provisions of this chapter, there shall be exempt from the tax imposed therein, all materials and supplies or equipment consumed in constructing or incorporated into the construction of a new paper plant or the expansion of an existing plant the construction of which is commenced after June 30, 1982, which are purchased and used or consumed in connection with such construction, provided that in the case of the expansion of an existing plant, such construction results in an increase in productive capacity of at least 25 percent.*

Sec. 2. *This act expires June 30, 1986.*"

Amend the title as follows:

Page 2, line 18, after "system;" insert "exempting paper plant material from the sales tax;"

Page 3, line 6, after "297," insert "297A,"

A roll call was requested and properly seconded.

Dempsey moved to amend the Begich amendment to H. F. No. 1872, the first engrossment, as amended, as follows:

Line 5 of the Begich amendment after "new" delete "paper"

In the Begich title amendment delete "paper"

A roll call was requested and properly seconded.

CALL OF THE HOUSE

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

Aasness	Anderson, I.	Brandl	Carlson, L.	Dahlvang
Ainley	Battaglia	Brinkman	Clark, J.	Dean
Anderson, B.	Begich	Byrne	Clark, K.	Dempsey
Anderson, G.	Blatz	Carlson, D.	Clawson	Den Ouden

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

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.

The question recurred on the Dempsey amendment to the Begich amendment and the roll was called.

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

There were 70 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Aasness	Frerichs	Knickerbocker	Onnen	Sherwood
Ainley	Gruenes	Kvam	Otis	Stadum
Anderson, B.	Hanson	Laidig	Peterson, B.	Stowell
Blatz	Haukoos	Lemen	Piepho	Stumpf
Brandl	Heap	Ludeman	Redalen	Sviggum
Carlson, D.	Heinitz	Luknic	Rees	Valan
Dean	Himle	Marsh	Reif	Valento
Dempsey	Hoberg	McDonald	Rodriguez, C.	Weaver
Den Ouden	Hokr	McEachern	Rose	Welker
Drew	Jennings	Mehrkens	Rothenberg	Wenzel
Erickson	Johnson, D.	Nelsen, B.	Schafer	Wieser
Ewald	Jude	Niehaus	Schreiber	Wigley
Fjoslien	Kahn	Nysether	Shea	Wynia
Forsythe	Kaley	Olsen	Sherman	Zubay

Those who voted in the negative were:

Anderson, G.	Carlson, L.	Ellingson	Johnson, C.	Metzen
Anderson, I.	Clark, J.	Evans	Kalis	Minne
Battaglia	Clark, K.	Greenfield	Kelly	Munger
Begich	Clawson	Harens	Lehto	Murphy
Berkelman	Dahlvang	Hauge	Levi	Nelson, K.
Brinkman	Eken	Hokanson	Mann	Norton
Byrne	Elioff	Jacobs	McCarron	Novak

O'Connor	Reding	Schoenfeld	Staten	Vellenga
Ogren	Rodriguez, F.	Sieben, M.	Swanson	Welch
Peterson, D.	Samuelson	Simoneau	Tomlinson	Spkr. Sieben, H.
Pogemiller	Sarna	Skoglund	Vanasek	

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

The question recurred on the Begich amendment, as amended, and the roll was called.

Anderson, I., moved that those not voting be excused from voting. The motion prevailed.

There were 95 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kostohryz	Niehaus	Schafer
Ainley	Fjoslien	Kvam	Novak	Schoenfeld
Anderson, B.	Forsythe	Laidig	Nysether	Schreiber
Anderson, I.	Frerichs	Lemen	O'Connor	Sherman
Battaglia	Gruenes	Levi	Ogren	Sherwood
Begich	Gustafson	Ludeman	Olsen	Stadum
Blatz	Haukoos	Luknic	Onnen	Stowell
Brinkman	Heap	Mann	Otis	Stumpf
Carlson, D.	Heinitz	Marsh	Peterson, B.	Sviggunn
Carlson, L.	Himle	McCarron	Piepho	Swanson
Clark, J.	Hoberg	McDonald	Redalen	Vaian
Dahlvang	Hokanson	McEachern	Reding	Valento
Dean	Hokr	Mehrkens	Rees	Vellenga
Dempsey	Jennings	Metzen	Reif	Weaver
Den Ouden	Johnson, D.	Minne	Rodriguez, C.	Welker
Drew	Jude	Munger	Rodriguez, F.	Wenzel
Elioff	Kaley	Murphy	Rose	Wieser
Erickson	Kelly	Nelsen, B.	Rothenberg	Wigley
Evans	Knickerbocker	Nelson, K.	Samuelson	Zubay

Those who voted in the negative were:

Anderson, G.	Eken	Johnson, C.	Pogemiller	Tomlinson
Berkelman	Ellingson	Kahn	Sarna	Vanasek
Brandl	Greenfield	Kalis	Shea	Welch
Byrne	Harens	Long	Sieben, M.	Wynia
Clark, K.	Hauge	Norton	Skoglund	Spkr. Sieben, H.
Clawson	Jacobs	Peterson, D.	Staten	

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

Kvam and Peterson, B., moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 275, after line 1, insert:

**"ARTICLE XXXI**

Section 1. Minnesota Statutes 1981 Supplement, Section 290.-17, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 13, 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 290.25 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), nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2). 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.

(IF THE TRADE OR BUSINESS CARRIED ON WHOLLY OR PARTLY IN MINNESOTA IS PART OF A UNITARY BUSINESS, THE ENTIRE INCOME OF THAT UNITARY BUSINESS SHALL BE SUBJECT TO APPORTIONMENT UNDER SECTION 290.19. THE TERM "UNITARY BUSINESS" SHALL MEAN A NUMBER OF BUSINESS ACTIVITIES OR OPERATIONS WHICH ARE OF MUTUAL BENEFIT, DEPENDENT UPON, OR CONTRIBUTORY TO ONE ANOTHER, INDIVIDUALLY OR AS A GROUP. UNITY SHALL BE PRESUMED WHENEVER THERE IS UNITY OF OWNERSHIP, OPERATION, AND USE, EVIDENCED BY CENTRALIZED MANAGEMENT OR EXECUTIVE FORCE, CENTRALIZED PURCHASING, ADVERTISING, ACCOUNTING, OR OTHER CONTROLLED INTERACTION. UNITY OF OWNERSHIP WILL NOT BE DEEMED TO EXIST UNLESS THE CORPORATION OWNS MORE THAN 50 PERCENT OF THE VOTING STOCK OF THE OTHER CORPORATION.)

(THE ENTIRE INCOME OF A UNITARY BUSINESS, INCLUDING ALL INCOME FROM EACH ACTIVITY, OPERATION OR DIVISION, SHALL BE SUBJECT TO APPORTIONMENT AS PROVIDED IN SECTION 290.19. NONE OF THE INCOME OF A UNITARY BUSINESS SHALL BE CONSIDERED AS DERIVED FROM ANY PARTICULAR SOURCE AND NONE SHALL BE ALLOCATED TO ANY PARTICULAR PLACE EXCEPT AS PROVIDED BY THE APPLICABLE APPORTIONMENT FORMULA.)

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 290.08, subdivision 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, 409 or 409A 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. 2. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 4, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 14, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable

year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state,

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a deduction has been received from income arising out of business done in this state.

(c) The dividend deductions provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

((D) IN THE CASE OF A CORPORATION, WHICH IS PERMITTED OR REQUIRED TO FILE A COMBINED REPORT UNDER SECTION 290.34, SUBDIVISION 2, DIVIDENDS SHALL BE EXCLUDED FROM THE INCOME OF THE RECIPIENT TO THE EXTENT THE DIVIDENDS ARE ALREADY INCLUDED AS INCOME ON THE COMBINED REPORT.)

Sec. 3. Minnesota Statutes 1980, Section 290.34, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 15, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, CONSOLIDATED STATEMENTS.] When a corporation which is required to file an income tax return is affiliated with or related to any other corporation through stock ownership by the same interests or as parent or subsidiary corporations, or has its income regulated through contract or other arrangement, the commissioner of revenue may permit or require such (COMBINED REPORT) *consolidated statements* as, in his opinion, are necessary in order to determine the taxable net income received by any one of the affiliated or related corporations. (FOR PURPOSES OF COMPUTING EITHER THE ARITHMETIC AVERAGE OR WEIGHTED APPORTIONMENT



FORMULAS UNDER SECTION 290.19, SUBDIVISION 1 FOR EACH CORPORATION INVOLVED, THE NUMERATOR OF THE FRACTION SHALL BE THAT CORPORATION'S SALES, PROPERTY, OR PAYROLL IN MINNESOTA AND THE DENOMINATOR SHALL BE THE TOTAL SALES, PAYROLL, AND PROPERTY OF ALL THE CORPORATIONS SHOWN ON THE COMBINED REPORT. THE COMBINED REPORT SHALL REFLECT THE INCOME OF THE ENTIRE UNITARY BUSINESS AS PROVIDED IN SECTION 290.17, SUBDIVISION 2, CLAUSE (4). THE COMBINED REPORT SHALL REFLECT INCOME ONLY FROM CORPORATIONS CREATED OR ORGANIZED IN THE UNITED STATES OR UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE. SPECIFICALLY, IT IS THE INTENT OF THE LEGISLATURE TO ADOPT THE COMBINED REPORTING METHOD PROVIDED IN BUTLER BROTHERS V. MCCOLGAN, 111 P. 2D 334, AND 315 U.S. 501, AND EDISON CALIFORNIA STORES V. MCCOLGAN, 183 P. 2D 16 AND TO TREAT ALL INCOME AS BUSINESS INCOME TO THE MAXIMUM EXTENT ALLOWABLE UNDER MOBIL OIL CORPORATION V. COMMISSIONER OF TAXES OF VERMONT, 445 U.S. 425. THIS SUBDIVISION SHALL NOT APPLY TO INSURANCE COMPANIES WHOSE INCOME IS DETERMINED UNDER SECTION 290.35.)

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective for income earned after December 31, 1982."*

Amend the title as follows :

Page 2, line 18, after "system;" insert "abolishing in 1982 certain provisions relating to the taxation of unitary business income;"

Page 2, line 36, after "19;" insert "290.34, Subdivision 2, as amended;"

Page 2, line 64, before "290.18," insert "290.17, Subdivision 2, as amended;"

Page 2, line 64, after "290.21," delete "Subdivision" and insert "Subdivisions"

Page 2, line 65, after the first "3" insert ", and 4, as amended"

A roll call was requested and properly seconded.

## POINT OF ORDER

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

The question recurred on the Kvam and Peterson, B., amendment and the roll was called.

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

There were 53 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Olsen	Stadum
Ainley	Eorsythe	Laidig	Peterson, B.	Stowell
Anderson, B.	Frerichs	Lemen	Piepho	Valan
Blatz	Heap	Levi	Redalen	Valento
Dean	Heinitz	Ludeman	Rees	Weaver
Dempsey	Himle	Luknic	Reif	Welker
Den Ouden	Hoberg	Marsh	Rodriguez, C.	Wieser
Drew	Hokr	Mehrkens	Rothenberg	Wigley
Erickson	Jennings	Nelsen, B.	Schafer	Zubay
Evans	Johnson, D.	Niehaus	Sherman	
Ewald	Kaley	Nysether	Sherwood	

Those who voted in the negative were:

Anderson, G.	Eken	Kostohryz	Onnen	Skoglund
Anderson, I.	Elioff	Lehto	Osthoff	Staten
Battaglia	Ellingson	Long	Otis	Stumpf
Begich	Greenfield	Mann	Peterson, D.	Swanson
Berkelman	Gustafson	McEachern	Pogemiller	Tomlinson
Brandl	Hanson	Metzen	Reding	Vanasek
Brinkman	Hauge	Minne	Rodriguez, F.	Vellenga
Byrne	Hokanson	Munger	Rose	Welch
Carlson, L.	Jacobs	Murphy	Sarna	Wenzel
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	

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

Schreiber moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 275, after line 1, insert:

*"ARTICLE XXXI*

Section 1. Minnesota Statutes 1980, Section 290.34, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 15, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, (CONSOLIDATED STATEMENTS) COMBINED REPORTS.] When a corporation which is required to file an income tax return is affiliated with or related to any other corporation through stock ownership by the same interest or as parent or subsidiary corporations, or has its income regulated through contract or other arrangement, the commissioner of revenue may permit or require such combined report as, in his opinion, are necessary in order to determine the taxable net income received by any one of the affiliated or related corporations. For purposes of computing either the arithmetic average or weighted apportionment formulas under section 290.19, subdivision 1 for each corporation involved, the numerator of the fraction shall be that corporation's sales, property, or payroll in Minnesota and the denominator shall be the total sales, payroll, and property of all the corporations shown on the combined report. The combined report shall reflect the income of the entire unitary business as provided in section 290.17, subdivision 2, clause (4). The combined report shall reflect income only from corporations created or organized in the United States or under the laws of the United States or of any state. *However, if the income of a corporation included in the combined report reflects income from sources outside the United States, which is not income from a corporation with a nexus in Minnesota and which is included in income only because of the provisions of this subdivision, 85 percent of that income shall be excluded.* Specifically, it is the intent of the legislature to adopt the combined reporting method provided in *Butler Brothers v. McColgan*, 111 P. 2d 334, and 315 U.S. 501, and *Edison California Stores v. McColgan*, 183 P. 2d 16 and to treat all income as business income to the maximum extent allowable under *Mobil Oil Corporation v. Commissioner of Taxes of Vermont*, 445 U.S. 425. This subdivision shall not apply to insurance companies whose income is determined under section 290.35.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for income earned after December 31, 1981."*

Amend the title as follows:

Page 2, line 18, after "system;" insert "altering income included in a combined report;"

Page 2, line 36, after "19;" insert "290.34, Subdivision 2, as amended;"

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 55 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Knickerbocker	Nysether	Sherwood
Ainley	Frerichs	Kvam	Olsen	Stadum
Carlson, D.	Gruenes	Lemen	Peterson, B.	Stowell
Dean	Haukoos	Ludeman	Piepho	Sviggum
Dempsey	Heap	Luknic	Redalen	Valan
Den Ouden	Heinitz	Marsh	Rees	Valento
Drew	Himle	McDonald	Reif	Weaver
Erickson	Hoberg	Mehrkens	Rothenberg	Welker
Evans	Jennings	Munger	Schafer	Wieser
Ewald	Johnson, C.	Nelsen, B.	Schreiber	Wigley
Fjoslien	Kaley	Niehaus	Sherman	Zubay

Those who voted in the negative were:

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

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

Aasness and Redalen moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 275, after line 1, insert:

**"ARTICLE XXXI**

Section 1. Minnesota Statutes 1981 Supplement, Section 273.-13, Subdivision 9, is amended to read:

Subd. 9. [CLASS 4A, 4B (AND), 4C, AND 4D.] 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 *other than commercial and industrial property located in a municipality of less than 3,500 population* 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, and *commercial and industrial property located in a municipality of less than 3,500 shall constitute class 4d and shall be valued and assessed at 30 percent of the first \$75,000 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) *an assessment lower than the 43 percent assessment.*"

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective for taxes levied in 1982 and thereafter, for taxes payable in 1983 and thereafter."*

Amend the title as follows:

Page 2, line 19, after "money;" insert "decreasing the classification ratio on a certain portion of commercial and industrial property;"

Page 3, line 24, after "Subdivision 7;" delete "and 298.76." and insert: "298.76; and 273.13, Subdivision 9."

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 47 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Heap	Kvam	Niehaus
Ainley	Ewald	Heintz	Lemen	Onnen
Anderson, B.	Fjoslien	Himle	Ludeman	Peterson, B.
Carlson, D.	Forsythe	Hokr	Marsh	Piepho
Dempsey	Frerichs	Jennings	McDonald	Redalen
Den Ouden	Gruenes	Kaley	Mehrkens	Rees
Erickson	Haukoos	Kalis	Nelsen, B.	Reif

Schafer	Sherman	Sviggum	Wieser	Zubay
Schoenfeld	Sherwood	Valan	Wigley	
Shea	Stowell	Welker		

Those who voted in the negative were:

Anderson, I.	Eken	Knickerbocker	Novak	Sieben, M.
Battaglia	Elioff	Kostohryz	O'Connor	Simoneau
Begich	Ellingson	Laidig	Olsen	Skoglund
Berkelman	Greenfield	Lehto	Osthoff	Staten
Blatz	Gustafson	Levi	Otis	Swanson
Brandl	Hanson	Long	Peterson, D.	Tomlinson
Brinkman	Harens	Mann	Pogemiller	Vanasek
Byrne	Hauge	McCarron	Rice	Weaver
Carlson, L.	Hokanson	McEachern	Rodriguez, C.	Welch
Clark, J.	Jacobs	Metzen	Rodriguez, F.	Wenzel
Clark, K.	Johnson, C.	Minne	Rose	Wynia
Clawson	Johnson, D.	Munger	Rothenberg	Spkr. Sieben, H.
Dahlvang	Jude	Murphy	Samuelson	
Dean	Kahn	Nelson, K.	Sarna	
Drew	Kelly	Norton	Schreiber	

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

Rees and Staten moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 240, line 2 to page 241, line 12, delete Section 5

Amend the title as follows:

Page 2, line 12, delete everything after the semicolon

Page 2, delete line 13

Page 2, line 14, delete "tribes;"

Page 3, line 6, delete "297,"

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 41 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Forsythe	Heinitz	Jennings
Carlson, D.	Erickson	Frerichs	Himle	Kaley
Dean	Ewald	Greenfield	Hoberg	Kostohryz
Dempsey	Fjoslien	Heap	Hokr	Kvam

Ludeman	Onnen	Schreiber	Valento	Zubay
Marsh	Peterson, B.	Sherman	Weaver	
McDonald	Piepho	Staten	Welker	
Nelsen, B.	Rees	Stowell	Wieser	
Niehaus	Schafer	Svigum	Wigley	

Those who voted in the negative were:

Ainley	Elioff	Kelly	Novak	Sarna
Anderson, B.	Ellingson	Laidig	O'Connor	Schoenfeld
Anderson, G.	Gruenes	Lehto	Olsen	Shea
Anderson, I.	Gustafson	Levi	Osthoff	Sieben, M.
Battaglia	Hanson	Luknic	Otis	Simoneau
Begich	Hauge	Mann	Peterson, D.	Skoglund
Berkelman	Haukoos	McCarron	Pogemiller	Stumpf
Blatz	Hokanson	McEachern	Redalen	Swanson
Brinkman	Jacobs	Metzen	Reding	Tomlinson
Carlson, L.	Johnson, C.	Minne	Rodriguez, C.	Vellenga
Clark, J.	Johnson, D.	Munger	Rodriguez, F.	Welch
Clawson	Jude	Murphy	Rose	Wenzel
Dahlvang	Kahn	Nelson, K.	Rothenberg	Wynia
Eken	Kalis	Norton	Samuelson	Spkr. Sieben, H.

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

Valento moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 102, line 17, after "290.973;" insert "*Chapter 473F*;"

Page 230, line 12, after "*district*" delete the remaining language

Page 230, line 13, delete "*provisions of Minnesota Statutes, Chapter 473*"

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 50 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Jennings	Luknic	Peterson, B.
Ainley	Forsythe	Johnson, D.	McCarron	Piepho
Blatz	Frerichs	Kaley	McEachern	Redalen
Dempsey	Gruenes	Knickerbocker	Nelsen, B.	Reding
Den Ouden	Heinitz	Kostohryz	Niehaus	Rees
Erickson	Himle	Kvam	Nysether	Rose
Evans	Hokanson	Lemen	Olsen	Rothenberg
Ewald	Hokr	Ludeman	Onnen	Schafer

Sherman  
Sherwood

Simoneau  
Stowell

Swanson  
Valento

Welker  
Wieser

Wigley  
Zubay

Those who voted in the negative were :

Anderson, B.	Dean	Kelly	Otis	Stumpf
Anderson, G.	Drew	Laidig	Peterson, D.	Sviggum
Anderson, I.	Elioff	Lehto	Pogemiller	Tomlinson
Battaglia	Ellingson	Levi	Reif	Valan
Begich	Greenfield	Long	Rice	Vanasek
Berkelman	Gustafson	Mann	Rodriguez, F.	Vellenga
Brandl	Hanson	McDonald	Samuelson	Weaver
Brinkman	Harens	Metzen	Sarna	Welch
Byrne	Hauge	Minne	Schoenfeld	Wenzel
Carlson, D.	Haukoos	Murphy	Schreiber	Wynia
Carlson, L.	Hoberg	Nelson, K.	Shea	Spkr. Sieben, H.
Clark, J.	Johnson, C.	Norton	Sieben, M.	
Clark, K.	Jude	Novak	Skoglund	
Clawson	Kahn	O'Connor	Stadum	
Dahlvang	Kalis	Osthoff	Staten	

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

Schoenfeld, Ludeman, Schafer and Fjoslien moved to amend H. F. No. 1872, the first engrossment, as amended, as follows :

Page 8, after line 11, insert:

"Section 3. Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 2, is amended to read:

Subd. 2. "Governmental subdivision" means (ANY) a county, home rule charter city, statutory city, town or special taxing district determined by the department of revenue, *except a town that has a population of less than 5,000 according to the most recent federal census.* The term does not include school districts or the metropolitan transit commission created pursuant to section 473.404."

Renumber the remaining section

Amend the title as follows :

Page 1, line 5, after "indebtedness;" insert "exempting certain towns from general levy limits;"

Page 2, line 57, after "1;" insert "275.50, Subdivision 2;"

The motion prevailed and the amendment was adopted.

Stadum and Heinitz were excused between the hours of 5:00 p.m. and 5:45 p.m.

Rothenberg and Olsen moved to amend H. F. No. 1872, the first engrossment, as amended, as follows :

Page 275, after line 1, insert:



"ARTICLE XXXI

Section 1. [273.87] [DEFINITIONS.]

*Subdivision 1. [GENERALLY.] Unless context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of sections 1 to 3, shall have the meanings given to them.*

*Subd. 2. [QUALIFIED HOMEOWNER.] The term "qualified homeowner" means a person who:*

(a) (i) *Is 65 years of age or older; or*

(ii) *Is the surviving spouse of a decedent, if the decedent was 65 years of age or older at his death, and the spouse has not remarried; and*

(b) *Owns property as his homestead, and title to the property so used is held:*

(i) *In his name as owner of the fee; or*

(ii) *Only in his name and that of his spouse as joint tenants or tenants in common; or*

(iii) *Only in his name, or his name and that of his spouse as owner of an estate for life or an estate for years; or*

(iv) *In the name of two or more joint tenants or tenants in common where each of the joint tenants or tenants in common would meet the requirements of a "qualified homeowner" if he were the sole owner of the fee.*

*Subd. 3. [QUALIFIED PROPERTY.] The term "qualified property" means the first \$50,000 of estimated market value on a single family dwelling, a multifamily dwelling, a portion of a multipurpose structure, or a mobile home as defined in section 273.13, subdivision 3, together with one acre of land most contiguous to the structure or mobile home, provided title to the land is held by the person who owns the title to the property described herein and which is the homestead of a qualified homeowner.*

*If qualified property is part of a multiple dwelling or multipurpose structure, the valuation of the qualified property area on which the claim is based shall be determined by apportionment.*

*Subd. 4. [BASE TAX.] The term "base tax" means the ad valorem tax legally due with respect to qualified property in*

*the later of 1982 or the year preceding the year in which the qualified homeowner attains that status prior to June 1, unless he qualified for that status at an earlier date by reason of subdivision 2, clause (a)(ii); provided that if that status is attained on or after June 1, except as provided in the preceding sentence, the "base tax", notwithstanding the provisions of subdivision 5, shall be the "ad valorem tax" legally due in that year or 1982, whichever is later.*

*Subd. 5. [CURRENT TAX.] The term "current tax" means the ad valorem tax payable on qualified property in the year following the year of assessment.*

*Subd. 6. [AD VALOREM TAX.] The term "ad valorem tax" means the tax on qualified property exclusive of all special assessments payable thereon, reduced by the amount of credits granted with respect to the tax pursuant to sections 273.13, subdivisions 6 and 7, and 273.135.*

**Sec. 2. [273.88] [QUALIFIED PROPERTY TAX CREDIT.]**

*Subdivision 1. [CREDIT PROVIDED.] If the current tax on qualified property is in excess of the base tax on the qualified property, there shall be allowed to the qualified homeowner a credit equal to the excess of current tax over base tax. If a qualified homeowner entitled to the credit provided herein dies prior to receiving it, his surviving spouse shall be entitled to the credit. If no spouse survives, the right to the credit shall lapse.*

*Subd. 2. [DUTIES OF COUNTY AUDITOR.] The county auditor shall determine the base tax for qualified property in the manner provided by the commissioner of revenue and shall notify the county assessor of each qualified property for which the credit is claimed.*

**Sec. 3. [273.89] [CLAIM FOR CREDIT.]**

*A person entitled to the qualified property tax credit allowed by section 2 shall file a claim with the department of revenue on or before the date provided in chapter 290A for filing a claim for property tax relief. The department of revenue shall make available suitable forms with instructions for the claimant, including a form which may be included with or as a part of the individual income tax blank. The claim shall be in the form the commissioner may prescribe.*

**Sec. 4. [APPROPRIATION.]**

*There is annually appropriated from the general fund to the commissioner of revenue the amount sufficient to pay claims for the credit provided pursuant to sections 1 to 3.*

**Sec. 5. [EFFECTIVE DATE.]**

*Sections 1 to 4 are effective for claims based on property taxes levied in 1982, payable in 1983 and thereafter."*

Amend the title as follows :

Page 2, line 18, after "system;" insert "providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons;"

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 106 yeas and 14 nays as follows :

Those who voted in the affirmative were :

Aasness	Evans	Kostohryz	O'Connor	Sherman
Ainley	Ewald	Kvam	Ogren	Skoglund
Anderson, B.	Fjoslien	Laidig	Olsen	Staten
Anderson, I.	Forsythe	Lehto	Onnen	Stowell
Battaglia	Frerichs	Lemen	Osthoff	Stumpf
Begich	Greenfield	Levi	Otis	Swiggum
Blatz	Gruenes	Long	Peterson, B.	Swanson
Brandl	Hanson	Luknic	Peterson, D.	Tomlinson
Brinkman	Hauge	Mann	Piepho	Valan
Byrne	Haukoos	Marsh	Redalen	Valento
Carlson, D.	Heap	McCarron	Reding	Vellenga
Carlson, L.	Himle	McDonald	Rees	Weaver
Clark, J.	Hoberg	McEachern	Reif	Welch
Clark, K.	Hokanson	Mehrkens	Rice	Wenzel
Clawson	Hokr	Metzen	Rodriguez, C.	Wieser
Dahlvang	Jennings	Minne	Rothenberg	Wigley
Dempsey	Johnson, D.	Murphy	Samuelson	Wynia
Den Ouden	Jude	Nelsen, B.	Sarna	Zubay
Drew	Kahn	Nelson, K.	Schafer	
Elioff	Kaley	Niehaus	Schoenfeld	
Ellingson	Kalis	Norton	Schreiber	
Erickson	Kelly	Novak	Shea	

Those who voted in the negative were :

Anderson, G.	Jacobs	Nysether	Sieben, M.	Welker
Eken	Johnson, C.	Pogemiller	Simoneau	Spkr. Sieben, H.
Harens	Ludeman	Rodriguez, F.	Vanasek	

The motion prevailed and the amendment was adopted.

Stowell moved to amend H. F. No. 1872, the first engrossment, as amended, as follows :

Page 275, after line 1, insert:

**"ARTICLE XXXI**

Section 1. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 29, is amended to read:

Subd. 29. [DEDUCTIONS ATTRIBUTABLE TO FARMING.] (a)

(b) [DEDUCTIONS LIMITED.] Except as provided in this subdivision, expenses and losses, except for interest and taxes, arising from a farm shall not be allowed as deductions in excess of income and gains arising from a farm.

(c) [DEDUCTIONS ALLOWED; CARRYOVER DEDUCTIONS.] For taxable years beginning on or after January 1, (1974) 1982, expenses and losses arising from a farm or farms shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first (\$15,000) \$22,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds (\$15,000) \$22,000, the maximum allowable amount of (\$15,000) \$22,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of (\$15,000) \$22,000. For this purpose and for the purpose of applying the limitation in the following paragraph regarding the application of any carryback or carryforward, the term gross income shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1980. Any remaining balance of the deductions shall be carried back three years and carried forward five years, in chronological order, provided, however, that in any case in which any individual, estate or trust which elects a net operating loss carryforward under section 172(b)(3)(C) of the Internal Revenue Code of 1954, as amended through December 31, 1980, such losses shall not be carried back but shall only be carried forward.

Current expenses and losses shall be utilized as deductions in any taxable year, to the extent herein allowable, prior to the application of any carryback or carryover deductions. In any event, the combined amounts of such current expenses and losses and carryback or carryover deductions shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first (\$15,000) \$22,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds (\$15,000) \$22,000, the maximum allowable amount of (\$15,000) \$22,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of (\$15,000) \$22,000. *For taxable years beginning before January 1, 1982 and for the carryback deduction for a taxable year beginning on or after January 1, 1982 when the carryback is to a tax-*

*able year beginning before January 1, 1982, "\$15,000" shall be substituted for "\$22,000" each place it appears in the preceding sentence and provided that the preceding sentence shall apply as written to the carryover amounts from a taxable year beginning before January 1, 1982 when the amounts are carried to a taxable year beginning on or after January 1, 1982.*

(d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an electing small business corporation shall be considered separate entities.

(e) [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO FARM LOSS LIMITATION CARRYBACKS.] For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a farm loss limitation carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation 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 farm loss which results in the carryback. (NO DEDUCTION OR REFUND SHALL BE ALLOWED ON 1974 RETURNS FOR FARM LOSSES WHICH HAVE BEEN PREVIOUSLY CARRIED BACK TO EARLIER YEARS AND FOR WHICH A TAX REFUND OR REDUCTION HAS BEEN ALLOWED.)

(f) [INTEREST ON CLAIMS.] In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a farm loss, interest shall be computed only from the end of the taxable year in which the loss occurs.

(g) [ORDER OF APPLICATION.] The application of this subdivision shall be made after applying any limitation to out of state losses contained in section 290.17.

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning on or after January 1, 1982."*

Amend the title as follows:

Page 2, line 18, after "system;" insert "modifying the income tax farm loss limitation;"

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

Berkelman offered an amendment to H. F. No. 1872, as amended.

## POINT OF ORDER

Anderson, I., 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.

## MOTION FOR RECONSIDERATION

Peterson, B., moved that the vote whereby the Stowell amendment to H. F. No. 1872 was not adopted be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the motion to reconsider and the roll was called.

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

There were 65 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Knickerbocker	Olsen	Sherman
Ainley	Fjoslien	Kvam	Onnen	Sherwood
Anderson, B.	Forsythe	Laidig	Peterson, B.	Stowell
Berkelman	Frerichs	Lemen	Piepho	Stumpf
Blatz	Gruenes	Levi	Redalen	Sviggum
Brinkman	Haukoos	Ludeman	Rees	Valan
Carlson, D.	Heap	Luknic	Reif	Valento
Dean	Himle	Marsh	Rose	Vellenga
Dempsey	Hoberg	McDonald	Rothenberg	Weaver
Den Ouden	Hokr	Mehrkens	Schafer	Welker
Drew	Jennings	Nelsen, B.	Schoenfeld	Wieser
Erickson	Johnson, D.	Niehaus	Schreiber	Wigley
Evans	Kaley	Nysether	Shea	Zubay

Those who voted in the negative were:

Anderson, G.	Ellingson	Kostohryz	Ogren	Simoneau
Anderson, I.	Greenfield	Lehto	Osthoff	Skoglund
Battaglia	Gustafson	Long	Otis	Staten
Begich	Hanson	Mann	Peterson, D.	Swanson
Brandl	Harens	McEachern	Pogemiller	Tomlinson
Carlson, L.	Hauge	Metzen	Reding	Vanasek
Clark, J.	Hokanson	Minne	Rice	Welch
Clark, K.	Jacobs	Murphy	Rodriguez, C.	Wenzel
Clawson	Johnson, C.	Nelson, K.	Rodriguez, F.	Wynia
Dahlvang	Jude	Norton	Samuelson	Spkr. Sieben, H.
Eken	Kahn	Novak	Sarna	
Elioff	Kalis	O'Connor	Sieben, M.	

The motion prevailed.

The Stowell amendment was reported to the House.

Anderson, I., moved to lay the Stowell amendment on the table.

A roll call was requested and properly seconded.

The question was taken on the Anderson, I., motion and the roll was called.

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

There were 62 yeas and 61 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Forsythe	Laidig	Piepho	Stumpf
Ainley	Frerichs	Lemen	Redalen	Sviggum
Berkelman	Gruenes	Ludeman	Rees	Valan
Blatz	Haukoos	Luknic	Reif	Valento
Carlson, D.	Heap	Marsh	Rose	Weaver
Dean	Himle	McDonald	Rothenberg	Welker
Dempsey	Hoberg	Mehrkens	Schafer	Wieser
Den Ouden	Hokr	Nelsen, B.	Schoenfeld	Wigley
Drew	Jennings	Niehaus	Schreiber	Zubay
Erickson	Johnson, D.	Nysether	Shea	
Evans	Kaley	Olsen	Sherman	
Ewald	Knickerbocker	Onnen	Sherwood	
Fjoslien	Kvam	Peterson, B.	Stowell	

The motion prevailed and the Stowell amendment was laid on the table.

McDonald and Kalis moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 173, after line 27, insert a new section to read:

Section 50. [340.986] [ON-SALE LIQUOR TAX.]

*Subdivision 1. [TAX IMPOSED.] In addition to the taxes imposed by section 297A.02 and chapter 340, a tax is imposed in the amount of five percent on all retail on-sales of intoxicating liquor and fermented malt beverages when sold at a licensed on-*

*sale liquor establishment or municipal liquor store within the state. The tax shall be reported and paid to the commissioner of revenue with and as part of the state sales and use taxes, and shall be subject to the same penalties, interest, and enforcement provisions.*

*Subd. 2. [PROCEEDS; USE.] The amount of the collected tax shall be deposited in the general fund. Twenty-five percent of the amount deposited in the general fund, less a proportionate share of the direct and indirect costs of state administration of collection and distribution of the tax, shall be credited to a special account to be known as the detoxification program account. The amount in the detoxification program account is annually appropriated to the commissioner of public welfare to be distributed by him to the county boards for the purposes of providing detoxification programs pursuant to section 254A.08. Distribution shall be made to each county at the time and in the same proportion as distributions are made to the county pursuant to section 256E.06. Twenty-five percent of the amount deposited in the general fund, less a proportionate share of the direct and indirect costs of state administration of collection and distribution of the tax, shall be credited to a special account to be known as the chemical dependency fund account. The amount in the chemical dependency fund account is annually appropriated to the commissioner of public welfare to be distributed by him to the county boards for the purpose of funding chemical dependency programs pursuant to sections 254A.07, subdivision 2, and 254A.14, subdivision 1. Distribution shall be made to each county at the times and in the same proportion as distributions are made to the county pursuant to section 256E.06.*

**Subd. 3. [EFFECTIVE DATE.]**

*This section is effective July 1, 1982.*

**Amend the title as follows:**

**Page 1, line 24, after "purposes;" insert "imposing a tax on on-sale of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs;"**

**Page 3, line 6, after "297," insert "340"**

**Renumber the following sections accordingly.**

**A roll call was requested and properly seconded.**

#### **POINT OF ORDER**

**Anderson, I., raised a point of order pursuant to rule 3.9 that the amendment was out of order. The Speaker ruled the point of order not well taken and the amendment in order.**

**Brinkman moved to amend the McDonald and Kalis amendment to H. F. No. 1872, the first engrossment, as amended, as follows:**



Page 1, line 37, delete "1982" and insert "1983"

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

Zubay moved to amend the McDonald and Kalis amendment to H. F. No. 1872, the first engrossment, as amended, as follows:

Page 1, line 5, after "on-sales" insert "or off-sales"

Page 1, line 7, after "on-sale" insert "or off-sale"

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

Shea offered an amendment to the McDonald and Kalis amendment.

#### POINT OF ORDER

Eken raised a point of order pursuant to rule 3.9 that the amendment to the amendment was not in order. The Speaker ruled the point of order well taken and the amendment to the amendment out of order.

The question recurred on the McDonald and Kalis amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

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

There were 87 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Jude	Nelsen, B.	Schoenfeld
Ainley	Erickson	Kahn	Nelson, K.	Schreiber
Anderson, B.	Evans	Kaley	Niehaus	Sherwood
Anderson, G.	Ewald	Kalis	Nysether	Skoglund
Battaglia	Fjoslien	Kelly	Ogren	Stadum
Begich	Forsythe	Knickerbocker	Olsen	Stowell
Berkelman	Frerichs	Kostohryz	Onnen	Sviggum
Blatz	Greenfield	Laidig	Otis	Swanson
Brandl	Gruenes	Lehto	Peterson, B.	Valan
Byrne	Hanson	Lemen	Redalen	Vellenga
Carlson, D.	Hauge	Levi	Reding	Weaver
Carlson, L.	Haukoos	Long	Rees	Wenzel
Clark, J.	Heap	Luknic	Reif	Wieser
Clark, K.	Heinitz	Marsh	Rodriguez, C.	Wigley
Clawson	Himle	McDonald	Rose	Wynia
Den Ouden	Hokanson	McEachern	Rothenberg	
Drew	Hokr	Mehrkens	Sarna	
Elioff	Johnson, D.	Murphy	Schafer	

Those who voted in the negative were:

Anderson, I.	Brinkman	Dahlvang	Dempsey	Eken
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Gustafson	Ludeman	O'Connor	Samuelson	Vanasek
Harens	Mann	Osthoff	Sherman	Welch
Hoberg	McCarron	Peterson, D.	Sieben, M.	Welker
Jacobs	Metzen	Piepho	Simoneau	Zubay
Jennings	Minne	Pogemiller	Stumpf	Spkr. Sieben, H.
Johnson, C.	Norton	Rice	Tomlinson	
Kvam	Novak	Rodriguez, F.	Valento	

The motion prevailed and the amendment was adopted.

Rees moved to amend H. F. No. 1872, the first engrossment, as amended, as follows:

Page 241, after line 12, insert:

*"Subd. 5. Subdivisions 1 to 4 of this section are effective November 1, 1982."*

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 45 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Aasness	Greenfield	Knickerbocker	Onnen	Stowell
Blatz	Haukoos	Kvam	Peterson, B.	Sviggum
Clark, K.	Heap	Lemen	Piepho	Tomlinson
Dempsey	Heinitz	Ludeman	Redalen	Valento
Den Ouden	Himle	Luknic	Rees	Weaver
Erickson	Hoberg	Marsh	Reif	Welker
Fjoslien	Hokr	McDonald	Schafer	Wieser
Forsythe	Jennings	Mehrrens	Sherwood	Wigley
Frerichs	Kaley	Nysether	Staten	Zubay

Those who voted in the negative were:

Ainley	Dahlvang	Jude	Norton	Schoenfeld
Anderson, B.	Drew	Kahn	Novak	Schreiber
Anderson, G.	Eken	Kalis	O'Connor	Shea
Anderson, I.	Elioff	Kelly	Osthoff	Sieben, M.
Battaglia	Ellingson	Kostohryz	Peterson, D.	Simoneau
Begich	Gruenes	Lehto	Pogemiller	Skoglund
Berkelman	Gustafson	Long	Reding	Stadum
Brandl	Hanson	Mann	Rice	Swanson
Brinkman	Harens	McCarron	Rodriguez, C.	Valan
Byrne	Hauge	McEachern	Rodriguez, F.	Vanasek
Carlson, D.	Hokanson	Metzen	Rose	Vellenga
Carlson, L.	Jacobs	Minne	Rothenberg	Welch
Clark, J.	Johnson, C.	Murphy	Samuelson	Wenzel
Clawson	Johnson, D.	Nelson, K.	Sarna	Spkr. Sieben, H.

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

McDonald, Ludeman and Sherwood offered an amendment to H. F. No. 1872, as amended.

#### POINT OF ORDER

Eken raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

H. F. No. 1872, A bill for an act relating to the financing of government in this state; extending the effective date of residential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for withholding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain cases of joint tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act;

adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment compensation; increasing the rate of interest allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 168.013, Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended, and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225;

298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter 2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340, and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.-079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

The bill was read for the third time, as amended, and placed upon it 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 121 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Pogemiller      Rice                      Staten                      Vanasek

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

Rothenberg; Nelsen, B.; Erickson and Nysether were excused for the remainder of today's session.

The Speaker called Wynia to the Chair.

### SPECIAL ORDERS

H. F. No. 612 was reported to the House.

Skoglund moved to amend H. F. No. 612, the first engrossment, as follows:

Page 1, line 29, restore the stricken language, delete the new language, and after "subscribers" insert *"or any system which serves more than 50 but fewer than 1,000 subscribers if the governing bodies of all political subdivisions served by the system, vote, by resolution, to remove the system from the provisions of chapter 238. Any system which serves more than 50 but fewer than 1,000 subscribers that has been removed from the provisions of chapter 238 shall be returned to the provisions of chapter 238 if the governing bodies of fifty percent or more of the political subdivisions served by the system vote, by resolution in favor of the return"*

The motion prevailed and the amendment was adopted.

### CALL OF THE HOUSE LIFTED

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

Hauge moved to amend H. F. No. 612, the first engrossment, as amended, as follows:

Page 3, lines 35 and 36, reinstate the stricken language

Page 4, lines 1 and 2, reinstate the stricken language

Page 4, line 3, reinstate the stricken language and delete the new language

Page 4, line 4, delete the new language

The motion prevailed and the amendment was adopted.

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

Frerichs and Dean moved to amend H. F. No. 612, the first engrossment, as amended, as follows:

Page 3, line 4, after "subdivision 3" add: "*provided that no rule shall require access if an existing contract provides essentially similar service to the residents of the dwelling units*"

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

Frerichs moved to amend H. F. No. 612, the first engrossment, as amended, as follows:

Page 3, delete line 1 and insert:

*"Subd. 18. The Board may adopt rules regarding"*

The motion prevailed and the amendment was adopted.

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

H. F. No. 612, A bill for an act relating to cable communications; changing the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of confirmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings; providing to municipalities the option concerning cable service rates information included in a franchise; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.05, Subdivision 7, and by adding a subdivision; 238.09, Subdivisions 6 and 7, and by adding a subdivision; Section 238.12, Subdivisions 1 and 2.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Berkelman	Carlson, L.	Den Ouden	Forsythe
Anderson, B.	Blatz	Clark, J.	Drew	Frerichs
Anderson, G.	Brandl	Clark, K.	Eken	Greenfield
Anderson, I.	Brinkman	Clawson	Elioff	Gruenes
Battaglia	Byrne	Dahlvang	Ellingson	Gustafson
Begich	Carlson, D.	Dempsey	Fjoslien	Hanson

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

Those who voted in the negative were :

Evans

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

Frerichs and Tomlinson were excused for the remainder of today's session.

S. F. No. 1689 was reported to the House.

Schreiber moved to amend S. F. No. 1689, as follows :

Page 3, after line 19, insert :

"Sec. 4. Minnesota Statutes 1980, Section 362.41, is amended by adding a subdivision to read :

*Subd. 8a. The commissioner of energy, planning and development shall be named as an assignee of the rights of a community development corporation on any loan or other evidence of debt. The assignment of rights shall provide that it will be effective upon the dormancy or cessation of existence of the community development corporation. "Dormancy" for the purpose of this section shall mean the continuation of the corporation in name only without any functioning officers or activities."*

Page 3, line 21, delete "3" and insert "4"

Amend the title as follows :

Page 1, line 10, after "3.972;" insert "362.41, by adding a subdivision;"

The motion prevailed and the amendment was adopted.



S. F. No. 1689, A bill for an act relating to the operation of state government; authorizing the legislative auditor to approve contracts for auditing state agencies; clarifying certain provisions regarding the term of the legislative auditor; modifying authority of the housing finance agency and certain other agencies to contract for audits without approval; amending Minnesota Statutes 1980, Sections 3.97, Subdivision 4; 3.972; and 462A.22, Subdivision 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 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

S. F. No. 1856 was reported to the House.

Simoneau moved to amend S. F. No. 1856 as follows:

Page 11, line 26, after "*deputy*" insert "*or assistant*"

Page 18, line 17, strike "(g)" and insert "(h)"

Page 32, line 23, delete "*by the board*"

Page 35, delete lines 2 to 28

Renumber subsequent sections

Page 39, line 12, after "(WHO)" insert "and"

Page 39, line 19, strike "such"

Page 45, line 6, delete "190.081; and 190.095;"

Further, amend the title as follows:

Page 1, line 12, delete "241.64, Subdivision 3; 241.65;"

Page 1, line 32, delete "190.081; and 190.095;"

The motion prevailed and the amendment was adopted.

Ludeman moved to amend S. F. No. 1856, as amended, as follows:

Page 12, line 8, after "UNCLASSIFIED" insert "AND ESSENTIAL"

Page 12, line 10, before "authorize" insert "(1)"

Page 12, line 11, after "service" insert ", and (2) authorize the temporary designation of health care non-professional employees as "essential" in which case they shall have the same rights and obligations as though they were defined as "essential" in section 179.63, subdivision 11"

Page 12, line 11, delete "this" and insert "an"

Page 12, line 12, after "authorization" insert "under (1)"

Page 12, line 13, after "duration" insert "and under (2) only for health care non-professional employees in circumstances which are fully anticipated to be of limited duration"

A roll call was requested and properly seconded.

#### POINT OF ORDER

Simoneau raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker Pro Tem ruled the point of order not well taken and the amendment in order.

The question recurred on the Ludeman amendment and the roll was called. There were 46 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Aasness      Ainley      Anderson, B.      Berkelman      Blatz

Brinkman	Heap	Ludeman	Reif	Weaver
Dempsey	Heinitz	Mehrkens	Rose	Welker
Den Ouden	Himle	Niehaus	Schafer	Wieser
Drew	Hoberg	Olsen	Schreiber	Wigley
Evans	Hokr	Onnen	Sherman	Zubay
Fjoslien	Jennings	Peterson, B.	Sherwood	
Forsythe	Kaley	Piepho	Sviggunm	
Gruenes	Lemen	Redalen	Valan	
Haukoos	Levi	Rees	Valento	

Those who voted in the negative were:

Anderson, I.	Elioff	Kelly	O'Connor	Simoneau
Battaglia	Ellingson	Kostohryz	Ogren	Skoglund
Begich	Greenfield	Laidig	Osthoff	Staten
Brandl	Gustafson	Lehto	Otis	Swanson
Byrne	Hanson	Long	Peterson, D.	Vanasek
Carlson, D.	Harens	McEachern	Pogemiller	Vellenga
Carlson, L.	Hokanson	Metzen	Reding	Welch
Clark, J.	Jacobs	Minne	Rice	Wenzel
Clark, K.	Johnson, D.	Murphy	Rodriguez, C.	Wynia
Clawson	Jude	Nelson, K.	Rodriguez, F.	Spkr. Sieben, H.
Dahlvang	Kahn	Norton	Sarna	
Eken	Kalis	Novak	Sieben, M.	

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

S. F. No. 1856, A bill for an act relating to state government; improving the state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 246.017, Subdivision 2; 299E.01, Subdivision 1; 299F.01, Subdivision 2; and 352D.02, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.05, Subdivision 4; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.41, Subdivision 4; 43A.42; 43A.44, Subdivision 2; 124.41, Subdivision 3; 254A.03, Subdivision 1; 352D.02, Subdivision 1; and 462A.04, Subdivision 8; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; and Minnesota Statutes 1981 Supplement, Section 43A.08, 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 110 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Drew

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

H. F. No. 2079 was reported to the House.

There being no objection H. F. No. 2079 was continued on Special Orders for one day.

H. F. No. 438, A bill for an act relating to retirement; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association; allowing a surviving spouse to elect a joint and survivor annuity under certain circumstances; amending Minnesota Statutes 1981 Supplement, Section 354.46, 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 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 358 was reported to the House.

Otis moved that S. F. No. 358 be continued for one day. The motion prevailed.

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

H. F. No. 1278 was reported to the House.

Dahlvang moved to amend H. F. No. 1278, the first engrossment, as follows:

Page 1, line 18, after "instrumentality" insert "*provided that the views of elected appointing authorities responsible for the selection, direction, discipline and discharge of individual employees shall be considered by the employer in the course of the discharge of their rights and duties under section 179.61 to 179.76*"

Himle moved to amend the Dahlvang amendment to H. F. No. 1278, the first engrossment, as follows:

On line 2 of the Dahlvang amendment after "*authorities*" insert "*who shall have standing to initiate interest arbitration, and who are*"

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 57 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Aasness	Haukoos	Kvam	Rees	Valan
Anderson, B.	Heap	Laidig	Reif	Valento
Anderson, G.	Heinitz	Lemen	Rose	Vanasek
Blatz	Himle	Ludeman	Schafer	Weaver
Brinkman	Hoberg	Marsh	Schoenfeld	Welker
Dempsey	Hokr	Mehrkens	Shea	Wenzel
Den Ouden	Jennings	Niehaus	Sherman	Wieser
Drew	Johnson, C.	Olsen	Sherwood	Wigley
Evans	Johnson, D.	Onnen	Stadum	Zubay
Fjoslien	Kaley	Peterson, B.	Stowell	
Forsythe	Kalis	Piepho	Stumpf	
Gruenes	Knickerbocker	Redalen	Sviggun	

Those who voted in the negative were:

Anderson, I.	Eken	Kahn	Novak	Sieben, M.
Battaglia	Elioff	Kelly	O'Connor	Simoneau
Begich	Ellingson	Kostohryz	Osthoff	Skoglund
Berkelman	Greenfield	Lehto	Otis	Staten
Brandl	Gustafson	Long	Peterson, D.	Swanson
Byrne	Hanson	Mann	Pogemiller	Vellenga
Carlson, L.	Harens	McCarron	Reding	Wynia
Clark, J.	Hauge	Minne	Rice	Spkr. Sieben, H.
Clark, K.	Hokanson	Murphy	Rodriguez, C.	
Clawson	Jacobs	Nelson, K.	Rodriguez, F.	
Dahlvang	Jude	Norton	Samuelson	

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

The question recurred on the Dahlvang amendment, as amended.

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

H. F. No. 1278, A bill for an act relating to public employment labor relations; clarifying the definition of "employer"; amending Minnesota Statutes 1980, Section 179.63, 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 81 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Blatz	Carlson, D.	Clawson	Greenfield
Battaglia	Brandl	Carlson, L.	Dahlvang	Gustafson
Begich	Brinkman	Clark, J.	Elioff	Hanson
Berkelman	Byrne	Clark, K.	Ellingson	Harens

Hauge	Kelly	O'Connor	Rodriguez, C.	Stumpf
Haukoos	Kostohryz	Ogren	Rodriguez, F.	Swanson
Heap	Laidig	Olsen	Rose	Valan
Himle	Lehto	Osthoff	Samuelson	Valento
Hoberg	Long	Otis	Schoenfeld	Vellenga
Hokanson	Mann	Peterson, B.	Schreiber	Weaver
Hokr	Marsh	Peterson, D.	Shea	Wenzel
Jacobs	McCarron	Piepho	Sherman	Wynia
Johnson, C.	Minne	Pogemiller	Sieben, M.	Spkr. Sieben, H.
Johnson, D.	Murphy	Redalen	Simoneau	
Jude	Nelson, K.	Reding	Skoglund	
Kahn	Norton	Reif	Stadum	
Kalis	Novak	Rice	Staten	

Those who voted in the negative were:

Aasness	Eken	Knickerbocker	Onnen	Welch
Ainley	Fjoslien	Kvam	Rees	Welker
Anderson, B.	Forsythe	Lemen	Schafer	Wieser
Anderson, G.	Gruenes	Ludeman	Sherwood	Wigley
Dempsey	Heinitz	McEachern	Stowell	Zubay
Den Ouden	Jennings	Mehrkens	Sviggum	
Drew	Kaley	Niehaus	Vanasek	

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

H. F. No. 950 was reported to the House.

Byrne moved that H. F. No. 950 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 1994, A bill for an act relating to financial institutions; permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer; authorizing bank or trust company investment in community welfare projects; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b.

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 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

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

H. F. No. 2057, A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

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 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The Speaker resumed the Chair.



H. F. No. 1867 was reported to the House.

Brinkman moved to amend H. F. No. 1867, the first engrossment, as follows:

Page 1, after line 9, insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivision 6c, is amended to read:

Subd. 6c. [REVOCAION OR SUSPENSION OF LICENSE.] (a) The commissioner may suspend or revoke an insurance agent's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

(1) Any materially untrue statement in the license application;

(2) Any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;

(3) Violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;

(4) Obtaining or attempting to obtain any license through misrepresentation or fraud;

(5) Improperly withholding, misappropriating, or converting to the licensee's own use any moneys belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;

(6) Misrepresentation of the terms of any actual or proposed insurance contract;

(7) Conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;

(8) That the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;

(9) That in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;

(10) That the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;

(11) That the licensee has forged another's name to an application for insurance; or

(12) That the licensee has violated subdivision 6b.

(b) The commissioner may suspend or revoke an insurance agent's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at his or her discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapter 60A or of any rule or order of the commissioner:

(1) The commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order shall give reasonable notice of the time and place of hearing and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the issuance of the order unless the person requests a delay. After the hearing and within 30 days of filing of any exceptions to the hearing examiner's report, the commissioner shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 15. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) *The commissioner may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with chapter 60A and any rule or order of the commissioner; and*

(3) In any proceeding under chapter 60A relating to injunction, the request for injunction may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case shall have precedence over other matters on the court calendar and shall not be continued without the consent of the state of Minnesota, except upon good cause shown to the court, and then only for a reasonable length of time as may be necessary in the opinion of the court to protect the rights of the defendant."

Page 2, line 28, delete "1" and insert "2"

Re-number the sections

Amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing the commissioner to enjoin violations of chapter 60A;"

Page 1, line 6, delete "Subdivision" and insert "Subdivisions 6c and"

The motion prevailed and the amendment was adopted.

H. F. No. 1867, A bill for an act relating to insurance; authorizing the commissioner to enjoin violations of chapter 60A; eliminating certain mandatory filings with the commissioner of insurance; providing certain exceptions to variable contract license requirements; amending Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivisions 6c and 13; repealing Minnesota Statutes 1980, Section 72A.062.

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 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark, K.	Harens	Kaley	Minne
Ainley	Clawson	Hauge	Kalis	Murphy
Anderson, B.	Dahlvang	Haukoos	Kelly	Nelson, K.
Anderson, G.	Dempsey	Heap	Knickerbocker	Niehaus
Anderson, I.	Den Ouden	Heinitz	Kostohryz	Norton
Battaglia	Drew	Himle	Kvam	Novak
Begich	Eken	Hoberg	Laidig	O'Connor
Berkelman	Elioff	Hokanson	Lehto	Ogren
Blatz	Ellingson	Hokr	Lemen	Olsen
Brandl	Evans	Jacobs	Long	Onnen
Brinkman	Fjoslien	Jennings	Ludeman	Osthoff
Byrne	Forsythe	Johnson, C.	Mann	Otis
Carlson, D.	Greenfield	Johnson, D.	Marsh	Peterson, B.
Carlson, L.	Gruenes	Jude	McCarron	Peterson, D.
Clark, J.	Hanson	Kahn	McEachern	Piepho

Pogemiller	Rose	Sherwood	Sviggum	Welker
Redalen	Samuelson	Sieben, M.	Swanson	Wenzel
Reding	Sarna	Simoneau	Valan	Wieser
Rees	Schafer	Skoglund	Valento	Wigley
Reif	Schoenfeld	Stadum	Vanasek	Wynia
Rice	Schreiber	Staten	Vellenga	Zubay
Rodriguez, C.	Shea	Stowell	Weaver	Spkr. Sieben, H.
Rodriguez, F.	Sherman	Stumpf	Welch	

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

H. F. No. 1897 was reported to the House.

Rice moved that H. F. No. 1897 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 917, A bill for an act relating to retirement; authorizing special coverage for members of the Minnesota state retirement system prohibited from performing specified duties after age 60; clarifying various aspects of the special retirement program for certain employees of the department of military affairs; amending Minnesota Statutes 1980, Section 352.85, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapter 352.

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

The question was taken on the passage of the bill and the roll was called. There were 110 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 1743, A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

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 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

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

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

### GENERAL ORDERS

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

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

### REPORTS OF STANDING COMMITTEES

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 541, A bill for an act relating to cable communications; changing certain definitions and procedures relating to cable communications system franchises and operations; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.06, Subdivision 6; 238.08, Subdivision 4; 238.09, Subdivisions 6 and 7; 238.11, Subdivision 2; and 238.12, Subdivisions 1 and 2; repealing Minnesota Statutes 1980, Section 238.05, Subdivisions 6 and 7.

Reported the same back with the following amendments:

Page 1, line 23, reinstate the stricken language and delete the new language and after "subscribers" insert "*or any system which serves more than 50 but fewer than 1,000 subscribers if the governing bodies of all political subdivisions served by the system, vote, by resolution, to remove the system from the provisions of chapter 238*"

Pages 2 and 3, delete section 4

Renumber the sections

Amend the title as follows:

Page 1, lines 6 and 7, delete "238.08, 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:

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; providing for the establishment and operation of watershed management organizations; authorizing 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 a subdivision; 112.43, by adding a subdivision; 112.46; proposing new law coded in Minnesota Statutes, Chapter 473.

Reported the same back with the following amendments:

Page 1, after line 15, insert:

"Section 1. Laws 1981, Chapter 291, Section 2, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] A (WASTE WATER TREATMENT) *sanitary sewer* board called the North Koochiching (COUNTY WASTE WATER TREATMENT) *sanitary sewer* board with jurisdiction in the (INTERNATIONAL FALLS, SOUTH INTERNATIONAL FALLS AND RANIER MUNICIPALITIES AND THE EAST KOOCHICHING COUNTY SEWER DISTRICT AND THE PAPERMAKERS SEWER DISTRICT) *North Koochiching area sanitary district* is established as a public corporation and political subdivision with all the rights, powers, privileges, immunities and duties which may be granted to or imposed upon a municipal corporation.

Sec. 2. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 1a. [DISTRICT.] The North Koochiching area sanitary district is the International Falls, South International Falls and Ranier municipalities and the East Koochiching county sewer district and the Papermakers sewer district, except that if the conditions in subdivision 10 as added by section 4 of this act are not met, after December 31, 1985, the north Koochiching area sanitary district shall then be the area served by the district disposal system on that date.*

Sec. 3. Laws 1981, Chapter 291, Section 2, Subdivision 2, is amended to read:

Subd. 2. [MEMBERS AND SELECTIONS.] The board members shall be appointed by each of their governmental units in the following numbers:

International Falls 4

South International Falls 2

East Koochiching county sewer district 1

Papermakers sewer district 1

Ranier 1

The East Koochiching and Papermakers sewer districts shall each appoint their member on the board and designate the term of the member in accordance with subdivision 5, by a majority vote. *If the conditions in subdivision 10 as added by section 4 of this act are not met, after December 31, 1985 the composition of the board shall be changed, with each local government unit remaining in the district appointing one board member.*

Sec. 4. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 10. [CONDITIONS; APPOINTMENT OF ENGINEER; BOARD COMPOSITION.] If before January 1, 1986, the state or federal governments have not offered grants for at least 70 percent of the estimated grant eligible cost, or the board has not advertised for bids for construction, of all interceptors and treatment works which the comprehensive plan adopted pursuant to Laws 1981, Chapter 291, section 4 identifies as critical to the integrity of the district, then:*

*(a) The board shall appoint an independent consulting engineer who shall determine the actual value, as of January 1, 1982, of all real and personal property transferred to the board pursuant to Laws 1981, Chapter 291, section 5, subdivision 2, clause (a) as amended by section 6 of this act.*

*(b) After appointing the independent consulting engineer, the composition of the board shall be changed to comply with Laws 1981, Chapter 291, Section 2, subdivision 2.*

Sec. 5. Laws 1981, Chapter 291, Section 4, Subdivision 1, is amended to read:

**Subdivision 1. [BOARD PLAN AND PROGRAM.]** The board shall adopt as its first comprehensive plan for the collection, treatment and disposal of waste water in the district for the period the board deems proper the comprehensive plan adopted by the joint powers board previously established for the cities of International Falls, South International Falls, and Ranier and the county of Koochiching by agreement pursuant to Minnesota Statutes, Section 471.59. The board shall prepare and adopt subsequent comprehensive plans for the collection, treatment and disposal of waste water in the district for each succeeding designated period the board deems proper. The first plan, as modified by the board, and any subsequent plan, shall provide that no treatment facilities shall be constructed which would allow a discharge above the water intake used to supply drinking water to residents of the district, and shall take into account the preservation and best and most economic use of water and other natural resources in the area; the preservation, uses and potential for use of lands adjoining waters of the state to be used for the disposal of waste water; and the impact the disposal system will have on present and future land use in the area affected. Plans shall include the general location of needed interceptors and treatment works, a description of the area that is to be served by the various interceptors and treatment works, a long range capital improvements program and other details the board deems appropriate. Plans shall specifically identify those interceptors and treatment works which are critical to the integrity of the district. In developing the plans, the board shall consult with persons designated for the purpose by the governing body of any municipal and public corporation or governmental or political subdivision or agency within the district. It shall consider the



data, resources, and suggestions offered to the board by the entities and any planning agency acting on behalf of one or more of them. Each plan, when adopted, shall be followed in the district and may be revised as often as the board deems necessary.

Sec. 6. Laws 1981, Chapter 291, Section 5, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ACQUISITION.] (a) The board may require any local government unit to transfer to the board, *without consideration, free and clear of all encumbrances, subject only to a contingent liability pursuant to section 8, subdivision 1a, as amended by section 9 of this act* all of the unit's right, title, and interest in any interceptors or treatment works and their necessary appurtenances owned by the unit which are needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for all the transferred property shall be executed and delivered to the board by the proper officers of each local government unit concerned.

(b) All persons regularly employed by a local government unit to operate and maintain works transferred to the board on the date on which the transfer becomes effective shall be employees of the board, in the same manner and with the same options and rights as other employees of the board.

Sec. 7. Laws 1981, Chapter 291, Section 7, is amended to read:

Sec. 7. [BUDGET.]

The board shall prepare and adopt a budget, on or before (SEPTEMBER 1, 1981) *August 1, 1982* and annually thereafter. The budget shall show for the following calendar year or other fiscal year determined by the board estimated receipts of money from all sources, including but not limited to payments by each local government unit, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated expenditures for:

(a) Costs of operation, administration and maintenance of the district disposal system;

(b) Costs of acquisition and betterment of the district disposal system; and

(c) Debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 12, and any money judgments against the district.

Expenditures within these categories and others the board may determine, shall be itemized in the detail the board shall prescribe. The board and its officers, agents, and employees shall not spend money for any purpose other than debt service without having set forth the expense and its amount in the budget. No obligation to make an unbudgeted expenditure shall be enforceable except as the obligation of the person incurring it. The board may amend the budget at any time by transferring from one purpose to another any budgeted sums, except money for debt service and bond proceeds, or by increasing expenditures in any amount by which cash receipts during the budget year actually exceed the total amounts designated in the original budget. The creation of an obligation pursuant to section 12 or the receipt of a federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation, whether or not specifically included in the budget.

Sec. 8. Laws 1981, Chapter 291, Section 8, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF CURRENT COSTS.] The estimated cost of administration, operation, maintenance and debt service of the district disposal system to be paid by the board in a fiscal year and the estimated costs of acquisition and betterment of the system which are to be paid during the year from funds other than state or federal grants and bond proceeds and all other previously unallocated payments made by the board pursuant to this act to be allocated in the year, less any costs to be allocated to industries pursuant to subdivision 3 and less any amounts to be received pursuant to subdivision 1a as added by section 9 of this act, are referred to as current costs and shall be allocated by the board to the local government units in the budget for such year.

Sec. 9. Laws 1981, Chapter 291, Section 8, is amended by adding a subdivision to read:

*Subd. 1a. [PAYMENT OF DIFFERENCE.] If the area of the district and the composition of the board change pursuant to section 2, after December 31, 1985 any local government unit remaining in the district shall pay in equal payments over 20 years, with interest at the rate of eight percent per annum, the proportionate difference in the value determined pursuant to Laws 1981, Chapter 291, section 2, subdivision 10, clause (a), as amended by section 4 of this act.*

Sec. 10. Laws 1981, Chapter 291, Section 8, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ALLOCATION OF CURRENT COSTS.] All current costs shall be allocated to local government units in the district on a pro rata basis determined by the

effluent contributed by each, less any industrial wastes for which costs have been allocated under subdivision 3, calculated on the basis of flow measurement. The projected pro rata contribution of effluent shall be made on or before (SEPTEMBER 1, 1981) *August 1, 1982* and annually thereafter. An adjustment shall be made on or before February 1 of each succeeding year based upon the actual effluent contributed by each government entity. The adjustments shall be paid to the district or to the proper local government units. It also may be corrected by deduction from or addition to subsequent payments. The adoption or revision of a method of allocation used by the board shall be by the affirmative vote of at least two-thirds of the members of the board.

Sec. 11. Laws 1981, Chapter 291, Section 24, is amended to read:

Sec. 24. [EFFECTIVE DATE; LOCAL APPROVAL.]

(THIS ACT) *Laws 1981, Chapter 291*, 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.) *The day after final enactment of Section 1 to 11 of this chapter, pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, clause (a).*"

Page 1, line 16, delete "1" and insert "12"

Page 1, line 20, delete "2" and insert "13"

Page 2, line 35, delete "3" and insert "14"

Page 3, line 10, delete "4" and insert "15"

Page 4, line 31, delete "5" and insert "16"

Page 4, line 36, delete "3 and 4" and insert "14 and 15"

Page 5, line 7, delete "6" and insert "17"

Page 5, line 9, before "*Notwithstanding*" insert "*A watershed district located wholly within the metropolitan area shall have the duties and authorities provided in sections 18 to 25.*"

Page 5, line 13, delete "9" and insert "20"

Page 5, line 14, delete "7" and insert "18"

Page 5, line 16, delete "7 to 14" and insert "18 to 25"

Page 5, line 25, delete "8" and insert "19"

Page 6, after line 4, insert:

*"Subd. 5. [MINOR WATERSHED UNITS.] "Minor watershed units" means the drainage areas identified and delineated as such pursuant to Laws 1977, Chapter 455, Section 33, Subdivision 7(a)."*

Page 6, line 7, delete "natural"

Page 6, line 8, delete "which" and insert "having boundaries which are substantially coterminous with those of an aggregation of contiguous minor watershed units possessing similar drainage patterns and which"

Page 6, line 9, delete everything after "units" and insert a period

Page 6, delete lines 10 to 13

Page 6, line 18, delete "an" and insert "a joint powers"

Page 6, line 19, delete "under" and insert "wholly within the metropolitan area by"

Page 6, line 19, delete "a joint powers" and insert "by"

Page 6, line 19, delete "wholly"

Page 6, line 20, delete "within the metropolitan area"

Page 6, line 22, delete "9" and insert "20" and after the period insert "Lake improvement or conservation districts are not watershed management organizations."

Page 6, line 23, delete "9" and insert "20" and delete the semicolon and insert a period and a bracket

Renumber the subdivisions

Page 6, line 24, before "AUTHORITY" insert:

*"Subdivision 1. ["*

Page 6, line 27, delete "in a watershed wholly within the metropolitan area" and insert "as required by sections 18 to 25"

Page 6, line 30, delete "10" and insert "21"

Page 6, line 32, delete "11" and insert "22"

Page 7, after line 14, insert:

*"Subd. 2. [REVIEW OF WATERSHED BOUNDARIES.] Before commencing planning under section 21, a watershed management organization established pursuant to section 471.59 and this section shall submit a map delineating the boundaries of the watershed to the water resources board for review and comment on the conformance of the boundaries with the requirements of sections 18 to 25. The board shall have 60 days to comment."*

Page 7, line 16, after "plan" insert "is required for watersheds comprising all minor watershed units within the metropolitan area. For the purposes of this section a minor watershed unit shall be considered within the metropolitan area if more than 90 percent of its area is within the metropolitan area. The watershed management plan"

Page 7, line 17, delete "and" and insert a comma

Page 7, line 17, delete "for each watershed wholly within"

Page 7, line 18, delete "the metropolitan area" and insert "and implemented"

Page 7, delete line 19 and insert "sections 18 to 25."

Page 7, line 28, delete "9" and insert "20"

Page 7, line 30, after "watershed" insert "or minor watershed unit within the metropolitan area and"

Page 7, line 34, after "not" insert "cross a primary river nor a river forming the boundary between a metropolitan county and a county outside the metropolitan area and shall not"

Page 7, line 36, delete "governments" and insert "government units"

Page 8, line 12, delete "7" and insert "18" and delete "14" and insert "25"

Page 8, line 20, delete "7" and insert "18" and delete "14" and insert "25"

Page 8, line 22, delete "7" and insert "18" and delete "14" and insert "25"

Page 9, line 10, after "counties," insert "soil and water conservation districts,"

Page 9, line 24, delete "14" and insert "25"

Page 10, line 17, delete "7" and insert "18"

Page 10, line 18, delete "14" and insert "25"

Page 10, line 20, delete "7" and insert "18" and delete "14" and insert "25"

Page 10, line 28, delete everything after the period

Page 10, line 29, delete everything through the comma

Page 10, line 30, after "its" insert "approved" and after "and" insert "approved"

Page 10, delete line 31 and insert "*of the majority of the board of managers and without respect to the provisions of chapter 112 requiring the managers to wait upon petitions for projects, to submit projects for review by the water resources board, and to limit the cost and purposes of projects.*"

Page 10, line 36, delete "and" and insert a comma

Page 10, line 36, after "6" insert ", and 7"

Page 11, line 1, delete "11" and insert "22"

Page 11, line 3, delete "10, each" and insert "21, the"

Page 11, line 4, delete "unit" and insert "units"

Page 11, line 4, after "having" insert "*land use planning and regulatory responsibility for*"

Page 11, line 11, after the period insert "*Each town within the counties of Anoka, Carver, Dakota, Scott, and Washington authorized by general or special law to plan and regulate the use of land under sections 462.351 to 462.364 shall by resolution determine whether to prepare the local water management plan itself or to delegate all or part of the preparation of the plan to the county. Towns within counties which have adopted comprehensive plans applicable to the town shall use county preparation of their plan to the maximum extent possible.*"

Page 11, line 32, delete "10" and insert "21"

Page 12, line 11, delete "12" and insert "23"

Page 12, line 18, after "275" insert "*except those allowed to be levied pursuant to section 25, subdivision 7 after the taxable years 1984 and thereafter*"

Page 12, line 21, delete "10" and insert "21" and delete "11" and insert "22"

Page 12, line 24, delete "13" and insert "24"

Page 12, line 29, delete "10" and insert "21"

Page 12, line 30, delete "11" and insert "22"

Page 12, line 32, delete "10" and insert "21"

Page 13, line 15, after the word "taxable" insert "real"

Page 14, line 13, delete "14" and insert "25"

Page 15, line 9, delete "7" and insert "18" and delete "14" and insert "25"

Page 15, line 10, delete "10" and insert "21"

Page 16, line 34, delete "15" and insert "26"

Page 16, line 35, delete "7" and insert "18" and delete "14" and insert "25"

Page 16, after line 36, insert:

"Sec. 27. [EFFECTIVE DATE.]

*Sections 1 to 11 are effective the day after final enactment.*

Renumber the sections.

Amend the title as follows:

Page 1, line 7, after "organizations" insert "establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district;"

Page 1, line 12, after the second semicolon insert "Laws 1981, Chapter 291, Section 2, Subdivisions 1 and 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1 and 2, and by adding a subdivision; and 24;"

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. 1553, A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured per-

sons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

Reported the same back with the following amendments:

Page 4, line 12, in the blank insert "20,850"

Page 4, line 13, after the period, insert "*The department of public safety is authorized to increase their complement by one fulltime trunk highway fund position.*"

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. 1807, A bill for an act relating to health; establishing a study commission on the use of state facilities in lieu of reimbursing private facilities for some purposes.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ADVISORY TASK FORCE.]

*Subdivision 1. [MEMBERS.] There is established an advisory task force consisting of three members of the house appointed by the speaker, three members of the senate appointed by the chairman of the subcommittee on committees of the rules committee, and the commissioners of health and public welfare or their designees.*

*The advisory task force shall include two representatives of private providers of long-term and short-term care, both non-profit and profit-making. It shall also include two representatives of state hospital employees, at least one of whom shall be an employee pursuant to Minnesota Statutes, Section 179.741, Subdivision 1, Clause (4); and one member, with one designated alternate member, who shall represent each of the following groups: mentally retarded, chemically dependent, and mentally ill. All these members shall be appointed by the legislative coordinating commission.*

*Subd. 2. [PURPOSE.] The advisory task force shall report to the legislature by January 15, 1983, on the feasibility and cost implications of using existing state facilities for the care of persons.*



*The advisory task force shall consider life safety standards, geographic distribution of the facilities and populations affected, cost of care attributable to each category of patient, cost of physical plant construction, and alternative uses of the physical plants and buildings in making its report. Advisory task force meetings shall be open to the public and shall be announced in advance.*

**Subd. 3. [REIMBURSEMENT FOR EXPENSES.]** *Advisory task force members shall be reimbursed for expenses as provided under section 15.059, subdivision 6.*

*Expenses of the advisory task force shall be paid from appropriations previously made to the senate, the house of representatives, and the commissioners of health and public welfare. The advisory task force shall prepare a budget of proposed income and expenditures and present it to the senate committee on rules and administration, the house committee on rules and legislative administration, and the commissioners of health and public welfare for approval. Amounts transferred by the senate, the house of representatives, and the commissioners of health and public welfare are appropriated to the advisory task force for the purposes of this act, to be available until June 30, 1983.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, delete "a study commission" and insert "an advisory task force"

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1834, 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 1, after line 13, insert:

*"Subd. 3. Chisago County Court Services, Chisago County Courthouse, Center City, Minnesota 55012, for medical expenses*

*incurred by a prisoner who was assigned to social restitution . . . . \$26.35.*

*Subd. 4. Robert J. Feather, No. 100170, Minnesota Correctional Facility, Stillwater, Minnesota 55082, for an injury received while doing his assigned work which resulted in a permanent partial disability of 50 percent to his left hand. . . . \$7,541.00."*

Page 1, after line 18, insert:

*"Subd. 6. Norman Goldberg, 602-26th Street, Cloquet, Minnesota 55720, for medical expenses incurred due to injuries sustained by his juvenile son while he was doing assigned social restitution. . . . \$15.00."*

Page 2, after line 6, insert:

*"Subd. 10. Toby Krominga, P.O. Box 179, Elk River, Minnesota 55330, for an injury sustained while doing his assigned work which resulted in a permanent partial disability as follows: five percent of the whole left arm, 15 percent to the little finger left hand, and 10 percent to the ring finger left hand. . . . \$1,690.00*

*Subd. 11. Kenneth Lee Napier, c/o David Musielewicz, LAMP, University of Minnesota, 95 Law Building, Minneapolis, Minnesota 55455, for an injury sustained while doing his assigned work in the License Plate Plant, MCF-St. Cloud, which resulted in a permanent partial disability of 25 percent loss of the distal tip of the left ring finger. . . . \$517.00."*

*Subd. 12. Patrick Petrick, No. 101385, Minnesota Correctional Facility, Stillwater, Minnesota 55082, for loss of his personal property when he was transferred from Lino Lakes Correctional Facility to Stillwater. . . . \$1,264.00."*

Page 2, after line 19, insert:

*"Subd. 16. Helen Stumpf, on behalf of all the plaintiffs in the Ramsey County district court case of Helen Stumpf, et al. v. The St. Paul Board of Education, 1283 Danforth Street, St. Paul, Minnesota 55117, for attorney's fees incurred in obtaining an injunction restraining the St. Paul Board of Education from establishing combined seasons for boys and girls tennis and swimming, payment to be made to each plaintiff of the amount actually contributed by each, the total amount not to exceed the amount specified in this subdivision, prorated among the plaintiffs if necessary. . . . \$1,912.50."*

Page 2, after line 23, insert:

*"Subd. 18. Ronald Waukazo, c/o Roderick J. McPherson, 310 Fourth Avenue South, Suite 700, Minneapolis, Minnesota 55415,*

*for an injury sustained while doing his assigned work at MCF-Stillwater which resulted in a permanent partial disability of a 50 percent loss of the first phalange of the second finger on his right hand, \$1,085.00 and \$266.00 for payment of his temporary disability. . . . \$1,351.00."*

Renumber the subdivisions

Page 2, after line 32, insert:

**"Sec. 2. [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. Earl R. Colstrup, Route 2, Box 278, Albert Lea, Minnesota 56007, for crop loss in 1978, 1979, 1980, and 1981 resulting from highway construction on I-90. . . . \$7,500.*

*Ronald J. Sipple, Route 2, Box 279, Albert Lea, Minnesota 56007, for crop loss in 1978, 1979, 1980, and 1981 resulting from highway construction on I-90. . . . \$11,500.*

*Neither of the amounts appropriated by this subdivision shall be paid until both Earl R. Colstrup and Ronald J. Sipple have executed an agreement or agreements with the commissioner of transportation (a) releasing the state of Minnesota from any and all claims for damages, past, present, and future, of any kind or nature, occasioned by the construction or maintenance of the highway known as Interstate 90, (b) pledging not to present to the legislature any more claims relating to the construction or maintenance of I-90, and (c) waiving any objection to the construction of a drainage project by Freeborn County designed to alleviate the flooding of their land that might otherwise continue to result from the construction or maintenance of I-90, and the agreement or agreements have been filed with the county recorder.*

*Subd. 3. John Toenges, Route 2, Alden, Minnesota 56009, for damage incurred when 33+ acres of his land which was used for a borrow pit was not restored properly according to the contract. . . . \$2,450.*

**Sec. 3. [CANCELLATION.]**

*The appropriations made by this act shall lapse and be canceled on June 30, 1983.*

**Sec. 4. [CANCELLATION OF OLD CLAIMS.]**

*The appropriations made by the laws listed in this section, not having been used within a reasonable period of time, shall lapse and be canceled on December 31, 1982:*

*Laws 1969, Chapter 886, Section 3, Subdivision 44—City of West St. Paul—\$1,569.88*

*Laws 1969, Chapter 886, Section 3, Subdivision 53—Lucille Jacobs—\$604.58*

*Laws 1969, Chapter 1066, Section 8, Subdivision 3—City of West St. Paul—\$137.00*

*Laws 1969, Chapter 1066, Section 8, Subdivision 9—Marie Murphy—\$1,500.00*

*Laws 1969, Chapter 1066, Section 13, Subdivision 1—Jeanette Rudeen—\$10,200.00*

*Laws 1971, Chapter 157, Section 3, Subdivision 3—Benjamin Burton—\$533.40*

*Laws 1973, Chapter 294, Section 4, Subdivision 44—Sreeramulu Nagubandi—\$489.80*

*Laws 1974, Chapter 557, Section 1, Subdivision 24—City of Fairmont—\$14,638.88*

*Laws 1974, Chapter 557, Section 5, Subdivision 2—Einar Carlsen—\$30.00*

*Laws 1974, Chapter 557, Section 7, Subdivision 2—Albert R. Olson—\$50,000.00*

*Laws 1975, Chapter 16, Section 4, Subdivision 2—Russell Verby—\$35,000.00*

*Laws 1975, Chapter 158, Section 4, Subdivision 2—Rum River Lumber Co.—\$25,000.00*

*Laws 1976, Chapter 101, Section 1, Subdivision 9—Norman H. Drews—\$520.07*

*Laws 1978, Chapter 668, Section 1, Subdivision 5—Kathryne Spaht—\$1,600.00*

*Laws 1979, Chapter 340, Section 1, Subdivision 13—Paul Qualy—\$2,000.00”*

**Renumber the section**

Amend the title as follows :

Page 1, line 3, after the semicolon insert "providing for cancelation of old claims;"

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. 1870, A bill for an act relating to tax forfeited land; restoring certain funds to the real estate assurance account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 284.28, Subdivision 8.

Reported the same back with the following amendments :

Page 2, line 23, delete "*also annually*"

Page 2, after line 31, insert new sections to read :

"Sec. 2. [TRANSFER.]

*The transfer on July 1, 1982, shall not exceed \$100,000.*

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective July 2, 1982. Section 2 is effective the day following final enactment."*

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. 1896, A bill for an act relating to guardianship and conservatorship; providing for delegation of certain powers by parents or guardians; applying the rules of evidence to certain proceedings; requiring appointment of conservators in certain cases; providing a procedure for discharge of guardians or conservators in certain cases; clarifying certain provisions; amending Minnesota Statutes 1980, Section 525.6165; Minnesota Statutes 1981 Supplement, Sections 525.55, Subdivision 1; 525.551, Subdivision 3; 525.5515; 525.619; and 525.6196; proposing new law coded in Minnesota Statutes, Chapters 524 and 525.

Reported the same back with the following amendments :

Page 1, line 29, strike "thereof" and insert "*of the hearing*"

Page 2, line 8, after "shall" insert "*also*"

Page 2, line 12, strike "such" and insert "*those*"

Page 2, after line 12, insert:

"Sec. 3. Minnesota Statutes 1981 Supplement, Section 525.55, Subdivision 3, is amended to read:

Subd. 3. [DEFECTIVE NOTICE OR SERVICE.] A defect in the service of notice or process, *other than personal service upon the proposed ward or conservatee within the time allowed and the form prescribed in subdivisions 1 and 2*, shall not invalidate any guardianship or conservatorship proceedings."

Page 2, line 22, after the comma insert "Subdivision 2,"

Page 2, delete lines 23 to 31

Page 2, line 33, after "shall" insert "*issue to the guardian or conservator. They shall*"

Page 3, delete lines 3 to 5

Pages 3, 4, and 5, delete section 6

Page 3, after line 20 insert:

"Sec. 7. Minnesota Statutes 1980, Section 525.618, is amended by adding a subdivision to read:

Subd. 5. [COPY OF ORDER TO WARD OR CONSERVATEE.] *A copy of an order appointing a guardian or conservatee of a minor 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.*

Sec. 8. Minnesota Statutes 1980, Section 525.618, is amended by adding a subdivision to read:

Subd. 6. [CONTENTS OF LETTERS.] *Letters of guardianship shall issue to the guardian or conservator. They 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 a guardianship or conservatorship or both; and (d) the legal limitation, if any, imposed by the court on the guardian or conservator."*

Page 5, line 8, strike "\$5,000" and insert "\$2,000"

Page 5, line 19, after "under" insert "clause"

Page 5, line 25, after "minor" strike "and" and insert a period

Page 5, line 29, after "application" strike "thereof" and insert "of it"

Page 6, line 9, after "court" delete the comma and insert a period and delete "and"

Page 6, line 13, after "name" insert a period and after "bonds" delete "to" and insert "shall"

Renumber the sections

Amend the title as follows:

Page 1, line 9, after the semicolon insert "525.618, by adding subdivisions;"

Page 1, line 10, delete "Subdivision" and insert "Subdivisions"

Page 1, line 11, after "1" insert "and 3" and after "525.5515" insert ", Subdivision 2" and delete "525.619;"

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1919, A bill for an act relating to agriculture; formulating a state agricultural land preservation and conservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; appropriating money; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Subdivision

9; and Laws 1979, Chapter 315, Section 2, as amended; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, Section 1.

Reported the same back with the following amendments:

Page 3, line 15, after "use" insert "*except acquisition for any unit of the outdoor recreation system described in section 86A.05, other than a trail described in subdivision 4 of that section*"

Page 3, line 18, after "use" insert "*except for mineral exploration or mining*"

Page 13, delete lines 21 to 28

Renumber the sections

Amend the title as follows:

Page 1, line 17, delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 2021, A bill for an act relating to local government; creating the Morrison County rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 2, line 1, before "AUTHORITY" insert "MORRISON COUNTY RURAL DEVELOPMENT FINANCE" and after "authority" insert "; CREATION; DUTIES"

Page 2, line 2, after "Subdivision 1." insert "[AUTHORITY.]"

Page 3, lines 10 and 11, delete "*with the approval of the city council of the city of Little Falls*"

Page 3, line 31, delete "to 3" and insert "and 2"



Renumber the sections

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2034, A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; providing penalties; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [232.20] [CITATION.]

*Sections 1 to 6 may be cited as the grain storage act.*

Sec. 2. [232.21] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] For the purpose of sections 1 to 6, the terms defined in this section have the meanings given them.*

*Subd. 2. [BOND.] "Bond" means an acceptable obligation, running to the state as obligee, for the purpose of indemnifying depositors and producers of grain against breach of contract by a public grain warehouse or grain bank operator.*

*Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture.*

*Subd. 4. [CONDITION ONE BOND.] "Condition one bond" means a bond for a public grain warehouse operator when grain belonging to persons other than the warehouse operator is accepted for storage.*

*Subd. 5. [CONDITION TWO BOND.] "Condition two bond" means a bond for a public grain warehouse operator that purchases grain.*

*Subd. 6. [DEPOSITOR.] "Depositor" means a person who is the owner or legal holder of an outstanding grain warehouse*

*receipt, grain bank receipt or open scale ticket marked for storage on which a receipt is to be issued, representing any grain stored in a public grain warehouse or grain bank.*

*Subd. 7. [GRAIN.] "Grain" means any cereal grain, course grain or oilseed in unprocessed form for which a standard has been established by the United States secretary of agriculture or the Minnesota board of grain standards.*

*Subd. 8. [GRAIN WAREHOUSE.] "Grain warehouse" means an elevator, flour, cereal or feed mill, malthouse or warehouse in which grain belonging to a person other than the grain warehouse operator is received for purchase or storage.*

*Subd. 9. [GRAIN WAREHOUSE RECEIPT.] "Grain warehouse receipt" means a formal record issued to a depositor by a grain warehouse operator under the provisions of section 4. A grain warehouse receipt is a negotiable instrument except as provided in section 4, subdivision 11.*

*Subd. 10. [PERSON.] "Person" means a corporation, company, joint stock company or association, partnership, firm or individual, including their agents, trustees, assignees or duly appointed receivers.*

*Subd. 11. [PRODUCER.] "Producer" means a person who owns or manages a grain producing or growing operation and holds or shares the responsibility for marketing that grain produced.*

*Subd. 12. [PUBLIC GRAIN WAREHOUSE OPERATOR.] "Public grain warehouse operator" means a person licensed to operate a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase, or who offers grain storage or grain warehouse facilities to the public for hire.*

*Subd. 13. [SCALE TICKET.] "Scale ticket" means a memorandum showing the weight, grade and kind of grain which is issued by a grain warehouse operator to a depositor at the time the grain is delivered.*

**Sec. 3. [232.22] [LICENSES, BONDING CLAIMS, DISBURSEMENTS.]**

*Subdivision 1. [LICENSES.] An application for a public grain warehouse operator's license must be filed with the commissioner and the license issued before the purchase or storage of grain may be commenced. All grain warehouses located within the same home rule charter or statutory city or town and owned and operated by the same person may be covered by a single license.*

*Subd. 2. [RENEWAL.] A license must be renewed annually. If a business receives more than one license from the commissioner, the licenses shall be issued at the same time, but only after all conditions for each license are met. The licenses may be combined into one joint license.*

*Subd. 3. [FEES; GRAIN BUYERS AND STORAGE FUND.] There is created in the state treasury an account known as the grain buyers and storage fund.*

*The commissioner shall set the fees for inspections, certifications and licenses under sections 1 to 6 at levels necessary to pay the costs of administering and enforcing sections 1 to 6.*

*All money collected pursuant to sections 1 to 6 and chapters 231, 233 and 236 shall be paid by the commissioner into the state treasury and credited to the grain buyers and storage fund.*

*Money in the grain buyers and storage fund, including interest earned on the fund and money appropriated by the legislature for the administration or enforcement of sections 1 to 6 and chapters 231, 233 and 236, is annually appropriated to the commissioner for the administration and enforcement of sections 1 to 6 and chapters 231, 233 and 236.*

*Subd. 4. [BONDING.] Before a license is issued, the applicant for a public grain warehouse operator's license shall file with the commissioner a bond in a penal sum prescribed by the commissioner. The penal sum on a condition one bond shall be established by rule by the commissioner pursuant to the requirements of chapter 15 for all grain outstanding on grain warehouse receipts. The penal sum on a condition two bond shall not be less than \$10,000 for each location up to a maximum of five locations until July 1, 1933.*

*Subd. 5. [STATEMENT OF GRAIN IN STORAGE; REPORTS.] (a) All public grain warehouse operators must by the tenth day of each month file with the commissioner on forms approved by the commissioner a report showing the net liability of all grain outstanding on grain warehouse receipts as of the close of business on the last day of the preceding month. This report shall be used for the purpose of establishing the penal sum of the bond.*

*(b) If any public grain warehouse operator willfully neglects or refuses to file the report required in clause (a) for two consecutive months, the commissioner may immediately suspend the person's license and the licensee must surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 15 to determine if the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license.*

(c) Every public grain warehouse operator shall keep in a place of safety complete and accurate records and accounts relating to any grain warehouse operated. The records shall reflect each commodity received and shipped daily, the balance remaining in the grain warehouse at the close of each business day, a listing of all unissued grain warehouse receipts in the operator's possession, a record of all grain warehouse receipts issued which remain outstanding and a record of all grain warehouse receipts which have been returned for cancellation. Copies of grain warehouse receipts or other documents evidencing ownership of grain by a depositor, or other liability of the grain warehouse operator, shall be retained as long as the liability exists but must be kept for a minimum of three years.

(d) Every public grain warehouse operator must maintain in the grain warehouse at all times grain of proper grade and sufficient quantity to meet delivery obligations on all outstanding grain warehouse receipts.

Subd. 6. [BOND CLAIMS.] A person claiming to be damaged by a breach of the conditions of a bond of a licensed public grain warehouse operator may file a written claim with the commissioner stating the facts constituting the claim. The claim must be filed with the commissioner within 180 days of the breach of the conditions of the bond. If the commissioner has reason to believe that a claim is valid, the commissioner may immediately suspend the license of the public grain warehouse operator and the licensee must surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 15 to determine whether the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license.

Subd. 7. [BOND DISBURSEMENT.] (a) The condition one bond of a public grain warehouse operator must be conditioned that the public grain warehouse operator issuing a grain warehouse receipt is liable to the depositor for the delivery of the kind, grade and net quantity of grain called for by the receipt.

(b) The condition two bond shall provide for payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer. The bond shall be conditioned upon the grain buyer being duly licensed as provided herein. The bond shall not cover any transaction which constitutes a voluntary extension of credit. This clause expires July 1, 1983.

(c) Upon notification of default, the commissioner shall determine the validity of all claims and notify all parties having filed claims. Any aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding. In the absence of

such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment to those claimants entitled to payment. If the commissioner determines it is necessary, the commissioner may apply to the district court for an order appointing a trustee or receiver to manage and supervise the operations of the grain warehouse operator in default. The commissioner may participate in any resulting court proceeding as an interested party.

(d) For the purpose of determining the amount of bond disbursement against all valid claims under a condition one bond, all grain owned or stored in the public grain warehouse shall be sold and the combined proceeds deposited in a special fund. Payment shall be made from the special fund satisfying the valid claims of grain warehouse receipt holders.

(e) If a public grain warehouse operator has become liable to more than one depositor or producer by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay, beyond the proceeds of the special fund, the entire liability to all valid claimants, the proceeds of the bond and special fund shall be apportioned among the valid claimants on a pro rata basis.

(f) A bond is not cumulative from one licensing period to the next. The maximum liability of the bond shall be its face value for the licensing period.

#### Sec. 4. [232.23] [DUTIES OF PUBLIC GRAIN WAREHOUSE OPERATOR.]

*Subdivision 1. [DISCRIMINATION PROHIBITED.] A public grain warehouse operator must receive for storage, so far as the capacity of the grain warehouse will permit, all sound grain tendered in warehouseable condition without discrimination against any person tendering the grain.*

*Subd. 2. [SCALE TICKETS.] A public or private grain warehouse operator, upon receiving grain, shall issue a scale ticket for each load of grain received. Scale tickets shall contain the name, location and the date of each transaction and be consecutively numbered. A duplicate copy of each scale ticket shall remain in the possession of the public or private grain warehouse operator as a permanent record. The original scale ticket shall be delivered to the depositor upon receipt of each load of grain. Each scale ticket shall have printed across its face "This is a memorandum, non-negotiable, possession of which does not signify that settlement has or has not been consummated." The scale ticket shall state specifically whether the grain is received on contract, for storage, for shipment or consignment or sold. If the grain is received on contract or sold, the price shall be indicated on the scale ticket. All scale tickets shall be dated and*

signed by the public or private grain warehouse operator or the operator's agent or manager.

**Subd. 3. [GRAIN DELIVERED CONSIDERED SOLD.]**

All grain delivered to a public grain warehouse operator shall be considered sold at the time of delivery, unless arrangements have been made with the public grain warehouse operator prior to or at the time of delivery to apply the grain on contract, for shipment or consignment or for storage.

**Subd. 4. [FORM OF GRAIN WAREHOUSE RECEIPT.]**

(a) A grain warehouse receipt must be in duplicate, contain the name and location of the grain warehouse, and be delivered to the depositor or the depositor's agent. Grain warehouse receipts shall be consecutively numbered as prescribed by the commissioner and state the date of deposit, except where the deposit of a certain lot for storage is not completed in one day. In that case, the grain warehouse receipt, when issued, shall be dated not later than Saturday of the week of delivery.

(b) A grain warehouse receipt shall contain either on its face or reverse side the following specific grain warehouse and storage contract: "This grain is received, insured and stored through the date of expiration of the annual licenses of this grain warehouse and terms expressed in the body of this grain warehouse receipt shall constitute due notice to its holder of the expiration of the storage period. It is unlawful for a public grain warehouse operator to charge or collect a greater or lesser amount than the amount filed with the commissioner. All charges shall be collected by the grain warehouse operator upon the owner's presentation of the grain warehouse receipt for the sale or delivery of the grain represented by the receipt, or the termination of the storage period. Upon the presentation of this grain warehouse receipt and payment of all charges accrued up to the time of presentation, the above amount, kind and grade of grain will be delivered within the time prescribed by law to the depositor or the depositor's order."

(c) A grain warehouse receipt shall also have printed on it the following:

**"Redemption of Receipt**

Received from . . . . ., the sum of \$ . . . . . or . . . . . bushels in full satisfaction of the obligation represented by this grain warehouse receipt.

Gross price per bushel \$ . . . . .

Storage per bushel \$ . . . . .

Net price per bushel \$ . . . . .

*All blank spaces in this grain warehouse receipt were filled in before I signed it and I certify that I am the owner of the commodity for which this grain warehouse receipt was issued and that there are no liens, chattel mortgages or other claims against the commodity represented by this grain warehouse receipt.*

Signed .....

Accepted ..... Dated .....

Warehouse operator

*This redemption shall be signed by the depositor or the depositor's agent in the event that the grain represented is redelivered or purchased by the public grain warehouse operator. Signature of this redemption by the depositor constitutes a valid cancellation of the obligation embraced in the storage contract."*

**Subd. 5. [VOID AGREEMENTS; PENALTY.]** A provision or agreement in a grain warehouse receipt not contained in subdivision 4 is void. The failure to issue a grain warehouse receipt, as directed, or the issuance of slips, memoranda or other forms of receipt embracing a different grain warehouse or storage contract is a misdemeanor, and no slip, memorandum or other form of receipt is admissible as evidence in any civil action. Nothing in sections 1 to 6 requires or compels any person operating a flour, cereal or feed mill or malthouse doing a manufacturing business, to receive, store or purchase at the mill or malthouse any kind of grain.

**Subd. 6. [LIABILITY.]** A public grain warehouse operator issuing a grain warehouse receipt is liable to the depositor for the delivery of the kind, grade and net quantity of grain called for by the grain warehouse receipt.

**Subd. 7. [GRAIN NOT RECEIVED.]** No public grain warehouse operator may issue a grain warehouse receipt for grain not actually received into the grain warehouse.

**Subd. 8. [RECORD OF GRAIN WAREHOUSE RECEIPTS.]** A receipt record stating the grain warehouse receipt number and date of deposit, gross weight, dockage and net weight shall remain in the possession of the public grain warehouse operator issuing the grain warehouse receipt and shall be open for inspection by the commissioner or interested parties.

**Subd. 9. [WAREHOUSE OPERATOR SHALL KEEP RECORD.]** A public grain warehouse operator must keep a proper record of all grain received, stored or shipped, stating the weight, grade, dockage, and the name of the owner.

Subd. 10. [DELIVERY OF GRAIN.] (a) *On the redemption of a grain warehouse receipt and payment of all lawful charges, the grain represented by the receipt is immediately deliverable to the depositor or the depositor's order, and is not subject to any further charge for storage after demand for delivery has been made and proper facilities for receiving and shipping the grain have been provided. If delivery has not commenced within 48 hours after demand has been made and proper facilities have been provided, the public grain warehouse operator issuing the grain warehouse receipt is liable to the owner in damages not exceeding two cents per bushel for each day's delay, unless the public grain warehouse operator makes delivery to different owners in the order demanded as rapidly as it can be done through ordinary diligence, or unless insolvency has occurred.*

(b) *If a disagreement arises between the person receiving and the person delivering the grain at a public grain warehouse in this state as to the proper grade or dockage of any grain, an average sample of at least three quarts of the grain in dispute may be taken by either or both of the persons interested. The sample shall be certified by both the owner and the public grain warehouse operator as being true samples of the grain in dispute on the delivery day. The samples shall be forwarded in a suitable air-tight container by parcel post or express, prepaid, with the name and address of both parties, to the head of the grain inspection program of the department of agriculture, who shall, upon request, examine the grain, and determine what grade or dockage the samples of grain are entitled to under the inspection rules. Before the results of the inspection are released to the person requesting the inspection, the person shall pay the required fee. The fee shall be the same as that required for similar services rendered by the grain inspection program.*

Subd. 11. [TERMINATION OF STORAGE CONTRACT.] *Storage contracts on grain being stored at public grain warehouses terminate on the expiration date of the storage license under which the grain warehouse operates. The expiration date must be plainly imprinted on each grain warehouse receipt issued by a public grain warehouse operator. Grain storage may be terminated by the depositor at any time before the expiration date by the payment or tender of all legal charges and the surrender of the grain warehouse receipt together with a demand for delivery of the grain or notice to the public grain warehouse operator to sell the grain. In the absence of a demand for delivery, order to sell or mutual agreement for the renewal of the storage contract, entered prior to the expiration of the original storage contract, the public grain warehouse operator shall, upon the expiration of the contract, and after notification by registered letter to the depositor, sell the stored grain at the local market price on the close of business on that day, deduct from the proceeds of the sale all legal accrued charges, and pay the balance of the proceeds to the depositor upon surrender of the grain warehouse receipt.*



*Subd. 12. [NEW GRAIN WAREHOUSE RECEIPT.] Upon the payment of all legally accrued charges and the return of the grain warehouse receipt, the public grain warehouse operator and the depositor may by mutual consent enter into an agreement for renewal of the grain storage. When the agreement is made, the warehouse operator shall issue a new grain warehouse receipt to the owner and cancel the former grain warehouse receipt by endorsing on it the words "Cancelled by the issuance of grain warehouse receipt No. . .," and inserting the number of the new grain warehouse receipt in the blank space. The cancelled grain warehouse receipt shall be signed by the warehouse operator and the depositor.*

*Subd. 13. [UNAUTHORIZED SALE OF GRAIN.] Except as provided in subdivision 11, no warehouse operator may sell or dispose of or deliver out of store any grain stored without the express authority of the depositor and the return of the grain warehouse receipt.*

*Subd. 14. [POOLING PROHIBITED.] It is unlawful for a public grain warehouse operator or the operator's agent to enter into a contract, agreement, combination or understanding with any other public grain warehouse operator whereby the amount of grain to be received or handled by the grain warehouses is equalized or pooled between the grain warehouses, whereby the profits or earnings derived from the grain warehouses is equalized, pooled or apportioned or whereby the price to be paid for any kind of grain at the grain warehouses is fixed or in any manner affected. Each continued day of the contract, agreement, combination or understanding is a separate offense.*

*Subd. 15. [CLOSING OR DESTRUCTION OF GRAIN WAREHOUSE.] (a) In case of loss or destruction by fire or other cause for the closing of a public grain warehouse, the licensee shall immediately notify the department of agriculture in writing.*

*(b) Whenever a grain warehouse is closed for more than 48 consecutive hours, not including Sundays and legal holidays, the grain warehouse operator shall advise all patrons of the closing by posting conspicuously at each entrance a notice showing the date of re-opening and giving the name and telephone number of a person authorized to act as agent for the purpose of making re-deliveries, purchases or conducting other grain warehouse business.*

*Subd. 16. [INSURANCE REQUIRED.] The operator of a public grain warehouse must keep all grain in the grain warehouse fully insured against loss by fire, windstorm and extended coverage risks and shall furnish the department of agriculture with evidence it requires that the insurance is in force.*

**Sec. 5. [232.24] [SCHEDULE OF INSPECTION, FINANCIAL REPORTS.]**

*Subdivision 1. [SCHEDULE OF INSPECTION.] A licensee under sections 1 to 6 is subject to two audits annually conducted by the commissioner or the agricultural marketing service of the United States department of agriculture. The commissioner may, by rule, authorize one audit to be conducted by a qualified nongovernmental unit.*

*Subd. 2. [FINANCIAL REPORTS.] A licensee under sections 2 to 7 must provide to the commissioner a copy of the financial reports of an audit conducted by a qualified nongovernmental unit containing information the commissioner requires.*

**Sec. 6. [232.25] [PENALTY.]**

*A person who violates the provisions of sections 1 to 6 is guilty of a misdemeanor. The department may, if it finds after a hearing that any of the provisions of sections 1 to 6 have been violated by a person holding a license to operate a public grain warehouse, suspend or revoke the license. In case of revocation, no new license shall be granted to the person whose license was revoked nor to any one either directly or indirectly engaged with him in the licensed business for two years.*

**Sec. 7. Minnesota Statutes 1981 Supplement, 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 the form 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, character, 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 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 the license a fee based on the storage capacity of the warehouse as follows:

Storage capacity in square feet:

(1)	5,000 or less	(\$ 65)	\$ 90
(2)	Over 5,000 to 10,000	(\$125)	\$175
(3)	Over 10,000 to 20,000	(\$200)	\$250
(4)	Over 20,000 to 100,000	(\$250)	\$325
(5)	Over 100,000 to 200,000	(\$325)	\$400
(6)	Over 200,000	(\$375)	\$450

*Fees collected under this chapter shall be paid into the grain buyers and storage fund established in section 4.*

The license shall be renewed 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. 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 a permit in the form 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. 8. Minnesota Statutes 1981 Supplement, 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 the warehouse shall first obtain a license from the department authorizing the warehouseman to operate 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 license shall be issued, written application 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 other facts as the department may require shall be contained in the application. The application shall be acted upon with reasonable dispatch by the department; and, if no reason exists for refusing the same, a license may be issued upon the payment of the fee of (\$60 FOR EACH ELEVATOR) set by the commissioner. The amount of the fee shall be set to cover the costs of administering and enforcing this chapter. (THE APPLICATION) A license 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 the duties 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 the grain in case of failure to make the delivery. 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 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 all warehouses.

*Fees collected under this chapter shall be paid into the grain buyers and storage fund established in section 4.*

Sec. 9. Minnesota Statutes 1980, Section 236.02, is amended to read:

**236.02 [GRAIN BANK LICENSING; BONDING OF APPLICANTS.]**

Any person who (1) operates an establishment which processes grain into feed and (2) is licensed to buy grain as a public or private local grain warehouseman under section 232.02 (, AND

ACTS AMENDATORY THEREOF,) may obtain a license to operate a grain bank. No person may conduct a grain bank without a grain bank license.

A grain bank license shall be obtained from the department, which is hereby authorized to issue such a license upon compliance by the applicant with the bond requirements of sections 236.01 to 236.09. Such grain bank license shall be in addition to the license to buy grain as a public or private local grain warehouseman and shall empower the licensee to conduct a grain bank in accordance with sections 236.01 to 236.09.

Every grain bank license shall expire at midnight on the 30th day of June each year, (THE FEE SHALL BE \$25 FOR EACH LICENSE) and a license shall be required for each location where a grain bank is operated. (THE FEES COLLECTED UNDER THIS SECTION SHALL BE PAID INTO THE STATE TREASURY AND CREDITED TO THE GENERAL FUND.) Such licenses shall be revocable by the department for cause upon notice and hearing. All licenses and rules regulating the operation of the grain bank shall be posted in a prominent and easily accessible place in the grain bank. *The license fee shall be set by the commissioner in an amount sufficient to cover the costs of administering and enforcing this chapter.*

*Fees collected under this chapter shall be paid into the grain buyers and storage fund established in section 4.*

No license shall be issued for the operation of a grain bank until the applicant has filed with the department a bond in such sum as the department may prescribe, which sum shall not be less than \$1,500 for each license and shall at all times be in sufficient sum to protect the holders of outstanding grain bank receipts. Such bonds shall be filed annually and cover the period of the grain bank license. Such bonds shall run to the state of Minnesota and shall be for the benefit of all persons storing grain in such grain bank. They shall be conditioned upon the faithful performance by the grain bank operator of all the provisions of the law relating to the operation of grain banks by such grain bank operator, and the rules and regulations of the department relative thereto. The department is authorized to require such increases in the amounts of such bonds from time to time as it deems necessary for the protection of grain bank receipt holders. The surety of such bonds shall be a corporate surety company authorized to transact business in the state of Minnesota. Any person for whose benefit the bond is given may commence an action thereof in their own name in district court. Any person who is granted a grain bank license at more than one location may, with the department's approval, file one bond covering all locations in such total amount as the department may require under sections 236.01 to 236.09 and the rules and regulations made pursuant to sections 236.01 to 236.09. Any person, firm or corporation licensed as a public local grain

warehouseman and bonded under the provisions of section 232.13 may include liability for outstanding non-negotiable grain bank receipts under the coverage of such bond in lieu of securing a separate grain bank bond as provided in this section.

**Sec. 10. [APPROPRIATION.]**

*The sum of \$30,000 is appropriated from the general fund to the commissioner of agriculture for establishment of the grain buyers and storage fund pursuant to section 4. The amount appropriated in this section shall be repaid by the commissioner to the general fund by July 1, 1983.*

**Sec. 11. [REPEALER.]**

*Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6, and 7; 232.07; 232.08; 232.09; 232.10; 232.11; 232.12; 232.13; 232.14; 232.15; 232.16; 232.17; 232.18; 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1, are repealed. Section 1, subdivision 5 is repealed July 1, 1983.*

Further, delete the title and insert:

“A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; changing certain fee provisions; providing penalties; appropriating money; amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.08; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6, and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.”

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

The report was adopted.

Sarna from the Committee on Commerce and Economics Development to which was referred:

H. F. No. 2147, A bill for an act relating to intoxicating liquor; providing an exemption for franchise fees; amending Minnesota Statutes 1980, Section 340.13, Subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 6 insert a new section to read:

“Section 1. [LEGISLATIVE INTENT.]

*The legislature finds and determines that certain off-sale liquor licenses issued prior to the effective date of this act are now in a state of uncertainty because of differing interpretations of the meaning of "interest" under Minnesota Statutes, Section 340.13, Subdivision 3. Licenses have been issued by cities in good faith and business arrangements have been entered into in the belief that they fully met all statutory requirements. It is the intent of this act to permit these licenses and business arrangements to continue in effect to avoid unnecessary disruption in established business practice, and further to provide that no additional such arrangements shall be given any exemption from the provisions of that subdivision so that the general purposes of that subdivision will be served."*

Page 1, delete line 22

Page 1, line 23, delete "under chapter 80C;"

Page 2, after line 14, insert:

*"No franchisor of any franchise agreement registered under chapter 80C shall be deemed to have or have had a pecuniary interest in any off sale intoxicating liquor license if, (i) at any time prior to the effective date of this act, business was conducted at the location in accordance with a registered franchise agreement, or (ii) a registered franchise agreement had been executed prior to July 1, 1980. Any franchise agreement meeting either of the preceding qualifications may be renewed, amended, innovated or reexecuted following the effective date of this act.*

### Sec. 3. [EFFECTIVE DATE.]

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

Renumber the section

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 2148, A bill for an act relating to gambling; providing an exception for certain nonprofit organizations to the annual limitation on prizes awarded from the conduct of raffles; amending Minnesota Statutes 1980, Section 349.26, Subdivision 9, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15.

Reported the same back with the following amendments:

Page 2, after line 18, insert:

*"The county attorney of each county shall be responsible for investigating and, if appropriate, prosecuting organizations for violations of this section."*

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. 2169, A bill for an act relating to public welfare; designating the commissioner of public welfare as the state authority for federal mental health, alcohol and drug abuse block grants; prescribing a formula for distribution of federal funds to counties and defining duties of counties in the use of the funds; amending Minnesota Statutes 1980, Sections 245.70; 245.71; and 254A.16, by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 254A.03, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 245.

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2238, A bill for an act relating to rural development; changing the purposes of rural development financing authorities; amending Minnesota Statutes 1980, Section 362A.01, Subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 362A.01, Subdivision 2, is amended to read:

Subd. 2. [PURPOSES.] The purposes of a rural development financing authority (SHALL BE) are:

(a) to acquire, construct, improve and equip projects comprising real and personal property within or outside of the state, used or useful for *producing or processing* products of agricul-



ture, including but not limited to assembling, fabricating, manufacturing, mixing, storing, warehousing, distributing, selling or any one or more or all of these processes. For the purpose of sections 362A.01 to 362A.08 the term agriculture shall include forestry and timber production and the phrase "producing products of agriculture" shall not include acquiring agricultural land;

(b) to investigate, improve and develop methods of constructing, operating and financing such projects;

(c) to provide for the operation and maintenance of each project under an operating or lease agreement with a person, firm, or corporation considered qualified by experience and financial resources to assure that to the limit of its design and capacity it will make facilities for efficient and economical processing of agricultural products available throughout the term of the agreement to all producers contracting therefor;

(d) to promote agricultural, industrial and scientific research in cooperation with state institutions of higher learning and profit or nonprofit private corporations, associations or foundations;

(e) to assist in promoting new job opportunities through the development of natural resources and the agricultural industry by cooperating with private companies and with agencies of the federal and state governments and with agencies and political subdivisions of other states and of foreign nations to engage in the processing of agricultural products;

(f) to enter into contracts with or to employ financial, management, and production consultants, and scientific and economic specialists to develop and assist in promoting the purposes of the authority and to assist in operating, maintaining, constructing and financing authority projects;

(g) to employ a financial management company to assist in organizing, initiating, developing and operating projects for the authority under such terms and conditions as may be agreed upon between the authority and the company and to include any fee charged or to be charged by the company in the total capital costs of each project to be financed; and

(h) to provide financial or other assistance to rail users as defined in section 222.48, subdivision 6, for the purpose of making capital investment loans for rail line rehabilitation.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 362.50, Subdivision 5, is amended to read:

Subd. 5. "Eligible small business" for the purpose of section 362.52, subdivision 5, means a business entity organized for

profit, including but not limited to any individual, partnership, corporation, joint venture, association or cooperative, which entity:

(a) Has 20 or fewer full time employees or not more than the equivalent of \$1,000,000 in annual gross revenues in the preceding fiscal year; and

(b) Is not at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in its field of operation. For the purpose of this subdivision, "dominant in its field of operation" means having more than 20 full time employees and more than \$1,000,000 in annual gross revenues.

*"Eligible small business" shall also include an agricultural project acquired, constructed, improved or equipped by a rural development finance authority as defined in section 362A.01, subdivision 2.*

### Sec. 3. [EFFECTIVE DATE.]

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

Amend the title as follows:

Page 1, line 3, after the semicolon insert "changing the definition of eligible small business for the purpose of small business finance agency loans;"

Page 1, line 5, before the period insert "; and Minnesota Statutes 1981 Supplement, Section 362.50, 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:

S. F. No. 155, A bill for an act relating to public welfare; providing for retention of certain receipts by state hospitals; amending Minnesota Statutes 1980, Section 246.57.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 246.57, is amended to read:

## 246.57 [SHARED SERVICE AGREEMENTS.]

*Subdivision 1. [AUTHORIZED.] The commissioner of public welfare with legislative approval, or after consultation with the legislative advisory committee, may authorize any state hospital to enter into agreement with other governmental and nonprofit (HEALTH) service organizations for participation in shared service agreements that would be of mutual benefit to the state, the (HEALTH) service organizations involved, and the public. To the extent possible the commissioner shall anticipate the costs of these agreements by inclusion in the biennial budget request to the legislature. In addition, funding for shared service agreements may be provided from the contingent appropriation for state institutions to the extent that such agreements result in costs not covered by other appropriations. No additional employees shall be added to the legislatively approved complement for any state hospital or state nursing home as a result of entering into any shared service agreement. The charges for the services shall be on an actual cost basis and (THE) all receipts shall be deposited in the general fund.*

*Subd. 2. [REPORTS.] The commissioner of public welfare shall report biennially to the legislature about the number of agreements approved for each hospital, the types of services provided, and the amounts collected.*

## 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.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 541, 1505, 1553, 1834, 1870, 1896, 1919, 2021, 2147, 2148, 2169 and 2238 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 155 was read for the second time.

## MOTIONS AND RESOLUTIONS

Peterson, B., moved that S. F. No. 1566 be recalled from the Committee on Environment and Natural Resources and together with H. F. No. 1816, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Rodriguez, C., moved that the name of Pogemiller be added as an author on H. F. No. 1115. The motion prevailed.

Clark, K., moved that the names of Pogemiller and Clark, J., be added as authors on H. F. No. 1875. The motion prevailed.

Ellingson moved that the name of Jude be added as an author on H. F. No. 930. The motion prevailed.

Staten moved that the names of Staten; Kahn; Peterson, D., and Minne be stricken as authors on H. F. No. 1220. The motion prevailed.

Rodriguez, C., moved that the name of Wynia be stricken and the name of Clark, K., be added as an author on H. F. No. 1831. The motion prevailed.

Long moved that the names of Dahlvang and Simoneau be added as authors on H. F. No. 1934. The motion prevailed.

Shea moved that H. F. No. 2273 be returned to its author. The motion prevailed.

Wynia moved that S. F. No. 412 be recalled from the Committee on Judiciary and together with H. F. No. 1997, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Sarna moved that the names of Kaley, Reding and Rodriguez, F., be added as authors on H. F. No. 438. The motion prevailed.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 8, 1982. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, March 8, 1982.

**EDWARD A. BURDICK, Chief Clerk, House of Representatives**



STATE OF MINNESOTA

SEVENTY-SECOND SESSION - 1982

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EIGHTY-THIRD DAY

SAINT PAUL, MINNESOTA, SATURDAY, MARCH 6, 1982

The Senate met on Saturday, March 6, 1982, which was the Eighty-third Day of the Seventy-Second Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.



## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## EIGHTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 8, 1982

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 Marvin E. Sandness, Christ Lutheran Church, St. Paul, 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.	Frerichs	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
Byrne	Hauge	Mann	Redalen	Tomlinson
Carlson, D.	Haukoos	Marsh	Reding	Valan
Carlson, L.	Heap	McCarron	Rees	Valento
Clark, J.	Heinitz	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	Samuelson	Wenzel
Drew	Johnson, C.	Nelsen, B.	Sarna	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.

Anderson, R., and Levi were excused.

Esau was excused until 2:30 p.m. Schafer was excused until 6:00 p.m.

The Chief Clerk proceeded to read the Journals of the preceding days. McDonald moved that further reading of the Journals



be dispensed with and that the Journals 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. 2169, 1440, 1838, 1935, 2125, 2132, 1816, 1961, 2245, 612, 1278, 541, 1844, 1553, 1834, 1867, 1870, 1896, 2021, 2147, 2143, 2238 and 1919 and S. F. Nos. 358, 85, 1364, 536, 639, 155 and 1503 have been placed in the members' files.

S. F. No. 1589 and H. F. No. 1875, 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. 1589 be substituted for H. F. No. 1875 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 400, A bill for an act relating to economic development; appropriating money to permit the small business finance agency to participate in business loans; amending Minnesota Statutes 1980, Section 362.53, Subdivision 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [362.43] [CERTIFIED STATE DEVELOPMENT COMPANY.]

*Subdivision 1. [PURPOSE; OBJECTIVES.] The department of energy, planning and development is authorized to create, promote and assist a state development company, also known as a “503” certified development company, which will qualify as a certified development company for the purposes of 15 United States Code, section 697 and Code of Federal Regulations, title 13, section 108.503.*

*It is the objective of the department to utilize the development company program to stimulate the state's economic activity.*

*The development company and its directors and officers shall comply with the organizational, operational, regulatory and re-*

porting requirements as promulgated by the United States small business administration and the guidelines contained in the by-laws, articles of incorporation, and standard operating procedure prescribed by the small business administration.

**Subd. 2. [CAPITAL, LOAN LIMITS.]** *The capital for a certified state development company shall be derived from corporate holders or members, each of whom may not have more than ten percent of the voting control of the certified state development company. The company shall have a minimum of ten members. The loan limit of each member shall be established at the time of its acceptance as a member and shall be computed on the basis of the financial information contained in or made a part of its application for membership. All loan limits shall be established at the thousand dollar amount nearest the amount computed in accordance with the provisions of the articles of incorporation and this section.*

**Subd. 3. [MEMBERS.]** *Members shall be financial institutions and business corporations doing business in Minnesota and which, upon application, have been accepted for membership by a majority vote of the members of the board of directors present at any regular or special meeting of the board at which there is a quorum. A "financial institution" is any business organization recognized under Minnesota or federal law as a banking institution, trust company, savings and loan association, insurance company, or any corporation, partnership, foundation or other institution licensed to do business in the state of Minnesota and engaged primarily in lending or investing funds.*

**Subd. 4. [MEMBERSHIP APPLICATIONS.]** *All applications for membership shall be submitted to the board of directors on forms provided by the corporation and accompanied by additional information as the form may require. All application forms shall provide that in the event the application is approved, and the applicant accepted for membership by the board of directors prior to withdrawal of the application, the applicant agrees to become a member upon the acceptance and to assume all of the rights and obligations of a member as set forth in the corporation's bylaws, the articles of incorporation, and Minnesota Statutes, Chapters 301 and 362. Notice of approval or rejection of an application shall be forwarded, by certified or registered United States mail, to the applicant for the attention of the person signing the application, within 15 days following the date upon which the approval or rejection is made. Approval of the application shall constitute acceptance of the applicant as a member of the corporation.*

**Subd. 5. [OFFICERS.]** *The executive officers of the corporation shall be a president, one or more vice presidents including the executive vice president, a secretary, and a treasurer. None of the officers, except the president, need be directors. One person may hold the offices and perform the duties of any two*

*or more of the offices. The board of directors by majority vote may leave unfilled for any period it may fix any office except that of president, treasurer, or secretary.*

*Subd. 6. [DEPARTMENT ASSISTANCE.] The department of energy, planning and development shall make available its professional staff to provide services to the certified state development company including, but not limited to, accounting, legal and business assistance services. The staff shall have the capability to package, process, close and service loans made through the development company.*

*Subd. 7. [REPORTS.] The development company shall submit to the small business administration annual reports on its operation. When requested by the small business administration, interim reports of a similar nature will be provided. The reports are to be provided in accordance with the instructions and attachments set forth by the small business administration. The development company shall comply with all regulations issued under the small business investment act of 1958, as amended, as well as applicable state and federal laws affecting its operation.*

*Subd. 8. [REVOLVING FUND.] After the effective date of this act the certified state development company may charge a one time processing fee up to the maximum allowed by the small business administration on a debenture issued for loan purposes. In addition, a fee for servicing loans may be imposed up to the maximum allowed by the small business administration based on the unpaid balance of each debenture. There is established a program of business services revolving fund in the state treasury. Proceeds from fees collected on loans processed with assistance from department staff shall be deposited in the program of business services revolving fund. Moneys in the fund are annually appropriated to the commissioner of energy, planning and development for the purposes of this section.*

Sec. 2. Minnesota Statutes 1980, Section 362.51, Subdivision 1, is amended to read:

Subdivision 1. A small business finance agency is hereby created and is constituted as an authority to act on behalf of the state within the scope of the powers granted to it in sections 362.-132 and 362.50 to 362.53 to implement a loan program by which, in cooperation with cities, towns, counties and private or public lenders, adequate funds may be provided on sufficiently favorable terms to assist and encourage the establishment, maintenance and growth of small business in Minnesota and to reduce to a manageable level the cost of the control of pollution and disposal of waste resulting from the operations of small business.

Because of its ability to pool or combine loans to be funded from one or more issues of bonds, *whether or not the interest*

on the bonds is exempt from federal income taxes, the agency will be able to spread its financing costs among the small businesses to which the agency makes loans, thereby reducing costs incurred by each small business.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 362.52, Subdivision 2, is amended to read:

Subd. 2. The agency may participate with financial institutions in making or purchasing business loans not exceeding \$1,000,000 in principal amount, to be serviced by such institutions, provided that:

(a) The agency's share shall not exceed 90 percent of the total principal amount, and shall be payable with interest at the same times but not necessarily at the same interest rate as the share of the financial institution, and both shares shall be equally and ratably secured by a valid mortgage on or security interest in real or personal property or by any other security satisfactory to the agency to secure payment of the loan *provided, that the agency's share may equal 100 percent of the total principal amount of the business loan if the financial institution participating in the making or purchasing of the business loan by servicing the loan, purchases 100 percent of the total amount of the bonds issued by the agency in connection with the loan;*

(b) The total principal amount shall not exceed 90 percent of the value of the property securing the loan, unless the amount in excess of 90 percent is:

(1) Loaned from available funds which are not proceeds received directly from the sale of the agency's bonds or notes and are not restricted under the terms of any resolution or indenture securing bonds or notes, or

(2) Insured or guaranteed by a federal agency or by a private insurer qualified to write such insurance in the state, insuring a percentage of any claim for loss at least equal to that percentage of the value by which the loan exceeds 90 percent thereof;

(c) The value of the property securing the loan shall be certified by the participating financial institution, on the basis of such appraisals, bids, purchase orders, and engineers' certificates as the agency may require; provided that the value of items purchased and constructed from the proceeds of the loan shall not be deemed to exceed the contract price of purchase or construction;

(d) The agency shall not disburse funds under a commitment to participate in a loan for the construction or substantial improvement of property until the construction or improvement

has been completed, unless a financial institution furnishes an irrevocable letter of credit or a qualified corporate surety furnishes payment and performance bonds, satisfactory to the agency and in an aggregate amount equal to the amount payable under the construction contract; and

(e) No other indebtedness may be secured by a mortgage on or security interest in property securing a business loan made or purchased pursuant to this subdivision without the prior express written authorization of the agency.

Sec. 4. Minnesota Statutes 1980, Section 362.53, Subdivision 13, is amended to read:

Subd. 13. It may sell any of its obligations at public or private sale, at such price or prices as the agency shall determine, notwithstanding the limitation on sale price in the fourth sentence of section 462A.09, *and notwithstanding whether or not the interest on any of its obligations is subject to federal income taxes.*"

Delete the title and insert:

"A bill for an act relating to economic development; authorizing the formation of a state development company for small business aid purposes; making certain changes in the small business finance agency act to provide for small business loans; appropriating money; amending Minnesota Statutes 1980, Sections 362.51, Subdivision 1; 362.53, Subdivision 13; and Minnesota Statutes 1981 Supplement, Section 362.52, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 362."

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. 1025, A bill for an act relating to safety; imposing an additional fee for two-wheeled vehicle endorsements for motorcycle safety programs; providing for the disposition of the proceeds of the additional fee; prescribing duties of commissioner of public safety; establishing a fund; making a standard appropriation; amending Minnesota Statutes 1981 Supplement, Section 171.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 126.

Reported the same back with the following amendments:

Page 1, line 20, delete "*the motorcycle safety fund which is hereby created*" and insert "*a special motorcycle safety account in the trunk highway fund for the purposes defined in section 2*"

Page 1, line 24, delete "*dedicated to*" and insert "*to be deposited in*"

Page 1, line 24, delete "*fund*" and insert "*account*"

Page 2, line 12, after the period insert "*Notwithstanding any law to the contrary, motorcycle safety instructors are not required to have a teaching license.*"

Page 2, delete lines 22 to 24

Page 2, line 25, delete "*the purposes of subdivisions 2 and 3.*" and insert:

"*Subd. 4. [USE OF FUNDS.]*"

Page 2, line 26, delete "*fund*" and insert "*funds appropriated to him*"

Page 2, after line 35, insert a new section as follows:

"*Sec. 3. [APPROPRIATION.] There is appropriated from the motorcycle safety account to the commissioner of public safety the sum of \$320,000 for fiscal year 1983.*"

Amend the title as follows:

Page 1, line 6, delete "*a fund*" and insert "*an account*"

Page 1, line 7, delete "*making a standard appropriation*" and insert "*appropriating money*"

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. 1099, A bill for an act relating to agriculture; providing an additional tax on certain capital gains from the sale of agricultural land; amending Minnesota Statutes 1981 Supplement, Sections 290.01, Subdivision 20, as amended; and 290.091, as amended; proposing new law coded in Minnesota Statutes, Chapter 290.

Reported the same back with the following amendments:

Page 1, after line 9, insert a new section to read:

"Section 1. Minnesota Statutes 1981 Supplement, Section 124.213, Subdivision 1, is amended to read:

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 18 mills on up to 320 acres of the property. The county auditor shall reduce the tax for school purposes on the next 320 acres classified pursuant to section 273.13, subdivision 6 by an amount equal to the tax levy that would be produced by applying a rate of ten mills on the property. The tax on all other agricultural lands classified pursuant to section 273.13, subdivision 6 shall be reduced by an amount equal to the tax levy that would be produced by applying a rate of eight mills on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivision 4 and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, shall be reduced by an amount that would be produced by applying a rate of ten mills on the property. The tax on timber land classified pursuant to section 273.13, subdivision 8a and agricultural land in excess of 320 acres classified pursuant to section 273.13, subdivision 4 shall be reduced by an amount equal to the tax levy that would be produced by applying a rate of eight mills on the property.

*The tax reductions provided in this subdivision shall apply only to property owned by a Minnesota resident.*

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."

Renumber the sections

Page 2, delete lines 10 to 13

Page 2, after line 16, insert:

*"In determining the period for which the taxpayer has held the property, the provisions of section 1223 of the Internal*

*Revenue Code of 1954, as amended through December 31, 1981, shall apply, except that in the case of a person acquiring property from a decedent or to whom property passed from a decedent there shall be included the period for which the property was held by the decedent."*

Page 2, line 17, before "Agricultural" insert a paragraph

Page 2, line 18, after the second comma delete the balance of the line

Page 2, line 19 delete "pursuant to the provisions of section 273.13, subdivisions 6"

Page 2, line 20, after the first comma insert "without regard to the 240 acre limitation"

Page 15, line 22, delete "This act is" and insert "Sections 2 to 4 are"

Page 15, line 24, delete "This act" and insert "Sections 2 to 4"

Page 15, line 26, after the period, insert "Section 1 is effective for taxes levied in 1982 and thereafter, payable in 1983 and thereafter."

Amend the title as follows :

Page 1, line 4, after the semicolon insert "limiting certain tax reductions;"

Page 1, line 5, after "Sections" insert "124.213, Subdivision 1;"

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. 1115, A bill for an act relating to transportation; providing for the distribution of assistance under the public transit participation program; defining terms; changing eligibility requirements for replacement transit service; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 174.21; 174.22, by adding subdivisions; 174.23, by adding a subdivision; 174.24, Subdivision 1, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sec-



tions 174.24, Subdivision 3; and 174.265, Subdivision 4; repealing Minnesota Statutes 1980, Sections 174.25; and 174.26.

Reported the same back with the following amendments:

Page 3, line 4, after "cost" insert "*may include provisions for a fee for service*"

Page 3, line 7, after "cost" insert "*and fee*"

Page 5, after line 19, insert a new section to read:

"Sec. 6. Minnesota Statutes 1981 Supplement, Section 174.24, Subdivision 3a, as amended by Laws 1981, Third Special Session Chapter 2, Article 1, Section 17, is amended 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. In order to receive financial assistance, the commission shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to identify the revenues, costs, and service plan upon which the appropriation is based. *The metropolitan transit commission shall not operate a shuttle bus service for any twelve month fiscal period for the purpose of providing transit service for athletic events unless total operating costs are recovered from non-state fund sources.*"

Renumber the sections

Amend the title as follows:

Page 1, line 11, after "3" insert ", and 3a, as amended"

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. 1477, A bill for an act relating to snowmobiles; increasing the registration fee and appropriating the proceeds thereof for stated purposes; registration of collectors' snowmobiles; requiring a study; appropriating money; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3, and by adding a subdivision; and 84.83.

Reported the same back with the following amendments:

Page 3, line 5, after the period insert "*This appropriation is available until June 30, 1983.*"

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. 1542, A bill for an act relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito control district and commission; authorizing taxes; amending Minnesota Statutes 1980, Sections 473.701, Subdivisions 1, 2 and 3; 473.702; 473.704, Subdivision 17; and 473.711, Subdivision 2; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.713; and 473.717.

Reported the same back with the following amendments:

Page 2, after line 15, insert:

"Sec. 5. Minnesota Statutes 1980, Section 473.703, Subdivision 1 is amended to read:

Subdivision 1. The district shall be operated by a commission which shall consist of two members from each county within the district, *except that each county within the district which has a seven member county board as provided in section 375.01, shall have one additional member on the commission.* Commissioners shall be members of the board of county commissioners of their respective counties, and shall be appointed by their respective boards of county commissioners."

Page 2, after line 35, insert:

"Sec. 7. Minnesota Statutes 1980, Section 473.705, is amended to read:

**473.705 [CONTRACTS FOR MATERIALS, SUPPLIES AND EQUIPMENT.]**

No contract for the purchase of materials, supplies, and equipment costing more than (\$2,500) \$5,000 shall be made by the commission without publishing the notice once in the official newspaper of each of the counties in the district that bids or proposals will be received. The notice shall be published at least ten days before bids are opened. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, naming therein a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the commission shall award such contract to the lowest responsible bidder or it may reject all bids. Each contract shall be duly executed in writing and the

party to whom the contract is awarded may be required to give sufficient bond to the commission for the faithful performance of the contract. If no satisfactory bid is received the commission may readvertise. The commission shall have the right to set qualifications and specifications and to require bids to meet such qualifications and specifications before bids are accepted. If the commission by an affirmative vote of five-sixths of the voting power of the commission shall declare that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of (\$2,500) \$5,000 but not to exceed (\$5,000) \$10,000 in amount, or in making emergency repairs, it shall not be necessary to advertise for bids, but such material, equipment, and supplies may be purchased in the open market at the lowest price available without securing formal competitive bids. An emergency as used in this section shall be an unforeseen circumstance or condition which results in placing life or property in jeopardy. All contracts involving employment of labor shall stipulate terms thereof and such conditions as the commission deems reasonable as to hours and wages."

Page 2, line 35, after "objects" insert "*except for control of disease bearing mosquito encephalitis outbreaks*"

Renumber the sections

Amend the title as follows :

Page 1, line 4, after the semicolon insert "increasing size of commission membership; increasing certain commission expenditure amounts;"

Page 1, line 6, after "473.702;" insert "473.703, Subdivision 1;"

Page 1, line 7, after "17;" insert "473.705;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred :

H. F. No. 1691, A bill for an act relating to child support and maintenance payments; providing for the collection and withholding of payments; amending Minnesota Statutes 1981 Supplement, Sections 518.551, Subdivisions 1 and 2; and 518.611, Subdivision 1.

Reported the same back with the following amendments :

Page 2, line 26, delete "*shall also serve*" and insert "*serves*"

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. 1702, A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; proposing new law coded in Minnesota Statutes, Chapter 198.

Reported the same back with the following amendments:

Page 1, line 11, after "provided" insert " , as funds permit,"

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. 1789, A bill for an act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring adoption of an acid deposition control standard and plan by the pollution control agency; requiring reports; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 116.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116.42] [LEGISLATIVE INTENT.]

*The legislature recognizes that acid deposition substantially resulting from the conduct of commercial and industrial operations, both within and without the state, poses a present and severe danger to the delicate balance of ecological systems within the state, and that the failure to act promptly and decisively to mitigate or eliminate this danger will soon result in untold and irreparable damage to the agricultural, water, forest, fish, and wildlife resources of the state. It is therefore the intent of the legislature in enacting sections 1 to 4 to mitigate or eliminate the acid deposition problem by curbing sources of acid deposition within the state and to support and encourage other states, the federal government, and the province of Ontario in recognizing the dangers of acid deposition and taking steps to mitigate or eliminate it within their own jurisdictions.*

**Sec. 2. [116.43] [ACID DEPOSITION DEFINED.]**

*As used in sections 1 to 4, "acid deposition" means the wet or dry deposition from the atmosphere of chemical compounds, usually in the form of rain or snow, having the potential to form an aqueous compound with a pH level lower than the level considered normal under natural conditions, or lower than 5.6.*

**Sec. 3. [116.44.] [SENSITIVE AREAS; STANDARDS.]**

*Subdivision 1. [LIST OF AREAS.] By January 1, 1983, the pollution control agency shall publish a preliminary list of counties determined to contain natural resources sensitive to the impacts of acid deposition. Sensitive areas shall be designated on the basis of:*

*(a) the presence of plants and animal species which are sensitive to acid deposition;*

*(b) geological information identifying those areas which have insoluble bedrock which is incapable of adequately neutralizing acid deposition; and*

*(c) existing acid deposition reports and data prepared by the pollution control agency and the federal environmental protection agency. The pollution control agency shall conduct public meetings on the preliminary list of acid deposition sensitive areas. Meetings shall be concluded by March 1, 1983, and a final list published by May 1, 1983. The list shall not be subject to the rulemaking or contested case provisions of chapter 15.*

*Subd. 2. [STANDARDS.] (a) By January 1, 1985, the agency shall adopt an acid deposition standard for wet plus dry acid deposition in the acid deposition sensitive areas listed pursuant to subdivision 1.*

*(b) By January 1, 1986, the agency shall adopt an acid deposition control plan to attain and maintain the acid deposition standard adopted under clause (a), addressing sources both inside and outside of the state which emit more than 100 tons of sulphur dioxide per year. The plan shall include an analysis of the estimated compliance costs for facilities emitting sulphur dioxide. Any emission reductions required inside of the state shall be based on the contribution of sources inside of the state to acid deposition in excess of the standard.*

*(c) By January 1, 1990, sources located inside the state shall be in compliance with the provisions of the acid deposition control plan.*

**Sec. 4. [116.45] [REPORTS TO THE LEGISLATURE.]**

*By January 1, 1986, the agency shall submit its acid deposition control plan to the appropriate substantive committees of both houses of the legislature. By January 1, 1987, and each two years thereafter until January 1, 1991, the agency shall submit to the legislative committees a report detailing the reduction of sulphur dioxide needed to meet the requirements of section 3 and the progress which has been made to meet those requirements.*

Sec. 5. Minnesota Statutes 1981 Supplement, 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 quarterly, at least 30 days before the start of each quarter, by the board against all utilities. *The assessment shall also include an amount sufficient to cover 60 percent of the costs to the pollution control agency of developing the acid deposition control plan required by sections 1 to 4; this amount shall be certified to the board by the executive director of the pollution control agency.* 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 *sum of the annual budget of the board for carrying out the purposes of this subdivision plus 60 percent of the annual budget of the pollution control agency for developing the plan required by sections 1 to 4.* 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 *and the pollution control agency* for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 6. [APPROPRIATION.]

*The sum of \$81,455 is appropriated from the general fund to the agency for the purposes of this act; for fiscal year 1983, the assessment pursuant to section 5 shall not exceed this amount.*

Sec. 7. [EFFECTIVE DATE.]

*Section 5 is effective June 1, 1982. Sections 1 to 4 are effective July 1, 1982."*

Amend the title as follows:

Page 1, line 6, after the first semicolon, insert "imposing an assessment on utilities;"

Page 1, line 6, after the second semicolon, insert "amending Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 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. 1815, A bill for an act relating to highway traffic regulations; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; amending Minnesota Statutes 1980, Section 169.80, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and 12; 299D.03, Subdivision 5; repealing Minnesota Statutes 1981 Supplement, Section 169.861.

Reported the same back with the following amendments:

Pages 11 and 12, delete section 6 and insert:

"Sec. 6. Minnesota Statutes 1981 Supplement, 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) *Five-eighths* of such receipts shall be transmitted by that officer to the state treasurer and shall be credited to the (TRUNK HIGHWAY) *highway user tax distribution fund. Three-eighths of such receipts shall be credited to the general revenue fund of the county.*

**Section 7. [169.762] [PRESSURIZED FLAMMABLE GAS.]**

*Subdivision 1. [MARKING REQUIRED.] Any vehicle within this state which carries liquefied petroleum gas fuel or natural gas in a tank attached to the vehicle in any concealed area, including but not limited to trunks, compartments, or under the vehicle, shall display on the exterior of the vehicle the words "Pressurized Flammable Gas", or a standard abbreviation or symbol as determined by the department of public safety, in block letters at least two inches high. The letters shall be of contrasting colors and shall be placed as near as possible to the area where the tank is located.*

*Subd. 2. [DISPENSING PROHIBITION.] No person shall dispense liquefied petroleum gas fuel or natural gas into any tank in a concealed area of a vehicle unless the vehicle is in compliance with the requirements of subdivision 1.*

*Subd. 3. [PENALTY.] Any owner convicted of violating the provisions of subdivisions 1 or 2 is guilty of a misdemeanor."*

Page 12, line 33, after the period insert "*Section 7 is effective January 1, 1983.*"

Renumber the sections

Amend the title as follows:

Page 1, line 7, after the semicolon insert "requiring certain exterior markings on vehicles carrying liquefied petroleum gas



fuel in concealed tanks and prohibiting the dispensing of those fuels in unmarked vehicles; prescribing penalties;"

Page 1, line 11, after the semicolon insert "proposing new law coded in Minnesota Statutes, Chapter 169;"

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. 1826, A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, Chapter 480.

Reported the same back with the following amendments:

Page 2, line 27, after "court" insert "*for deposit in the general fund*"

Page 2, line 33, delete "nine" and insert "eleven"

Page 2, line 35, after "matters" insert "*, two public members who are not attorneys*"

Page 3, line 11, after "adopt" insert "*by rule*"

Page 3, line 12, delete "*as it determines to be appropriate*"

Page 3, line 18, delete "*determines to be appropriate*" and insert "*adopts in the form of court rules*"

Page 5, line 18, delete "REPORT" and insert "REPORTS"

Page 5, after line 24, insert:

*"The judicial planning committee shall submit a report to the chairmen of the house appropriations and senate finance committees by February 1, 1983, with recommendations relative to the appropriate placement of the administrative responsibilities of this act. The committee shall consider merging administrative functions with the duties of the board of public defense."*

Page 5, after line 24, insert a new section to read:

**"Sec. 7. [APPROPRIATIONS.]**

*There is appropriated from the general fund to the supreme court all monies deposited pursuant to section 2, subdivision 2, for the fiscal year ending June 30, 1983."*

Page 5, line 26, delete "6" and insert "7"

Page 5, line 29, delete "6" and insert "7"

ReNUMBER the sections

Amend the title as follows :

Page 1, line 7, after the semicolon insert "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. 1840, A bill for an act relating to public welfare; allowing payment of claims for medical assistance to be made against homestead property which is part of an estate; amending Minnesota Statutes 1980, Sections 510.05; 524.3-805; and Minnesota Statutes 1981 Supplement, Section 525.145.

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. 2123, A bill for an act relating to public welfare; modifying certain provisions relating to medical assistance; providing for competitive bidding procedures; allowing a cause of action against responsible relatives; providing for payments to health maintenance organizations; appropriating money; amending Minnesota Statutes 1980, Sections 256B.04, by adding a subdivision; 256B.05, Subdivision 2; 256B.06, Subdivision 3; 256B.-14; 256B.19, Subdivision 1; 256B.27, Subdivision 3; and Minnesota Statutes 1981 Supplement, Section 256.966.

Reported the same back with the following amendments :

Page 1, delete line 27

Reletter the clauses

Page 2, line 29, after "or" insert "the"

Page 4, line 20, after "organization" insert "or who have been denied enrollment to receive the benefits of a health maintenance organization"

Page 5, line 36, delete "6" and insert "5"

Page 6, line 1, after the period, insert "The approved complement of the department of public welfare is increased by one professional for the purposes of section 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:

S. F. No. 411, A bill for an act relating to game and fish; limiting eligibility for antlerless deer permits in certain restricted hunting areas; amending Minnesota Statutes 1980, Section 97.48, Subdivision 24.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 97.48, Subdivision 24, is amended to read:

Subd. 24. The commissioner may limit the number of persons who may hunt deer or bear in any areas, when he determines that (THE GAME SUPPLY OR AREA OPEN TO HUNTING IS TOO SMALL FOR UNRESTRICTED HUNTING) it is necessary to prevent an overharvest or to provide for a suitable distribution of hunters, and he may establish by order any practicable method, including a drawing, for impartially determining the persons who may hunt in such areas. Beginning with data available for the 1981 seasons, the commissioner shall give preference to hunters who have previously unsuccessfully applied for the license in question.

Sec. 2. 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.

Sec. 3. Minnesota Statutes 1980, Section 97.49, is amended by adding a subdivision to read:

*Subd. 1b. (a) For the purposes of this subdivision, "resident deer license" means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clauses (2) and (3), and "resident bear license" means a license issued by the commissioner under the provisions of section 98.46, subdivision 2, clause (7).*

*(b) It is the policy of this state that at least \$1 from each resident deer license and each resident bear license shall be used to fund deer and bear management programs, including the computerized licensing system.*

Sec. 4. Minnesota Statutes 1980, Section 97.57, is amended to read:

#### 97.57 [DESTRUCTION OF BEAVER DAMS.]

*Subdivision 1. In any county with unanimous consent of the county board of commissioners, and approval of the land owner, the department of natural resources shall (DIRECT THE DESTRUCTION) take such action as the county board, commissioner of natural resources and land owner agree upon for the destruction or alteration of any beaver dam (AND) or for removal of beaver from any waterway, stream, or ditch where drainage is being impaired. Such action must be financially feasible. All state parks, state game refuges, and federal game preserves are excluded from this provision.*

*Subd. 2. In those cases where there is a threat to person or a serious threat to property resulting from a beaver dam, and where the consent required by subdivision 1 cannot be obtained, upon petition a district court may order the department of natural resources to take such actions as are appropriate to ameliorate or mitigate the threat or damage.*

Sec. 5. Minnesota Statutes 1980, Section 98.455, is amended to read:

#### 98.455 [BEAR HUNTING GUIDE LICENSE.]

No person shall for compensation engage in the business or occupation of placing bait for bear or guiding hunters in seeking to take bear without an annual license from the commissioner. The commissioner shall promulgate rules governing qualifications for, issuance and administration of licenses required by this section. No license shall be issued under this section after the day prior to the opening of the season for taking bear by firearms, and all license agents shall return all stubs and unsold license blanks to the county auditor at a time and in a manner to be determined by the commissioner. *No license to*

*take bear is necessary to guide bear hunters unless the guide is shooting or attempting to shoot a bear.*

Sec. 6. Minnesota Statutes 1980, Section 100.29, Subdivision 14, is amended to read:

Subd. 14. It shall be unlawful to take deer or moose from any artificial scaffold, platform, or other construction higher than (SIX) *nine* feet above the ground, or to take any big game animal or timber wolf with the aid of dogs or horses. *The height restrictions in this subdivision shall not apply to portable stands that are chained, belted, clamped, or tied with rope.*

Sec. 7. Minnesota Statutes 1980, Section 100.29, Subdivision 18, is amended to read:

Subd. 18. *Except as provided in this subdivision, it shall be unlawful to place decoys or erect blinds in public waters or on public lands more than one hour before the open season for waterfowl (. IT SHALL BE UNLAWFUL) or, thereafter, to place decoys in any public waters or on public lands more than one hour before sunrise (OR TO RESERVE OR PRE-EMPT A SHOOTING LOCATION IN PUBLIC WATERS OR ON PUBLIC LANDS, OR TO SO ATTEMPT, BY THE DEVICE OF LEAVING DECOYS, OR A BOAT, UNATTENDED IN PUBLIC WATERS OR ON PUBLIC LANDS BETWEEN SUNSET AND ONE HOUR BEFORE SUNRISE. THIS SUBDIVISION SHALL NOT APPLY TO DESIGNATED HUNTING STATIONS ESTABLISHED ON PUBLIC LANDS BY ORDER OF THE COMMISSIONER TO REGULATE HUNTING THEREON) each day of the open waterfowl season. During the open season for waterfowl it shall be unlawful to leave decoys, or an unattended boat used for hunting waterfowl, in public waters between sunset and one hour before sunrise unless the decoys or boat are adjacent to private lands under the control of the hunter and there is not a natural growth of weeds, rushes, flags, or other vegetation growing in water sufficient to partially conceal a hunter or a boat. It shall be unlawful at all times of the year to leave decoys in public waters between sunset and one hour before sunrise if the decoys constitute a navigational hazard.*

Sec. 8. Minnesota Statutes 1980, Section 101.42, Subdivision 18, is amended to read:

Subd. 18. Except as otherwise specifically permitted, it shall be unlawful to have in possession in an automobile or any vehicle or on their person, or at or near any waters, a spear, fish trap, net, dip net, seine, or any other device capable of taking fish, (WHICH MAY BE POSSESSED BETWEEN THE HOURS OF SUNRISE AND SUNSET) *or to take any fish by means of such devices during the period of February 16 to April 30, inclusive, except when acting under permit or contract*

to trap or seine from the division of (FISHERIES, DURING THE PERIOD OF FEBRUARY 16 TO APRIL 30, INCLUSIVE AND EXCEPT THAT) *fish and wildlife*. Spears, dip nets, bows and arrows, and devices permitted in section 101.51 used for the taking of rough fish may be possessed between the hours of sunrise and sunset after April 30. This subdivision does not apply to nets used in the taking of trout and smelt in season or to seines or traps used for the taking of minnows for bait or to *legal angling equipment*.

Sec. 9. Minnesota Statutes 1981 Supplement, 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, \$7;
- (2) To take deer with firearms, (\$14) \$15;
- (3) To take deer with bow and arrow, (\$14) \$15;
- (4) To take fish by angling, \$6.50;
- (5) Combination husband and wife, to take fish by angling, \$10.50;
- (6) To take moose, \$140 for an individual or for a party of not to exceed four persons;
- (7) To take bear only, (\$14) \$15;
- (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. 10. [561.051] [LIABILITY FOR ACTS OF WILD ANIMALS.]

*An owner of land shall not be liable in trespass, nuisance, or otherwise for the actions of wild animals in their natural state.*

Sec. 11. [DISPOSAL OF CERTAIN SURPLUS EQUIPMENT.]

*Notwithstanding the provisions of section 16.07, or any other law, the commissioner of natural resources is authorized to negotiate the sale of surplus state equipment to the Leech Lake Band of Chippewa Indians. This authorization is limited to equipment in the possession of the Leech Lake Band of Chippewa*

*Indians and being used for enforcement of game and fish laws on March 1, 1982.*

**Sec. 12. [MILLE LACS BAND OF CHIPPEWA INDIANS.]**

*The commissioner, in consultation with the Mille Lacs Band of Chippewa Indians and other interested persons, shall review and evaluate the claimed right of the Mille Lacs Band to hunt, trap, fish and gather wild rice within the original boundaries of the Mille Lacs Indian Reservation and on contiguous waters free of state regulation and control. Based on this review the commissioner shall submit a report to the legislature by January 1, 1983, which shall include, but not be limited to, a discussion of the desirability and feasibility of entering into an agreement with the Mille Lacs Band similar to the agreements authorized by sections 97.431 to 97.433. Nothing herein shall be construed to authorize the commissioner to enter into any such agreement.*

**Sec. 13. [APPROPRIATION; COMPUTERIZED LICENSING SYSTEM.]**

*The sum of \$180,000 is appropriated from the game and fish fund to the commissioner of natural resources to develop and operate computerized licensing systems for the period ending June 30, 1983.*

**Sec. 14. [APPROPRIATION; EMERGENCY FEEDING.]**

*The sum of \$250,000 is appropriated from the game and fish fund to the commissioner of natural resources for the emergency feeding of deer, pheasants, and other wild animals during the winter of 1982. All money so appropriated which is unencumbered on July 1, 1982, shall revert to the game and fish fund.*

**Sec. 15. [EFFECTIVE DATE.]**

*Sections 1, 4, 5, 6, 10, and 14 are effective the day after final enactment. Sections 2, 3, and 9 are effective March 1, 1983."*

Delete the title and insert:

**"A bill for an act relating to wild animals; providing additional authority for the commissioner of natural resources to limit the numbers of deer and bear hunters under certain circumstances; increasing resident deer and bear license fees; appropriating money for deer and bear management, computerized licensing systems, and emergency feeding of wild animals during the winter of 1982; clarifying provisions concerning possession of certain equipment usable in taking fish; increasing the deer license habitat amount; authorizing the review of a possible agreement between the commissioner and the Mille Lacs Band of Chippewa Indians; clarifying the guide license to take bear;**

authorizing negotiated sale of certain surplus equipment; amending Minnesota Statutes 1980, Sections 97.48, Subdivision 24; 97.49, Subdivision 1a, and by adding a subdivision; 97.57; 98.455; 100.29, Subdivisions 14 and 18; 101.42, Subdivision 18; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 561."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 744, 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; 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; 112.37, Subdivision 1; 112.39, Subdivision 1; 112.42, Subdivisions 3, 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; and Minnesota Statutes 1981 Supplement, Section 112.53, Subdivision 1.

Reported the same back with the following amendments:

Page 7, line 31, before "The" insert "*The rules shall be applicable only in the absence of county or municipal ordinances for the regulation of those items set forth in this clause.*"

Pages 21 and 22, delete sections 23, 24, and 25

Re-number the sections

Amend the title as follows:

Page 1, line 8, delete "105.71,"

Page 1, line 9, delete "Subdivision 1a, and by adding subdivisions;"

Page 1, line 16, delete "and 112.801,"

Page 1, line 17, delete "Subdivision 8;"



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. 1239, A bill for an act relating to the operation of state government; authorizing the state board of investment to employ investment management firms to invest certain funds on its behalf; appropriating money; amending Minnesota Statutes 1980, Section 11A.04.

Reported the same back with the following amendments:

Page 2, line 27, after the period, insert: *"Each year, by January 15, the board shall report to the governor and legislature on the cost and the investment performance of each investment manager employed by the board.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 11A.24, Subdivision 4, is amended to read:

Subd. 4. [OTHER OBLIGATIONS.] The state board may invest funds in bankers acceptances, certificates of deposit, commercial paper, mortgage participation certificates and pools, repurchase agreements and reverse repurchase agreements and savings accounts if they conform to the following provisions:

(a) Bankers acceptances of United States banks shall be limited to those eligible for purchase by the Federal Reserve System;

(b) Certificates of deposit shall be limited to those issued by banks and savings institutions that meet the collateral requirements established in section 9.031, unless sufficient volume is unavailable at competitive interest rates. In that event, non-collateralized certificates of deposit may be purchased from United States banks and savings institutions that are rated in the highest quality category by a nationally recognized rating agency;

(c) Commercial paper shall be limited to those issued by United States corporations or their Canadian subsidiaries, shall be of the highest quality and mature in 270 days or less;

(d) Mortgage participation or pass through certificates evidencing interests in pools of first mortgages or trust deeds on improved real estate located in the United States where the loan to value ratio for each loan as calculated in accordance with section 61A.28, subdivision 3 does not exceed 80 percent for fully amortizable residential properties and in all other respects meets

the requirements of section 61A.28, subdivision 3. *In addition the state board may purchase from the Minnesota housing finance agency all or any part of any pool of residential mortgages, not in default, which has previously been financed by the issuance of bonds or notes of the agency. The state board may also enter into a commitment with the agency, at the time of any issue of bonds or notes, to purchase at a specified future date, not exceeding twelve years from the date of the issue, the amount of mortgage loans then outstanding and not in default, which have been made or purchased from the proceeds of the bonds or notes. The state board may charge reasonable fees for any such commitment, and may agree to purchase the mortgage loans at a price such that the yield thereon to the state board will, in its judgment, be comparable to that available on similar mortgage loans at the date of the bonds or notes. The state board may also enter into agreements with the agency for the investment of any portion of the funds of the agency for such period, with such withdrawal privileges, and at such guaranteed rate of return, if any, as may be agreed between the state board and the agency.*

(e) Repurchase agreements and reverse repurchase agreements shall be limited to the securities described in subdivision 2, clause (a) ;

(f) Savings accounts shall be limited to those fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

### Sec. 3. [EFFECTIVE DATE.]

*This act is effective on the day following final enactment."*

Amend the title as follows :

Page 1, line 6, before the period insert " ; and Minnesota Statutes 1981 Supplement, Section 11A.24, Subdivision 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:

S. F. No. 1398, 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.

Reported the same back with the following amendments :

Page 1, line 16, after "less," insert "*upon payment of a fee of \$10 and*"

Page 1, line 19, delete everything after the period

Page 1, delete line 20 to the period

Page 2, line 7, delete everything after the period and insert "*Upon return of the special plates, the owner or purchaser of the vehicle is entitled to receive regular plates for the vehicle without cost for the remainder of the registration period for which the special plates were issued.*"

Page 2, delete lines 8 to 10 and insert "*Firefighter license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon payment of \$5, which fee shall be paid into the state treasury and credited to the highway user tax distribution fund.*"

Page 2, line 11, delete "shall" and insert "may"

Page 2, line 14, after the period insert "*All fees from the sale of special license plates for firefighters shall be paid into the state treasury and credited to the highway user tax distribution fund.*"

## Sec. 2. [APPROPRIATION.]

*There is appropriated from the highway user tax distribution fund to the commissioner of public safety the sum of \$175,000 for fiscal year 1983 for the purpose of providing firefighter license plates."*

Amend the title as follows:

Page 1, line 4, after the semicolon insert "imposing an additional fee for firefighter license plates;"

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. 1499, A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; proposing new law coded in Minnesota Statutes, Chapter 168.

Reported the same back with the following amendments:

Page 2, line 2, delete "\$20" and insert "\$10"

Page 2, line 28, delete "shall" and insert "may"

Page 3, after line 2, add a new section as follows:

"Sec. 2. [APPROPRIATION.]

*There is appropriated from the highway user tax distribution fund to the commissioner of public safety the sum of \$10,000 for fiscal year 1983 for the purpose of providing "EX-POW" license plates."*

Amend the title as follows:

Page 1, line 3, after the semicolon insert "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:

S. F. No. 1671, A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 2, is amended to read:

Subd. 2. The board shall include as permanent members the (HEAD OF THE PLANNING DIVISION) *commissioner* 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, and a representative of the governor's office designated by the governor. The governor shall appoint five members from the general public to the board, subject to the advice and consent of the senate.

Sec. 2. Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, is amended to read:

Subd. 2a. The membership terms, compensation, removal, and filling of vacancies of (CITIZENS ADVISORY COMMITTEE MEMBERS OR PUBLIC) *board* members (, AS APPROPRIATE, ON THE BOARD) shall be as provided in section 15.0575.

Sec. 3. Minnesota Statutes 1980, Section 116C.03, is amended by adding a subdivision to read:

*Subd. 3a. The representative of the governor's office shall serve as chairman of the board.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 116C.-03, Subdivision 4, is amended to read:

Subd. 4. The (COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT) *board* shall employ staff or consultants who will be assigned to work for the board on a continuous basis. *The staff may include an executive director who shall serve in the unclassified service and be responsible for administering the board's staff, work program, budget, and other duties delegated by the board.* 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. 5. Minnesota Statutes 1980, Section 116C.03, is amended by adding a subdivision to read:

*Subd. 5. The board shall contract with the department of energy, planning and development for administrative services necessary to the board's activities. The services shall include personnel, budget, payroll and contract administration.*

Sec. 6. Minnesota Statutes 1980, Section 116C.03, is amended by adding a subdivision to read:

*Subd. 6. The board shall adopt an annual budget and work program.*

Sec. 7. Minnesota Statutes 1980, Section 116C.04, is amended by adding a subdivision to read:

*Subd. 10. The board shall resolve water policy conflicts between state agencies, coordinate water planning activities of local and regional bodies with state planning and integrate these plans with state strategies, and assure the participation of the public and all units of government in the preparation and implementation of all state water resources planning activities.*

Sec. 8. Minnesota Statutes 1980, Section 362.12, is amended by adding a subdivision to read:

Subd. 5. [WATER RESOURCE PLANNING.] *The board shall:*

(1) *review water resources programs and proposed budgets of state agencies and departments involved in water planning and management and report to the governor and the legislature on the compatibility of agency programs, rules, and budgets with state water policy and the framework plan prepared pursuant to Laws 1977, Chapter 446, Section 1;*

(2) *initiate, coordinate, and develop comprehensive, long-range water resources planning in furtherance of the framework plan;*

(3) *evaluate and recommend improvements in state laws, rules, and procedures in order to reduce overlap, duplication, or conflicting jurisdictions among the state, local, and interstate agencies having jurisdiction in the area of water resource management and regulations; and*

(4) *direct involvement of the state in activities relating to the federal Water Resources Planning Act, Public Law 89-80, as amended, including administration of Title III funding and other federal water resources funding programs with multi-agency interest.*

Sec. 9. [SWIM TRANSFER.]

*The administration and maintenance of the system for water information management shall be transferred from the water planning board to the land management information center in the department of energy, planning, and development.*

Sec. 10. [TRANSITIONAL PROVISION; PERSONNEL.]

*In so far as possible, and subject to appropriation, the state employees involved in the duties of the water planning board created pursuant to Laws 1977, Chapter 446, Section 1, who are in the unclassified service shall be transferred to the environmental quality board and to the department of energy, planning, and development.*

Sec. 11. [APPROPRIATION.]

*Subdivision 1. \$120,000 of the appropriation made in Laws 1981, Chapter 356, Section 31, Subdivision 12, is reappropriated to the environmental quality board for the purpose of sections 7 and 8 of this act. This sum shall be available until June 30, 1983. The complement of the board is increased by three.*

*Subd. 2. \$30,000 of the appropriation made in Laws 1981, Chapter 356, Section 31, Subdivision 12, is reappropriated to*

*the department of energy, planning, and development for the purpose of section 9 of this act. This sum is available until June 30, 1983. The complement of the department is increased by one.*

**Sec. 12. [REPEALER.]**

*Minnesota Statutes 1980, Sections 105.401; 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3, are repealed.*

**Sec. 13. [EFFECTIVE DATE.]**

*Sections 1 to 12 are effective July 1, 1982."*

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

Page 1, line 5, delete "Section" and insert "Sections"

Page 1, line 6, after the semicolon insert "116C.04, by adding a subdivision; and 362.12, by adding a subdivision;"

Page 1, line 8, after "Sections" insert "105.401;"

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. 1910, A bill for an act relating to public welfare; requiring preadmission screening for patients entering nursing homes from hospitals; allowing hospital discharge planners to attend certain preadmission screening assessments; allowing recipient choice between long term care and alternative care; modifying cost limits for alternative care; amending Minnesota Statutes 1980, Section 256B.091, Subdivisions 2, 4, and 6; and Minnesota Statutes 1981 Supplement, Section 256B.091, Subdivision 8.

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

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 400, 1025, 1099, 1115, 1477, 1542, 1691, 1702, 1789, 1815, 1826, 1840 and 2123 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1589, 411, 744, 1239, 1398, 1499, 1671 and 1910 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Anderson, G.; Mann; Mehrkens; Valan and Anderson, I., introduced:

H. F. No. 2283, A bill for an act relating to transportation; establishing a rural transportation improvement program; imposing taxes on certain motor carriers and common carrier railroads and imposing duties on those motor and railroad carriers; providing for the expenditure of the proceeds of the taxes; imposing certain duties on the commissioners of revenue and transportation; establishing a grant program; prescribing penalties; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 222.50, Subdivision 7; proposing new law coded as Minnesota Statutes, Chapter 295A.

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

Marsh introduced:

H. F. No. 2284, A bill for an act relating to zoning; providing for the zoning of abortion facilities; proposing new law coded in Minnesota Statutes Chapter 471.

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

## HOUSE ADVISORIES

The following House Advisories were introduced:

Jacobs; Redalen; Carlson, D.; Sarna and Anderson, I., introduced:

H. A. No. 60, A proposal to study the advantages or disadvantages of public ownership of cable communication systems.

The advisory was referred to the Committee on Regulated Industries.

Carlson, D., introduced:

H. A. No. 61, A proposal to study the feasibility of consolidation of school districts on administrative level.



The advisory was referred to the Committee on Education.

Carlson, D., introduced:

H. A. No. 62, A proposal to study establishment of state land policy governing acquisition, management and disposal of state lands under control of Department of Natural Resources.

The advisory was referred to the Committee on Environment and Natural Resources.

Carlson, D., introduced:

H. A. No. 63, A proposal to study the establishment of a task force on waste and mismanagement in government operations.

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

H. F. No. 1336, A bill for an act relating to retirement; highway patrol benefits and refunds; providing annual benefit increases to pre-1973 retirees and surviving spouses; appropriating funds; amending Minnesota Statutes 1980, Section 352B.11, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 352B.02, Subdivision 1; 352B.08, Subdivision 2; and 352B.11, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 352B.

H. F. No. 1646, A bill for an act relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

H. F. No. 1920, A bill for an act relating to economic development; excepting motor carriers from the definition of "business license;" amending Minnesota Statutes 1981 Supplement, Section 362.452, Subdivision 2a.

H. F. No. 1948, A bill for an act relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validating certain prior payments or actions; amending Extra Session Laws 1961, Chapter 28, Section

14; repealing Extra Session Laws 1961, Chapter 28, Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13; and Laws 1963, Chapter 464.

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. 2068, A bill for an act relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

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. 2116, A bill for an act relating to Blue Earth County; permitting county board members to serve on the county housing and redevelopment authority.

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. 2175, A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes 1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.833, Subdivisions 9, 10 and 11; 160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11, Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2, and 20; 462.425,

Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions 1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621, Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645, Subdivisions 1, 5 and 7; 462.665; 462.671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Vellenga moved that the House concur in the Senate amendments to H. F. No. 2175 and that the bill be repassed as amended by the Senate. The motion prevailed.

**H. F. No. 2175, A bill for an act relating to Minnesota Statutes, correcting erroneous, ambiguous, omitted and obsolete references and text; eliminating certain redundant, conflicting and superseded provisions; authorizing the revisor of statutes to make necessary reference changes if the administrative procedure act is recompiled as a separate chapter; amending Minnesota Statutes 1980, Sections 60C.02, Subdivision 1; 62B.04, Subdivision 1; 92.03, Subdivision 4; 106.011, Subdivision 20; 106.021, Subdivision 2; 106.081, Subdivision 1; 106.091, Subdivision 2; 120.17, Subdivisions 4a and 5; 123.21; 123.78, Subdivision 1; 123.932, Subdivision 1a; 125.12, Subdivision 3; 129.121, Subdivision 1; 136.015; 145.61, Subdivision 2; 145.833, Subdivisions 9, 10 and 11; 160.05, Subdivision 1; 175.35; 177.23, Subdivisions 4, 7 and 10; 177.27; 177.28; 177.29; 177.30; 177.31; 177.32; 177.33; 177.34; 177.35; 214.14, Subdivision 1; 273.11, Subdivision 5; 282.01, Subdivision 1; 290.41, Subdivision 3; 458.192, Subdivision 15; 462.415, Subdivisions 4 and 6; 462.421, Subdivisions 1, 2 and 20; 462.425, Subdivision 7; 462.426, Subdivision 1; 462.427, Subdivision 2; 462.428, Subdivision 3; 462.445, Subdivisions**

1, 4 and 5; 462.451, Subdivision 2; 462.461, Subdivisions 1 and 2; 462.485; 462.511; 462.541, Subdivision 2; 462.545, Subdivisions 1, 2, 3 and 6; 462.555; 462.561; 462.571; 462.581; 462.591, Subdivision 1; 462.621, Subdivisions 1 and 3; 462.631, Subdivision 1; 462.635; 462.645, Subdivisions 1, 5 and 7; 462.665; 462.-671; 462.701; 462.705; 462.712; 462.713; 473.195, Subdivision 1; 504.24, Subdivision 2; Chapter 111, by adding a section; Minnesota Statutes 1981 Supplement, Sections 11A.18, Subdivision 9; 43A.08, Subdivision 2; 43A.27, Subdivision 2; 47.20, Subdivisions 4a and 4b; 60A.11, Subdivisions 9 and 10; 69.011, Subdivision 2; 69.031, Subdivision 5; 97.488, by adding a subdivision; 116H.129, Subdivisions 1, 5 and 6; 156A.02, Subdivision 6; 168.013, Subdivision 1c; 169.825, Subdivision 10; 171.36; 176.-306, Subdivision 2; 204B.31; 222.63, Subdivision 4; 273.11, Subdivision 1; 290.077, Subdivision 4; 290.09, Subdivision 15; 299F.-011, Subdivision 1; 353.01, Subdivisions 2a and 6; 355.11, Subdivision 5; 414.0325, Subdivision 5; 462.601; 462.605; 514.011, Subdivision 4a; 525.551, Subdivision 5; 525.6198; and Laws 1981, Chapter 224, Section 73; repealing Minnesota Statutes 1980, Section 60A.11, Subdivisions 5a and 5b; Minnesota Statutes 1981 Supplement, Section 290.971, Subdivision 7; Laws 1980, Chapter 587, Article I, Sections 31, 32, 33, 34, 35, 36, 37, 38 and 39; Laws 1981, Chapters 31, Section 7; 60, Section 14; 137, Section 3; 158; 178, Section 33; 205, Section 1; 224, Section 92; 255, Sections 1, 3 and 4; 356, Sections 99, 189, 190, 191, 210 and 212; and 357, Section 28.

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	Evans	Kalis	Novak	Shea
Ainley	Ewald	Kelly	Nysether	Sherman
Anderson, B.	Fjoslien	Knickerbocker	O'Connor	Sherwood
Anderson, G.	Forsythe	Kostohryz	Ogren	Sieben, M.
Anderson, I.	Frerichs	Kvam	Olsen	Simoneau
Battaglia	Greenfield	Laidig	Onnen	Skoglund
Begich	Gruenes	Lehto	Osthoff	Stadum
Berkelman	Gustafson	Lemen	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	Valan
Carlson, L.	Heap	McCarron	Rees	Valento
Clark, J.	Heinitz	McDonald	Reif	Vanasek
Clark, K.	Himle	McEachern	Rice	Vellenga
Clawson	Hokanson	Mehrkens	Rodriguez, C.	Voss
Dahlvang	Hokr	Metzen	Rodriguez, F.	Weaver
Dean	Jacobs	Minne	Rose	Welch
Dempsey	Jennings	Munger	Rothenberg	Welker
Den Ouden	Johnson, C.	Murphy	Samuelson	Wenzel
Drew	Johnson, D.	Nelsen, B.	Sarna	Wigley
Elioff	Jude	Nelson, K.	Schoenfeld	Wynia
Ellingson	Kahn	Niehaus	Schreiber	Zubay
Erickson	Kaley	Norton	Searles	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. 1555, A bill for an an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

PATRICK E. FLAHAVER, Secretary of the Senate

McEachern moved that the House refuse to concur in the Senate amendments to H. F. No. 1555, 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. 1872, A bill for an act relating to the financing of government in this state; extending the effective date of residential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for withholding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain

cases of joint tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act; adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment compensation; increasing the rate of interest allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supple-

ment, Sections 168.013, Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended, and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.-095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter 2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340 and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.-131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

PATRICK E. FLAHAVEN, Secretary of the Senate

Anderson, I., moved that the House refuse to concur in the Senate amendments to H. F. No. 1872, 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. 12, A bill for an act relating to public utilities; revising the process for approval of rate changes; abolishing "rates under bond"; providing for interim rates; amending Minnesota Statutes 1980, Sections 216B.16, Subdivisions 1, 2, 3, 5, and 7; and 237.075, Subdivisions 1, 2, 3, 5, and 6; and Minnesota Statutes 1981 Supplement, Sections 216B.16, Subdivision 1a; and 237.075, Subdivision 1a.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Otis moved that the House concur in the Senate amendments to H. F. No. 12 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 12, A bill for an act relating to public utilities; revising the process for approval of rate changes; abolishing "rates under bond"; providing for interim rates; amending Minnesota Statutes 1980, Sections 216B.16, Subdivisions 1, 2, 3, 5, and 7; and 237.075, Subdivisions 1, 2, 3, 5, and 6; and Minnesota Statutes 1981 Supplement, Sections 216B.16, Subdivision 1a; and 237.075, Subdivision 1a.

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

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

Those who voted in the affirmative were:

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

S. F. Nos. 1825, 1950 and 2030.

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. 1078, 1523, 1631, 1758, 2035 and 2048.

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. 1818 and 1840.

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. 1421 and 1623.

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. 1747, 1908 and 2111.

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. 1207 and 1894.

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. 1684.

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. No. 518 and 1541.

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. 1630, 1640, 1869, 1957 and 2141.

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. 1809.

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. 1670 and 1715.

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. 929, 1221, 1561, 1677, 1886 and 1888.

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. 63, 1522 and 1706.

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. 1022, 1907, 1967, 2000, 2006 and 2121.

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. 1966.

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. 1955, 2062 and 2125.

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. 1487.

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. 1949.

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. 19, 1740, 1879 and 1987.

PATRICK E. FLAHAVER, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1825, A bill for an act relating to the collection and dissemination of data; proposing the classification of certain welfare data as nonpublic; amending Minnesota Statutes 1980, Section 15.1691, Subdivision 6; Minnesota Statutes 1981 Supplement, Sections 15.781, Subdivision 1; and 15.791, Subdivision 9.

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

S. F. No. 1950, A bill for an act relating to corporations; correcting certain errors; removing certain deficiencies and ambiguities; and amending Minnesota Statutes 1981 Supplement, Sections 300.083, Subdivision 2; 300.49, Subdivision 1; 302A.011, Subdivisions 4, 10, 17, 21, 25, 29, 30, and 31; 302A.021, Subdivisions 2, 4, 7, and 8; 302A.111, Subdivisions 2, 3, and 4; 302A.115, Subdivision 2; 302A.123; 302A.131; 302A.135, Subdivisions 2 and 4; 302A.181, Subdivision 3; 302A.201, Subdivision 2; 302A.207; 302A.235; 302A.239, Subdivision 1; 302A.241, Subdivisions 1 and 2; 302A.243; 302A.251, Subdivisions 2 and 3; 302A.255, Subdivision 1; 302A.401, Subdivision 2; 302A.403, Subdivisions 2 and 4; 302A.405, Subdivision 1; 302A.413, Subdivision 4; 302A.-

431, Subdivision 2; 302A.433, Subdivisions 1 and 2; 302A.435, Subdivision 1; 302A.437, Subdivision 1; 302A.443; 302A.445, Subdivisions 1 and 6; 302A.455; 302A.457, Subdivisions 1 and 2; 302A.461, Subdivision 2; 302A.463; 302A.467; 302A.521, Subdivision 2; 302A.551, Subdivisions 1 and 2; 302A.559, Subdivision 1; 302A.613, Subdivisions 2 and 3; 302A.661, Subdivision 2; 302A.721, Subdivision 2; 302A.723, Subdivision 1; 302A.727, Subdivision 2; 302A.729, Subdivision 1; 302A.731, Subdivision 2; 302A.733, Subdivision 1; 302A.741; 302A.751, Subdivisions 2 and 3; 302A.781, Subdivision 1; 302A.821, Subdivisions 4 and 5; repealing Minnesota Statutes 1981 Supplement, Sections 302A.011, Subdivision 35; and 302A.241, Subdivision 3.

The bill was read for the first time.

Ellingson moved that S. F. No. 1950 and H. F. No. 2092, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2030, A bill for an act relating to economic development; granting power to the commissioner of energy, planning and development with respect to community development corporation grants; amending Minnesota Statutes 1980, Section 362.41, by adding a subdivision.

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

S. F. No. 1078, A bill for an act relating to game and fish; allowing the commissioner of natural resources to authorize the use of snowmobiles in connection with taking beaver or otter; amending Minnesota Statutes 1980, Section 100.29, Subdivision 30.

The bill was read for the first time.

Lemen moved that S. F. No. 1078 and H. F. No. 1440, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1523, A bill for an act relating to the city of Little Falls; extending a certain expired deferred compensation option to the city administrator therein.

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

S. F. No. 1631, A bill for an act relating to the Red River watershed; naming all counties in which the special taxing authority of certain watershed districts applies; amending Laws 1976, Chapter 162, Section 1.

The bill was read for the first time.

Stumpf moved that S. F. No. 1631 and H. F. No. 2125, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No 1758, A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Section 609.485, Subdivision 3; proposing new law coded in Minnesota Statutes 1980, Chapter 152.

The bill was read for the first time.

Kelly moved that S. F. No. 1758 and H. F. No. 1758, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2035, A bill for an act relating to victim reparation for wrongful death; a clarification of the time limitations for maintaining an action for death by intentional wrongful act where the act causing the death constitutes the crime of murder; amending Minnesota Statutes 1980, Section 573.02, Subdivision 1.

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

S. F. No. 2048, A bill for an act relating to state parks; restating the boundaries of Tower Soudan state park; authorizing conveyance of certain park lands.

The bill was read for the first time.

Battaglia moved that S. F. No. 2048 and H. F. No. 2117, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1818, A bill for an act relating to financial institutions; providing for maximum interest rates on the unpaid balance of loans made by a bank, savings bank, savings association, or credit union; making a temporary, superseding interest rate provision permanent; amending Minnesota Statutes 1980, Sections 48.153, Subdivisions 1a and 3a; 52.14, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 48.195; repealing Minnesota Statutes 1980, Sections 48.153, Subdivisions 1 and 3; and 52.14, Subdivision 1.

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

S. F. No. 1840, A bill for an act relating to commerce; providing for a determination of when certain property held by a financial institution or business organization is presumed

abandoned; amending Minnesota Statutes 1980, Sections 345.32, as amended; and 345.39, as amended.

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

S. F. No. 1421, A bill for an act relating to fish and wildlife; providing additional authority for the commissioner of natural resources to limit the numbers of deer and bear hunters under certain circumstances; increasing resident deer and bear license fees; providing for deer and bear management, computerized licensing systems, and emergency feeding of wild animals during the winter of 1982; clarifying provisions concerning possession of certain equipment usable in taking fish; authorizing negotiated sale of certain surplus equipment; appropriating money; amending Minnesota Statutes 1980, Sections 97.48, Subdivision 24; 97.49, Subdivision 1a, and by adding a subdivision; and 101.42, Subdivision 18; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 2.

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

S. F. No. 1623, A bill for an act relating to municipal bonds; providing a formula for determining limitations on interest rates; changing a public sale requirement; amending Minnesota Statutes 1980, Sections 474.06; 475.55 and 475.60, Subdivision 2.

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

S. F. No. 1747, A bill for an act relating to natural resources; requiring payment of interest on late refunds to timber sale permit holders; authorizing reappraisal of damaged or destroyed timber sold under a permit; authorizing settlement of permit obligations when a permittee is incapacitated or deceased; extending the time during which the commissioner of natural resources may extend timber permits; amending Minnesota Statutes 1980, Section 90.201; and Laws 1981, Chapter 305, Section 11.

The bill was read for the first time.

Begich moved that S. F. No. 1747 and H. F. No. 1838, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1908, A bill for an act relating to waters and watercraft safety; amending the definition of watercraft; defining paddle boat; changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, Subdivision 7, and by adding a subdivision; and 361.03, Subdivision 3.



The bill was read for the first time.

Hokanson moved that S. F. No. 1908 and H. F. No. 1935, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2111, A bill for an act relating to real estate; directing conveyances of the state's right, title and interest in certain lands to Lake of the Woods County and Beltrami County.

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

S. F. No. 1207, A bill for an act relating to intoxicating liquor; providing an exemption from the multiple interest limitation on off-sale licenses for pre-existing franchise agreements; authorizing the issuance of two additional wine licenses outside the liquor patrol limit of the city of St. Paul; amending Minnesota Statutes 1980, Section 340.13, Subdivision 3.

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

S. F. No. 1894, A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending Minnesota Statutes 1980, Sections 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1.

The bill was read for the first time.

Nelson, K., moved that S. F. No. 1894 and H. F. No. 1879, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1684, A bill for an act relating to commerce; providing uniformity in requiring insurance of accounts in depository financial institutions; clarifying examination reports as confidential records; clarifying permissible transactions at financial institutions by examiners; defining building and loan association; clarifying financial institution real estate investment authority; establishing an application procedure for certain bank detached facilities; providing for clearly differentiat-

ing a detached facility from the parent bank principal office; establishing a uniform authority for financial institutions' limited trust powers and individual housing accounts; clarifying certain words, terms and phrases relating to supervision of banks and trust companies; eliminating the filing requirement for bank directors' oaths; clarifying exceptions to prohibition against bank or trust company sale of assets; providing for uniform quarterly reporting by banks or trust companies; providing uniform capital requirements for stock savings banks and approval procedures for amending articles or certificates of incorporation; removing inconsistencies in fees payable to secretary of state; removing the expiration date for the credit union advisory council; removing inconsistencies with earlier laws regarding certificate loan plans of industrial loan and thrift companies; providing for liquidity reserve requirements by insured industrial loan and thrift companies consistent with other depository institutions; providing for reasonable fees, annual renewals and surety bond limits for licensing safe deposit companies; clarifying default charges, deferments, conversion rights, interest after maturity and issuance of receipts on regulated loans; limiting licensing and examination of sales finance companies to those located in this state; authorizing the restatement of articles of incorporation of financial institutions; removing ceiling on interest rate paid by mortgagor during redemption period; amending Minnesota Statutes 1980, Sections 46.07, Subdivision 2; 46.09, as amended; 47.01, Subdivision 5; 47.10; 48.01, Subdivision 1; 48.16; 48.21; 48.76; 50.25; 51A.23, Subdivision 6; 52.061; 52.24; 53.04, Subdivision 5; 53.07; 55.04, Subdivision 2; 55.05; 168.66, Subdivision 8; 580.23, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 48.06; 48.48; 51A.03, Subdivision 5; 56.131, Subdivision 1; 56.14; proposing new law coded in Minnesota Statutes, Chapters 45; 47; 55; and 300; repealing Minnesota Statutes 1980, Sections 47.16, Subdivision 2; 48.159, Subdivision 1; 48.25; 50.157, Subdivision 1; 51A.21, Subdivision 16; 52.135; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.

The bill was read for the first time.

Johnson, D., moved that S. F. No. 1684 and H. F. No. 1916, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 518, A bill for an act relating to cable communications; changing certain definitions and procedures relating to cable communications system franchises and operations; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.05, by adding a subdivision; 238.06, Subdivision 6; 238.09, Subdivisions 6 and 7; 238.11, Subdivision 2; and 238.12, Subdivisions 1 and 2.

The bill was read for the first time.

Osthoff moved that S. F. No. 518 and H. F. No. 541, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1541, A bill for an act relating to accident and health insurance; broadening continuation and conversion privileges of survivors and former spouses; amending Minnesota Statutes 1980, Sections 62A.145; 62A.146; 62C.142; and 62D.-101; and Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivisions 2a and 2b.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

S. F. No. 1630, A bill for an act relating to the legislature; changing January payment date; amending Minnesota Statutes 1980, Section 3.099, Subdivision 1.

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

S. F. No. 1640, A bill for an act relating to Hennepin County; providing for the interest on and name of certain debt; regulating personnel provisions; clarifying self insurance authority; permitting the county board members to be paid an allowance in lieu of mileage; removing an exception to the general law; amending Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1; Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 2.

The bill was read for the first time.

Ellingson moved that S. F. No. 1640 and H. F. No. 1736, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1869, A bill for an act relating to local government; permitting counties to make electronic funds transfers; amending Minnesota Statutes 1980, Section 471.38, Subdivision 3.

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

S. F. No. 1957, A resolution memorializing the President and Congress of the United States in support of a mutual freeze with the Soviet Union on the testing, production, and deployment of nuclear weapons and delivery systems.

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

S. F. No. 2141, A bill for an act relating to local government; allowing towns and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Section 461.12.

The bill was read for the first time.

Clawson moved that S. F. No. 2141 and H. F. No. 1899, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1809, A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct, intrafamilial sexual abuse, or use of a minor to prepare an obscene work; amending Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 631.

The bill was read for the first time.

Wynia moved that S. F. No. 1809 and H. F. No. 2008, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1670, A bill for an act relating to guardianship and conservatorship; providing for delegation of certain powers by parents or guardians; applying the rules of evidence to certain proceedings; providing administrative procedures for the appointment of guardians or conservators for minors; providing a procedure for discharge of guardians or conservators in certain cases; clarifying certain provisions; amending Minnesota Statutes 1980, Sections 525.6165; and 525.618, by adding subdivisions; Minnesota Statutes 1981 Supplement, Sections 525.55, Subdivisions 1 and 3; 525.551, Subdivision 3; 525.5515, Subdivision 2; and 525.6196; proposing new law coded in Minnesota Statutes, Chapters 524 and 525; repealing Minnesota Statutes 1981 Supplement, Section 525.5515, Subdivision 3.

The bill was read for the first time.

Ellingson moved that S. F. No. 1670 and H. F. No. 1896, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1715, A bill for an act relating to the city of Minneapolis; providing duties of the civil service commission; providing for positions in the unclassified service; permitting the city to change the name of the housing and redevelopment authority; permitting the transfer of certain employees to employment of the housing and redevelopment authority; establishing terms for transfer of the employees; permitting certain employees to purchase service credit from the Minneapolis employees retirement fund; amending Laws 1969, Chapter 937,

Section 1, Subdivision 1, as amended, and by adding subdivisions; and Laws 1980, Chapter 595, Section 2, Subdivision 1 and Section 3, by adding a subdivision.

The bill was read for the first time.

Long moved that S. F. No. 1715 and H. F. No. 1791, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 929, A bill for an act relating to commerce; requiring manufacturers of alcohol fueled motor vehicles to offer the same for sale within the state; proposing new law coded in Minnesota Statutes, Chapter 325E.

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

S. F. No. 1221, A bill for an act relating to the city of Brooklyn Center; authorizing the establishment of a home energy conservation program; permitting special assessment for energy improvements.

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

S. F. No. 1561, A bill for an act relating to child support and maintenance payments; authorizing release of information for location of certain parents of deserted children; providing for the collection and withholding of payments; amending Minnesota Statutes 1980, Section 256.978; Minnesota Statutes 1981 Supplement, Sections 256.872, Subdivisions 1, as amended, and 2; 518.551, Subdivisions 1 and 2; and 518.611, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 518; repealing Minnesota Statutes 1980, Sections 256.874 and 256.878; and Minnesota Statutes 1981 Supplement, Sections 256.875 and 256.877.

The bill was read for the first time.

Hokanson moved that S. F. No. 1561 and H. F. No. 1691, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1677, A bill for an act relating to municipal planning and zoning; prohibiting exclusion of manufactured homes and other types of single family dwellings; amending Minnesota Statutes 1980, Sections 394.25, Subdivision 3; and 462.357, Subdivision 1.

The bill was read for the first time.

Voss moved that S. F. No. 1677 and H. F. No. 1738, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1886, A bill for an act relating to energy; changing the definition of large energy facility; amending Minnesota Statutes 1980, Section 116H.02, Subdivision 5.

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

S. F. No. 1888, A bill for an act relating to education; requiring welfare and correctional institutions to submit an educational policy to the commissioner of education; proposing new law coded in Minnesota Statutes, Chapter 121.

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

S. F. No. 63, A bill for an act relating to retirement; specifying eligibility for early retirement health and welfare insurance coverage for certain employees of the city of St. Paul.

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

S. F. No. 1522, A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Sections 367.10; 367.15; 368.01; Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision; and 471.98, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 462.

The bill was read for the first time.

Brinkman moved that S. F. No. 1522 and H. F. No. 1620, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1706, A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

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

S. F. No. 1022, A bill for an act relating to water; raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; clarifying the responsibility imposed on certain water project contractors; amending Minnesota Statutes 1980, Sections 105.463; 106.041; and 106.631, Subdivision 2.

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

S. F. No. 1907, A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

The bill was read for the first time.

Jacobs moved that S. F. No. 1907 and H. F. No. 2059, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1967, A bill for an act relating to highway traffic regulations; including a person in a wheelchair within the definition of pedestrian; amending Minnesota Statutes 1980, Sections 169.01, Subdivision 24, and by adding a subdivision; and 169.21, Subdivision 5.

The bill was read for the first time.

Ogren moved that S. F. No. 1967 and H. F. No. 2132, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2000, A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

The bill was read for the first time.

Ellingson moved that S. F. No. 2000 and H. F. No. 1890, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2006, A bill for an act relating to gambling; providing an exception for certain nonprofit organizations to the annual limitation on prizes awarded from the conduct of raffles; amending Minnesota Statutes 1980, Sections 349.17, Subdivision 1; and 349.26, Subdivision 9, and by adding a subdivision; and

Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15.

The bill was read for the first time.

Greenfield moved that S. F. No. 2006 and H. F. No. 2148, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2121, A bill for an act relating to Olmsted County; allowing the county recorder to extend credit for the payment of charges.

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

S. F. No. 1966, A bill for an act relating to education; authorizing Independent School District No. 742 to commence AVTI construction subject to certain conditions; permitting the state university board to replace certain buildings.

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

S. F. No. 1955, A bill for an act relating to tax forfeited land; restoring certain funds to the real estate assurance account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 284.28, Subdivision 8.

The bill was read for the first time.

Voss moved that S. F. No. 1955 and H. F. No. 1870, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2062, A bill for an act relating to courts; providing for the appointment of a court commissioner to solemnize marriages in the combined county court district of Benton and Stearns.

The bill was read for the first time.

Gruenes moved that S. F. No. 2062 and H. F. No. 2167, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2125, A bill for an act relating to real property; providing that covenants, conditions, restrictions or extensions thereof annexed to a grant, devise or conveyance of land that are or become nominal shall not operate as a basis of forfeiture; providing for the modification and extension of contracts for deed; providing dates for applicable laws relating to termination of



contracts; removing a time limitation on the duration of covenants, conditions and restrictions; amending Minnesota Statutes 1980, Sections 500.20, Subdivision 1; 559.21, Subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 508; repealing Minnesota Statutes 1980, Section 500.20, Subdivision 2.

The bill was read for the first time.

Jude moved that S. F. No. 2125 and H. F. No. 2245, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1487, A bill for an act relating to taxation; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982 without penalty.

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

S. F. No. 1949, A bill for an act relating to state departments and agencies; secretary of state; eliminating and simplifying certain filings; amending Minnesota Statutes 1980, Sections 300.06; 300.14, Subdivision 2; 300.45; 301.42, Subdivision 4; 303.14, Subdivision 3, as amended; 333.001, Subdivisions 2 and 3; Minnesota Statutes 1981 Supplement, Sections 301.071, Subdivision 2; 303.05, Subdivision 1; and 322A.16; repealing Minnesota Statutes 1980, Sections 300.07; 301.06, Subdivision 3; 301.07; 301.071, Subdivision 1; and 301.33, Subdivision 3.

The bill was read for the first time.

Ellingson moved that S. F. No. 1949 and H. F. No. 2093, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 19, A bill for an act relating to eminent domain proceedings; allowing an award of costs and attorneys' fees under certain circumstances; amending Minnesota Statutes 1980, Section 117.195.

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

S. F. No. 1740, A bill for an act relating to real estate; providing an exception for certain restrictions based on familial status in cooperative housing; permitting administrators of rental housing to petition the court for certain powers; clarifying the court's discretion to make certain orders; amending Minnesota Statutes 1980, Sections 363.01, by adding a subdivision; 363.02, Subdivision 2; 566.25; and 566.29, Subdivision 4.

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

S. F. No. 1879, A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

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, Stowell moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1879 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Stowell moved that the rules of the House be so far suspended that S. F. No. 1879 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1879 was read for the second time.

S. F. No. 1879, A bill for an act relating to state government; allowing for disclosures of information between the commissioner of revenue and the department of economic security; amending Minnesota Statutes 1980, Section 268.12, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 290.61.

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 120 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Aasness	Dahlvang	Gustafson	Kelly	Munger
Anderson, B.	Dean	Hanson	Knickerbocker	Murphy
Anderson, G.	Dempsey	Harens	Kostohryz	Nelsen, B.
Anderson, I.	Den Ouden	Hauge	Kvam	Nelson, K.
Battaglia	Drew	Haukoos	Laidig	Niehaus
Begich	Elioff	Heinitz	Lehto	Norton
Berkelman	Ellingson	Himle	Lemen	Novak
Blatz	Erickson	Hokanson	Long	Nysether
Brandl	Esau	Hokr	Luknie	O'Connor
Brinkman	Evans	Jacobs	Mann	Ogren
Byrne	Ewald	Johnson, C.	McCarron	Olsen
Carlson, D.	Fjoslien	Johnson, D.	McDonald	Onnen
Carlson, L.	Forsythe	Jude	McEachern	Osthoft
Clark, J.	Frerichs	Kahn	Mehrkens	Otis
Clark, K.	Greenfield	Kaley	Metzen	Peterson, B.
Clawson	Gruenes	Kalis	Minne	Peterson, D.

Piepho	Rodriguez, F.	Sherwood	Swiggum	Weaver
Pogemiller	Rose	Sieben, M.	Swanson	Welch
Redalen	Rothenberg	Simoneau	Tomlinson	Wenzel
Reding	Samuelson	Skoglund	Valan	Wieser
Rees	Sarna	Stadum	Valento	Wigley
Reif	Schoenfeld	Staten	Vanasek	Wynia
Rice	Searles	Stowell	Vellenga	Zubay
Rodriguez, C.	Sherman	Stumpf	Voss	Spkr. Sieben, H.

Those who voted in the negative were:

Ainley	Halberg	Ludeman
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The bill was passed and its title agreed to.

S. F. No. 1987, A bill for an act relating to taxation; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; amending Minnesota Statutes 1980, Sections 278.01; and 278.05, Subdivision 2.

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

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1555:

McEachern; Anderson, B.; Tomlinson; Jennings and Levi.

#### CONSENT CALENDAR

S. F. No. 1648, A bill for an act relating to nonprofit corporations; providing an internal reference correction; providing for the conduct of meetings by telephone; amending Minnesota Statutes 1980, Sections 317.16, Subdivision 2; 317.20, Subdivision 8; and 317.22, 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 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Brandl	Dean	Evans	Hanson
Ainley	Brinkman	Dempsey	Ewald	Harens
Anderson, B.	Byrne	Den Ouden	Fjoslien	Hauge
Anderson, G.	Carlson, D.	Drew	Forsythe	Haukoos
Anderson, I.	Carlson, L.	Eken	Frerichs	Heintz
Battaglia	Clark, J.	Elioff	Greenfield	Himle
Begich	Clark, K.	Ellingson	Gruenes	Hoberg
Berkelman	Clawson	Erickson	Gustafson	Hokanson
Blatz	Dahlvang	Esau	Halberg	Hokr

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

Those who voted in the negative were:

McCarron

The bill was passed and its title agreed to.

S. F. No. 1364, A bill for an act relating to local government; providing for the separation of the city and town of Sturgeon Lake and the city of Rutledge and town of Kettle River.

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:

Ainley	Ewald	Kelly	Ogren	Sherwood
Anderson, B.	Fjoslien	Knickerbocker	Olsen	Sieben, M.
Anderson, G.	Forsythe	Kostohryz	Onnen	Simoneau
Battaglia	Frerichs	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	McDonald	Rees	Valan
Clark, J.	Heinitz	McEachern	Reif	Valento
Clawson	Himle	Mehrkens	Rice	Vanasek
Dahlvang	Hoberg	Metzen	Rodriguez, C.	Vellenga
Dean	Hokanson	Minne	Rodriguez, F.	Voss
Dempsey	Hokr	Munger	Rose	Weaver
Den Ouden	Jacobs	Murphy	Rothenberg	Welch
Drew	Jennings	Nelson, B.	Samuelson	Welker
Eken	Johnson, C.	Nelson, K.	Sarna	Wenzel
Elioff	Johnson, D.	Niehaus	Schoenfeld	Wieser
Ellingson	Jude	Norton	Schreiber	Wigley
Erickson	Kahn	Novak	Searles	Wynia
Esau	Kaley	Nysether	Shea	Zubay
Evans	Kalis	O'Connor	Sherman	Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 2021, A bill for an act relating to local government; creating the Morrison County rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

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 117 yeas and 10 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Drew	Frerichs	Jennings	Ludeman
Den Ouden	Esau	Hokr	Kvam	Welker

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. Nos. 1919, 1834, and 2169 and S. F. No. 155.

H. F. No. 1919 was reported to the House.

Onnen, McEachern, Jude and Schoenfeld moved to amend H. F. No. 1919, the second engrossment, as follows:

Page 5, line 5, before "*Within*" insert "(a)"

Page 5, after line 15, insert:

*"(b) Notwithstanding any other law to the contrary, no agency shall issue any permit or license for the below ground storage of solid or hazardous waste on agricultural land unless the commissioner has determined in writing that the agency has adequately evaluated all alternatives to the proposed action and that no other reasonable alternative exists."*

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

H. F. No. 1919, A bill for an act relating to agriculture; formulating a state agricultural land preservation and conservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Subdivision 9; and Laws 1979, Chapter 315, Section 2, as amended; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, 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 9 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark, K.	Fjoslien	Hokanson	Lehto
Anderson, B.	Clawson	Forsythe	Hokr	Long
Anderson, G.	Dahlvang	Frerichs	Jacobs	Luknic
Anderson, I.	Dean	Greenfield	Jennings	Mann
Battaglia	Dempsey	Gruenes	Johnson, C.	Marsh
Begich	Den Ouden	Gustafson	Johnson, D.	McCarron
Berkelman	Drew	Halberg	Jude	McDonald
Blatz	Eken	Hanson	Kahn	McEachern
Brandl	Elihoff	Hauge	Kaley	Mehrkens
Brinkman	Ellingson	Haukoos	Kalis	Metzen
Byrne	Erickson	Heap	Kelly	Minne
Carlson, D.	Esau	Heinitz	Knickerbocker	Munger
Carlson, L.	Evans	Himle	Kostohryz	Murphy
Clark, J.	Ewald	Hoberg	Laidig	Nelson, K.

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

Those who voted in the negative were:

Ainley	Lemen	Nelsen, B.	Valento	Wigley
Kvam	Ludeman	Schreiber	Welker	

The bill was passed and its title agreed to.

H. F. No. 1834, A bill for an act relating to claims against the state; providing for payment of various claims; providing for cancelation of old 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2169, A bill for an act relating to public welfare; designating the commissioner of public welfare as the state authority for federal mental health, alcohol and drug abuse block grants; prescribing a formula for distribution of federal funds to counties and defining duties of counties in the use of the funds; amending Minnesota Statutes 1980, Sections 245.70; 245.71; and 254A.16, by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 254A.03, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 245.

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

The bill was passed and its title agreed to.

S. F. No. 155, A bill for an act relating to public welfare; providing for retention of certain receipts by state hospitals; amending Minnesota Statutes 1980, Section 246.57.

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

The bill was passed and its title agreed to.

### SPECIAL ORDERS

H. F. No. 2079, A bill for an act relating to state lands; authorizing the sale of a certain lakeshore lot in Douglas County.

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

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

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

S. F. No. 358 was reported to the House.

Clawson moved to amend S. F. No. 358, the unofficial engrossment, as follows:

Page 7, after line 10, add a new section

"Section 4. Minnesota Statutes 1980, Section 340.73, Subdivision 3, is amended to read:

Subd. 3. Whoever shall in any way procure liquor for the use of any person named in this section shall be deemed to have sold it to such person. Any person violating any of the provisions of this section is guilty of a gross misdemeanor, *except that the giving of liquor to an intoxicated person of the age of 19 or older is a misdemeanor.*

Sec. 5. Minnesota Statutes 1980, Section 340.95, is amended to read:

#### 340.95 [INJURIES CAUSED BY INTOXICATION, CIVIL ACTIONS.]

Every husband, wife, child, parent, guardian, employer, or other person who is injured in person or property, or means of support, by any intoxicated person, or by the intoxication of any person, has a right of action, in his own name, against any person who, by illegally selling (OR), bartering, or giving intoxicating liquors, caused the intoxication of such person, for all damages, sustained; and all damages recovered by a minor under this section shall be paid either to such minor or to his parent, guardian, or next friend, as the court directs; and all suits for damages under this section shall be by civil action in any court of this state having jurisdiction thereof. Actions for damages based upon liability imposed by this section shall be governed by section 604.01. The provisions of section 604.01, as applied under this section, however shall not be applicable to actions brought by a husband, wife, child, parent, guardian or other dependent of an intoxicated person. No recovery shall be had in any action or actions pursuant to this section in excess of \$250,000 for all damages to one person and \$500,000 for all damages to two or more persons arising out of a single instance of the illegal sale or barter of intoxicating liquor."

Renumber subsequent sections

Page 9, line 18, delete "*January 1*" and insert "*April 1*"

The Speaker called Wynia to the Chair.

McCarron moved to lay the Clawson amendment on the table.

A roll call was requested and properly seconded.

The question was taken on the McCarron motion and the roll was called. There were 96 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Ainley	Frerichs	Kelly	Olsen	Stadum
Anderson, G.	Greenfield	Kostohryz	Osthoff	Stowell
Anderson, I.	Gruenes	Kvam	Otis	Stumpf
Battaglia	Gustafson	Ludeman	Peterson, B.	Sviggum
Begich	Halberg	Luknic	Peterson, D.	Swanson
Blatz	Hanson	Mann	Piepho	Tomlinson
Brandl	Harens	Marsh	Pogemiller	Valan
Brinkman	Hauge	McCarron	Redalen	Valento
Byrne	Haukoos	McDonald	Reding	Vanasek
Carlson, D.	Heap	McEachern	Rees	Vellenga
Carlson, L.	Heinitz	Mehrkens	Reif	Weaver
Clark, J.	Himle	Minne	Rodriguez, F.	Welker
Dahlvang	Hoberg	Munger	Rose	Wenzel
Dempsey	Hokanson	Murphy	Sarnuelson	Wieser
Drew	Hokr	Nelsen, B.	Sarna	Wigley
Eken	Jacobs	Nelson, K.	Schreiber	Zubay
Elioff	Jennings	Niehaus	Searles	
Esau	Johnson, C.	Nysether	Shea	
Evans	Kahn	O'Connor	Sherman	
Ewald	Kaley	Ogren	Simoneau	

Those who voted in the negative were:

Anderson, B.	Erickson	Laidig	Rice	Welch
Clark, K.	Fjoslien	Lehto	Rodriguez, C.	Wynia
Clawson	Johnson, D.	Lemen	Schoenfeld	
Den Ouden	Jude	Long	Sieben, M.	
Ellingson	Kalis	Onnen	Skoglund	

The motion prevailed and the Clawson amendment was laid on the table.

The Speaker resumed the chair.

Piepho, McCarron and Schreiber moved to amend S. F. No. 358, the unofficial engrossment, as follows:

Page 7, line 23, delete the new language

Page 8, lines 2 to 6, reinstate the stricken language

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 82 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Ainley	Forsythe	Kostohryz	Olsen	Stadum
Anderson, B.	Frerichs	Kvam	Onnen	Stowell
Anderson, G.	Gruenes	Laidig	Osthoff	Stumpf
Anderson, I.	Gustafson	Lemen	Peterson, B.	Sviggum
Battaglia	Hanson	Ludeman	Piepho	Valento
Begich	Haukoos	Luknic	Redalen	Vanasek
Berkelman	Heap	Mann	Reding	Voss
Blatz	Heinitz	Marsh	Rees	Weaver
Brinkman	Himle	McCarron	Reif	Welch
Carlson, D.	Hoberg	McDonald	Rodriguez, F.	Welker
Dahlvang	Hokr	McEachern	Samuelson	Wenzel
Dean	Jacobs	Mehrkens	Sarna	Wieser
Drew	Jennings	Metzen	Schreiber	Wigley
Eken	Johnson, C.	Munger	Searles	Zubay
Elioff	Johnson, D.	Nelsen, B.	Shea	
Erickson	Kaley	Niehaus	Sherman	
Evans	Knickerbocker	O'Connor	Simoneau	

Those who voted in the negative were:

Aasness	Ellingson	Kahn	Ogren	Sieben, M.
Brandl	Esau	Kalis	Otis	Skoglund
Byrne	Fjoslien	Kelly	Peterson, D.	Staten
Carlson, L.	Greenfield	Lehto	Rice	Swanson
Clark, J.	Halberg	Minne	Rodriguez, C.	Tomlinson
Clark, K.	Harens	Nelson, K.	Rose	Vellenga
Clawson	Hauge	Norton	Rothenberg	Wynia
Dempsey	Hokanson	Novak	Schoenfeld	Spkr. Sieben, H.
Den Ouden	Jude	Nysether	Sherwood	

The motion prevailed and the amendment was adopted.

McDonald offered an amendment to S. F. No. 358.

#### POINT OF ORDER

Kahn 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.

Anderson, I., moved to lay the appeal of the decision of the Chair on the table.

A roll call was requested and properly seconded.

The question was taken on the Anderson, I., motion and the roll was called. There were 105 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Jude	Norton	Shea
Anderson, G.	Ewald	Kahn	Novak	Sherman
Anderson, I.	Fjoslien	Kaley	O'Connor	Sieben, M.
Battaglia	Forsythe	Kalis	Ogren	Simoneau
Begich	Frerichs	Kelly	Olsen	Skoglund
Berkelman	Greenfield	Kostohryz	Osthoff	Staten
Blatz	Gruenes	Kvam	Otis	Stowell
Brandl	Gustafson	Lehto	Peterson, D.	Stumpf
Brinkman	Halberg	Long	Piepho	Swanson
Byrne	Hanson	Ludeman	Pogemiller	Tomlinson
Carlson, D.	Harens	Luknie	Reding	Valan
Carlson, L.	Hauge	Mann	Rees	Vanasek
Clark, J.	Heap	Marsh	Reif	Vellenga
Clark, K.	Heinitz	McCarron	Rice	Voss
Clawson	Himle	McEachern	Rodriguez, C.	Weaver
Dahlvang	Hoberg	Metzen	Rodriguez, F.	Welch
Dempsey	Hokanson	Minne	Rose	Wenzel
Drew	Hokr	Munger	Samuelson	Wigley
Eken	Jacobs	Murphy	Sarna	Wynia
Elioff	Johnson, C.	Nelson, K.	Schoenfeld	Zubay
Ellingson	Johnson, D.	Niehaus	Schreiber	Spkr. Sieben, H.

Those who voted in the negative were:

Aasness	Esau	Lemen	Peterson, B.	Stadum
Ainley	Haukoos	McDonald	Redalen	Sviggung
Dean	Jennings	Mehrkens	Rothenberg	Valento
Den Ouden	Knickerbocker	Nelsen, B.	Searles	Welker
Erickson	Laidig	Nysether	Sherwood	Wieser

The motion prevailed and the appeal of the decision of the Chair was laid on the table.

S. F. No. 358, A bill for an act relating to intoxicating liquor; requiring proof of financial responsibility; amending Minnesota Statutes 1980, Sections 340.11, by adding a subdivision; 340.12; and 340.353, 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 115 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Aasness	Brandl	Dean	Ewald	Harens
Anderson, B.	Byrne	Dempsey	Fjoslien	Hauge
Anderson, G.	Carlson, D.	Den Ouden	Forsythe	Heap
Anderson, I.	Carlson, L.	Drew	Frerichs	Heinitz
Battaglia	Clark, J.	Elioff	Greenfield	Himle
Begich	Clark, K.	Ellingson	Gruenes	Hokanson
Berkelman	Clawson	Erickson	Gustafson	Hokr
Blatz	Dahlvang	Esau	Hanson	Jacobs

Johnson, D.	McCarron	Onnen	Sarna	Swanson
Jude	McDonald	Osthoff	Schoenfeld	Tomlinson
Kahn	McEachern	Otis	Schreiber	Valan
Kalis	Mehrkens	Peterson, B.	Searles	Valento
Kelly	Minne	Peterson, D.	Shea	Vanasek
Knickerbocker	Munger	Piepho	Sherman	Vellenga
Kostohryz	Murphy	Pogemiller	Sherwood	Voss
Kvam	Nelson, K.	Redalen	Sieben, M.	Weaver
Lehto	Niehaus	Reding	Simoneau	Welch
Lemen	Norton	Rees	Skogiund	Welker
Long	Novak	Reif	Stadum	Wenzel
Ludeman	Nysether	Rice	Staten	Wieser
Luknic	O'Connor	Rodriguez, C.	Stowell	Wigley
Mann	Ogren	Rodriguez, F.	Stumpf	Wynia
Marsh	Olsen	Rothenberg	Sviggun	Zubay

Those who voted in the negative were:

Brinkman	Evans	Johnson, C.	Metzen	Nelsen, B.
Eken	Haukoos	Laidig		

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

Schoenfeld was excused between the hours of 4:50 and 5:30 p.m.

H. F. No. 950 was reported to the House.

Byrne moved to amend H. F. No. 950, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 145.41, is amended to read:

145.41 [BLOOD DONATIONS, AGE OF DONOR.]

(ANY PERSON OF THE AGE OF 17 YEARS OR OVER SHALL BE ELIGIBLE TO DONATE BLOOD IN ANY VOLUNTARY AND NONCOMPENSATORY BLOOD PROGRAM WITHOUT THE NECESSITY OF OBTAINING PARENTAL PERMISSION OR AUTHORIZATION.) *A minor aged 15 or 16 years with parental consent or aged 17 years without parental consent may donate blood in any voluntary and noncompensatory blood program. The minor's consent is not subject to disaffirmance on grounds of minority.*

Sec. 2. Minnesota Statutes 1980, Section 260.015, is amended by adding a subdivision to read:

*Subd. 19. [DESIGNATED COUNTY AGENCY.] “Designated county agency” means the agency designated by the county board pursuant to section 256E.08, subdivision 3 to provide social services.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 260.111, Subdivision 2, is amended to read:

Subd. 2. [JURISDICTION OVER OTHER MATTERS RELATING TO CHILDREN.] Except as provided in clause (d), the juvenile court has original and exclusive jurisdiction in proceedings concerning:

(a) The termination of parental rights to a child in accordance with the provisions of sections 260.221 to 260.245.

(b) The appointment and removal of a juvenile court guardian of the person for a child, where parental rights have been terminated under the provisions of sections 260.221 to 260.245.

(c) Judicial consent to the marriage of a child when required by law.

(d) Adoptions. The juvenile court in those counties in which the judge of the probate-juvenile court has been admitted to the practice of law in this state shall proceed under the laws relating to adoptions in all adoption matters. In those counties in which the judge of the probate-juvenile court has not been admitted to the practice of law in this state the district court shall proceed under the laws relating to adoptions in all adoption matters.

(e) The review of the foster care status of a child who has been placed in a residential facility, as defined in section 257.071, subdivision 1, pursuant to a voluntary release by his parent or parents.

(f) *Petitions for emancipation and for the rescission of emancipation.*

Sec. 4. Minnesota Statutes 1980, Section 260.131, Subdivision 2, is amended to read:

Subd. 2. [PETITION.] The petition shall be verified by the person having knowledge of the facts and may be on information and belief. Unless otherwise provided by rule or order of the court, *and except in the case of petitions for emancipation or rescission of emancipation*, the county attorney shall draft the petition upon the showing of reasonable grounds to support the petition.

Sec. 5. Minnesota Statutes 1980, Section 260.135, Subdivision 3, is amended to read:

Subd. 3. [NOTICE TO AGENCY.] If a petition alleging neglect, or dependency, or a petition to terminate parental rights is initiated by a person other than a representative of the de-

partment of public welfare or the designated county (WELFARE BOARD) agency, or if a petition for emancipation or rescission of emancipation is filed, the clerk of the court shall notify the designated county (WELFARE BOARD) agency of the pendency of the case and of the time and place appointed.

*The designated county agency may investigate the feasibility of emancipation of a minor when a valid petition for emancipation has been filed, and may recommend to the court that emancipation be granted or denied. If the designated county agency makes a recommendation, its reasons shall be included in the record.*

Sec. 6. Minnesota Statutes 1980, Section 260.141, Subdivision 1, is amended to read:

Subdivision 1. [SERVICE OF SUMMONS, NOTICE.] (a) Service of summons or notice required by section 260.135 shall be made upon the following persons in the same manner in which personal service of summons in civil actions is made:

(1) in all delinquency matters, upon the person having custody or control of the child and upon the child; and

(2) in all other matters, upon the person having custody or control of the child, and upon the child if he is more than 12 years of age. *In a proceeding for emancipation or rescission of emancipation involving a minor who is an Indian under the Indian Child Welfare Act of 1978, service also shall be made upon the minor's tribe, which shall be a party to the proceeding. In a proceeding for emancipation or rescission of emancipation involving a minor who is under the supervision of a probation officer or social worker, service shall be made on the probation officer or social worker, and the department or agency employing the probation officer or social worker shall be a party. In all proceedings for emancipation or rescission of emancipation service shall be made on the minor's parents, both custodial and non-custodial, or guardian unless service is waived in the petition.*

Personal service shall be effected at least 24 hours before the time of the hearing; however, it shall be sufficient to confer jurisdiction if service is made at any time before the day fixed in the summons or notice for the hearing, except that the court, if so requested, shall not proceed with the hearing earlier than the second day after the service. If personal service cannot well be made within the state, a copy of the summons or notice may be served on the person to whom it is directed by delivering a copy (THEREOF) to (SUCH) the person personally outside the state. (SUCH) Personal service (IF MADE PERSONALLY) outside the state (SHALL BE) is sufficient to confer jurisdiction (; PROVIDING HOWEVER) if it (BE) is made at least five days



before the date fixed for hearing in (SUCH) *the* summons or notice.

(b) If the court is satisfied that personal service of the summons or notice cannot (WELL) be made, it shall (MAKE AN) order (PROVIDING FOR THE) service of summons or notice by certified mail addressed to the last known addresses of (SUCH) *the* persons, and by (ONE WEEKS) *seven days* published notice as provided in section 645.11. A copy of the notice shall be sent by certified mail at least five days before the time of the hearing or 14 days if mailed to addresses outside the state.

(c) Notification to the *designated* county (WELFARE BOARD) *agency* required by section 260.135, subdivision 3, shall be in (SUCH) *the* manner as the court (MAY DIRECT) *directs*. *The designated county agency shall be a party to any emancipation proceeding.*

Sec. 7. Minnesota Statutes 1980, Section 260.155, Subdivision 2, is amended to read:

Subd. 2. [APPOINTMENT OF COUNSEL.] The minor, parent, guardian or custodian have the right to effective assistance of counsel. *Except in emancipation cases, if* (IF) they desire counsel but are unable to employ it, the court shall appoint counsel to represent the minor or his parents or guardian in any other case in which it feels that (SUCH) an appointment is desirable.

Sec. 8. Minnesota Statutes 1980, Section 260.185, Subdivision 1, is amended to read:

Subdivision 1. [DISPOSITION.] If the court finds that the child is delinquent, it shall enter an order making any of the following dispositions of the case which are deemed necessary to the rehabilitation of the child:

(a) Counsel the child or his parents, guardian, or custodian;

(b) Place the child under the supervision of a probation officer or other suitable person in his own home under conditions prescribed by the court including reasonable rules for his conduct and the conduct of his parents, guardian, or custodian, designed for the physical, mental, and moral well-being and behavior of the child, or with the consent of the commissioner of corrections, in a group foster care facility which is under the management and supervision of (SAID) *the* commissioner;

(c) Subject to the supervision of the court, transfer legal custody of the child to one of the following:

- (1) A child placing agency; (OR)
  - (2) The *designated* county (WELFARE BOARD) *agency*; (OR)
  - (3) A reputable individual of good moral character. No person may receive custody of two or more unrelated children unless he is licensed as a residential facility pursuant to sections 245.781 to 245.813; (OR)
  - (4) Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (c) and (d), a county home school, if the county maintains a home school or enters into an agreement with a county home school; or
  - (5) A county probation officer for placement in a group foster home established under the direction of the juvenile court and licensed pursuant to section 241.021;
- (d) Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (c) and (d), transfer legal custody by commitment to the commissioner of corrections;
  - (e) If the child is found to have violated a state (OR LOCAL) law or *local* ordinance which has resulted in damage to the property of another, the court may order the child to make reasonable restitution for (SUCH) *the* damage;
  - (f) Require the child to pay a fine of up to \$500; the court shall order payment of the fine in accordance with a time payment schedule which (SHALL) *does* not impose an undue financial hardship on the child;
  - (g) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided;
  - (h) If the court believes that it is in the best interests of the child and of public safety that the driver's license of the child be cancelled until his 18th birthday, the court may recommend to the commissioner of public safety the cancellation of the child's license for any period up to the child's 18th birthday (, AND). The commissioner is (HEREBY) authorized to cancel (SUCH) *the* license without a hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety that the child be authorized to apply for a new license, and the commissioner may *do* so (AUTHORIZE);
  - (i) *Issue the minor a declaration of emancipation pursuant to sections 11 to 14 if a petition for emanipation has been filed*

*and all necessary parties have been properly served with the summons and petition for emancipation.*

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered (, AND). *It shall also set forth in writing the following information:*

(a) Why the best interests of the child are served by the disposition ordered; and

(b) What alternative dispositions were considered by the court and why (SUCH DISPOSITIONS) *they* were not appropriate in the instant case.

This subdivision applies to dispositions of juveniles found to be delinquent as defined in section 260.015, subdivision 5, clause (c) or (d) (MADE PRIOR TO, ON, OR AFTER JANUARY 1, 1978).

Sec. 9. Minnesota Statutes 1980, Section 260.191, Subdivision 1, is amended to read:

Subdivision 1. [ORDER.] If the court finds that the child is neglected, dependent, or neglected and in foster care, it shall enter an order making any of the following dispositions of the case:

(a) Place the child under the protective supervision of the *designated* county (WELFARE BOARD OR CHILD PLACING) agency in his own home under conditions prescribed by the court directed to the correction of the neglect or dependency of the child;

(b) Transfer legal custody to one of the following:

(1) A child placing agency; or

(2) The *designated* county (WELFARE BOARD) agency;

(c) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided;

(d) *Issue the minor a declaration of emancipation pursuant to sections 11 to 14 if a petition for emancipation has been filed and all necessary parties have been properly served with the summons and petition for emancipation.*

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered (, AND). *It shall also set forth in writing the following information:*

(a) Why the best interests of the child are served by the disposition ordered; and

(b) What alternative dispositions were considered by the court and why (SUCH DISPOSITIONS) *they* were not appropriate in the instant case.

Sec. 10. Minnesota Statutes 1980, Section 260.191, Subdivision 2, is amended to read:

Subd. 2. [DURATION.] All orders under this section shall be for a specified length of time set by the court not to exceed one year, *except that a declaration of emancipation shall be final unless rescinded pursuant to section 14.* However, before the order has expired and upon its own motion or that of any interested party, the court has continuing jurisdiction to renew the order or, after notice to the parties and a hearing, make some other disposition of the case, until the individual is no longer a minor. Any person to whom legal custody is transferred shall report to the court in writing at (SUCH) periods as the court (MAY DIRECT) *directs.*

Sec. 11. [260.47] [EMANCIPATED MINOR DEFINED.]

*An individual under the age of 18 years is an emancipated minor if the individual:*

(a) *Has entered into a valid marriage, whether or not the marriage is terminated by dissolution before the individual reaches the age of 18;*

(b) *Is or has been on active duty with any branch of the armed forces of the United States; or*

(c) *Has received a declaration of emancipation pursuant to section 13.*

Sec. 12. [260.471] [EFFECT OF EMANCIPATION.]

*An emancipated minor pursuant to section 13 shall be treated as an adult for the purposes specified in this section. He shall have the same capacity as an adult to:*

(a) *Consent to or withhold consent from medical, dental, mental, or other health services;*

(b) *Enter a binding contract;*

- (c) *Buy or sell real or personal property;*
- (d) *Sue or be sued in his own name;*
- (e) *Establish a residence; and*
- (f) *Participate in evaluation, testing, enrollment or certification for any educational program.*

*To the same extent as an adult, he shall be free from parental control of his person and earnings. He shall have no right to receive parental support.*

*He shall not be subject to the jurisdiction of the juvenile court, except for proceedings to rescind his emancipation, and shall be liable for crimes and offenses as though he were an adult. His driver's license may be suspended or revoked for traffic offenses or for other reasons as though he were an adult.*

*The parents of an emancipated minor shall have no liability for his torts committed or contracts entered into during the period of emancipation.*

**Sec. 13. [260.472] [DECLARATION OF EMANCIPATION.]**

*Subdivision 1. [PETITION.] A minor who is 16 or more years of age may petition the juvenile court in the county where he resides for a declaration of emancipation, unless custody of the child has been transferred to the commissioner of corrections or to the county home school and the court order transferring custody is still in effect. The petition shall state in addition to the requirements of section 260.131, subdivision 3:*

- (a) *The minor's age;*
- (b) *That the minor has an acceptable plan for independent living apart from his parents or guardian;*
- (c) *The source of the minor's income;*
- (d) *That the minor is managing his own financial affairs and that the parents or guardian are not supporting the minor;*
- (e) *That the parents or guardian consent to emancipation, or that the parents are incompetent, or there is no parent or guardian, or that the parents have failed to appear in the proceedings after proper service or waiver of service, or that the child is neglected as defined in section 260.015, subdivision 10;*
- (f) *That the minor understands the consequences of being free from parental control and protection.*

*Subd. 2. [GROUNDS FOR DECLARATION.] The court shall grant a petition for full or partial emancipation if it finds that*

*(a) The provisions of subdivision 1, clauses (b), (d), and (e) are met;*

*(b) The minor's income is not derived from any activity prohibited by state or federal law; and*

*(c) The minor is sufficiently mature to assume responsibility for his own care and that it is in the minor's best interest to do so; and*

*(d) That the minor is managing his own financial affairs or that the parents or guardian are not supporting the minor; and*

*(e) That, if the case involves intrafamily conflict, reasonable counseling efforts have been made.*

*Before granting a petition for emancipation, the court shall determine that the minor has a plan for room, board, health care, and education, vocational training, or employment. The plan shall identify community resources and agencies necessary to assist in the minor's plan and shall demonstrate that the resources and agencies have agreed to provide support.*

*If the court grants the petition, it shall issue the minor a declaration of emancipation. A copy of the declaration shall be filed with the clerk of court. Orders granting emancipation are public records and are not subject to the confidentiality requirements of sections 260.161, subdivision 1, and 260.211, subdivision 1. No declaration of emancipation shall be effective until at least 14 days after the hearing on the petition.*

*Subd. 3. [PARTIAL EMANCIPATION.] The court may grant in part and deny in part a petition for emancipation if it finds that it is in the minor's best interests to withhold one or more of the legal rights or responsibilities enumerated in section 12 from the minor. The court shall state in its declaration of emancipation the rights or responsibilities enumerated in section 12 which it is granting to the minor and which rights and responsibilities the court is withholding from the minor. The court shall issue findings of fact and conclusions of law showing its reasons for denying full emancipation to the minor.*

**Sec. 14. [260.473] [RESCISSION OF DECLARATION.]**

*Subdivision 1. [PROCEDURE.] A minor or the parents or most recent previous guardian of a minor emancipated pursuant to section 13 may petition the court to rescind the declaration*

*if the minor is in circumstances which may not be remedied by revision of the minor's plan. Service shall be made in the manner and on the parties provided by section 6. If the minor files the petition, service also shall be made on the parents or most recent previous guardian, who shall be parties. If the court sustains the petition it shall issue an order rescinding the declaration. A copy of the rescission order shall be filed with the clerk of court. Rescission orders are public records and are not subject to the confidentiality requirements of section 260.161, subdivision 1.*

*Subd. 2. [CONTRACTS, TORTS; EFFECT OF RESCIS-  
SION.] A minor whose emancipation has been rescinded re-  
mains liable for contracts made, torts committed, or other lia-  
bilities incurred during his emancipation as though the emanci-  
pation had not been rescinded. Rescission of emancipation does  
not render a parent or guardian liable for conduct or contracts  
of the minor during the period of emancipation.*

Sec. 15. Minnesota Statutes 1981 Supplement, 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 or emancipation pursuant to sections 11 to 14, 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."

Delete the title and insert:

"A bill for an act relating to minors; permitting blood dona-  
tion by minors; providing circumstances under which minors are  
emancipated; providing procedures for a declaration of emanci-  
pation; amending Minnesota Statutes 1980, Sections 145.41;  
260.015, by adding a subdivision; 260.131, Subdivision 2; 260-  
135, Subdivision 3; 260.141, Subdivision 1; 260.155, Subdivision  
2; 260.185, Subdivision 1; 260.191, Subdivisions 1 and 2; Minne-

sota Statutes 1981 Supplement, Sections 260.111, Subdivision 2; and 525.6192; and proposing new law coded in Minnesota Statutes, Chapter 260."

The motion prevailed and the amendment was adopted.

Hokanson moved to amend H. F. No. 950, the first engrossment, as amended, as follows:

Page 11, after line 14, insert:

"Sec. 15. [260.474] [DATA COLLECTION; FOLLOW-UP.]

*The designated county agency in each county shall collect data on the number of petitions for emancipation filed within the county, the number of those petitions which were granted, the number denied, the number of petitions filed for rescission of emancipation, and the number of emancipations which were rescinded. This information shall be reported to the commissioner of public welfare by August 1, 1983. The designated county agency in each county shall evaluate the operation of sections 1 to 14 to determine what problems, if any, exist in the operation of these sections, and what benefits have resulted to the persons emancipated and to the public. This evaluation shall be reported to the commissioner of public welfare by January 1, 1984.*

*The commissioner of public welfare shall report the results of the data collection and evaluations to the house and senate committees on the judiciary by March 1, 1984."*

Renumber succeeding section accordingly.

Amend the title amendment as follows:

Page 12, line 3, after the semicolon insert "requiring reports and evaluations;"

The motion prevailed and the amendment was adopted.

Hokanson moved to amend H. F. No. 950, the first engrossment, as amended, as follows:

Page 11, in the Byrne amendment, after line 33, insert:

"Sec. 17. [260.475] [REPEALER.]

*Sections 1 to 16 are repealed effective August 1, 1984."*

The motion prevailed and the amendment was adopted.



McDonald moved to re-refer H. F. No. 950, as amended, to the Committee on Health and Welfare.

A roll call was requested and properly seconded.

The question was taken on the McDonald motion and the roll was called. There were 76 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Kalis	Onnen	Sieben, M.
Ainley	Frerichs	Knickerbocker	Osthoff	Stadum
Anderson, B.	Gruenes	Kostohryz	Peterson, B.	Stumpf
Battaglia	Halberg	Kvam	Piepho	Sviggum
Begich	Hanson	Lemen	Pogemiller	Swanson
Blatz	Harens	Luknic	Redalen	Valan
Brinkman	Haukoos	Marsh	Rees	Valento
Carlson, D.	Heap	McDonald	Reif	Voss
Carlson, L.	Himle	McEachern	Rice	Weaver
Dahlvang	Hoberg	Mehrkens	Rodriguez, F.	Welker
Den Ouden	Hokanson	Minne	Rose	Wenzel
Drew	Hokr	Nelsen, B.	Rothenberg	Wigley
Elihoff	Jacobs	Niehaus	Schreiber	
Erickson	Jennings	Nysether	Searles	
Esau	Johnson, C.	O'Connor	Sherman	
Fjoslien	Johnson, D.	Olsen	Sherwood	

Those who voted in the negative were:

Anderson, G.	Ewald	Long	Otis	Vanasek
Berkelman	Greenfield	Ludeman	Peterson, D.	Vellenga
Brandl	Gustafson	Mann	Reding	Welch
Byrne	Hauge	Metzen	Rodriguez, C.	Wieser
Clark, J.	Heinitz	Munger	Shea	Wynia
Clark, K.	Jude	Murphy	Simoneau	Spkr. Sieben, H.
Clawson	Kahn	Nelson, K.	Skoglund	
Dean	Kelly	Norton	Staten	
Dempsey	Laidig	Novak	Stowell	
Eken	Lehto	Ogren	Tomlinson	

The motion prevailed and H. F. No. 950, as amended, was re-referred to the Committee on Health and Welfare.

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. 352, A bill for an act relating to crimes; affirming the right of victims to bring actions against offenders; establishing the right of a victim to request restitution; providing for implementation of victim and witness rights by law; providing penal sanctions and judicial mechanisms to deter intimidat-

tion of witnesses; requiring criminal justice agencies to inform victims of financial assistance and social services; providing for minimal victim participation in the criminal process; providing penalties; amending Minnesota Statutes 1980, Sections 241.26, Subdivisions 5 and 6; 243.23, Subdivision 3; 571.55, by adding a subdivision; 609.115; 609.498; and 631.425, Subdivision 5; proposing new law coded as Minnesota Statutes, Chapter 611A.

Reported the same back with the following amendments:

Page 2, line 21, after "second" delete "or" and insert a comma and after "third" insert ", or fourth"

Page 4, line 23, delete "1982" and insert "1983"

Pages 7 to 12, delete sections 6 and 7 and insert:

"Sec. 6. [611A.041] [RIGHT TO NOTICE.]

*Crime victim crisis centers, programs for battered women, and programs for victims of sexual attack have the right to have available to them the following information:*

*(a) In misdemeanor cases a list prepared by the office of the city or county attorney of persons scheduled for sentencing for crimes against the person, containing the date and time scheduled for each sentencing hearing. This list shall be made available on a weekly basis to the victims services programs in the city at least five days before the earliest scheduled sentencing date on the list. The office of the city or county attorney shall not be required to revise the list if scheduled hearing dates or times are changed, but the victims services programs may obtain information on schedule changes by telephoning the office of the city attorney;*

*(b) In gross misdemeanor and felony cases, a list of persons scheduled for sentencing containing the date and time scheduled for each sentencing hearing shall be made available to the victims services programs by the clerk of the district court on a weekly basis at least five days before the earliest scheduled sentencing date on the list. The clerk of the district court shall not be required to revise the list if scheduled hearing times are changed, but the victims services programs may obtain information on schedule changes by telephoning the clerk of the district court.*

*No cause of action of whatever kind arising out of a failure to give or receive the information required by this section shall accrue to any person against the state or any of its agencies or local political subdivisions, any city attorney, any district court, any program for battered women, program for victims of*

*sexual attack, or crime victim crisis center, or any employee, servant, or agent of any of these entities.*

**Sec. 7. [611A.042] [VICTIM'S RIGHT TO EXPRESS WRITTEN OPINION.]**

*Subdivision 1. [VICTIM'S RIGHT TO APPEAR.] The victim of a crime committed by an adult, or by a juvenile prosecuted as an adult pursuant to a reference for prosecution, has the right to personally appear at the offender's sentencing hearing.*

*Subd. 2. [VICTIM'S RIGHT TO RECOMMEND SENTENCE.] A victim may send a written recommendation to the court stating what sentence or other disposition the victim would recommend in a juvenile court or other court case. To be considered by the court, the recommendation must be received by the appropriate court at least three days prior to sentencing for disposition, excluding Saturdays, Sundays, and legal holidays. The clerk of court shall provide the prosecutor and the offender a copy of the victim's recommendation at least 24 hours before the sentencing or juvenile disposition hearing.*

*Subd. 3. [COURT'S DUTIES.] The court shall consider the victim's objections and recommendations except for any false or unproven allegations or recommendations for dispositions or sentences which are not authorized by law.*

**Sec. 8. [611A.043] [VICTIM'S RIGHT TO REQUEST RESTITUTION.]**

*Subdivision 1. [REQUEST PROCEDURES.] A victim of a crime against the person or a major property crime has the right to request that monetary restitution to him or her be considered as part of the disposition of a criminal charge or juvenile delinquency proceeding against the offender. The request for restitution shall be made by the victim in writing in affidavit form, stating the injury or harm he or she has suffered, the market value of any property the victim has lost as a result of the crime which has not been recovered, the estimated dollar amount of any property damage or loss of use of property as a result of the crime, the total dollar amount of restitution claimed and the reasons justifying this amount. In order to be considered by the court, the request must be received by the clerk of the appropriate court, at least three days, excluding Saturdays, Sundays, and legal holidays, before the sentencing or dispositional hearing. The clerk of court shall provide copies of this request to the prosecutor and the offender at least 24 hours before the sentencing or dispositional hearing.*

*Subd. 2. [COURT DECISION.] The court shall order or deny restitution at the hearing at which disposition concerning*

*a crime against the person or major property crime is made, and the court shall state on the record its reasons for its decision on restitution.*

*Subd. 3. [RESTITUTION PROCEDURES.] If the court orders restitution, the court shall state in the order the specific amount of restitution to be paid and that the offender make restitution payments to the clerk of court of the county wherein the restitution is to be paid. The court shall retain jurisdiction to modify the restitution order as to the amount of time allowed for payment during the probationary period. Provided, however, that the court may not during the probationary period, increase the amount of restitution or accelerate the restitution payment schedule from the original order.*

*Subd. 4. [EFFECT OF ORDER FOR RESTITUTION.] A decision for or against monetary restitution in any criminal or juvenile proceeding shall not be a bar to any civil action by the victim or by the state pursuant to section 299B.10 against the offender; provided, however, that the offender shall be given credit, in any order for judgment in favor of a victim in a civil action, for any restitution paid to the victim for the same injuries for which the judgment is awarded.*

*Subd. 5. [RULES.] To facilitate collection of judgments in favor of any victim from incarcerated persons, authority is granted to the commissioner of corrections in sections 241.26 and 243.23 to make rules concerning collection of these judgments from income earned by inmates during imprisonment, and section 631.425 authorizes a person or agency designated by the court to collect restitution payments from the earnings of employed persons committed to jail.*

*Subd. 6. [CONCLUSIVE PROOF OF JUDGMENTS.] When a court or jury in a civil action returns a verdict against a convicted offender, the victim may request the court to make a specific finding whether the behavioral incident upon which the civil verdict is based is the same incident for which the offender was convicted. If the court finds that the behavioral incident upon which the civil and criminal case were based are the same, the court shall so state in its written order for judgment. A certified copy of the order for judgment containing this finding shall, unless the judgment is vacated, constitute conclusive proof that the judgment is an award in favor of a victim of the offender's crime for purposes of sections 9, 11, and 13.*

*Subd. 7. [INSURANCE CLAIMS.] No policy of insurance shall delay or deny benefits to its insured merely because the harm for which an insurance claim is made was caused by a criminal offense which was committed against the insured by another person. However, an insurer which has paid benefits to its insured for injury or loss resulting from a crime may be subrogated to the insured's rights to recover damages or restitu-*

*tion from the criminal offender, to the extent of the benefits paid by the insurer.*

*Subd. 8. [REPARATIONS BOARD.] If a crime victim has applied for reparations pursuant to sections 299B.01 to 299B.09, the crime victims reparations board shall not delay or diminish payment of reparations to the victim on the ground that restitution has been or may be ordered but has not yet been paid."*

Renumber the sections.

Page 16, line 1, delete "Sections 1 to 12" and insert "Sections 1 to 14" and delete "1981" and insert "1982"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 376, A bill for an act proposing an amendment to the Minnesota Constitution, Article X, adding a section; authorizing and taxing parimutuel wagering on races if authorized by law.

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. 1757, A bill for an act relating to the University of Minnesota hospitals; limiting the amount of certain bonds previously authorized; amending Laws 1981, Chapter 275, Section 1, Subdivision 1.

Reported the same back with the following amendments:

Page 2, after line 8, insert:

"Sec. 2. Laws 1981, Chapter 275, Section 1, Subdivision 1, is amended by adding a subdivision to read:

*Subd. 1a. [PURPOSES QUALIFIED.] Notwithstanding the provisions of Minnesota Statutes 1980, Chapter 145.833, Subdivision 5, Clause (a) (2) a decrease in the number of beds in the university hospitals renewal project shall not require the university to seek a new or revised certificate of need.*

Sec. 3. Laws 1981, Chapter 275, Section 1, Subdivision 9, is amended to read:

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) *425 beds and nine floors*; or,

(2) the remodeling of the existing hospital to result in newly constructed hospital facilities and newly remodeled facilities in excess of (520) *425 beds and nine floors*.

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."

Renumber the section

Amend the title as follows:

Page 1, line 5, delete "Subdivision 1" and insert "Subdivisions 1 and 9, and by adding a subdivision"

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. 1798, A bill for an act relating to energy; specifying the role of the department of energy, planning and development before the public utilities commission; clarifying certain public utilities commission responsibilities; amending Minnesota Statutes 1980, Section 116H.02, Subdivision 5; Minnesota Statutes 1981 Supplement, Sections 116H.11, by adding a subdivision; and 216B.241, Subdivision 2.

Reported the same back with the following amendments:

Page 3, after line 33, insert:

"Sec. 5. Minnesota Statutes 1980, Section 218.021, Subdivision 1, is amended as follows:

Subdivision 1. It shall be unlawful for any common carrier:

(1) To charge, demand, collect or receive for any service a greater or a lesser sum than that fixed in its published schedules.

**((2) TO CHANGE OR DISCONTINUE ANY PUBLISHED RATE, CHARGE OR CLASSIFICATION, MINIMUM WEIGHT OR RULE RELATING TO SERVICE WITHOUT APPROVAL OF THE BOARD.)**

(3) (2) To make or give any undue or unreasonable preference or advantage, or any undue or unreasonable prejudice or disadvantage, to any person, company, firm, corporation, transit point or locality or to any particular description of traffic.

(4) (3) By any special rate, rebate, drawback or other device, directly or indirectly, to charge, demand, collect or receive a greater or less compensation for any service rendered in the transportation of any property within this state than the regular established schedule of rates and charges for like and contemporaneous service for any other person, or for the public generally; or, directly or indirectly, to offer or give any shipper, in connection with or as an inducement or reward for receiving any property for transportation, any gift, gratuity or free pass or any rate less than that offered to the public.

(5) (4) Except as expressly permitted, to charge a greater rate per ton or per ton mile for a single carload of freight of any kind or class than for a greater number of carloads of the same kind or class, to and from the same points of origin or destination.

(6) (5) To charge or receive any greater compensation for the transportation of a quantity of property for a shorter than for a longer distance over the same line, the shorter being included within the longer; but this shall not be so construed as to authorize any carrier to charge or receive as great compensation for a shorter as for a longer distance; or to charge or receive any greater compensation per ton per mile for the contemporaneous transportation of the same class of freight for a longer than for a shorter distance over the same line in the same general direction, or from the same original point of departure or to the same point of arrival; but this shall not be construed so as to authorize any carrier to charge as high a rate per ton per mile for a longer as for a shorter distance.

(7) (6) To charge or receive for the transportation of freight of any description for any distance within this state a greater amount than is at the same time charged or received for a like quantity of freight of the same class over a greater distance of the same railway; or to charge or receive at any point upon its road a higher rate for receiving, handling or delivering freight of the same class or quantity than it shall at the same time charge or receive to any other point upon the same line; or

to charge or receive for freight of any description over its railway a greater amount than at the same time is charged or received for the transportation of a like quantity of freight of the same class being transported over any portion of the same railway of equal distance; or to charge or receive from any person a greater amount than it shall at the same time charge or receive from any other person for the same class and like quantity of freight at the same point upon its railway; or to charge or receive from any person for the transportation of any freight upon its railway a greater amount than it shall at the same time charge or receive from any other person for the transportation of a like quantity of freight of the same class being transported from the same point over an equal distance of the same railway; or to charge or receive from any person for the use and transportation of any railway car upon its railroad for any distance, a greater amount than is at the same time charged or received from any other person for the use and transportation of any railway car of the same class or number for a like purpose being transported over a greater distance of the same railway; or to charge or receive from any person for the use and transportation of any railway car upon its railroad a greater amount in the aggregate than it shall at the same time charge or receive from any other person for the use and transportation of any railway car of the same class for a like purpose being transported from the same original point of an equal distance of the same railway; provided, however, where two or more railroads serve a common point one having a shorter mileage than the other from a given point, the railroad having the longer mileage may be authorized by the board to meet the rate made by the shortest line.

(8) (7) To charge or receive more for transporting a car of freight than is charged or received per car for several cars of a like class of freight over the same railway for the same distance; or to charge or receive more for transporting a ton of freight than is charged or received per ton for more than a ton but less than a carload of like class over the same railway for the same distance; or to charge or receive more for transporting one hundred pounds of freight than is charged or received per hundred pounds above one hundred pounds but less than a ton of like class over the same railway for the same distance.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 218.031, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise directed or authorized, it shall be the duty of every common carrier:

(1) To prescribe in the first instance, and to publish upon not less than (TEN) 20 days' public notice *in the case of new or increased rates or ten days' public notice in the case of reduced rates*, in such manner as may be required by the commissioner and law, all schedules of (FARES,) rates and charges and classifications thereof, together with the rules governing the



same, and minimum weights for transportation of freight articles between points or stations in the state, and terminal and switching charges (, PROVIDED THERE SHALL BE BUT ONE CLASSIFICATION APPLICABLE TO ANY ONE COMMODITY WHICH SHALL BE UNIFORM ON ALL RAILROADS IN THIS STATE AND GOVERN IN ALL STATE COMMERCE). *A new or changed contract rate shall become effective in accordance with the provisions of United States Code, Title 49, Section 10713, as amended through December 31, 1981. The board may, for good cause, reduce the notice period specified in this clause.*

(2) To comply with every duly authorized rule, regulation or directive of the commissioner or board except as the same may be stayed, pending appeal therefrom.

(3) To put into effect and observe all schedules of rates (, FARES) and charges and classifications and any amendments or changes therein duly ordered by the board, except as the same may be stayed, pending appeal.

(4) To maintain as may be directed by the commissioner for public inspection at stations and depots all schedules showing all classifications, rates (, FARES) and charges for transportation of freight currently in force applying from such station. Such schedules shall state the places between which property will be carried and show the classification of freight, the distance tariff, a table of distances between stations, any terminal charges and any rules or regulations in any way affecting the aggregate of such rates (, FARES) and charges.

(5) Upon request of an owner or consignor of freight to the initial company, whenever the initial line does not reach the place of destination, or the distance from the place of origin to destination may be shortened, to transfer such freight to a connecting line without change in cars if in carload lots, except such change be free of charge to the shipper and receiver; and to transfer with or without change in cars of less than carload lots at a reasonable joint through rate agreed upon by the connecting carriers or prescribed by the board, not greater than the maximum rates allowed by law, provided any unloading and reloading which is necessary shall be at cost and the charge for such transfer included in the joint rate.

(6) To provide the same switching, transfer and handling facilities for local as for interstate traffic.

(7) Upon written demand of the owner, to construct, maintain and operate side tracks and reasonable facilities connecting with any grain warehouse, dock, wharf, mill, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant or manufactory as may be required by the board, and on such terms as may be agreed upon, or, on failure of agreement, as may be prescribed by the board.

(8) To issue receipts or bills of lading covering all property received for transportation from any point in the state to any other point in the state, and to respond for any loss, damage or injury to such property caused by it or any carrier to whom such property may be delivered or over whose line it may pass (, NOR SHALL ANY CONTRACTUAL PROVISION WHATEVER EXEMPT IT FROM SUCH LIABILITY).

(9) To refund all overcharges for freight, baggage or express, and pay for any loss, damage or injury to property while in its possession, within ninety (90) days after the filing of a claim for such over-charge, loss or damage.

(10) To keep its accounts so as to show, as far as practicable, the earnings derived from, and the expenses incurred in, handling intrastate business in such form as the commissioner shall prescribe, including the separation of accounts for each operating division, wholly or partly within the state. Such accounts shall show the total cost of operating through trains and the total cost of operating the local distributing trains of each operating division, wholly or partly within the state, during the fiscal year to be fixed by the commissioner, the total number of tons of revenue and non-revenue freight, the number of tons of each carried one (1) mile on the through trains and on the local trains, respectively, the number of tons and ton miles of revenue and non-revenue freight carried on through or local trains which are exclusively intrastate, and the gross tons and ton miles made by through and local trains on each division. The accounts shall show the total revenue and non-revenue train and engine miles and the total revenue and non-revenue car miles (the non-revenue car miles to be shown loaded and empty separately) produced by such railroad in the state in each operating division, the number of each of the above train, engine and car mileage produced in handling the through trains and in handling the local trains, the total locomotive miles produced in switching on each division and such further information related to the income or cost of intrastate business as the commissioner may require. The commissioner may require such accounts to be kept with reference to the intrastate passenger business of each carrier and the train, car and engine mileage incurred in such business in this state as he may deem necessary.

(11) During pendency of any litigation, when rates prescribed by the board have not been put into effect, to keep a correct account of every charge made by it for any services to which such rates apply in excess of the rates prescribed, showing in each case the difference between the amount actually charged and the amount allowed to be charged, the date of the transaction, the stations between which the business was carried and the names and addresses of the consignor and consignee, and to report such information in full to the board on its request.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 218.-041, Subdivision 2, is amended to read:

Subd. 2. The board shall, (UPON PETITION AFTER HEARING) *in accordance with the provisions of United States Code, Title 49, Sections 10101 to 11917, as amended through December 31, 1981:*

(1) *Exercise the jurisdiction over common carriers vested in the board by law.*

((1)) (2) Review and ascertain the reasonableness and equalities of all schedules of rates (, FARES) and charges or any part or classification thereof, including joint through rates, and, if found unreasonable or discriminatory, establish new schedules and prescribe the form and manner of filing, posting and publication thereof.

((2)) (3) Order the issuance of any franchises, permits or certificates of convenience and necessity.

((3) PRESCRIBE SCHEDULES OF REASONABLE MAXIMUM RATES OR CHARGES FOR THE TRANSPORTATION OF FREIGHT AND CARS ON EACH RAILROAD, INCLUDING THE CLASSIFICATION OF SUCH RATES AND RULES GOVERNING THE SAME, AND REVISE THE SAME FROM TIME TO TIME.)

(4) The board may unite two or more stations or commercial centers into a common rate point (AND MAY DESIGNATE THE CLASSES OF FREIGHT WHICH SHALL TAKE COMMON RATES,) and fix the mileage that shall govern between the common rate point and any or all other points in the state. The distance so fixed shall not apply as a measure of the rate for the movement of (THE SAME CLASS OF) freight for similar distances between other points.

(5) Prescribe a schedule of joint through railway rates for freight over two or more connecting lines of railway and revise the same from time to time. In so doing, the board shall consider, among other things, rates established for shipments within this state for like distances over single lines, rates charged by the railway companies operating such connecting lines for joint interstate shipments, and the increased cost, if any, of a joint through shipment as compared with a shipment over a single line for like distances. In establishing rates for shipments in less than carload lots, in cases where connecting railways are not required to have common stations or stopping place for loading or unloading freight at connecting points, the board shall regulate the transportation of such freight from the usual unloading place of one railway to the usual loading place of the other. The share of any railway company of any joint through rates shall not be construed to fix the charge that it may make for a similar distance over any part of its line for any single rate shipment, or the share of any other joint rate. Where the line of a railway company connects the point of shipment with the point of des-

tionation but would require a longer haul than a joint haul for which a joint rate has been established, the board may authorize charging the joint rate for the single haul without affecting the charge upon any other part of its line except that the charge for a like kind of property must not be greater for a shorter than for a longer distance upon that railroad, all of the shorter hauls being included within the longer.

(6) Define switching and drayage service to apply to the movement of traffic within and between points and fix reasonable maximum rates for the same, which shall be independent of any rates that may be made for line haul transportation. (THERE SHALL BE BUT ONE TERMINAL CHARGE FOR SWITCHING OR TRANSFERRING ANY CAR WITHIN ANY ONE MUNICIPALITY AND,) If it is necessary that any car in such transfer pass over the tracks of more than one railroad within such limits, the company first so transferring such car shall receive the entire charge therefor and be liable to each company doing subsequent switching for its just share of such charge as may be agreed upon among the companies, or, in the event of disagreement, as prescribed by the board.

Sec. 8. Minnesota Statutes 1980, Section 218.041, Subdivision 4, is amended to read:

Subd. 4. The board shall, upon petition:

(1) At all points of intersection and crossings of different railroads, or where two railroads are not more than one-half mile apart, and at all terminals, prescribe ample facilities by track connection, joint use of tracks, freight platforms and depots, warehouses, docks over which general merchandise is handled and forwarded, and other necessary appliances and conveniences for the transfer, forwarding and handling of general merchandise and parcel freight between such railroads and between such railroads and such docks, warehouses and vessels at such docks.

(2) Determine the proportionate share of each company in the cost of providing connecting and transfer facilities in the event the companies fail to agree.

(3) Direct construction, maintenance and operation at any points prescribed by law of all side tracks and reasonable facilities connecting any road with any grain warehouse or mill, dock, wharf, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant, or manufactory adjacent thereto, and prescribe the terms therefor.

(4) Prescribe reasonable regulations for handling property, passenger, baggage, express and mail, partly over privately owned rights-of-way and partly over highways, so that reasonable and adequate accommodations and service may be afforded.

(5) Prescribe the extent to which any designated carrier, upon its petition, may be relieved from the operation of the principles established by section 218.021, subdivision 1, clauses ((6)) (5), ((7)) (6) and ((8)) (7).

(6) Direct the repair, reconstruction or replacement of any inadequate or unsafe trackage, structure or facility.

Upon receipt of a petition for action pursuant to this subdivision the board shall give notice to all persons known to it to have an interest in the matter and publish notice of the petition in the state register. The board may grant the petition 30 days after notice has been fully made. If the board receives a written objection to the petition from any person within 20 days after the notice of filing has been fully made, the exemption shall be granted or denied only after a contested case hearing has been held on the matter. The board may elect to hold a contested case hearing if no objections to the petition or application are received. If a timely objection is not received and the board declines to act without hearing, the petitioner may request within 30 days of receiving a notice of denial, and shall be granted, a contested case hearing on the application.

Sec. 9. Minnesota Statutes 1980, Section 218.071, Subdivision 1, is amended to read:

*Subdivision 1. The board and commissioner may promulgate rules, orders and directives necessary to carry out the respective duties conferred on them by this chapter. The rules, orders, and directives may not be contrary to United States Code, title 49, sections 10101 to 11917, as amended through December 31, 1981. Every duly adopted rule, order or directive of the board or commissioner shall have the full force and effect of law."*

Page 3, after line 35, insert: "*Until the effective date of Laws 1980, Chapter 534, the jurisdiction conferred on the transportation regulation board by sections 4 to 8 shall be exercised by the public utilities commission."*

Renumber the section

Amend the title as follows:

Page 1, line 2, delete "energy" and insert "the public utilities commission"

Page 1, line 4, after "clarifying" insert "and assigning"

Page 1, line 6, delete "Section" and insert "Sections"

Page 1, line 7, after the semicolon, insert "218.021, Subdivision 1; 218.041, Subdivision 4; and 218.071, Subdivision 1;"

Page 1, line 8, delete "and"

Page 1, line 9, after "2" insert "; 218.031, Subdivision 1; and 218.041, Subdivision 2"

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. 1811, A bill for an act relating to state investment policy; prohibiting certain investments in countries not following human rights standards; proposing new law coded in Minnesota Statutes, Chapter 11A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [11A.26] [PROHIBITED INVESTMENTS.]

*Subdivision 1. [POLICY.] The legislature finds that the present government of the Republic of South Africa, through its legally sanctioned policies of racial discrimination, is violative of both the substance and the intent of Minnesota laws protecting individuals from unjust discrimination. Therefore, it is the intention of the legislature to prohibit future investments and deposits in financial institutions lending money to the government of the Republic of South Africa or any of its agencies.*

*Subd. 2. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them:*

*(1) "Financial institution" means any federally or state chartered bank, savings and loan, thrift institution, or any other institution permitted by state or federal law to receive deposits of money and to pay out that money through loans, draft accounts, or the sale of financial institutions securities;*

*(2) "Financial institution securities" means any stock or bond issued by a financial institution, and any certificate of deposit, bankers acceptance, or other negotiable security issued by a financial institution.*

*(3) "National corporation" includes a corporation or a subsidiary or affiliate of a corporation that is more than 50 percent owned or operated by the government of the Republic of South Africa.*

*Subd. 3. [PROHIBITED INVESTMENTS AND DEPOSITS IN FINANCIAL INSTITUTIONS.] The state board shall not purchase or acquire any financial institution security issued by a financial institution that after January 1, 1983 participates in any loans to the government of the Republic of South Africa or any South African government agency or to any South African national corporation. Nor shall the state board deposit any assets of the board in such financial institutions.*

*A financial institution ineligible to receive state board investments and deposits may establish eligibility if documentary evidence is submitted to the state board of investment which is sufficient to establish that the financial institution has adopted a written policy that prohibits the lending of its assets to the government of the Republic of South Africa or any of its agencies. For purposes of this section, "documentary evidence" shall include, as a minimum, an executed affidavit by an appropriate officer of the financial institution, in a form prepared by the board, attesting to the fact that the financial institution prohibits the lending of its assets to the government of the Republic of South Africa or any of its agencies. The board shall also attempt to verify compliance by reference to sources of information not affiliated with the corporation or financial institution."*

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. 1887, A bill for an act relating to education; requiring welfare and correctional institutions to submit an educational policy to the commissioner of education; proposing new law coded in Minnesota Statutes, Chapter 121.

Reported the same back with the following amendments:

Page 2, after line 8, insert a new section to read:

"Sec. 3. [EVALUATION REFERRALS.]

*Any educational evaluations or plans for correctional system inmates or welfare institution residents shall be forwarded by the commissioners of corrections and welfare to any other state agency to which the inmate or resident is referred following completion of term or treatment."*

Re-number the section

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. 1946, A bill for an act relating to administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5.

Reported the same back with the following amendments:

Page 2, after line 32, insert:

"Sec. 2. Minnesota Statutes 1981 Supplement, Section 256B.-02, Subdivision 8, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 31, 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.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services, 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 designate a formulary committee which shall advise the commissioner on the names of drugs for which payments shall 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



commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. 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. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, *but the formulary committee shall review and comment on the formulary contents.* The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition cost of the drug plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

*Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act.*

(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. 3. [MAILING LISTS.]

*A department, agency, or official of the state issuing for public distribution any book, document, journal, map, pamphlet, or report on a regular basis to a list of persons who have asked to receive regular publications shall insert into at least one publication per person per year a returnable card which must be returned by that person in order to receive future similar publications from that department, agency, or official."*

Renumber the section

Amend the title as follows:

Page 1, line 5, after "5" insert "; and 256B.02, Subdivision 8, as amended"

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. 1982, A bill for an act relating to forestry; establishing a forest research management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.201; 90.251, Subdivision 1; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

Reported the same back with the following amendments:

Page 9, line 14, delete everything after "*implementing*"

Page 9, delete line 15 and insert "*clauses (a) to (d) of this subdivision.*"

Page 9, delete lines 25 to 36

Page 10, delete lines 1 to 4

Page 20, line 31, after "(ANY)" insert "*In the case of forest land as defined by section 89.001, subdivision 4,*"

Page 30, delete lines 22 to 25 and insert:

"Sec. 33. [EFFECTIVE DATE.]

*Sections 10, 11, 16, and 28 are effective July 1, 1983. The remaining sections are effective the day following final enactment.*"

Renumber the sections

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. 2005, A bill for an act relating to employment; providing for equitable compensation relationships among certain government employees; amending Minnesota Statutes 1981 Supplement, Sections 43A.01, by adding a subdivision; 43A.02, by adding subdivisions; 43A.05, by adding a subdivision; and 43A.18, Subdivision 8; proposing new law coded in Minnesota Statutes, Chapter 137.

Reported the same back with the following amendments:

Page 1, line 14, after "state" insert "to attempt"

Page 2, line 20, after "compile" insert ", subject to availability of funds and personnel,"

Page 2, line 34, before the period insert ", provided that the full legislature may approve, reject, or modify the commission's action"

Page 2, line 35, delete "allocate" and insert "show the distribution of"

Page 3, line 6, after "of" insert "any appropriated"

Pages 4 and 5, delete section 8

Page 5, line 4, delete "Subdivision 1. [STATE EMPLOYEES.]" and delete "approved" and insert "recommended"

Page 5, line 6, delete ", and approved by the full legislature,"

Page 5, line 7, after "be" delete the new language and insert "submitted to the full legislature by March 1 of each odd-numbered year. The legislature may accept, reject, or modify the amount recommended"

Page 5, delete line 8

Page 5, line 9, delete everything before the period

Page 5, line 11, delete "these amounts" and insert "the amount appropriated by the legislature, on a pro-rata basis, if necessary,"

Page 5, delete lines 19 to 32 and insert a new section to read as follows:

"Sec. 9. [EXCEPTION.]

*The provisions of this act do not apply to the positions contained in Minnesota Statutes 1981 Supplement, Section 43A.08, Subdivision 1, Clause (g)."*

Renumber the sections

Amend the title as follows:

Page 1, line 7, delete “; proposing new”

Page 1, line 8, delete everything before the period

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. 2040, A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments; proposing new law coded in Minnesota Statutes, Chapter 4.

Reported the same back with the following amendments:

Page 4, line 9, delete “*after*” and insert “*during*” and delete “*date*” and insert “*period*”

Page 4, line 14, delete “*after*” and insert “*during*” and delete “*date*” and insert “*period*”

Page 5, line 23, delete “12” and insert “11”

Page 6, line 7, delete “*after*” and insert “*during*”

Page 6, line 30, after “*enactment*” insert “*and shall remain in effect for a period of one year thereafter*”

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. 2190, A bill for an act relating to education; allowing the immigration history research center to use donated services

or donated property to meet its matching requirements; amending Laws 1981, Chapter 359, Section 9, Subdivision 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 136A.02, Subdivision 1, is amended to read:

Subdivision 1. The higher education coordinating board shall consist of eight citizen members, one from each congressional district, to be appointed by the governor with the advice and consent of the senate, and three citizen members also to be appointed by the governor by and with the advice and consent of the senate to represent the state at large. All appointees to the board shall be selected for their knowledge of and interest in post secondary education and at least one shall be selected specifically for his knowledge of and interest in vocational education. *No member of the board may be a full-time employee of an institution of post-secondary education whose students are eligible for state financial assistance.*

Sec. 2. Minnesota Statutes 1980, Section 471.59, is amended by adding a subdivision to read:

*Subd. 1a. [REGIONAL MANAGEMENT INFORMATION CENTERS.] Notwithstanding any law to the contrary, elementary-secondary-vocational education regional management information centers are governmental units for the purposes of this act.*

Sec. 3. Laws 1981, Chapter 359, Section 2, Subdivision 8, is amended to read:

Subd. 8. Federal money received for strengthening or administration of state education agencies pursuant to the Elementary and Secondary Education Act of 1965, Title 4C, as amended, or pursuant to the Education Amendments of 1978, Section 404, Paragraph (a), Clause (9), or Title 5, Part B, or pursuant to any federal education block grant program shall be spent only for the activities and approved complement positions shown in the allocation plan for Title 4C (MONEY) and federal education block grant program monies as approved by the conferees of the senate and house of representatives. *If the federal education block grant program plan is not ready for approval while the legislature is in session, the plan shall be submitted for approval by the governor after consultation with the legislative advisory commission.* 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.

Section 4. Laws 1981, Chapter 359, Section 9, Subdivision 12, is amended to read:

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. *Only one of every two dollars contributed from non-state and non-federal sources may be donated services or donated or loaned personal or real property. These services and property shall be valued according to Code of Federal Regulations, title 34, sections 74.54 to 74.57 (1980).* All requests shall be reviewed by the chairmen of the house appropriations and senate finance committees and the chairmen shall make recommendations on the requests. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Sec. 5. Laws 1981, Third Special Session Chapter 2, Article I, Section 6, Subdivision 1, is amended to read:

Subdivision 1. [UNIVERSITY OF MINNESOTA; STATE UNIVERSITIES; COMMUNITY COLLEGES; AREA VOCATIONAL-TECHNICAL INSTITUTES.] The board of regents of the University of Minnesota, and the state university board, the community college board, and the state board for vocational education shall each develop a plan for providing post-secondary education services under conditions of declining or reduced enrollments and potentially declining financial resources. Each plan shall specify the fiscal implications of declining enrollments. Each plan shall propose a strategy for adjusting the present level of facilities and services to the projected level of reduced demand. The strategies may include such methods as campus mergers, reorganizations, discontinuance of campuses or colleges, changes in system governance, and other such methods. The purpose of the plan is to reduce the cost of present facilities and services in proportion to the reduction in enrollment. Each plan shall be submitted to the legislature by January

1, 1983. Included in the plan submitted by the university of Minnesota shall be an analysis of instructional funding for colleges on the twin cities campus, colleges at the Duluth campus and funding for the Crookston, Waseca, and Morris campuses.

Sec. 6. [REPEALER.]

*Minnesota Statutes 1980, Sections 120.17, Subdivision 10; and 121.12, are repealed.*

Sec. 7. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block grant funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article I, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 352, 376, 1757, 1798, 1811, 1887, 1946, 1982, 2005, 2040 and 2190 were read for the second time.

## SPECIAL ORDERS, Continued

H. F. No. 1897 was reported to the House.

Hanson moved to amend H. F. No. 1897, the first engrossment, as follows:

Page 8, line 12, after the semicolon insert "and"



Page 8, line 13, delete "Sections" and insert "Section" delete "and 37.27"

Amend the title as follows:

Page 1, line 9, delete "Sections" and insert "Section" and delete "; and 37.27"

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

Hanson and Wynia moved to amend H. F. No. 1897, the first engrossment, as follows:

Page 2, line 17, after the period insert "*Nothing in this section exempts property on the fairgrounds or the fairgrounds itself, which are otherwise taxable, from being subject to real and personal property taxes pursuant to chapters 272 to 275, and 471.*"

The motion prevailed and the amendment was adopted.

Wynia and Hanson moved to amend H. F. No. 1897, the first engrossment, as amended, as follows:

Page 7, line 28, after "upon" reinstate the stricken language

The motion prevailed and the amendment was adopted.

H. F. No. 1897, A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, Subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

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	Blatz	Clawson	Ellingson	Greenfield
Ainley	Brandl	Dahlvang	Erickson	Gruenes
Anderson, B.	Brinkman	Dean	Esau	Halberg
Anderson, G.	Byrne	Dempsey	Evans	Hanson
Anderson, I.	Carlson, D.	Den Ouden	Ewald	Harens
Battaglia	Carlson, L.	Drew	Fjoslien	Hauge
Begich	Clark, J.	Eken	Forsythe	Haukoos
Berkelman	Clark, K.	Elioff	Frerichs	Heap

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

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

The Speaker called Wynia to the Chair.

H. F. No. 1894 was reported to the House.

Vellenga moved to amend H. F. No. 1894, the first engrossment, as follows:

Page 7, line 21, delete "or rent"

Page 7, line 24, after "families" insert "*, including renters of the single family housing,*"

Page 12, after line 14, insert:

"Sec. 14. Minnesota Statutes 1981 Supplement, Section 462C.09, is amended to read:

**462C.09 [ALLOCATION OF QUALIFIED MORTGAGE BONDS.]**

*Subdivision 1. [HOUSING FINANCE AGENCY ALLOCATION.]* The applicable limit for the Minnesota housing finance agency, pursuant to section 103A (g) of the Internal Revenue Code of 1954 as amended through December 31, 1980, for any calendar year commencing with calendar year 1981, shall be 100 percent of the state ceiling for that year, reduced only by (i) any amounts of bonds which have been or may be allocated by law to specified cities and (ii) any amounts of bonds which are allocated to cities pursuant to subdivisions 2 and 3. The aggregate amount allocated to cities, under (i) or (ii), together with the amount of bonds reserved for the agency, shall not exceed the limit for the state under section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1982.

By (JULY 1) *August 1* of each year, any city which has received by law an allocation of the state ceiling shall (CERTIFY TO THE AGENCY THE AMOUNT OF BONDS SUBJECT TO THE STATE CEILING WHICH THE CITY INTENDS TO ISSUE DURING THE CALENDAR YEAR) *submit its housing programs to the Minnesota housing finance agency for approval pursuant to section 462C.04, subdivision 2, in an amount of bonds equal to or less than, the city's allocation. If the amount (CERTIFIED) of bonds, for which program approval is granted on or before September 1 is less than the amount allocated by law to the city, the applicable limit for the agency shall be increased by the difference between the amount allocated by law to the city, and the amount (CERTIFIED BY THE CITY, TO THE AGENCY) for which program approval has been granted.*

*Subd. 2. [CITY ALLOCATION.] Unless otherwise authorized by law, any city which intends to issue mortgage revenue bonds during any calendar year which are subject to the volume limitation imposed by section 103A(g) of the Internal Revenue Code of 1954, as amended through March 1, 1982, shall by January 2 of that year submit a program or programs to the Minnesota housing finance agency that will use a portion of the state mortgage revenue bond ceiling, provided that for calendar year 1982 programs shall be submitted by May 30, 1982. The total amount of bonds included in all programs of any city shall not exceed \$10,000,000. Each program shall be accompanied by a certificate from the city that states that the revenue bond issue is feasible and that identifies the amount and sources of non-bond proceeds, if any, which will be contributed to the program to be financed by the bond issue, provided that no contribution of non-bond proceeds shall be required. By February 1, the Minnesota housing finance agency shall review each program pursuant to section 462C.04, subdivision 2, provided that for calendar year 1982, programs shall be approved by June 30, 1982. The Minnesota housing finance agency shall approve all programs that the agency determines are consistent with this chapter, provided that if the approval of all programs would result in an allocation to cities in excess of 27-1/2 percent of the state ceiling for the calendar year, reduced by any amount of bonds that are allocated by law to specified cities, the Minnesota housing finance agency shall only approve those programs based upon the following factors and based solely upon the program with accompanying information submitted to the agency. The Minnesota housing finance agency shall determine the following factors for each program:*

(1) *The proportion of the proposed issue which is reserved for a period of not less than six months for persons and families with incomes below 80 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2;*

(2) *The proportion of the proposed issue which is reserved for a period of not less than six months for persons and families*

with incomes below 90 percent of the limits on adjusted gross income provided in section 462C.03, subdivision 2; and

(3) The amount of non-bond proceeds, if any, as a percentage of the proposed issue, which are to be contributed to the program.

Programs shall be ranked based upon the percentage determined for factor (1) with the program having the highest percentage receiving the highest ranking. If two or more programs have the same percentage, then they shall be ranked based upon the percentages determined for factor (2) with the program receiving the highest percentage receiving the highest ranking. If two or more programs have the same percentage for factors (1) and (2), then they shall be ranked based upon the percentages determined for factor (3) with the program having the highest percentage receiving the highest ranking. If two or more programs have the same percentage for factors (1), (2), and (3), then their ranking shall be determined by lot. The Minnesota housing finance agency shall then approve programs based upon the ranking until an amount equal to 27-1/2 percent of the state ceiling for the calendar year, reduced by any amount of bonds which are allocated by law to specified cities, is allocated pursuant to this subdivision. Approval of a program shall constitute an allocation of a portion of the state ceiling for mortgage revenue bonds equal to the proposed bond issue or issues contained in the program, provided that the allocation for the lowest ranked program that receives an allocation may be equal to or less than the amount of the bond issue or issues proposed in the program.

If a city which received an allocation pursuant to this subdivision, or which has been allocated a portion of the state ceiling by law and has received approval of one or more programs, has not issued bonds by September 1 in an amount equal to the allocation, and the city intends to issue mortgage revenue bonds prior to the end of the calendar year, the city shall by September 1 submit to the Minnesota housing finance agency for each program a letter that states the city's intent to issue the mortgage revenue bonds prior to the end of the calendar year. If the Minnesota housing finance agency does not receive the letter from the city, then the allocation of the state ceiling for that program shall expire on September 1, and the applicable limit for the Minnesota housing finance agency shall be increased by an amount equal to the unused portion of the allocation to the city. A city referred to in subdivision 1, clause (i), of this section shall not be required to apply under this subdivision with respect to bonds allocated by law to any such city. Nothing in this subdivision shall prevent any such city from applying for an additional allocation of bonds under this subdivision.

Subd. 3. [ADDITIONAL CITY ALLOCATION.] On or before September 1 of each year, the Minnesota housing finance agency shall identify the amount, if any, of its applicable limit

*for housing mortgage bonds for that calendar year that it does not intend to issue. Any city that intends to issue mortgage revenue bonds prior to the end of the calendar year for which it has not received an allocation of the state ceiling may submit a program for approval on or before September 1 to the Minnesota housing finance agency for a portion of the amount of the Minnesota housing finance agency's applicable limit as provided in subdivision 1 which the agency does not intend to issue. The total amount of bonds included in all programs of any city submitted pursuant to this subdivision shall not exceed \$10,000,000. The program shall be accompanied by the same certificate required by subdivision 2. The Minnesota housing finance agency shall allocate the amount of the state ceiling to be allocated pursuant to this subdivision using the same factors listed in subdivision 2, provided that a program for any city receiving an allocation pursuant to subdivision 2 during the calendar year shall be ranked below all other programs if the bonds proposed in the program, when added to the bonds included in programs approved pursuant to subdivision 2, exceed \$10,000,000. A city that submitted a program pursuant to subdivision 2 but that did not receive an allocation may renew its application with a letter of intent to issue. Nothing in this subdivision shall prevent any city referred to in subdivision 1, clause (i), from applying for an additional allocation of bonds under this subdivision.*

*Subd. 4. [AGENCY REVIEW.] The 30 day review requirement in section 462C.04, subdivision 2, shall not apply to programs submitted to the agency that require an allocation of the state ceiling pursuant to this section. A failure by the agency to complete any action by the dates set forth in this section shall not result in the approval of any program or the allocation of any portion of the applicable limit of the agency. Approval by the agency of programs after the dates provided in this section shall be effective in allocating a portion of the state ceiling. Programs approved by the agency may be amended with the approval of the agency under section 462C.04, subdivision 2, provided that the dollar amount of bonds for the program may not be increased."*

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, after the semicolon insert "providing for the allocation of mortgage bonds;"

Page 1, line 10, after the semicolon insert "and 462C.09;

The motion prevailed and the amendment was adopted.

Vellenga moved to amend H. F. No. 1894, the first engrossment, as amended, as follows:

Page 3, line 24, delete " "Substantial rehabilitation" means"

Page 3, delete lines 25 to 27

The motion prevailed and the amendment was adopted.

Schreiber moved to amend H. F. No. 1894, the first engrossment, as amended, as follows:

Page 12, line 14, after "475" insert ", and the revenue bonds or other obligations may be sold at 97 percent or more of their principal amount, notwithstanding the provisions of section 462A.09"

The motion prevailed and the amendment was adopted.

Vellenga moved to amend H. F. No. 1894, the first engrossment, as amended, as follows:

Page 3, line 15, after "existing" insert "residential"

The motion prevailed and the amendment was adopted.

H. F. No. 1894, A bill for an act relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation and energy improvement loans; providing for the allocation of mortgage bonds; amending Minnesota Statutes 1980, Sections 462C.01; 462C.02, Subdivisions 3, 4 and 5, and by adding subdivisions; 462C.03, as amended; 462C.04, Subdivision 2; 462C.05, Subdivisions 2 and 5; 462C.07, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 462C.05, Subdivisions 1 and 3; and 462C.09; repealing Minnesota Statutes 1981 Supplement, Section 462C.07, 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 111 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Aasness	Clark, J.	Fjoslien	Himle	Kostohryz
Anderson, G.	Clark, K.	Forsythe	Hoberg	Laidig
Anderson, I.	Clawson	Greenfield	Hokanson	Lehto
Battaglia	Dahlvang	Gruenes	Jacobs	Long
Begich	Dean	Gustafson	Johnson, C.	Luknic
Berkelman	Dempsey	Halberg	Johnson, D.	Mann
Blatz	Drew	Hanson	Jude	Marsh
Brandl	Eken	Harens	Kahn	McCarron
Brinkman	Elioff	Hauge	Kaley	McEachern
Byrne	Ellingson	Haukoos	Kalis	Mehrkens
Carlson, D.	Evans	Heap	Kelly	Metzen
Carlson, L.	Ewald	Heinitz	Knickerbocker	Minne

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

Those who voted in the negative were:

Ainley	Esau	Ludeman	Stowell	Wigley
Anderson, B.	Frerichs	McDonald	Valento	
Den Ouden	Jennings	Nysether	Welker	
Erickson	Kvam	Schafer	Wieser	

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

H. F. No. 1018, A bill for an act relating to agriculture; consolidating existing laws; providing for agricultural commodity research and promotion councils; establishing procedures; providing penalties; amending Minnesota Statutes 1980, Sections 17.53; 17.54; 17.56; 17.57; 17.58; 17.59, Subdivisions 1, and 2; 17.60; 17.62; 17.63; 17.64; and 17.67; amending Minnesota Statutes 1981 Supplement, Section 17.59, Subdivision 4; repealing Minnesota Statutes 1980, Sections 17.55; 17.601; 17.65; 17.68; 21A.01 to 21A.19, as amended; 29.14 to 29.16; 29.18; 29.19; 30.461 to 30.468, as amended; 30.472 to 30.479; 32B.01 to 32B.06; 32B.08 to 32B.11; 32B.13; Minnesota Statutes 1981 Supplement, Sections 29.17; 30.469; 30.47; 32B.07; and 32B.12.

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	Dempsey	Hanson	Knickerbocker	Nelsen, B.
Ainley	Den Ouden	Hauge	Kostohryz	Nelson, K.
Anderson, B.	Drew	Haukoos	Kvam	Niehaus
Anderson, G.	Eken	Heap	Laidig	Norton
Anderson, I.	Elioff	Heinitz	Lehto	Novak
Battaglia	Ellingson	Himle	Lemen	Nysether
Begich	Erickson	Hoberg	Ludeman	O'Connor
Berkelman	Esau	Hokr	Luknic	Ogren
Blatz	Evans	Jacobs	Mann	Olsen
Brandl	Ewald	Jennings	Marsh	Onnen
Brinkman	Fjoslien	Johnson, C.	McCarron	Osthoff
Carlson, D.	Forsythe	Johnson, D.	McEachern	Otis
Carlson, L.	Frerichs	Jude	Mehrkens	Peterson, B.
Clark, J.	Greenfield	Kahn	Metzen	Peterson, D.
Clawson	Gruenes	Kaley	Minne	Piepho
Dahlvang	Gustafson	Kalis	Munger	Pogemiller
Dean	Halberg	Kelly	Murphy	Redalen

Reding	Samuelson	Sherwood	Swanson	Welch
Rees	Sarna	Sieben, M.	Tomlinson	Wenzel
Reif	Schafer	Simoneau	Valan	Wieser
Rice	Schoenfeld	Skoglund	Valento	Wigley
Rodriguez, C.	Schreiber	Stadum	Vanasek	Wynia
Rodriguez, F.	Searles	Staten	Vellenga	Zubay
Rose	Shea	Stumpf	Voss	Spkr. Sieben, H.
Rothenberg	Sherman	Sviggum	Weaver	

Those who voted in the negative were :

McDonald      Stowell      Welker

The bill was passed and its title agreed to.

H. F. No. 1642 was reported to the House.

There being no objection H. F. No. 1642 was continued on Special Orders for one day.

H. F. No. 1704, A bill for an act relating to public safety; making it a felony to use or possess metal-penetrating bullets in the commission of a crime; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624.

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	Evans	Kalis	O'Connor	Sherman
Ainley	Ewald	Kelly	Ogren	Sherwood
Anderson, B.	Fjoslien	Knickerbocker	Olsen	Sieben, M.
Anderson, G.	Forsythe	Kostohryz	Onnen	Simoneau
Anderson, I.	Frerichs	Kvam	Osthoff	Skoglund
Battaglia	Greenfield	Laidig	Otis	Stadum
Begich	Gruenes	Lehto	Peterson, B.	Staten
Berkelman	Gustafson	Lemen	Peterson, D.	Stowell
Blatz	Halberg	Long	Piepho	Stumpf
Brandl	Hanson	Ludeman	Pogemiller	Sviggum
Brinkman	Harens	Luknic	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	Zubay
Erickson	Kaley	Nysether	Shea	Spkr. Sieben, H.



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. Nos. 2156 and 1553.

H. F. No. 2156, A bill for an act relating to education; authorizing the state university board to lease land on Mankato state university campus; permitting Mankato state university to lease a building; transferring title for a building to the state; proposing new law coded in Minnesota Statutes, Chapter 136.

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

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 1553, A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

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

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kelly	Ogren	Sieben, M.
Ainley	Ewald	Knickerbocker	Olsen	Simoneau
Anderson, B.	Fjoslien	Kostohryz	Onnen	Skoglund
Anderson, G.	Forsythe	Kvam	Osthoff	Stadum
Anderson, I.	Frerichs	Laidig	Otis	Staten
Battaglia	Greenfield	Lehto	Peterson, B.	Stowell
Begich	Gruenes	Lemen	Peterson, D.	Stumpf
Berkelman	Gustafson	Long	Piepho	Stviggum
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.	Heinitz	McEachern	Rodriguez, C.	Voss
Clark, K.	Himle	Mehrkens	Rodriguez, F.	Weaver
Clawson	Hoberg	Metzen	Rose	Welch
Dahlvang	Hokanson	Minne	Rothenberg	Welker
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	Kahn	Novak	Shea	
Erickson	Kaley	Nysether	Sherman	
Esau	Kalis	O'Connor	Sherwood	

The bill was passed and its title agreed to.

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

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.

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 added to Special Orders pending for March 8, 1982:

H. F. Nos. 1382, 1737, 1760, 1934, 930, 2228, 2199, 1816 and 1844 and S. F. Nos. 16, 786, 787, 1878, 1644 and 1687.

### SPECIAL ORDERS, Continued

H. F. No. 1382, A bill for an act relating to the city of Duluth; providing for the size of the housing and redevelopment authority.

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	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.	Frerichs	Laidig	Osthoff	Stadum
Battaglia	Greenfield	Lehto	Otis	Staten
Begich	Gruenes	Lemen	Peterson, B.	Stowell
Berkelman	Gustafson	Long	Peterson, D.	Stumpf
Brandl	Halberg	Ludeman	Piepho	Sviggum
Brinkman	Hanson	Luknic	Pogemiller	Swanson
Byrne	Hauge	Mann	Redalen	Tomlinson
Carlson, D.	Haukoos	McCarron	Reding	Valan
Carlson, L.	Heap	McDonald	Rees	Valento
Clark, J.	Heinitz	McEachern	Reif	Vanasek
Clark, K.	Himle	Mehrkens	Rice	Vellenga
Clawson	Hokanson	Metzen	Rodriguez, C.	Voss
Dahlvang	Hokr	Minne	Rodriguez, F.	Weaver
Dean	Jacobs	Munger	Rose	Welch
Dempsey	Jennings	Murphy	Rothenberg	Welker
Den Ouden	Johnson, C.	Nelsen, B.	Samuelson	Wenzel
Drew	Johnson, D.	Nelson, K.	Sarna	Wieser
Eken	Jude	Niehaus	Schoenfeld	Wigley
Elioff	Kahn	Norton	Schreiber	Wynia
Ellingson	Kaley	Novak	Searles	Zubay
Esau	Kalis	Nysether	Sherman	Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 1737, A bill for an act relating to retirement; local police and salaried firefighters relief association; providing minimum disability benefit coverage for police officers and firefighters in certain local relief associations; providing for the re-computation of a disability benefit as a service pension upon the attainment of a certain age; providing service credit for periods of disability in certain instances; requiring the provision of less hazardous duty employment positions for marginally disabled police officers and firefighters; requiring offsets from disability benefits in certain instances; authorizing the establishment and operation of the West St. Paul firefighters relief association; validating prior actions by the West St. Paul firefighters relief association; clarifying and resolving an inconsistency in prior enactments concerning medical and health insurance coverage for certain relief association members; amending Laws 1974,

Chapter 382, Sections 4, Subdivision 3, as amended; and 6, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 423A.

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 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
Battaglia	Forsythe	Laidig	Onnen	Stadum
Begich	Greenfield	Lehto	Osthoff	Stowell
Berkelman	Gustafson	Lemen	Otis	Stumpf
Blatz	Halberg	Long	Peterson, D.	Sviggum
Brandl	Hanson	Ludeman	Piepho	Swanson
Brinkman	Hauge	Luknic	Pogemiller	Tomlinson
Byrne	Haukoos	Mann	Reding	Valan
Carlson, L.	Heap	Marsh	Rees	Valento
Clark, J.	Himle	McCarron	Reif	Vanasek
Clark, K.	Hoberg	McDonald	Rice	Voss
Clawson	Hokanson	McEachern	Rodriguez, C.	Weaver
Dean	Jacobs	Mehrkens	Rodriguez, F.	Welch
Dempsey	Jennings	Metzen	Rose	Wenzel
Den Ouden	Johnson, C.	Minne	Rothenberg	Wieser
Drew	Johnson, D.	Murphy	Sarna	Wigley
Eken	Jude	Nelson, K.	Schafer	Wynia
Elioff	Kahn	Niehaus	Schoenfeld	Sprk. Sieben, H.
Ellingson	Kaley	Norton	Schreiber	
Erickson	Kalis	Novak	Sherman	

The bill was passed and its title agreed to.

H. F. No. 1760, A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; amending Minnesota Statutes 1980, Section 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; 626A.05, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Statutes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

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	Ainley	Anderson, B.	Anderson, G.	Anderson, I.
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Battaglia	Frerichs	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	Hauge	Mann	Redalen	Swanson
Carlson, D.	Haukoos	Marsh	Reding	Tomlinson
Carlson, L.	Heap	McCarron	Rees	Valan
Clark, J.	Heinitz	McDonald	Reif	Valento
Clark, K.	Himle	McEachern	Rice	Vanasek
Clawson	Hoberg	Mehrkens	Rodriguez, C.	Vellenga
Dahlvang	Hokanson	Metzen	Rodriguez, F.	Voss
Dean	Hokr	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	Spkr. Sieben, H.
Evans	Kelly	O'Connor	Sherman	
Ewald	Knickerbocker	Ogren	Sherwood	
Fjoslien	Kostohryz	Olsen	Sieben, M.	
Forsythe	Kvam	Onnen	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1934 was reported to the House.

Long moved that H. F. No. 1934 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 930 was reported to the House.

Ellingson moved that H. F. No. 930 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2228 was reported to the House.

Ellingson moved that H. F. No. 2228 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2199, A bill for an act relating to elections; re-codifying municipal elections law; amending Minnesota Statutes 1980, Sections 205.02; 205.07, Subdivision 1; 205.13, as amended; 205.16; 205.17, as amended; 205.20, as amended; and 205.84; Minnesota Statutes 1981 Supplement, Section 205.10; proposing new law coded in Minnesota Statutes, Chapter 205; repealing Minnesota Statutes 1980, Sections 205.021; 205.04; 205.11, Subdivisions 1, 2, 3, 4 and 5; 205.14, Subdivisions 1, 2 and 3; 205.18; and 205.19; and Minnesota Statutes 1981 Supplement, Sections 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.14, Subdivision 4; and 205.15.

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

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

Those who voted in the affirmative were:

Aasness	Esau	Kalis	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
Battaglia	Frerichs	Laidig	Otis	Stadum
Begich	Greenfield	Lehto	Peterson, B.	Staten
Berkelman	Gruenes	Lemen	Peterson, D.	Stowell
Blatz	Gustafson	Long	Piepho	Stumpf
Brandl	Halberg	Ludeman	Pogemiller	Sviggum
Brinkman	Hanson	Luknic	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	Zubay
Erickson	Kaley	Nysether	Shea	Spkr. Sieben, H.

The bill was passed and its title agreed to.

H. F. No. 1844 was reported to the House.

Mehrkens moved that H. F. No. 1844 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 16, A bill for an act relating to probate; changing certain time limits and procedures for a personal representative to file an inventory and appraisalment; amending Minnesota Statutes 1980, Section 524.3-706.

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	Ewald
Ainley	Blatz	Clark, K.	Eken	Fjoslien
Anderson, B.	Brandl	Clawson	Elioff	Forsythe
Anderson, G.	Brinkman	Dahlvang	Ellingson	Frerichs
Anderson, I.	Byrne	Dean	Erickson	Greenfield
Battaglia	Carlson, D.	Dempsey	Esau	Gruenes
Begich	Carlson, L.	Den Ouden	Evans	Gustafson

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

The bill was passed and its title agreed to.

S. F. No. 786 was reported to the House.

Reding moved to amend S. F. No. 786, as follows:

Page 1, line 14, after "the" insert "*special fund of the relief association does not have a surplus over full funding pursuant to subdivision 3, clause (2), subclause (e), or if the*"

Page 1, line 27, after "the" insert "*special fund of the relief association has a surplus over full funding pursuant to subdivision 3, clause (2), subclause (e), and if the*"

Page 2, line 8, after "not" insert "*cause the amount of the resulting increase in the accrued liability of the special fund of the relief association to exceed 90 percent of the amount of the prior surplus over full funding and this does not*"

Page 2, line 30, after "the" insert "*special fund of the relief association does not have a surplus over full funding pursuant to subdivision 4, or if the*"

Page 3, line 3, after "the" insert "*special fund of the relief association has a surplus over full funding pursuant to subdivision 4, and if the*"

Page 3, line 10, after "not" insert "*cause the amount of the resulting increase in the accrued liability of the special fund of the relief association to exceed 90 percent of the amount of the prior surplus over full funding and this does not*"

Page 4, line 11, after "the" insert "*special fund of the relief association does not have a surplus over full funding pursuant to*"

sections 69.772, subdivision 3, clause (2), subclause (e), or 69.773, subdivision 4, and if the"

Page 5, line 1, after "not" insert "cause the amount of the resulting increase in the accrued liability of the special fund of the relief association to exceed 90 percent of the amount of the prior surplus over full funding and this does not"

The motion prevailed and the amendment was adopted.

S. F. No. 786, A bill for an act relating to retirement; volunteer firefighters relief association; authorizing relief associations to increase retirement benefit and service pension amounts without municipal ratification in certain instances; amending Minnesota Statutes 1980, Sections 69.772, Subdivision 6; 69.773, Subdivision 6; and 424A.02, Subdivision 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 121 yeas and 5 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Fersythe	Hokr	Nysether	Voss	Welker
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The bill was passed, as amended, and its title agreed to.



S. F. No. 787, A bill for an act relating to retirement; volunteer firefighters relief association; financing and benefit amounts; amending Minnesota Statutes 1980, Sections 69.772, Subdivision 2a; 424.01; 424.02; 424.04; 424.16; 424.17; and 424A.02, Subdivisions 3, 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 128 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
Battaglia	Frerichs	Lehto	Otis	Staten
Begich	Greenfield	Lemen	Peterson, B.	Stowell
Berkelman	Gruenes	Long	Peterson, D.	Stumpf
Blatz	Halberg	Ludeman	Piepho	Sviggum
Brandl	Hanson	Luknic	Pogemiller	Swanson
Brinkman	Hauge	Mann	Redalen	Tomlinson
Byrne	Haukoos	Marsh	Reding	Valan
Carlson, D.	Heap	McCarron	Rees	Valento
Carlson, L.	Heinitz	McDonald	Reif	Vanasek
Clark, J.	Himle	McEachern	Rice	Vellenga
Clark, K.	Hoberg	Mehrkens	Rodriguez, C.	Voss
Clawson	Hokanson	Metzen	Rodriguez, F.	Weaver
Dahlvang	Hokr	Minne	Rose	Welch
Dean	Jacobs	Munger	Rothenberg	Wenzel
Dempsey	Jennings	Murphy	Samuelson	Wieser
Den Ouden	Johnson, C.	Nelsen, B.	Sarna	Wigley
Drew	Johnson, D.	Nelson, K.	Schafer	Wynia
Eken	Jude	Niehaus	Schoenfeld	Zubay
Elioff	Kahn	Norton	Schreiber	Spkr. Sieben, H.
Ellingson	Kaley	Novak	Searles	
Erickson	Kalis	Nysether	Sherman	

The bill was passed and its title agreed to.

S. F. No. 1878, A bill for an act relating to state historic sites; the Old Federal Courts building; amending Minnesota Statutes 1980, Section 138.56, 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	Anderson, G.	Begich	Brandl	Carlson, D.
Ainley	Anderson, I.	Berkelman	Brinkman	Carlson, L.
Anderson, B.	Battaglia	Blatz	Byrne	Clark, J.

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

The bill was passed and its title agreed to.

S. F. No. 1644 was reported to the House.

Heap moved that S. F. No. 1644 be continued on Special Orders for one day. The motion prevailed.

S. F. No. 1687, A bill for an act relating to Ramsey county; providing for the organization, powers and duties of the Saint Paul-Ramsey Medical Center commission; permitting the issuance of revenue bonds; amending Laws 1974, Chapter 435, Section 3.14, 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 126 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Ludeman      Welker

The bill was passed and its title agreed to.

### SPECIAL ORDERS

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

### GENERAL ORDERS

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

### MOTIONS AND RESOLUTIONS

Rodriguez, C., moved that the name of Haukoos be added as an author on H. F. No. 1115. The motion prevailed.

Long moved that the name of Munger be added as an author on H. F. No. 1934. The motion prevailed.

Luknic moved that her name be stricken as an author on H. F. No. 950. The motion prevailed.

Peterson, D., moved that S. F. No. 1740 be recalled from the Committee on General Legislation and Veterans Affairs and together with H. F. No. 1296, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Peterson, D., moved that S. F. No. 1207 be recalled from the Committee on Commerce and Economic Development and together with H. F. No. 2147, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Aasness moved that H. F. No. 166 be returned to its author. The motion prevailed.

O'Connor moved that H. F. No. 1545 be returned to its author. The motion prevailed.

Dempsey moved that H. F. No. 342 be returned to its author. The motion prevailed.

Shea moved that H. F. No. 2139 be returned to its author. The motion prevailed.

Gruenes moved that H. F. No. 2226 be returned to its author. 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. 1872:

Anderson, I.; Eken; Evans; Jacobs and Sieben, H.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 1:00 p.m., Tuesday, March 9, 1982. 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, March 9, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## EIGHTY-FIFTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 9, 1982

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 Reverend Gary F. Anderson, All Saints Lutheran Church, Minnetonka, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Anderson, R.; Levi and Searles were excused.

Mann was excused until 6:15 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. 1505, 376, 1840, 400, 1025, 1477, 1691, 1702, 1789, 1826, 2123, 1099, 1757, 1815, 1115, 1542, 1811, 1946, 2040, 2005, 2190, 1798, 1982, 1897, 352, 1887 and 1894 and S. F. Nos. 2035, 1818, 1840, 1894, 1684, 1670, 1886, 1888, 2048, 2062, 1522, 1640, 1677, 1715, 1758, 1809, 1907, 1949, 1950, 2000, 2141, 1078, 1908, 1631, 1967, 518, 1955, 276, 63, 929, 1022, 1207, 1221, 1421, 1523, 1541, 1561, 2006, 2121, 1966, 2125, 1487, 1630, 1869, 1957, 1706, 1623, 1747, 2111, 1588, 19, 1740, 1987, 1825, 2030, 744, 1398, 1499, 411, 1239, 1879 and 1671 have been placed in the members' files.

S. F. No. 1631 and H. F. No. 2125, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Stumpf moved that S. F. No. 1631 be substituted for H. F. No. 2125 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2062 and H. F. No. 2167, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Gruenes moved that S. F. No. 2062 be substituted for H. F. No. 2167 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2048 and H. F. No. 2117, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Battaglia moved that S. F. No. 2048 be substituted for H. F. No. 2117 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1078 and H. F. No. 1440, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Lemen moved that S. F. No. 1078 be substituted for H. F. No. 1440 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1566 and H. F. No. 1816, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Peterson, B., moved that S. F. No. 1566 be substituted for H. F. No. 1816 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1758 and H. F. No. 1758, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kelly moved that S. F. No. 1758 be substituted for H. F. No. 1758 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1747 and H. F. No. 1838, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Begich moved that the rules be so far suspended that S. F. No. 1747 be substituted for H. F. No. 1838 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1955 and H. F. No. 1870, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Voss moved that the rules be so far suspended that S. F. No. 1955 be substituted for H. F. No. 1870 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1677 and H. F. No. 1738, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Voss moved that the rules be so far suspended that S. F. No. 1677 be substituted for H. F. No. 1738 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 518 and H. F. No. 541, 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. 518 be substituted for H. F. No. 541 and that the House File be indefinitely postponed. The motion prevailed.



S. F. No. 1684 and H. F. No. 1916, 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. 1684 be substituted for H. F. No. 1916 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1967 and H. F. No. 2132, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Ogren moved that the rules be so far suspended that S. F. No. 1967 be substituted for H. F. No. 2132 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1522 and H. F. No. 1620, 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. 1522 be substituted for H. F. No. 1620 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2006 and H. F. No. 2148, 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. 2006 be substituted for H. F. No. 2148 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1907 and H. F. No. 2059, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Jacobs moved that the rules be so far suspended that S. F. No. 1907 be substituted for H. F. No. 2059 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1715 and H. F. No. 1791, 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. 1715 be substituted for H. F. No. 1791 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 412 and H. F. No. 1997, 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. 412 be substituted for H. F. No. 1997 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1670 and H. F. No. 1896, 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. 1670 be substituted for H. F. No. 1896 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1640 and H. F. No. 1736, 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. 1640 be substituted for H. F. No. 1736 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2000 and H. F. No. 1890, 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. 2000 be substituted for H. F. No. 1890 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

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

H. F. No. 674, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; removing certain restrictions on highway bonds.

Reported the same back with the following amendments:

Page 2, after line 6, insert a new section to read:

“Sec. 3. [BALLOT QUESTION.]

*Notwithstanding any law or rule to the contrary, the ballot question in section 2 shall immediately follow the first question placed on the ballot and submitted to the people at the 1982 general election. This section is effective the day following final enactment.”*

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1727, A bill for an act relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 480.01; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; and Minnesota Statutes 1981 Supplement, Sections 204B.06, Subdivision 6; 204B.34, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapter 480A; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

Reported the same back with the following amendments:

Page 2, line 9, delete “*over all courts, except the supreme*”

Page 2, line 10, delete “*court, and other appellate jurisdiction*”

Page 3, line 12, delete “*Until*” and insert “*On*”

Page 6, line 21, delete “*other than purely formal matters*”

Page 7, line 19, after "*certiorari*" insert "*to review decisions of the commissioner of economic security*"

Page 7, delete lines 20 and 21

Page 9, line 32, after "*appeals*" insert a comma

Page 12, after line 33, insert a new section to read:

**"Sec. 21. [632.14] [APPEALS IN FIRST DEGREE MURDER CASES.]**

*A person who has been convicted of murder in the first degree may appeal directly from the district court to the supreme court. The appeal may include other charges against the same defendant which were tried in the same trial as the first degree murder charge. The rules of appellate procedure shall provide the form of appeal."*

Page 14, line 13, delete "*Section 124.212,*" and "*Section 270.076,*"

Page 14, line 14, delete "*Subdivision 17*" and "*Subdivision 2*"

Page 14, line 16, delete "*Section 271.09,*"

Page 14, line 17, delete "*Subdivision 1*"

Page 14, line 18, delete "*Section 271.12*"

Page 14, line 20, delete "*Section 271.19*"

Page 14, line 26, delete "*Section 271.01,*"

Page 14, line 27, delete "*Subdivision 5*"

Page 14, line 28, delete "*Section 271.07*"

Page 14, line 31, delete "*Section 271.10,*"

Page 14, line 32, delete "*Subdivisions*"

Page 14, line 33, delete "*1 and 2*"

Page 14, line 36, delete "*Section 290.65,*"

Page 15, line 1, delete "*Subdivision 9*"

Page 16, line 34, delete "*all other sections of this act*" and insert "*sections 8 to 26*"

Page 17, after line 8, insert a new section to read:

“Sec. 28. [BALLOT QUESTION.]

*Notwithstanding any law or rule to the contrary, the ballot question in section 2 shall immediately precede any other questions placed on the ballot and submitted to the people at the 1982 general election. This section is effective the day following final enactment.”*

Renumber the sections

Amend the title as follows:

Page 1, line 11, delete “Chapter” and insert “Chapters” and after the semicolon insert “and 632;”

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 674 and 1727 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1631, 2062, 2048, 1078, 1566, 1758, 1747, 1955, 1677, 518, 1684, 1967, 1522, 2006, 1907, 1715, 412, 1670, 1640 and 2000 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

McEachern, Rice, Niehaus, Evans and Anderson, I., introduced:

H. F. No. 2285, A resolution memorializing the order of the Knights of Columbus in commemoration of the one hundredth anniversary of its founding.

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

Greenfield; Kelly; Rodriguez, F.; Vellenga and Staten introduced:

H. F. No. 2286, A bill for an act relating to crimes; increasing penalties for certain crimes when committed with intent to cause fear for personal safety because of the victim's race, color, religion, or national origin; amending Minnesota Statutes 1980, Sections 609.595, Subdivision 1; and 609.713.

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

Berkelman and Heinitz introduced:

H. F. No. 2287, A bill for an act relating to health; requiring licensing of certain home health agencies; directing the department of health to regulate home health agencies; establishing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 144A.51, by adding a subdivision; 144A.52, Subdivision 3; 144A.53; and 144A.54, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 144B.

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

Vellenga, Jude, Gustafson and Schafer introduced:

H. F. No. 2288, A bill for an act relating to Minnesota Statutes; standardizing the form of references to the United States Code, the Code of Federal Regulations, and miscellaneous other foreign publications; correcting obsolete forms of reference to Minnesota laws; replacing requirements that certain officers comply with provisions of law previously repealed with the text of the provisions with which they must comply; removing references to certain obsolete compilations of law; replacing references to certain obsolete compilations of law with their current equivalents; updating references to federal law and regulations to the most recent enactment; amending Minnesota Statutes 1980, Sections 4.073; 9.36, Subdivisions 1 and 2; 15.15; 15.162, Subdivision 5; 15.1693, Subdivisions 2 and 4; 16.011; 16A.17, Subdivision 1; 16A.35; 17.694, Subdivision 3; 17A.05, Subdivisions 1 and 2; 18A.21, Subdivision 15; 21.49, Subdivision 1; 31.01, Subdivisions 30 and 32; 31.101, Subdivisions 7, 8 and 28; 31.103, Subdivision 1; 31A.02, Subdivisions 17 and 18; 40.01, Subdivision 13; 40.07, Subdivision 14; 40.072, Subdivision 3; 48.24, Subdivision 6; 48.245; 48.56; 48.59, Subdivision 3; 48.605, Subdivision 1; 48.63; 50.24; 51A.37, Subdivision 3; 54.27, Subdivision 1; 60A.21, Subdivision 1; 61A.245, Subdivision 2; 61A.25, Subdivision 4; 62D.22, Subdivision 4; 62D.30, Subdivision 1; 62E.02, Subdivision 15; 65A.32; 72A.13, Subdivision 2; 72A.17; 72A.33; 72A.40; 84.027, Subdivisions 4, 5 and 6; 84.523, Subdivision 1; 84.43, Subdivision 2; 84B.01, Subdivision 1; 85.33, Sub-

division 2; 88.37; 88.38; 88.40; 88.41; 90.50, Subdivision 1; 92.-163, Subdivision 2; 98.47, Subdivisions 8 and 17; 100.29, Subdivision 32; 104.08, Subdivision 1; 104.25, Subdivisions 1 and 2; 104.39; 105.401, Subdivision 2; 111.35; 115.03, Subdivisions 1, 6 and 7; 115.44, Subdivision 5; 116.16, Subdivisions 2 and 10; 116I.05; 116I.06, Subdivision 4; 117.52; 117.53; 120.02, Subdivision 14; 120.83, Subdivision 1; 121.48, Subdivision 1; 123.35, Subdivision 12; 123.77, Subdivision 5; 123.932, Subdivision 3; 124.38, Subdivision 2; 124.615, Subdivision 1; 124.625; 124.645, Subdivision 1; 124.67; 124.68; 124.79; 129A.03; 136.43; 136.44; 136.45; 136.502; 136.55, Subdivision 1; 136.67, Subdivision 2; 136.70, Subdivision 1; 138.081, Subdivisions 2 and 3; 139.19, Subdivision 2; 144.10; 145.08, Subdivision 4; 145.61, Subdivision 5; 145.833, Subdivisions 7, 9, 10 and 11; 145.835, Subdivision 4; 145.837, Subdivision 2; 145.838, Subdivision 2; 151.01, Subdivision 21; 152.02, Subdivision 4; 152.21, Subdivision 5; 154.16; 160.276, Subdivision 3; 160.278, Subdivision 1; 161.242, Subdivision 6; 161.433, Subdivision 1; 168.27, Subdivision 12; 173.01; 173.04, Subdivision 5; 173.185, Subdivision 1; 174.245, Subdivision 2; 176.041, Subdivision 1; 177.23, Subdivision 7; 178.03, Subdivisions 3 and 4; 181.73, Subdivision 2; 181A.11; 181B.02, Subdivision 7; 181B.07; 182.651, Subdivision 8; 192.261, Subdivision 5; 192.261, Subdivision 6; 192A.015; 216A.11, Subdivision 2; 216A.12; 216B.165, Subdivisions 1 and 2; 222.48, Subdivision 7; 237.03; 243.51, Subdivision 2; 243.88, Subdivision 2; 245.-70; 256B.065; 256B.22; 256D.36, Subdivision 1; 268.04, Subdivisions 12 and 25; 268.06, Subdivisions 1, 4, 5, 28 and 32; 268.071, Subdivision 1; 268.09, Subdivisions 4 and 7; 268.12, Subdivisions 11 and 12; 268.14, Subdivision 6; 268.23; 268.37, Subdivision 2; 268.40, Subdivision 1; 273.1105, Subdivision 2; 273.52; 281.-275; 281.39; 282.01, Subdivision 9; 282.14; 290.36; 296.28; 299A.03, Subdivision 6; 299C.50; 299F.56, Subdivision 2; 299F.-60, Subdivision 3; 299F.63, Subdivision 3; 302.021, Subdivision 1; 308.08; 309.515, Subdivision 1; 315.12; 317.165, Subdivision 1; 325A.01, Subdivision 5; 325F.10; 334.16, Subdivision 2; 347.-40; 352E.01, Subdivision 4; 354A.021, Subdivisions 1, 2 and 5; 355.01, Subdivision 9; 355.47, Subdivision 2; 356.454; 360.0161, Subdivision 2; 360.075, Subdivision 1; 360.55, Subdivision 3; 360.59, Subdivision 10; 362.41, Subdivision 3; 373.39; 375.471; 458.192, Subdivision 13; 462.445, Subdivision 5; 462A.21, Subdivision 7; 471.615; 471.655; 472.03, Subdivisions 11 and 13; 473.-141, Subdivision 14; 473.568, Subdivision 1; 473F.06; 501.115, Subdivisions 1 and 3; 501.74; 524.3-916; 525.528; 540.153; 571.-35, Subdivision 2; 580.15; 600.24; 624.71, Subdivisions 1 and 2; 626.557, Subdivision 2; 626A.02, Subdivision 2; 645.31, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 9.061, Subdivision 2; 17.72; 47.20, Subdivision 2; 47.203; 47.204, Subdivision 1; 48.06; 60A.17, Subdivision 13; 61A.281, Subdivision 4; 62A.21, Subdivision 2b; 97.461, Subdivision 1; 97.488, Subdivision 2; 105.416, Subdivision 2; 111.11; 115A.24, Subdivision 2; 116.18, Subdivision 1; 116H.02, Subdivision 3; 116H.09, Subdivision 1; 116H.129, Subdivisions 2, 5 and 7; 116H.17; 116H.23; 136.87, Subdivision 1; 144.55, Subdivision 3; 144.704, Subdivi-

sion 2; 144.801, Subdivision 8; 145.834; 145.845; 145.97; 161.242, Subdivision 4; 168.013, Subdivisions 1a and 1e; 169.44, Subdivision 14; 169.974, Subdivision 2; 176.111, Subdivision 21; 176.132, Subdivision 2; 181.90; 183.465; 190.05, Subdivisions 1 and 7; 192.11; 204D.11, Subdivision 4; 216B.164, Subdivisions 2 and 3; 257.071, Subdivision 4; 273.13, Subdivision 7; 290.01, Subdivision 20; 290.09, Subdivision 5; 290.091; 290.132, Subdivision 2; 290.92, Subdivision 16; 290.971, Subdivision 7; 290A.03, Subdivision 3; 291.05; 297A.01, Subdivision 3; 297A.25, Subdivision 1; 303.02, Subdivision 3; 326.243; 327.20, Subdivision 1; 327.32, Subdivision 8; 327.35, Subdivision 7; 334.061; 352.115, Subdivision 10; 353.37, Subdivision 1; 353.64, Subdivision 7; 354A.31, Subdivision 3; 354.44, Subdivisions 1a and 5; 354A.21; 462C.05, Subdivision 1; 462C.10; 500.24, Subdivisions 2 and 3; 501.76, Subdivision 1; 609.52, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 111.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Clark, J.; Vanasek; Nelson, K.; Hokanson and Pogemiller introduced:

H. A. No. 64, A proposal to study the feasibility for increased penalties for certain crimes against minors.

The advisory was referred to the Committee on Criminal Justice.

#### 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 Tuesday, March 9, 1982:

H. F. Nos. 1099, 1542, 400, 1025, 1115, 1477, 1702, 1757, 1789, 1798, 2005, 2123 and 2190 and S. F. Nos. 411, 1239, 1398, 1499, 1671 and 1910 and H. F. Nos. 1811, 1840, 1887, 2040 and 352.

#### 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. 1231, A bill for an act relating to state lands; directing conveyance of certain lands in Washington County.

H. F. No. 1235, A bill for an act relating to state lands; authorizing the conveyance by the state of its interest in certain lands in Lyon County and Wright County.

H. F. No. 1603, A bill for an act relating to education; requiring the board of teaching and the state board of education to accept completion of certain training programs in lieu of the human relations components required for licensure; amending Minnesota Statutes 1980, Section 125.05, by adding a subdivision.

H. F. No. 1720, A bill for an act relating to retirement; recognizing service covered by multiple retirement funds for entitlement to a disability benefit; proposing new law coded in Minnesota Statutes, Chapter 356.

H. F. No. 1795, A bill for an act relating to the city of Minneapolis; changing limitations on housing programs in two Minneapolis development districts; amending Laws 1971, Chapter 677.

H. F. No. 1906, A bill for an act relating to local government; allowing the city of Orr and the town of Leiding to assess the cost of maintenance of television relay service.

H. F. No. 2073, A bill for an act relating to resource recovery; permitting the use of waste oil burners in certain gasoline stations and garages; proposing new law coded in Minnesota Statutes, Chapter 299F.

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. 492, A bill for an act relating to crimes; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C.

PATRICK E. FLAHAVEN, Secretary of the Senate

Vanasek moved that the House refuse to concur in the Senate amendments to H. F. No. 492, 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 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. 1602, A bill for an act relating to counties; providing for meetings of the county board of commissioners; amending Minnesota Statutes 1980, Section 375.07.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Anderson, B., moved that the House concur in the Senate amendments to H. F. No. 1602 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1602, A bill for an act relating to counties; providing for meetings of the county board of commissioners; amending Minnesota Statutes 1980, Sections 375.07; and 375.13.

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

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Hoberg	McCarron	Peterson, D.
Ainley	Eken	Hokanson	McDonald	Piepho
Anderson, B.	Elioff	Hokr	McEachern	Pogemiller
Anderson, G.	Ellingson	Jacobs	Mehrkens	Redalen
Anderson, I.	Erickson	Jennings	Metzen	Reding
Battaglia	Esau	Johnson, C.	Minne	Rees
Begich	Evans	Johnson, D.	Munger	Rice
Berkelman	Ewald	Jude	Murphy	Rodriguez, C.
Blatz	Fjoslien	Kahn	Nelsen, B.	Rodriguez, F.
Brandl	Frerichs	Kaley	Nelson, K.	Rose
Byrne	Greenfield	Kalis	Niehaus	Rothenberg
Carlson, D.	Gruenes	Kelly	Norton	Samuelson
Carlson, L.	Halberg	Kostohryz	Novak	Sarna
Clark, J.	Hanson	Kvam	Nysether	Schafer
Clark, K.	Harens	Lehto	O'Connor	Schoenfeld
Clawson	Hauge	Lemen	Ogren	Schreiber
Dahlvang	Haukoos	Long	Onnen	Shea
Dean	Heap	Ludeman	Osthoff	Sherman
Dempsey	Heinitz	Luknic	Otis	Sherwood
Den Ouden	Himle	Marsh	Peterson, B.	Sieben, M.

Simoneau	Svigum	Vanasek	Welker	Zubay
Skoglund	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. 1120, A bill for an act relating to public safety; authorizing the sale to and use by engineers of fireworks; amending Minnesota Statutes 1980, Section 624.21.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Ewald moved that the House concur in the Senate amendments to H. F. No. 1120 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1120, A bill for an act relating to public safety; authorizing the sale to and use by engineers of fireworks; amending Minnesota Statutes 1980, Section 624.21.

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

Osthoff	Rice	Shea	Stumpf	Weaver
Otis	Rodriguez, C.	Sherman	Sviggum	Welch
Peterson, B.	Rodriguez, F.	Sherwood	Swanson	Welker
Peterson, D.	Rothenberg	Sieben, M.	Tomlinson	Wenzel
Piepho	Samuelson	Simoneau	Valan	Wieser
Pogemiller	Sarna	Skoglund	Valento	Wigley
Redalen	Schafer	Stadum	Vanasek	Wynia
Reding	Schoenfeld	Staten	Vellenga	Zubay
Rees	Schreiber	Stowell	Voss	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. 1366, A bill for an act relating to liens for improvements made to real property; prescribing notice requirements to owners by subcontractors; defining owner; amending Minnesota Statutes 1980, Section 514.011, Subdivisions 2 and 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Jude moved that the House concur in the Senate amendments to H. F. No. 1366 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1366, A bill for an act relating to liens for improvements made to real property; prescribing notice requirements to owners by subcontractors; defining owner; amending Minnesota Statutes 1980, Section 514.011, Subdivisions 2 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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Kvam	Murphy	Piepho	Sherman	Vellenga
Lehto	Nelsen, B.	Pogemiller	Sherwood	Voss
Lemen	Nelson, K.	Redalen	Sieben, M.	Welch
Long	Niehaus	Reding	Simoneau	Welker
Ludeman	Norton	Rees	Skoglund	Wenzel
Luknic	Novak	Rodriguez, C.	Staten	Wieser
Marsh	Nysether	Rodriguez, F.	Stowell	Wigley
McCarron	Ogren	Rothenberg	Stumpf	Wynia
McDonald	Olsen	Samuelson	Sviggum	Zubay
McEachern	Onnen	Sarna	Swanson	Spkr. Sieben, H.
Mehrkens	Osthoff	Schafer	Tomlinson	
Metzen	Otis	Schoenfeld	Valan	
Minne	Peterson, B.	Schreiber	Valento	
Munger	Peterson, D.	Shea	Vanasek	

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. 1622, A bill for an act relating to state lands; providing for the transfer of ownership to meet donors' intent.

PATRICK E. FLAHAVERN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Piepho moved that the House concur in the Senate amendments to H. F. No. 1622 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1622, A bill for an act relating to state lands; providing for the transfer of ownership of certain state land to the Mankato State University Foundation.

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 122 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Blatz	Clawson	Ellingson	Greenfield
Ainley	Brandl	Dahlvang	Erickson	Gruenes
Anderson, B.	Brinkman	Dean	Esau	Gustafson
Anderson, G.	Byrne	Dempsey	Evans	Halberg
Anderson, I.	Carlson, D.	Den Ouden	Ewald	Hanson
Battaglia	Carlson, L.	Drew	Fjoslien	Hauge
Begich	Clark, J.	Eken	Forsythe	Haukoos
Berkelman	Clark, K.	Elioff	Frerichs	Heap

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

Those who voted in the negative were:

Lehto

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. 1713, A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Elioff moved that the House concur in the Senate amendments to H. F. No. 1713 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1713, A bill for an act relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

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	Erickson	Kaley	Nysether	Sherman
Ainley	Esau	Kalis	O'Connor	Sherwood
Anderson, B.	Evans	Kelly	Ogren	Sieben, M.
Anderson, G.	Ewald	Knickerbocker	Olsen	Simoneau
Anderson, I.	Fjoslien	Kostohryz	Onnen	Skoglund
Battaglia	Forsythe	Kvam	Osthoff	Staten
Begich	Frerichs	Lehto	Otis	Stowell
Berkelman	Greenfield	Lemen	Peterson, B.	Stumpf
Blatz	Gruenes	Long	Peterson, D.	Sviggum
Brandl	Gustafson	Ludeman	Piepho	Swanson
Brinkman	Halberg	Luknic	Pogemiller	Tomlinson
Byrne	Hanson	Marsh	Redalen	Vaian
Carlson, D.	Hauge	McCarron	Reding	Valento
Carlson, L.	Haukoos	McDonald	Rees	Vanasek
Clark, J.	Heap	McEachern	Rice	Vellenga
Clark, K.	Heinitz	Mehrkens	Rodriguez, C.	Voss
Clawson	Himle	Metzen	Rodriguez, F.	Weaver
Dahlvang	Hoberg	Minne	Rose	Welch
Dean	Hokanson	Munger	Rothenberg	Welker
Dempsey	Hokr	Murphy	Samuelson	Wenzel
Den Ouden	Jacobs	Nelsen, B.	Sarna	Wieser
Drew	Johnson, C.	Nelson, K.	Schafer	Wigley
Eken	Johnson, D.	Niehaus	Schoenfeld	Wynia
Elioff	Jude	Norton	Schreiber	Zubay
Ellingson	Kahn	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. 2078, A bill for an act relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, Subdivision 2.

PATRICK E. FLAHAVERN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Sviggum moved that the House concur in the Senate amendments to H. F. No. 2078 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2078, A bill for an act relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers; amending Minnesota Statutes 1980, Section 268.011, 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 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

McEachern

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. 1726, A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; allowing community college and state university teachers to accrue seniority credit during extended leaves of absence; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; 136.13; and 136.88, Subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate



## CONCURRENCE AND REPASSAGE

Elioff moved that the House concur in the Senate amendments to H. F. No. 1726 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1726, A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; allowing teachers at a community college or state university to accrue seniority during a leave of absence; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; 136.13; and 136.88, Subdivision 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 104 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kahn	O'Connor	Schoenfeld
Ainley	Erickson	Kaley	Ogren	Schreiber
Anderson, B.	Evans	Kalis	Olsen	Sherman
Anderson, G.	Ewald	Kelly	Osthoff	Sherwood
Anderson, I.	Fjoslien	Knickerbocker	Otis	Sieben, M.
Battaglia	Forsythe	Kostohryz	Peterson, B.	Simoneau
Begich	Frerichs	Lehto	Peterson, D.	Skoglund
Berkelman	Greenfield	Long	Piepho	Stowell
Blatz	Gruenes	Ludeman	Pogemiller	Stumpf
Brandl	Gustafson	Luknic	Redalen	Sviggum
Brinkman	Hanson	Marsh	Reding	Swanson
Byrne	Hauge	McCarron	Rees	Tomlinson
Carlson, D.	Heap	McDonald	Reif	Vanasek
Carlson, L.	Heinitz	McEachern	Rice	Vellenga
Clark, J.	Himle	Metzen	Rodriguez, C.	Voss
Clawson	Hoberg	Minne	Rodriguez, F.	Weaver
Dahlvang	Hokanson	Munger	Rose	Welch
Dean	Jacobs	Murphy	Rothenberg	Wenzel
Dempsey	Johnson, C.	Nelson, K.	Samuelson	Wieser
Drew	Johnson, D.	Norton	Sarna	Spkr. Sieben, H.
Eken	Jude	Novak	Schafer	

Those who voted in the negative were:

Den Ouden	Hokr	Nelsen, B.	Valento	Wigley
Esau	Jennings	Niehaus	Welker	Zubay
Halberg	Kvam	Onnen		
Haukoos	Mehrkens	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. 1955, A bill for an act relating to the city of Waconia; authorizing the sale of certain revenue bonds at a price less than par value and authorizing the maturity schedule to be determined by municipal resolution.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

McDonald moved that the House concur in the Senate amendments to H. F. No. 1955 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1955, A bill for an act relating to the city of Waconia; authorizing the sale of certain revenue bonds at a price less than par value and in an amount and with a maturity date to be determined by the governing body.

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

PATRICK E. FLAHAVER, Secretary of the Senate

Peterson, B., moved that the House concur in the Senate amendments to H. F. No. 253 and that the bill be re-passed as amended by the Senate.

Sarna moved that the House refuse to concur in the Senate amendments to H. F. No. 253, 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. 1712, A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivision 2.

PATRICK E. FLAHAVER, Secretary of the Senate

Kaley moved that the House refuse to concur in the Senate amendments to H. F. No. 1712, 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. 1856, A bill for an act relating to state government; improving the state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 241.64, Subdivision 3; 241.65; 246.017, Subdivision 2; 299E.01, Subdivision 1; 299F.01, Subdivision 2; and 352D.02, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.05, Subdivision 4; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.41, Subdivision 4; 43A.42; 43A.44, Subdivision 2; 124.41, Subdivision 3; 254A.03, Subdivision 1; 352D.02, Subdivision 1; and 462A.04, Subdivision 8; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; 190.081; and 190.095; and Minnesota Statutes 1981 Supplement, Section 43A.08, Subdivision 2.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Spear, Ashbach and Nelson.

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 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. 1856. The motion prevailed.

**Mr. Speaker:**

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 378, A bill for an act relating to marriage dissolution; clarifying factors to consider in awarding maintenance; amending Minnesota Statutes 1980, Section 518.552.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Ms. Berglin, Messrs. Peterson, R. W., and Ramstad.

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. 378. 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. 552, A bill for an act relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty; amending Minnesota Statutes 1980, Sections 327.07; and 327.14, Subdivision 8.

The Senate has appointed as such committee Messrs. Peterson, R. W., Bernhagen and Dahl.

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. 1555, A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain

administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

The Senate has appointed as such committee Messrs. Dieterich, Merriam, Hughes, Langseth and Rued.

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. 1872, A bill for an act relating to the financing of government in this state; extending the effective date of resi-

dential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for withholding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain cases of joint tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act; adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment com-

compensation; increasing the rate of interest allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 168.013, Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended, and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter



2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340 and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

The Senate has appointed as such committee Messrs. Johnson and Hanson, Ms. Berglin, Messrs. Setzepfandt and Sieloff.

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. 1838, 276 and 1666.

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. 1842 and 1588.

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. 1859.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 1838, A bill for an act relating to administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5.

The bill was read for the first time.

Rees moved that S. F. No. 1838 and H. F. No. 1946, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 276, A bill for an act relating to health; establishing an advisory task force on the use of state facilities in lieu of reimbursing private facilities for some purposes; appropriating money.

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

S. F. No. 1666, A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; proposing new law coded in Minnesota Statutes, Chapter 480.

The bill was read for the first time.

Wynia moved that S. F. No. 1666 and H. F. No. 1826, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1842, A bill for an act relating to transportation; establishing a highway maintenance cost containment council.

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

S. F. No. 1588, A bill for an act relating to state and local government organization and relations; creating an advisory council on local government; prescribing its duties; proposing new law coded as Minnesota Statutes, Chapter 15B.

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

S. F. No. 1859, A bill for an act relating to forestry; establishing a forest resource management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; changing certain procedures for timber sales from state and tax-forfeited lands; extending certain timber permits; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.201; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; Laws 1981,

Chapter 305, Section 11; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

The bill was read for the first time.

Anderson, I., moved that S. F. No. 1859 and H. F. No. 1982, now on Technical 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. 1712:

Kaley, McCarron and Samuelson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 492:

Gruenes, Vanasek and Lehto.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 253:

Peterson, B.; Sarna and Dahlvang.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1856:

Norton, Rose and Simoneau.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 378:

Wynia, Forsythe and Norton.

Forsythe was excused for the remainder of today's session. Olsen was excused between the hours of 2:00 and 3:45 p.m. Knickerbocker was excused between the hours of 2:30 and 4:30 p.m.

## CONSENT CALENDAR

There being no objection pursuant to Senate Concurrent Resolution No. 9 the bill on the Consent Calendar was now considered.

S. F. No. 1589 was reported to the House.

Clark, K., moved to amend S. F. No. 1589, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 260.015, Subdivision 16, is amended to read:

Subd. 16. “Secure detention facility” means a physically restricting (DETENTION) facility, including *but not limited to a jail, a hospital, a state institution, a residential treatment center, or a detention home used for the temporary care of a child pending court action.*

Sec. 2. Minnesota Statutes 1980, Section 260.015, Subdivision 17, is amended to read:

Subd. 17. “Shelter care facility” means a physically unrestricting facility, such as *but not limited to, a hospital, a group home or a licensed facility for foster care, (EXCLUDING A DETENTION HOME) used for the temporary care of a child pending court action.*

Sec. 3. Minnesota Statutes 1980, Section 260.171, Subdivision 2, is amended to read:

Subd. 2. If the child is not released as provided in subdivision 1, the person taking the child into custody shall notify the court as soon as possible of the detention of the child and the reasons for detention. *Except a child taken into custody pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), no child may be detained in a secure detention facility or a shelter care facility longer than 24 hours, excluding Saturdays, Sundays and holidays, (AFTER THE TAKING INTO CUSTODY) unless an order for detention, specifying the reason for detention, is signed by the judge or referee. No child may be (HELD) detained in a secure detention facility or shelter care facility longer than 36 hours, excluding Saturdays, Sundays or holidays, after (THE TAKING) being taken into custody for a delinquent act as defined in section 260.015, subdivision 5, unless a petition has been filed and the judge or referee determines pursuant to section 260.172 that the child shall remain in detention.*

*No child taken into custody pursuant to section 260.165, subdivision 1, clause (a) or (c)(2) may be held in a shelter care facility longer than 72 hours, excluding Saturdays, Sun-*

*days and holidays, unless a petition has been filed and the judge or referee determines pursuant to section 260.172 that the child shall remain in custody.*

If a child described in section 260.173, subdivision 4, is to be detained in a jail beyond 48 hours, the judge or referee, in accordance with rules and procedures established by the commissioner of corrections, shall notify the commissioner of the place of the detention and the reasons therefor. The commissioner shall thereupon assist the court in the relocation of the child in an appropriate *secure* detention facility or approved jail within the county or elsewhere in the state, or in determining suitable alternatives. The commissioner shall direct that a child detained in a jail be detained after eight days from and including the date of the original detention order in an approved (JUVENILE) *secure* detention facility with the approval of the administrative authority of the facility. If the court refers the matter to the prosecuting authority pursuant to section 260.125, notice to the commissioner shall not be required.

Sec. 4. Minnesota Statutes 1980, Section 260.171, Subdivision 4, is amended to read:

Subd. 4. If the person who has taken the child into custody determines that the child should be placed in a *secure* detention facility or a *shelter care facility*, he shall advise the child and as soon as is possible, the child's parent, guardian, or custodian:

(a) of the reasons why the child has been taken into custody and why he is being placed in a *secure* detention facility or a *shelter care facility*; and

(b) of the location of the *secure* detention facility or *shelter care facility*. *If there is reason to believe that disclosure of the location of the shelter care facility would place the child's health and welfare in immediate endangerment, disclosure of the location of the shelter care facility shall not be made*; and

(c) that the child's parent, guardian, or custodian and attorney or *guardian ad litem* may make an initial visit to the *secure* detention facility or *shelter care facility* at any time. Subsequent visits by a parent, guardian, or custodian may be made on a reasonable basis during visiting hours and by the child's attorney or *guardian ad litem* at reasonable hours; and

(d) that the child may telephone his parents and an attorney or *guardian ad litem* from the *secure* detention facility or *shelter care facility* immediately after being admitted to the (DETENTION) facility and thereafter on a reasonable basis to be determined by the director of the facility; and

(e) that the child may not be (HELD) *detained for acts as defined in section 260.015, subdivision 5 at (THE) a secure detention facility or shelter care facility longer than 36 hours, excluding Saturdays, Sundays and holidays, unless a petition has been filed within that time and the court orders the child's continued detention, pursuant to section 260.172; and*

(f) *that the child may not be detained pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), at a shelter care facility longer than 72 hours, excluding Saturdays, Sundays and holidays, unless a petition has been filed within that time and the court orders the child's continued detention, pursuant to section 260.172.*

Sec. 5. Minnesota Statutes 1980, Section 260.171, Subdivision 5, is amended to read:

Subd. 5. If a child is to be detained (, THE) *in a secure detention facility (WHERE) or shelter care facility, the child (IS TO BE PLACED SHALL PROMPTLY PROVIDE FOR TRANSPORTATION OF THE CHILD TO THE FACILITY OR SECURE) shall be promptly transported to the facility in a manner approved by the facility or by securing a written transportation order from the court authorizing transportation by the sheriff or other qualified person. The person who has determined that the child should be detained shall deliver to the court and the supervisor of the secure detention facility or shelter care facility where the child is placed, a signed report, setting forth:*

- (a) *the time the child was taken into custody; and*
- (b) *the time the child was delivered for transportation to the secure detention facility or shelter care facility; and*
- (c) *the reasons why the child was taken into custody; and*
- (d) *the reasons why the child has been placed in detention; and*
- (e) *a statement that the child and his parent have received the notification required by subdivision 4 or the reasons why they have not been so notified; and*
- (f) *any instructions required by section 6.*

Sec. 6. Minnesota Statutes 1980, Section 260.171, is amended by adding a subdivision to read:

*Subd. 5a. [SHELTER CARE; NOTICE TO PARENT.] When a child is to be placed in a shelter care facility the person taking the child into custody or the court shall determine whether or not there is reason to believe that disclosure of the shelter*

*care facility's location to the child's parent, guardian, or custodian would immediately endanger the health and welfare of the child. If there is reason to believe that the child's health and welfare would be immediately endangered, disclosure of the location shall not be made. This determination shall be included in the report required by subdivision 5, along with instructions to the shelter care facility to notify or withhold notification.*

Sec. 7. Minnesota Statutes 1980, Section 260.171, Subdivision 6, is amended to read:

Subd. 6. (a) When a child has been delivered to a *secure* detention facility, the supervisor of the facility shall deliver to the court a signed report acknowledging receipt of the child stating the time of the child's arrival. The supervisor of the facility shall ascertain from the report of the person who has taken the child into custody whether the child and his parent, guardian, or custodian have received the notification required by subdivision 4. If the child or his parent, guardian or custodian, or both, have not been so notified, the supervisor of the facility shall immediately make the notification, and shall include in his report to the court a statement that notification has been received or the reasons why it has not.

(b) *When a child has been delivered to a shelter care facility, the supervisor of the facility shall deliver to the court a signed report acknowledging receipt of the child stating the time of the child's arrival. The supervisor of the facility shall ascertain from the report of the person who has taken the child into custody whether the child's parent, guardian or custodian has been notified of the placement of the child at the shelter care facility and its location, and the supervisor shall follow any instructions concerning notification contained in that report.*

Sec. 8. Minnesota Statutes 1980, Section 260.172, Subdivision 1, is amended to read:

Subdivision 1. *Except a child taken into custody pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), a hearing shall be held within 36 hours of a child's being taken into custody, excluding Saturdays, Sundays and holidays, (A HEARING SHALL BE HELD) to determine whether the child should continue in detention. Within 72 hours of a child being taken into custody pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), excluding Saturdays, Sundays and holidays, a hearing shall be held to determine whether the child should continue in custody. Unless there is reason to believe that the child would endanger himself or others, not return for a court hearing, not remain in the care or control of the person to whose lawful custody he is released, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of his parent, guardian, custodian or other suitable person.*

## Sec. 9. [609.271] [SELLING OF CHILD.]

*Subdivision 1. [PROHIBITED ACTS.] Whoever offers to transfer or transfers a child in exchange for money or any type of compensation, or in exchange for a promise to pay or deliver money or any type of compensation, is guilty of child selling and may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$20,000, or both.*

*Subd. 2. [LICENSED OR CERTIFIED CHILD-PLACING AGENCY; COUNTY WELFARE DEPARTMENTS; COMMISSIONER OF PUBLIC WELFARE EXCEPTED.] Subdivision 1 does not apply to an agency licensed or certified by the commissioner of public welfare to place children for adoption, or to a county welfare or social services department, or to the commissioner of public welfare, acting in accordance with sections 259.21 to 259.45.*

*Subd. 3. [OTHER EXCEPTIONS.] Subdivision 1 does not apply to payments by a biological father, or person who reasonably believes he is the biological father, to a woman to compensate her for physical discomfort, pain and suffering, loss of income, medical expenses, legal expenses, or other expenses related to the woman's pregnancy, childbirth, or adoption of the child.*

*Subd. 4. [EXEMPTION FROM LIABILITY.] A person who pays, offers, or attempts to pay for a child is guilty of a misdemeanor.*

*Subd. 5. [BUYER'S LIABILITY.] A person who buys or attempts to buy a child, with intent to transfer the child, is punishable as provided in subdivision 1.*

Sec. 10. Minnesota Statutes 1980, Section 609.341, Subdivision 9, is amended to read:

Subd. 9. "Physically helpless" means that a person is (UNCONSCIOUS, ASLEEP, OR FOR ANY OTHER REASON IS PHYSICALLY UNABLE TO COMMUNICATE UNWILLINGNESS TO ACT) (a) *asleep or not conscious*, (b) *unable to withhold consent or to withdraw because of a physical condition*, or (c) *unable to communicate nonconsent and the condition is known or reasonably should have been known to the actor.*

## Sec. 11. [REPEALER.]

*Minnesota Statutes 1980, Section 260.015, Subdivision 15, is repealed.*

## Sec. 12. [EFFECTIVE DATE.]



*This act is effective the day following final enactment and applies to all crimes occurring on or after its effective date."*

Delete the title and insert:

"A bill for an act relating to crimes; amending the definitions of shelter care facility and secure detention facility; extending the time limit for detaining children who may be dependent or neglected children; prohibiting the selling of children; prescribing penalties; clarifying the definition of physically helpless victims of criminal sexual conduct; amending Minnesota Statutes 1980, Sections 260.015, Subdivisions 16 and 17; 260.171, Subdivisions 2, 4, 5, and 6, and by adding a subdivision; 260.172, Subdivision 1; 609.341, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 609; repealing Minnesota Statutes 1980, Section 260.015, Subdivision 15."

The motion prevailed and the amendment was adopted.

Pogemiller moved to amend S. F. No. 1589, the first engrossment, as amended, as follows:

Page 6, line 17 to 36 to page 7, line 1 to 6 delete Section 9 from the bill

Renumber succeeding sections accordingly

Amend the title as follows:

Page 7, line 27 and 28 of the Clark, K., amendment, delete "prohibiting the selling of children; prescribing penalties;"

Page 7, line 34 and 35 delete "proposing new law coded in Minnesota Statutes, Chapter 609;"

The motion prevailed and the amendment was adopted.

S. F. No. 1589, A bill for an act relating to crimes; clarifying the definition of physically helpless victims of criminal sexual conduct; amending Minnesota Statutes 1980, Section 609.341, Subdivision 9.

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	Anderson, I.	Blatz	Carlson, D.	Clawson
Ainley	Battaglia	Brandl	Carlson, L.	Dahlvang
Anderson, B.	Begich	Brinkman	Clark, J.	Dean
Anderson, G.	Berkelman	Byrne	Clark, K.	Dempsey

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

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

### SPECIAL ORDERS

H. F. No. 1099 was reported to the House.

Ogren moved to amend H. F. No. 1099, the second engrossment, as follows:

Page 3, line 20, delete *"including any class 3B"* and insert *"which is class 3b"*

Page 8, line 20, delete *"1"* and insert *"2"*

Page 9, line 20, delete *"1"* and insert *"2"*

Page 9, line 34, delete *"1"* and insert *"2"*

Page 16, line 13, delete *"1"* and insert *"2"*

The motion prevailed and the amendment was adopted.

Stowell moved to amend H. F. No. 1099, the second engrossment, as amended, as follows:

Page 3, line 30, after *"died"* insert a comma

Page 3, line 31, after *"disability"* insert *"or permanent partial disability"*

Page 3, line 34, delete the comma and insert *": (a)"*

Page 4, line 4, before the period insert “; and (b) permanent partial disability” means a disability for which compensation would be payable under section 176.101, subdivision 3, whether or not the provisions of that section apply”

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

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

Aasness	Ewald	Kalis	Ogren	Simoneau
Ainley	Fjoslien	Kelly	Onnen	Skoglund
Anderson, B.	Frerichs	Kostohryz	Osthoff	Stadium
Anderson, G.	Greenfield	Kvam	Otis	Staten
Anderson, I.	Gruenes	Lehto	Peterson, D.	Stowell
Battaglia	Gustafson	Lemen	Piepho	Sviggum
Begich	Halberg	Ludeman	Pogemiller	Swanson
Blatz	Hanson	Luknic	Redalen	Valan
Brandl	Harens	Marsh	Reding	Valento
Brinkman	Hauge	McCarron	Rees	Vellenga
Byrne	Heap	McDonald	Reif	Weaver
Carlson, L.	Heinitz	McEachern	Rodriguez, C.	Weich
Clark, J.	Himle	Mehrkens	Rodriguez, F.	Welker
Clark, K.	Hoberg	Metzen	Rose	Wenzel
Dahlvang	Hokanson	Minne	Rothenberg	Wieser
Dean	Hokr	Murphy	Samuelson	Wigley
Dempsey	Jennings	Nelsen, B.	Sarna	Wynia
Den Ouden	Johnson, C.	Nelson, K.	Schafer	Zubay
Eken	Johnson, D.	Niehaus	Schoenfeld	Spkr. Sieben, H.
Elioff	Jude	Novak	Schreiber	
Erickson	Kahn	Nysether	Sherwood	
Esau	Kaley	O'Connor	Sieben, M.	

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.

#### POINT OF ORDER

Eken raised a point of order pursuant to rule 3.9 that the Stowell amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

The question recurred on the Stowell amendment and the roll was called.

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

There were 61 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Aasness	Frerichs	Kvam	Piepho	Sviggum
Ainley	Gruenes	Laidig	Redalen	Valan
Berkelman	Halberg	Lemen	Rees	Valento
Blatz	Haukoos	Ludeman	Reif	Voss
Carlson, D.	Heap	Luknic	Rose	Weaver
Dean	Heinitz	Marsh	Schafer	Welker
Dempsey	Himle	McDonald	Schoenfeld	Wieser
Den Ouden	Hoberg	Mehrkens	Schreiber	Wigley
Drew	Hokr	Nelsen, B.	Shea	Zubay
Erickson	Jennings	Niehaus	Sherman	
Esau	Johnson, D.	Nysether	Sherwood	
Ewald	Kaley	Onnen	Stadum	
Fjoslien	Kalis	Peterson, B.	Stowell	

Those who voted in the negative were:

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

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

Rose was excused between the hours of 2:45 and 3:45 p.m.

The Speaker called Wynia to the Chair.

Stowell moved to amend H. F. No. 1099, the second engrossment, as amended, as follows:

Page 14, line 15, strike "and"

Page 14, line 19, before the period insert "; and

(26) *to the extent included in federal adjusted gross income, the amount of income or gains excluded under section 5"*

Page 16, after line 22, insert:

"Sec. 5. [290.088]

*Income or gains from the sale of agricultural land used for agricultural purposes which is designated class 3b as defined in section 273.13, subdivision 6, or 6a, without regard to the 240 acre limitation or class 3cc pursuant to section 273.13, sub-*

*division 7, or qualifies as a family farm corporation pursuant to section 500.24, subdivision 2, clause (c), or qualifies as an authorized farm corporation pursuant to section 500.24, subdivision 2, clause (d), at the time of its sale is exempt from taxes imposed under this chapter, if the purchaser intends to continue the agricultural use of the property. Compliance with the requirements for exclusion under this section shall be stated in an affidavit signed by both the seller and the purchaser and filed with the income tax return for the taxable year in which the income or gains would be recognized under this chapter. Gains exempt under this section shall not be taken into account in computing capital gains or losses under this chapter."*

Page 16, line 24, delete "4" and insert "5"

Amend the title as follows:

Page 1, line 4, after "reductions;" insert "exempting from income tax gain from the sale of certain agricultural land;"

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 47 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Aasness	Gruenes	Kvam	Piepho	Valan
Ainley	Halberg	Laidig	Reif	Valento
Blatz	Haukoos	Lemen	Rothenberg	Weaver
Dean	Heap	Ludeman	Schafer	Welker
Dempsey	Heinitz	Luknic	Schoenfeld	Wieser
Erickson	Himle	McDonald	Schreiber	Wigley
Esau	Hoberg	Nelsen, B.	Sherwood	Zubay
Evans	Hokr	Niehaus	Stadum	
Fjoslien	Jennings	Nysether	Stowell	
Frerichs	Kaley	Peterson, B.	Sviggum	

Those who voted in the negative were:

Anderson, B.	Clark, J.	Hauge	Long	O'Connor
Anderson, G.	Clark, K.	Hokanson	McCarron	Ogren
Anderson, I.	Clawson	Jacobs	McEachern	Onnen
Battaglia	Dahlvang	Johnson, C.	Mehrkens	Osthoff
Begich	Drew	Johnson, D.	Metzen	Otis
Berkelman	Eken	Jude	Minne	Peterson, D.
Brandl	Elioff	Kahn	Munger	Pogemiller
Brinkman	Greenfield	Kalis	Murphy	Redalen
Byrne	Gustafson	Kelly	Nelson, K.	Reding
Carlson, D.	Hanson	Kostohryz	Norton	Rees
Carlson, L.	Harens	Lehto	Novak	Rodriguez, C.

Rodriguez, F.	Sherman	Staten	Vanasek	Wenzel
Samuelson	Sieben, M.	Stumpf	Vellenga	Wynia
Sarna	Simoneau	Swanson	Voss	Spkr. Sieben, H.
Shea	Skoglund	Tomlinson	Welch	

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

Stowell moved to amend H. F. No. 1099, the second engrossment, as amended, as follows:

Page 14, line 15, strike "and"

Page 14, line 19, before the period, insert "; and

*(26) In addition to the amount excluded from federal adjusted gross income pursuant to section 121 of the Internal Revenue Code of 1954 and this chapter, an amount so that the total exclusion of gain under this chapter does not exceed \$500,000, provided that the property sold or exchanged is agricultural land which qualifies as homestead property pursuant to sections 273.13, subdivisions 6, 6a, or 7 at the time of sale or exchange and the gain from the sale or exchange qualifies for exclusion under section 121 of the Internal Revenue Code of 1954 and this chapter except for the dollar limitations contained in section 121 (b) of the Internal Revenue Code of 1954"*

Amend the title as follows:

Page 1, line 4, after "reductions;" insert "increasing the one-time exclusion for sale of a residence by persons over 55 in certain instances;"

A roll call was requested and properly seconded.

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

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

There were 115 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Aasness	Brandl	Dempsey	Frerichs	Heap
Ainley	Brinkman	Den Ouden	Greenfield	Heinitz
Anderson, B.	Byrne	Eken	Gruenes	Himle
Anderson, G.	Carlson, D.	Elioff	Gustafson	Hoberg
Anderson, I.	Carlson, L.	Ellingson	Halberg	Hokanson
Battaglia	Clark, J.	Erickson	Hanson	Hokr
Begich	Clark, K.	Esau	Harens	Jennings
Berkelman	Dahlvang	Ewald	Hauge	Johnson, C.
Blatz	Dean	Fjoslien	Haukoos	Johnson, D.

Jude	McDonald	Osthoff	Schafer	Swanson
Kaley	McEachern	Otis	Schoenfeld	Valan
Kalis	Mehrrens	Peterson, B.	Schreiber	Valento
Kelly	Minne	Peterson, D.	Shea	Vanasek
Kostohryz	Munger	Piepho	Sherman	Vellenga
Kvam	Murphy	Redalen	Sherwood	Voss
Laidig	Nelson, K.	Reding	Sieben, M.	Weaver
Lehto	Niehaus	Rees	Simoneau	Welch
Lemen	Norton	Reif	Skoglund	Welker
Long	Novak	Rodriguez, C.	Stadum	Wenzel
Ludeman	Nysether	Rodriguez, F.	Staten	Wieser
Luknic	O'Connor	Rothenberg	Stowell	Wigley
Marsh	Ogren	Samuelson	Stumpf	Wynia
McCarron	Onnen	Sarna	Sviggum	Zubay

Those who voted in the negative were:

Drew                      Kahn                      Metzen                      Tomlinson

The motion prevailed and the amendment was adopted.

H. F. No. 1099 was given its third reading, as amended.

Sviggum moved to re-refer H. F. No. 1099, as amended, to the Committee on Taxes.

H. F. No. 1099, as amended, was temporarily laid over.

#### CALL OF THE HOUSE LIFTED

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

H. F. No. 1542 was reported to the House.

McDonald moved to amend H. F. No. 1542, the second engrossment, as follows:

Page 4, line 33, delete "*Carver*,"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 32 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Ludeman	Redalen	Sviggum
Ainley	Frerichs	Marsh	Rees	Welker
Carlson, D.	Haukoos	McDonald	Sarna	Wieser
Dempsey	Hoberg	Niehaus	Schafer	Zubay
Den Ouden	Hokr	Nysether	Sherman	
Erickson	Kvam	Onnen	Sherwood	
Esau	Laidig	Piepho	Stowell	

Those who voted in the negative were:

Anderson, G.	Ewald	Kelly	Novak	Schoenfeld
Anderson, I.	Greenfield	Knickerbocker	O'Connor	Schreiber
Battaglia	Gruenes	Kostohryz	Ogren	Shea
Begich	Gustafson	Lehto	Olsen	Sieben, M.
Berkelman	Hanson	Lemen	Osthoff	Simoneau
Blatz	Hauge	Long	Otis	Skoglund
Brandl	Heap	Luknic	Peterson, B.	Staten
Brinkman	Heinitz	McCarron	Peterson, D.	Swanson
Byrne	Himle	McEachern	Pogemiller	Vanasek
Carlson, L.	Hokanson	Mehrkens	Reding	Vellenga
Clark, J.	Jacobs	Metzen	Rice	Voss
Clark, K.	Johnson, C.	Minne	Rodriguez, C.	Welch
Clawson	Johnson, D.	Munger	Rodriguez, F.	Wenzel
Dahlvang	Jude	Murphy	Rose	Wigley
Elioff	Kahn	Nelson, K.	Rothenberg	Wynia
Ellingson	Kalis	Norton	Samuelson	Spkr. Sieben, H.

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

Skoglund moved to amend H. F. No. 1542, the second engrossment, as follows:

Page 2, line 13, after "*metropolitan area*" insert "*excluding the part of Carver County west of the west line of township 116N, range 24W, township 115N, range 24W, and township 114N, range 24W*"

Page 2, after line 23, insert "*If a county is only partly included in the district it shall have only one member.*"

The motion prevailed and the amendment was adopted.

H. F. No. 1542, A bill for an act relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito control district and commission; increasing size of commission membership; increasing certain commission expenditure amounts; authorizing taxes; amending Minnesota Statutes 1980, Sections 473.701, Subdivisions 1, 2 and 3; 473.702; 473.703, Subdivision 1; 473.704, Subdivision 17; 473.705; and 473.711, Subdivision 2; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.713; and 473.717.

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 98 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Anderson, G.	Anderson, I.	Battaglia	Begich
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Berkelman	Halberg	Kostohryz	Ogren	Shea
Blatz	Hanson	Kvam	Olsen	Sherman
Brandl	Hauge	Laidig	Onnen	Sieben, M.
Brinkman	Heap	Lehto	Osthoff	Simoneau
Byrne	Heinitz	Lemen	Otis	Skoglund
Carlson, L.	Himle	Long	Peterson, B.	Staten
Clark, J.	Hoberg	Luknic	Peterson, D.	Stowell
Clawson	Hokanson	Marsh	Piepho	Stumpf
Dahlvang	Hokr	McCarron	Pogemiller	Swanson
Dempsey	Jacobs	McEachern	Reding	Tomlinson
Drew	Jennings	Mehrkens	Rice	Voss
Elioff	Johnson, C.	Metzen	Rodriguez, C.	Weaver
Ellingson	Johnson, D.	Minne	Rodriguez, F.	Welch
Erickson	Jude	Munger	Rose	Wenzel
Ewald	Kahn	Murphy	Rothenberg	Wigley
Fjoslien	Kaley	Nelson, K.	Samuelson	Wynia
Greenfield	Kalis	Norton	Sarna	Spkr. Sieben, H.
Gruenes	Kelly	Novak	Schoenfeld	
Gustafson	Knickerbocker	O'Connor	Schreiber	

Those who voted in the negative were:

Aasness	Frerichs	Nysether	Schafer	Welker
Ainley	Ludeman	Redalen	Sherwood	Wieser
Den Ouden	McDonald	Rees	Valento	Zubay
Esau	Niehaus	Reif	Vanasek	

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

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

## REPORTS OF STANDING COMMITTEES

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1176, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

Reported the same back with the following amendments:

Page 3, line 32, delete "normal"

Page 3, line 33, delete "normal"

Page 14, line 12, delete "P"

Page 19, line 1, after "PESTICIDES" insert ", FERTILIZERS OR SOIL OR PLANT AMENDMENTS"

Page 19, line 4, before the comma insert "*or the release of fertilizers or soil or plant amendments*"

Page 22, line 29, after "actions" insert ", *including related compliance efforts,*"

Page 22, line 36, after "actions" insert ", *including related compliance efforts,*"

Page 23, line 18, delete "and" and insert a comma

Page 23, line 18, after "monitoring" insert ", *and compliance efforts*"

Page 23, line 19, delete "of" and insert "*related to*"

Page 26, delete lines 25 to 30

Renumber the subdivision

Page 28, delete lines 6 to 16

Page 28, after line 33, insert:

*"Subd. 7. [DISPOSITION OF PROCEEDS.] The proceeds of the tax imposed under section 19 including any interest and penalties, less the commissioner's and director's costs of administration as authorized by the legislature, shall be deposited in the fund and may be appropriated for any purpose provided in section 17, subdivision 2, except the purposes provided in clauses (b) and (c) of that subdivision."*

Renumber the subdivisions

Page 33, delete section 27

Page 33, line 35, before "There" insert "*Subdivision 1. [APPROPRIATION.]*"

Page 33, line 36, delete the period and insert ", *subject to the appropriations in subdivisions 2 and 3. The appropriation shall not cancel and is available until expended.*"

*Subd. 2. [REVENUE DEPARTMENT.] Of the amount appropriated in subdivision 1, \$125,500 is appropriated for the period ending June 30, 1983, to the department of revenue for*

development costs and other expenses to implement the provisions of sections 19 to 21. The approved complement of the department is increased by two positions in fiscal year 1983.

*Subd. 3. [POLLUTION CONTROL AGENCY.] Of the amount appropriated in subdivision 1, \$186,700 is appropriated for the period ending June 30, 1983, to the pollution control agency to adopt rules and take other actions necessary for the agency to implement its authority under sections 15 and 19 to 21. The approved complement of the agency is increased by seven positions.*

*Subd. 4. [RESPONSE ACTIONS.] The remainder of the amount appropriated in subdivision 1 and all other revenues deposited in the fund before July 1, 1983, except the proceeds of the tax imposed under section 19 and any money recovered under section 15, subdivision 8, are appropriated to the pollution control agency for the period ending June 30, 1983, for actions under section 17, subdivision 2, clause (b).*

*Subd. 5. [PREPARATION FOR RESPONSE.] All revenues deposited in the fund before July 1, 1983, as proceeds of the tax imposed under section 19 are appropriated to the pollution control agency for the period ending June 30, 1983, for the purposes of section 17, subdivision 2, clause (a)."*

Renumber the sections

Page 34, line 2, delete "19 to 21 and 23 and 24" and insert "21, 23, 24, and 27"

Page 34, line 3, delete "except that" and insert a period

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. 1374, A bill for an act relating to criminal justice; imposing a tax on alcoholic beverages sold for resale by the drink; providing for the distribution of the proceeds to local units of government to meet the costs of enforcement of laws relating to driving offenses involving alcohol or drugs; requiring payment of certain costs by persons receiving treatment for alcoholism; providing penalties; appropriating money; proposing new law coded in Minnesota Statutes, Chapters 169 and 340.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [PUBLIC POLICY.]

*It is the public policy of this state that the costs of providing treatment and prevention of alcoholism and other chemical dependency problems, as well as the costs of preventing and controlling drunken driving, and the costs to individuals and to society resulting from alcohol abuse, shall be borne to a greater degree by the alcoholic beverage consumer than by the general taxpayer. Further, an additional excise tax on alcoholic beverages will more equitably distribute the costs of alcohol abuse and drunken driving control to the alcoholic beverage consumer and will provide a source of revenue to fund alcohol abuse and drunken driving control and prevention services which will be proportionate to the need for the services.*

Sec. 2. [340.986] [ADDITIONAL TAX ON ALCOHOLIC BEVERAGES.]

*Subdivision 1. [DEFINITION.] For the purposes of this section, "wholesale distributor" means any person who sells alcoholic beverages to retail dealers for the purpose of resale at on-sale establishments where liquor, beer or wine is sold by the glass or by the drink for consumption on the premises only.*

*Subd. 2. [TAX IMPOSED.] In addition to the taxes imposed by section 297A.02 and Chapter 340, there is imposed an excise tax on the gross receipts from the sale of liquor, beer or wine by wholesale distributors to on-sale establishments for resale by the glass or by the drink for consumption on the premises only, according to the following formula:*

- (a) *five cents per ounce of distilled liquor;*
- (b) *five cents per 12 ounces of fermented malt beverages, including both nonintoxicating and intoxicating malt liquors; and*
- (c) *five cents per four ounces of wine.*

*The commissioner of revenue shall, not later than July 1, 1982, make temporary rules under section 15.0412, subdivision 5, to govern determinations by wholesale distributors of sales taxable under this section to municipal liquor stores and persons licensed under section 340.11, subdivision 12. The commissioner of revenue shall, not later than July 1, 1983, make permanent rules, subject to the provisions in the administrative procedure act of sections 15.041 to 15.052, governing these determinations. Notwithstanding any other provision of law the temporary rules*

*shall be effective until permanent rules are adopted but not later than July 1, 1983.*

*Subd. 3. [COLLECTION AND PAYMENT.] For the purposes of this section, the wholesale distributor shall comply with the provisions of chapter 297A relating to the duties of retailers with respect to collection and payment of the excise tax, and shall be subject to the penalties provided therein for failure to comply. The commissioner of revenue shall deposit the revenue derived from the tax imposed by this section in the state treasury, to be credited to the general fund.*

**Sec. 3. [EFFECTIVE DATE.]**

*The tax imposed by section 2 is effective for alcoholic beverages sold after June 30, 1982. Section 1 is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to criminal justice; imposing a tax on alcoholic beverages sold for resale by the drink; proposing new law coded in Minnesota Statutes, Chapter 340."

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

The report was adopted.

Sieben, M., from the Committee on Appropriations to which was referred:

H. F. No. 1566, A bill for an act relating to state and local government organization and relations; creating an advisory council on local government; prescribing its duties; proposing new law coded as Minnesota Statutes, Chapter 15B.

Reported the same back with the following amendments:

Page 2, line 22, delete "15" and insert "19"

Page 2, line 23, after "(a)" delete everything before the comma and insert "Three representatives and three senators"

Page 3, line 26, delete everything after the period

Page 3, delete line 27

Page 6, after line 13, insert:

"Sec. 8. [APPROPRIATIONS.]

*The sum of \$50,000 is appropriated from the general fund to the advisory council on local government for the purposes of sections 1 to 7. The sum is available until June 30, 1983. The limitation upon the appropriation for calendar year 1982 local government aids, contained in Minnesota Statutes 1981 Supplement, Section 477A.03, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 12, is reduced by the sum of \$50,000."*

Page 6, line 15, delete "7" and insert "8"

Renumber the section

Amend the title as follows:

Page 1, line 4, after "duties;" insert "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. 1669, A bill for an act relating to veterans; establishing information and referral assistance programs; authorizing limited studies; mandating annual reports; establishing an Agent Orange information and assistance section in the department of veterans affairs; providing Agent Orange information to health professionals; providing genetic information and counseling; classifying certain information as confidential; authorizing certain class actions; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 196.

Reported the same back with the following amendments:

Page 2, line 24, after "respond" insert "*within his powers and duties under chapters 196 and 197*"

Page 3, line 26, delete "*The*" and insert "*Within his powers and duties under chapters 196 and 197, the*"

Page 5, line 12, in the blank insert "*75,000*"

Page 5, line 14, after the second period, insert "*The approved complement of the department of veterans affairs is increased by two positions. The commissioner may solicit any grants, gifts, bequests, or any other donations which might be available to fund the purpose of sections 1 to 8.*"

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. 2033, A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Sections 223.04; 223.07 to 223.11; 232.01; 232.02, Subdivisions 4, 5, 6, 7, 8 and 9; 232.03; 232.04; and 232.06, Subdivision 5; Minnesota Statutes 1981 Supplement, Sections 223.-01; 223.02; 223.03; 223.05; and 232.02, Subdivisions 1, 2 and 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [PURPOSE.]

*The grain industry is an important source of revenue for many of Minnesota's citizens, and the regulation of grain buyers is consistent with the public welfare. It is the purpose of sections 3 to 6 to give the commissioner of agriculture the authority to regulate grain buyers.*

Sec. 2. [223.15] [CITATION.]

*Sections 3 to 6 may be cited as the grain buyers act.*

Sec. 3. [223.16] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] For the purpose of sections 3 to 6 the terms defined in this section have the meanings given them.*

*Subd. 2. [BOND.] “Bond” means an obligation acceptable to and running to the state, as obligee, for the purpose of indemnifying producers of grain against the breach of a contract by a grain buyer.*

*Subd. 3. [COMMISSIONER.] “Commissioner” means the commissioner of agriculture or the commissioner's designee.*

*Subd. 4. [GRAIN.] “Grain” means any cereal grain, coarse grain or oilseed in unprocessed form for which a standard has been established by the United States secretary of agriculture or the Minnesota board of grain standards.*

*Subd. 5. [GRAIN BUYER.] “Grain buyer” means a person who purchases grain from a producer with the exception of a person who purchases seed grain for crop production or who purchases grain as feed for the person's own livestock.*

**Subd. 6. [GRAIN WAREHOUSE.]** "Grain warehouse" means an elevator, flour, cereal or feed mill, malthouse or warehouse in which grain belonging to a person other than the warehouse operator is received for purchase or storage.

**Subd. 7. [ITINERANT GRAIN BUYER.]** "Itinerant grain buyer" means a person who travels from place to place to purchase grain for resale using a truck, semitrailer or trailer owned or operated by that person.

**Subd. 8. [NONWAREHOUSE GRAIN BUYER.]** "Nonwarehouse grain buyer" means a person without a private or public grain warehouse license who is licensed to engage in the business of purchasing grain for resale, excluding an itinerant grain buyer. A nonwarehouse grain buyer need not use his own vehicles to transport the purchased grain.

**Subd. 9. [PERSON.]** "Person" means a corporation, company, joint stock company or association, partnership, firm or individual and includes their agents, trustees, assignees or duly appointed receivers.

**Subd. 10. [PRIVATE GRAIN WAREHOUSE OPERATOR.]** "Private grain warehouse operator" means a person licensed to operate a grain warehouse for the sole purpose of purchasing, handling, processing and shipping grain or its by-products who is not licensed by the commissioner to accept grain belonging to others for storage. "Private grain warehouse operator" includes any person licensed under the United States Warehouse Act, United States Code, Title 7, Chapter 10.

**Subd. 11. [PRODUCER.]** "Producer" means a person who owns or manages a grain producing or growing operation and holds or shares the responsibility for marketing the grain produced.

**Subd. 12. [PUBLIC GRAIN WAREHOUSE OPERATOR.]** "Public grain warehouse operator" means a person operating a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase or who offers grain storage or warehouse facilities to the public for hire.

**Subd. 13. [SEMITRAILER.]** "Semitrailer" means a vehicle described in Minnesota Statutes, Section 168.011, Subdivision 14, used to haul grain.

**Subd. 14. [TRAILER.]** "Trailer" means a vehicle described in section 168.011, subdivision 13, used to haul grain.

**Subd. 15. [TRUCK.]** "Truck" means a single unit vehicle described in section 168.011, subdivision 10, used to haul grain.



Sec. 4. [223.17] [LICENSES; BONDING; CLAIMS; DISBURSEMENTS.]

*Subdivision 1. [LICENSES.] A application for a grain buyer's license must be filed with the commissioner and the license issued before any grain may be purchased. The types of grain buyers' licenses are:*

- (a) private grain warehouse operator's license;*
- (b) public grain warehouse operator's license;*
- (c) nonwarehouse grain buyer's license; and*
- (d) itinerant grain buyer's license.*

*Public grain warehouse operators' licenses cover both grain buying and grain storage. The applicant for a grain buyer's license shall identify all grain buying locations owned or controlled by the grain buyer and all vehicles owned or controlled by the grain buyer used to transport purchased grain.*

*Subd. 2. [LICENSE RENEWAL.] A license must be renewed annually. If a person receives more than one license from the commissioner, the licenses shall be issued at the same time, but only after all conditions for each license are met. Multiple licenses should be combined into one license if possible.*

*Subd. 3. [FEES.] The commissioner shall set the fees for inspections and licenses under sections 3 to 6 at levels necessary to pay the expenses of administering and enforcing sections 3 to 6.*

*Subd. 4. [BOND.] Before a license is issued, the applicant for a grain buyers license shall file with the commissioner a bond in a penal sum prescribed by the commissioner but not more than the following amounts:*

- (a) \$10,000 for each private or public grain warehouse up to a maximum of five grain warehouses;*
- (b) \$10,000 for each semitrailer used by an itinerant grain buyer up to a maximum of five semitrailers;*
- (c) \$5,000 for each truck used by an itinerant grain buyer up to a maximum of five trucks;*
- (d) \$5,000 for each trailer used by an itinerant grain buyer up to a maximum of five trailers; and*
- (e) \$50,000 for each nonwarehouse grain buyer.*

*In lieu of the bond required by this subdivision the applicant may deposit with the state treasurer cash, a certified check, 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.*

**Subd. 5. [VOLUNTARY EXTENSION OF CREDIT.]**

*Upon demand by a seller of grain, a grain buyer shall pay 90 percent of the estimated or actual value of grain purchased at the time the physical possession of the grain is conveyed from the seller to the grain buyer. The grain buyer shall complete final settlement as rapidly as possible through ordinary diligence. Any transaction wherein this demand is not exercised constitutes a voluntary extension of credit and is not afforded protection under the grain buyer's bond.*

**Subd. 6. [CONFIDENTIAL STATEMENTS REQUIRED.]**

*For the purpose of fixing or changing the amount of a required bond or for any other proper reason, the commissioner may require financial statements from a licensee. If the licensee fails to furnish financial statements or to furnish any new bond required, the commissioner may immediately suspend the license and the licensee shall surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 15 to determine whether the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license. All financial statements submitted to the commissioner are confidential.*

**Subd. 7. [BOND CLAIMS.]** *A producer claiming to be damaged by a breach of the conditions of a bond of a licensed grain buyer may file a written claim with the commissioner. The claim must state the facts constituting the claim. The claim must be filed with the commissioner within 180 days of the breach of the conditions of the bond. If the commissioner believes that a claim is valid, the commissioner may immediately suspend the license, in which case the licensee shall surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 15 to determine whether the license should be revoked. If no request is made within 15 days, the commissioner shall revoke the license.*

**Subd. 8. [BOND DISBURSEMENT.]** (a) *The bond shall provide for payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer. The bond shall be conditioned upon the grain buyer being duly licensed as provided herein. The bond shall not cover any transaction which constitutes a voluntary extension of credit.*

(b) Upon notification of default, the commissioner shall determine the validity of all claims and notify all parties having filed claims. An aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding. In the absence of such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment to those claimants entitled to payment. When the commissioner determines it necessary, the commissioner may apply to the district court for an order appointing a trustee or receiver to manage and supervise the operations of the grain buyer in default. The commissioner may participate in any resulting court proceeding as an interested party.

(c) If a grain buyer has become liable to more than one producer by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay the entire liability to all producers entitled to the protection of the bond, the proceeds of the bond shall be apportioned among the bona fide claimants.

(d) The bond shall not be cumulative from one licensing period to the next. The maximum liability of the bond shall be its face value for the licensing period.

Sec. 5. [223.18] [PENALTY.]

A person buying grain without first obtaining a grain buyer's license is guilty of a misdemeanor. Each day of operation without a grain buyer's license constitutes a separate offense.

Sec. 6. [223.19] [RULES.]

The commissioner may promulgate rules to carry out the provisions of sections 3 to 6.

Sec. 7. [APPROPRIATION.]

The sum of \$50,300 is appropriated from the general fund to the commissioner of agriculture for the purposes of sections 3 to 6. This amount is added to the appropriation made in Laws 1981, Chapter 356, Section 23, and is available until June 30, 1983. The approved complement of the department is increased by one.

Sec. 8. [REPEALER.]

Minnesota Statutes 1980, Sections 223.04; 223.07; 223.08; 223.09; 223.10; 223.11; 232.01; 232.02, Subdivisions 4, 5, 6, 7, 8 and 9; 232.03; 232.04; and 232.06, Subdivision 5; Minnesota Statutes 1981 Supplement, Sections 223.01; 223.02; 223.03; 223.-

05; and 232.02, Subdivisions 1, 2 and 3, are repealed. Sections 2 to 8 are repealed July 1, 1983 except that the provisions of section 4, subdivisions 7 and 8 shall remain in effect for the settlement of any claims.

Sec. 9. [EFFECTIVE DATE.]

*This act is effective July 1, 1982.*

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. 2034, A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; changing certain fee provisions; providing penalties; appropriating money; amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.08; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6, and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

Reported the same back with the following amendments:

Page 3, delete lines 18 to 20

Page 3, line 21, before the first "The" insert "Subd. 3. [FEES.]"

Page 3, delete lines 25 to 34

Page 12, after line 23, insert:

*"Subd. 3. [INSPECTION, SAMPLING.] The commissioner or his authorized agent shall sample, inspect, and grade grains received or distributed from grain warehouses at such time and place and to such an extent as he may deem necessary to determine whether the sampling, inspection, and grading conducted by the warehouse operator conforms with the standards set by the board of grain standards. The commissioner may obtain any additional information he deems necessary and is authorized to enter upon any public or private premises during regular business hours in order to carry out the provisions of this subdivision."*

Page 13, line 24, strike everything after "fee"

Page 13, lines 25 to 33, strike the old language and delete the new language

Page 13, line 34, delete the new language and insert "*set by the commissioner*"

Page 15, delete lines 29 and 30

Page 16, delete lines 24 and 25

Page 17, delete lines 21 to 25 and insert:

*"The sum of \$164,600 is appropriated to the commissioner of agriculture for the purposes of sections 1 to 9. This amount is added to the appropriation made in Laws 1981, Chapter 356, Section 23, and is available until June 30, 1983. The approved complement of the department is increased by three."*

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. 2080, A bill for an act relating to economic development; providing for a Minnesota conference on job formation; appropriating money.

Reported the same back with the following amendments:

Page 1, line 19, after the comma insert "*community organizations,*"

Page 2, line 7, delete everything after the period and insert "*The conference may solicit, receive, and disburse funds and gifts which will then be*"

Page 2, line 12, after the period insert "*The*"

Page 2, line 13, delete "*transferred*" and insert "*approved*"

Page 2, line 14, delete "*to the conference are appropriated*" and insert "*shall be transferred*"

Page 2, line 15, delete everything after the period and insert "*The amounts transferred*"

Page 2, line 16, delete "*March 31*" and insert "*June 30*"

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. 2262, A bill for an act relating to transportation; appropriating funds for matching federal funds for continuance of Amtrak service between the Twin Cities and Duluth.

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. 2277, A bill for an act relating to the county attorneys council; providing for the disposition of its records and equipment.

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. 1837, A bill for an act relating to health; establishing a permanent council on health promotion and wellness; proposing new law coded in Minnesota Statutes, Chapter 145.

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

The report was adopted.

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

S. F. No. 1840, A bill for an act relating to commerce; providing for a determination of when certain property held by a financial institution or business organization is presumed abandoned; amending Minnesota Statutes 1980, Sections 345.32, as amended; and 345.39, as amended.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1176, 1566, 1669, 2033, 2034, 2080, 2262 and 2277 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1837 and 1840 were read for the second time.

## SPECIAL ORDERS

H. F. No. 400, A bill for an act relating to economic development; authorizing the formation of a state development company for small business aid purposes; making certain changes in the small business finance agency act to provide for small business loans; appropriating money; amending Minnesota Statutes 1980, Sections 362.51, Subdivision 1; 362.53, Subdivision 13; and Minnesota Statutes 1981 Supplement, Section 362.52, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 362.

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 109 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Lemen	Ludeman	Schafer	Welker
Frerichs				

The bill was passed and its title agreed to.

H. F. No. 1025, A bill for an act relating to safety; imposing an additional fee for two-wheeled vehicle endorsements for motorcycle safety programs; providing for the disposition of the proceeds of the additional fee; prescribing duties of commissioner of public safety; establishing an account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 171.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 126.

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

Those who voted in the negative were:

Anderson, G.	Welker	Wieser
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The bill was passed and its title agreed to.

H. F. No. 1115 was reported to the House.



Rodriguez, C., moved to amend H. F. No. 1115, the second engrossment, as follows:

Page 3, line 4, delete "*may include provisions for a fee for service*"

Page 3, line 6, after the period insert "*“Total operating cost” may include provisions for a fee for service.*"

Page 8, line 3, after "7" insert a comma and delete "*and*" and after "8" insert "*and 9*"

The motion prevailed and the amendment was adopted.

H. F. No. 1115, A bill for an act relating to transportation; providing for the distribution of assistance under the public transit participation program; defining terms; changing eligibility requirements for replacement transit service; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 174.21; 174.22, by adding subdivisions; 174.23, by adding a subdivision; 174.24, Subdivision 1, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivisions 3, and 3a, as amended; and 174.265, Subdivision 4; repealing Minnesota Statutes 1980, Sections 174.25; and 174.26.

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 112 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley            Frerichs            Ludeman            Welker

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

Halberg was excused between the hours of 5:00 p.m. and 7:00 p.m.

H. F. No. 1477 was reported to the House.

Battaglia; Carlson, D.; Fjoslien and Begich moved to amend H. F. No. 1477, the second engrossment, as follows:

Page 2, delete lines 23 to 33, and insert:

**"84.83 [DISPOSITION OF RECEIPTS; DEDICATED ACCOUNT.]**

*Subdivision 1. [CREATION.] (FEES FROM REGISTRATION OF SNOWMOBILES SHALL BE DEPOSITED WITH THE STATE TREASURER TO THE CREDIT OF THE GENERAL FUND.) There is created in the state treasury an account known as the snowmobile trails and enforcement account.*

*Subd. 2. [MONEY DEPOSITED IN THE ACCOUNT.] Fees from the registration of snowmobiles and the unrefunded gasoline tax attributable to snowmobile use pursuant to section 296.16 shall be deposited in the state treasury and credited to the snowmobile trails and enforcement account.*

*Subd. 3. [PURPOSES FOR THE ACCOUNT.] The money deposited in the account may be expended only as appropriated by law for the following purposes:*

*(1) For a grant-in-aid program to counties and municipalities for construction and maintenance of snowmobile trails;*

*(2) For acquisition, development and maintenance of state recreational snowmobile trails; and*

*(3) For the administration and enforcement of sections 84.81 to 84.90."*

Page 2, after line 33, insert:

**"Sec. 4. [STUDY.]"**

Page 3, delete lines 3 to 6 and insert:

**"Sec. 5. [APPROPRIATIONS.]**

*Subdivision 1. [GENERAL FUND.] The sum of \$400,000 is appropriated from the general fund to the department of natural resources for the period ending June 30, 1983. This amount represents the estimate of increased fee receipts pursuant to sections 1 and 2 for the period ending June 30, 1983. This appropriation is added to the appropriation made in Laws 1981, Chapter 356, Section 25, for snowmobile activities.*

*Subd. 2. [DEDICATED ACCOUNT.] If fee receipts exceed \$1,395,000 for the period July 1, 1982 to June 30, 1983, the commissioner of finance shall deposit the amount over \$1,395,000 in the snowmobile trails and enforcement account created in section 3 on July 1, 1983.*

**Sec. 6. [EFFECTIVE DATE.]**

*Section 3 is effective July 1, 1983. The remaining sections are effective August 1, 1982."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the first semicolon insert "creating a snowmobile trails and enforcement account in the state treasury;"

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 29 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Lemen	Osthoff	Stowell
Ainley	Frerichs	Ludeman	Piepho	Stumpf
Anderson, I.	Gruenes	Luknic	Redalen	Sviggum
Battaglia	Gustafson	Marsh	Reding	Swanson
Begich	Hauge	McDonald	Rees	Valan
Blatz	Haukoos	McEachern	Reif	Valento
Brinkman	Heap	Mehrkens	Rodriguez, F.	Weaver
Carlson, D.	Himle	Metzen	Rose	Welker
Carlson, L.	Hoberg	Minne	Sarna	Wenzel
Dahlvang	Hokanson	Murphy	Schafer	Wieser
Dempsey	Jennings	Nelsen, B.	Schoenfeld	Wigley
Den Ouden	Johnson, D.	Niehans	Schreiber	Zubay
Drew	Jude	Nysether	Shea	
Elioff	Kalis	O'Connor	Sherman	
Erickson	Kostohryz	Ogren	Sherwood	
Esau	Kvam	Onnen	Stadum	

Those who voted in the negative were:

Brandl	Clark, J.	Greenfield	Heinitz	Kahn
Byrne	Ellingson	Hanson	Johnson, C.	Kelly

Laidig	Nelson, K.	Peterson, B.	Samuelson	Vellenga
Lehto	Norton	Peterson, D.	Simoneau	Voss
Long	Olsen	Rodriguez, C.	Staten	Wynia
McCarron	Otis	Rothenberg	Vanasek	

The motion prevailed and the amendment was adopted.

H. F. No. 1477, A bill for an act relating to snowmobiles; increasing the registration fee and appropriating the proceeds thereof for stated purposes; registration of collectors' snowmobiles; requiring a study; creating a snowmobile trails and enforcement account in the state treasury; appropriating money; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3, and by adding a subdivision; and 84.83.

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 32 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Knickerbocker	Ogren	Sieben, M.
Ainley	Frerichs	Kostohryz	Olsen	Simoneau
Anderson, B.	Gruenes	Laidig	Onnen	Skoglund
Anderson, I.	Gustafson	Lehto	Peterson, B.	Stadum
Battaglia	Halberg	Lemen	Pogemiller	Stowell
Berkelman	Hauge	Long	Redalen	Sviggum
Blatz	Haukoos	Luknic	Reding	Swanson
Brinkman	Heap	Marsh	Rees	Valento
Carlson, D.	Himle	McDonald	Reif	Vanaasek
Carlson, L.	Hoberg	McEachern	Rodriguez, C.	Weaver
Clawson	Hokanson	Mehrkens	Rodriguez, F.	Welch
Dahlvang	Hokr	Metzen	Sarna	Wenzel
Dempsey	Jacobs	Minne	Schafer	Wieser
Den Ouden	Johnson, C.	Munger	Schoenfeld	Wynia
Eken	Johnson, D.	Nelsen, B.	Schreiber	Spkr. Sieben, H.
Elioff	Jude	Niehaus	Shea	
Ellingson	Kalis	Novak	Sherman	
Erickson	Kelly	O'Connor	Sherwood	

Those who voted in the negative were:

Anderson, G.	Esau	Kvam	Otis	Voss
Begich	Greenfield	Ludeman	Peterson, D.	Welker
Brandl	Hanson	McCarron	Piepho	Wigley
Byrne	Heinitz	Nelson, K.	Rose	Zubay
Clark, J.	Jennings	Norton	Rothenberg	
Dean	Kahn	Nysether	Staten	
Drew	Kaley	Othoff	Vellenga	

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

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

H. F. No. 1702, A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; proposing new law coded in Minnesota Statutes, Chapter 198.

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 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Rothenberg was excused for the remainder of today's session

H. F. No. 1099, as amended, which was temporarily laid over earlier today, was again reported to the House.

Sviggum withdrew his motion that H. F. No. 1099, as amended, be re-referred to the Committee on Taxes.

#### MOTION FOR RECONSIDERATION

Ogren moved that the action whereby H. F. No. 1099, as amended, was given its third reading be now reconsidered. The motion prevailed.

Sviggum and Ogren moved to amend H. F. No. 1099, the second engrossment, as amended, as follows:

Page 3, after line 27, insert:

*"Any gain realized from the sale of nonhomestead agricultural land which is subsequently applied to the purchase of agricultural land which will qualify as class 3b or 3cc shall not be subject to the tax imposed by this section."*

The motion prevailed and the amendment was adopted.

Wieser, Ogren and Erickson moved to amend H. F. No. 1099, the second engrossment, as amended, as follows:

Page 2, line 10, after "resident" insert "or up to 320 acres owned by a non-resident"

The motion prevailed and the amendment was adopted.

Ludeman moved that H. F. No. 1099, as amended, be referred to the Committee on Taxes.

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

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 Ludeman motion and the roll was called.

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

There were 53 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Aasness	Frerichs	Kvam	Onnen	Stadum
Ainley	Gruenes	Laidig	Osthoff	Stowell
Blatz	Haukoos	Lemen	Peterson, B.	Sviggum
Dean	Heap	Ludeman	Piepho	Valan
Dempsey	Himle	Luknic	Rees	Valento
Den Ouden	Hoberg	Marsh	Reif	Weaver
Drew	Hokr	McDonald	Rose	Welker
Erickson	Jennings	Mehrkens	Schafer	Wigley
Esau	Johnson, D.	Nelsen, B.	Schreiber	Zubay
Ewald	Kaley	Niehaus	Sherman	
Fjoslien	Knickerbocker	Olsen	Sherwood	

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	Otis	Skoglund
Battaglia	Greenfield	Long	Peterson, D.	Staten
Begich	Gustafson	McCarron	Pogemiller	Stumpf
Berkelman	Hanson	McEachern	Redalen	Swanson
Brandl	Harens	Metzen	Reding	Tomlinson
Brinkman	Hauge	Minne	Rice	Vanasek
Byrne	Hokanson	Munger	Rodriguez, C.	Vellenga
Carlson, L.	Jacobs	Murphy	Rodriguez, F.	Voss
Clark, J.	Johnson, C.	Nelson, K.	Samuelson	Welch
Clark, K.	Jude	Norton	Sarna	Wenzel
Clawson	Kahn	Novak	Schoenfeld	Wieser
Dahlvang	Kalis	Nysether	Shea	Wynia

The motion did not prevail.

H. F. No. 1099, A bill for an act relating to agriculture; providing an additional tax on certain capital gains from the sale of agricultural land; limiting certain tax reductions; increasing the one-time exclusion for sale of a residence by persons over 55 in certain instances; amending Minnesota Statutes 1981 Supplement, Sections 124.213, Subdivision 1; 290.01, Subdivision 20, as amended; and 290.091, as amended; proposing new law coded in Minnesota Statutes, Chapter 290.

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.

Peterson, B., 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 73 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kelly	Ogren	Stowell
Anderson, G.	Elioff	Kostohryz	Onnen	Stumpf
Anderson, I.	Ellingson	Lehto	Otis	Swanson
Battaglia	Greenfield	Long	Peterson, D.	Tomlinson
Begich	Gustafson	McCarron	Pogemiller	Valan
Berkelman	Hanson	McEachern	Redalen	Vanasek
Brandl	Harens	Mehrkens	Reding	Vellenga
Brinkman	Hauge	Metzen	Rodriguez, F.	Voss
Byrne	Hokanson	Minne	Samuelson	Welch
Carlson, D.	Jacobs	Munger	Sarna	Wenzel
Carlson, L.	Johnson, C.	Murphy	Shea	Wieser
Clark, J.	Johnson, D.	Nelson, K.	Sieben, M.	Wynia
Clark, K.	Jude	Norton	Simoneau	Spkr. Sieben, H.
Clawson	Kahn	Novak	Skoglund	
Dahlvang	Kalis	O'Connor	Staten	

Those who voted in the negative were:

Aasness	Frerichs	Laidig	Peterson, B.	Stadum
Ainley	Gruenes	Lemen	Piepho	Svigum
Blatz	Haukoos	Ludeman	Rees	Valento
Dean	Heap	Luknic	Reif	Weaver
Dempsey	Himle	Marsh	Rodriguez, C.	Welker
Den Ouden	Hoberg	McDonald	Rose	Wigley
Drew	Hokr	Nelsen, B.	Schafer	Zubay
Erickson	Jennings	Niehaus	Schoenfeld	
Esau	Kaley	Nysether	Schreiber	
Ewald	Knickerbocker	Olsen	Sherman	
Fjoslien	Kvam	Osthoff	Sherwood	

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

The Speaker resumed the Chair.

Hanson was excused between the hours of 6:00 and 7:30 p.m.

Brinkman was excused between the hours of 6:10 and 8:15 p.m.

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

H. F. No. 1757, A bill for an act relating to the University of Minnesota hospitals; limiting the amount of certain bonds previously authorized; amending Laws 1981, Chapter 275, Section 1, Subdivisions 1 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 80 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Aasness	Frerichs	Knickerbocker	Olsen	Stadum
Ainley	Greenfield	Kvam	Onnen	Staten
Blatz	Gruenes	Laidig	Peterson, B.	Stowell
Clark, J.	Harens	Lemen	Peterson, D.	Stumpf
Clark, K.	Hauge	Ludeman	Piepho	Sviggum
Clawson	Haukoos	Luknic	Redalen	Swanson
Dean	Heap	Marsh	Rees	Valan
Dempsey	Himle	McDonald	Reif	Valento
Den Ouden	Hoberg	McEachern	Rodriguez, C.	Vellenga
Drew	Hokanson	Mehrkens	Rose	Weaver
Elioff	Hokr	Minne	Schafer	Welch
Erickson	Jennings	Nelsen, B.	Schreiber	Welker
Esau	Johnson, D.	Nelson, K.	Shea	Wieser
Evans	Jude	Niehaus	Sherman	Wigley
Ewald	Kahn	Nysether	Sherwood	Wynia
Fjoslien	Kaley	Ogren	Skoglund	Zubay

Those who voted in the negative were:

Anderson, B.	Carlson, L.	Kostohryz	Novak	Schoenfeld
Anderson, G.	Dahlvang	Lehto	O'Connor	Sieben, M.
Anderson, I.	Eken	Long	Osthoff	Simoneau
Battaglia	Ellingson	Mann	Otis	Tomlinson
Begich	Gustafson	McCarron	Pogemiller	Vanasek
Berkelman	Jacobs	Metzen	Reding	Voss
Brandl	Johnson, C.	Munger	Rice	Wenzel
Byrne	Kalis	Murphy	Rodriguez, F.	Spkr. Sieben, H.
Carlson, D.	Kelly	Norton	Samuelson	

The bill was not passed.

#### POINT OF ORDER

Peterson, B., raised a point of order that H. F. No. 1757 did not require a three-fifths vote of the whole House to pass pursuant to the Minnesota Constitution, Article XI, Section 5. The Speaker ruled the point of order not well taken and the bill was not passed.

Jennings appealed the decision of the Chair.

A roll call was requested and properly seconded.

Eken moved to lay the appeal of the decision of the Chair on the table. The motion prevailed.

H. F. No. 1789, A bill for an act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring adoption of an acid deposition control standard and plan by the pollution control agency; requiring reports; imposing an assessment on utilities; appropriating money; amending Min-

nesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 116.

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 114 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Den Ouden      McDonald      Redalen      Welker

The bill was passed and its title agreed to.

H. F. No. 1798 was reported to the House.

Otis moved that H. F. No. 1798 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2005 was reported to the House.

Ludeman moved to amend H. F. No. 2005, the second engrossment, as follows:

Page 4, line 17, delete "*distinct within*" and insert "*drawn exclusively from and shall not be in addition to*"

The motion prevailed and the amendment was adopted.

H. F. No. 2005, A bill for an act relating to employment; providing for equitable compensation relationships among certain government employees; amending Minnesota Statutes 1981 Supplement, Sections 43A.01, by adding a subdivision; 43A.02, by adding subdivisions; 43A.05, by adding a subdivision; and 43A.18, Subdivision 8.

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 13 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Norton	Schoenfeld
Anderson, B.	Ellingson	Kalis	Novak	Schreiber
Anderson, G.	Erickson	Kelly	O'Connor	Shea
Anderson, I.	Esau	Knickerbocker	Ogren	Sherman
Battaglia	Fjoslien	Kostohryz	Olsen	Sieben, M.
Begich	Greenfield	Kvam	Onnen	Simoneau
Berkelman	Gruenes	Laidig	Osthoff	Skoglund
Blatz	Gustafson	Lehto	Otis	Staten
Brandl	Harens	Long	Peterson, B.	Swanson
Byrne	Hauge	Luknic	Peterson, D.	Valan
Carlson, D.	Heap	Mann	Piepho	Valento
Carlson, L.	Himle	Marsh	Pogemiller	Vanasek
Clark, J.	Hoberg	McCarron	Reding	Vellenga
Clark, K.	Hokanson	McEachern	Reif	Voss
Clawson	Hokr	Metzen	Rice	Weaver
Dahlvang	Jacobs	Minne	Rodriguez, C.	Welch
Dean	Johnson, C.	Munger	Rodriguez, F.	Wenzel
Dempsey	Johnson, D.	Murphy	Rose	Wigley
Drew	Jude	Nelson, K.	Samuelson	Wynia
Eken	Kahn	Niehaus	Schafer	Spkr. Sieben, H.

Those who voted in the negative were:

Ainley	Ludeman	Nysether	Stowell	Zubay
Den Ouden	McDonald	Redalen	Welker	
Haukoos	Nelsen, B.	Rees	Wieser	

The bill was passed, as amended, 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.

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

H. F. No. 2123 was reported to the House.

Brandl moved to amend H. F. No. 2123, the second engrossment, as follows:

Page 4, line 19, delete "or who have been denied enrollment to"

Page 4, delete line 20

Page 4, line 21, after the period insert

*"A coinsurance fee shall not be required either from a recipient of medical assistance in a county where the state has not contracted with a health maintenance organization or from a recipient who has been denied enrollment to receive the benefits of a health maintenance organization contracted for by the state pursuant to this section."*

The motion prevailed and the amendment was adopted.

H. F. No. 2123, A bill for an act relating to public welfare; modifying certain provisions relating to medical assistance; providing for competitive bidding procedures; allowing a cause of action against responsible relatives; providing for payments to health maintenance organizations; appropriating money; amending Minnesota Statutes 1980, Sections 256B.04, by adding a subdivision; 256B.05, Subdivision 2; 256B.06, Subdivision 3; 256B.14; 256B.19, Subdivision 1; 256B.27, Subdivision 3; and Minnesota Statutes 1981 Supplement, Section 256.966.

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 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 2190 was reported to the House.

Swanson moved to amend H. F. No. 2190, the first engrossment, as follows:

Page 4, after line 17, insert:

**“Sec. 6. [AREA VOCATIONAL-TECHNICAL INSTITUTE CONSTRUCTION.]**

*Notwithstanding the provisions of sections 121.214, 121.215, 121.2155, and 275.125, subdivision 14a, or any other law to the contrary, Independent School District No. 287, Suburban Hennepin, Independent School District No. 742, St. Cloud, and Independent School District No. 861, Winona, may commence construction of the projects authorized in Laws 1981, Chapter 362, Section 2, Subdivision 1, subject to the following conditions:*

- (1) approval of the school board,*
- (2) availability at the time of construction of unencumbered funds in the district's area vocational-technical institute capital expenditure fund or building construction fund equal to or exceeding the total cost as authorized in Laws 1981, Chapter 362, Section 2, Subdivision 1, and*
- (3) provided the cost of construction shall not exceed the total cost as authorized.*

*At the time of construction, these projects shall be financed entirely from the balances in capital expenditure or building construction funds in the respective districts.*

*It is the intent of the legislature that the appropriations in Laws 1981, Chapter 362, Section 2, Subdivision 1, shall be paid to the districts at the time the commissioner of finance determines that the proceeds of state bond sales are available for the projects. Upon receipt, the district shall reimburse the fund from which the project was funded. The state's financial obligation to any district for a project constructed pursuant to this section shall be computed as follows: The actual cost of the project less the maximum amount to be expended by the school district as defined in the original appropriation. If the actual cost of the project is less than the maximum amount to be expended by the school district, the state shall have no financial obligation for the project. The state's financial obligation to a district does not include any interest.”*

Renumber the sections

The motion prevailed and the amendment was adopted.

Clark, J., was excused for the remainder of today's session.

Zubay moved to amend H. F. No. 2190, the first engrossment, as amended, as follows:

Page 3, after line 31 insert:

*"Subdivision 1. The Higher Education Coordinating Board shall develop a plan for providing post-secondary education services under conditions of declining enrollment and potentially declining financial resources for the U of M; State University; Community Colleges and Area Vocational-Technical Institutes."*

Page 3, delete lines 32 to 36

Page 4, delete lines 1 and 2

Page 4, line 3, delete "*potentially declining financial resources.* Each" insert "*The*"

Page 4, line 4, strike "Each" insert "*The*"

Page 4, line 7, strike "strategies" insert "*strategy*"

Page 4, line 12, strike "Each" insert "*The*"

Page 4, line 13, delete "*by the*"

Page 4, line 14, delete "*University of Minnesota*"

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 70 nays as follows:

Those who voted in the affirmative were:

Aasness	Frerichs	Laidig	Peterson, B.	Stadum
Ainley	Gruenes	Luknic	Piepho	Stumpf
Anderson, G.	Halberg	Marsh	Redalen	Valento
Blatz	Haukoos	McDonald	Reding	Weaver
Carlson, D.	Himle	Mehrkens	Rees	Welker
Dempsey	Jennings	Niehaus	Reif	Wieser
Den Ouden	Jude	Nysether	Schafer	Wigley
Ewald	Kaley	Olsen	Schreiber	Zubay
Fjoslien	Kelly	Onnen	Sherwood	

Those who voted in the negative were:

Anderson, B.	Begich	Byrne	Clawson	Drew
Anderson, I.	Berkelman	Carlson, L.	Dahlvang	Eken
Battaglia	Brandl	Clark, K.	Dean	Elioff

Ellingson	Johnson, D.	Metzen	Peterson, D.	Stowell
Erickson	Kahn	Minne	Pogemiller	Sviggum
Greenfield	Kalis	Munger	Rice	Swanson
Hanson	Kvam	Murphy	Rodriguez, C.	Valan
Hauge	Lehto	Nelsen, B.	Rodriguez, F.	Vanasek
Heap	Lemen	Nelson, K.	Samuelson	Vellenga
Hoberg	Long	Norton	Schoenfeld	Voss
Hokanson	Ludeman	Novak	Sherman	Welch
Hokr	Mann	O'Connor	Sieben, M.	Wenzel
Jacobs	McCarron	Osthoff	Simoneau	Wynia
Johnson, C.	McEachern	Otis	Skoglund	Spkr. Sieben, H.

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

Zubay offered an amendment to H. F. No. 2190, as amended.

#### POINT OF ORDER

Carlson, L., 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.

H. F. No. 2190, A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block grant funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article I, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12.

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 103 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Aasness	Brandl	Drew	Gruenes	Hoberg
Anderson, B.	Byrne	Eken	Gustafson	Hokanson
Anderson, G.	Carlson, L.	Elioff	Halberg	Hokr
Anderson, I.	Clark, K.	Ellingson	Hanson	Jacobs
Battaglia	Clawson	Erickson	Hauge	Johnson, C.
Begich	Dahlvang	Ewald	Haukoos	Johnson, D.
Berkelman	Dean	Fjoslien	Heap	Jude
Blatz	Dempsey	Greenfield	Himle	Kahn

Kalis	Mehrkens	Osthoff	Samuelson	Valan
Kelly	Metzen	Otis	Schoenfeld	Vanasek
Knickerbocker	Minne	Peterson, B.	Schreiber	Vellenga
Kostohryz	Munger	Peterson, D.	Sherman	Voss
Kvam	Murphy	Piepho	Sieben, M.	Weaver
Laidig	Nelsen, B.	Pogemiller	Simoneau	Welch
Lehto	Nelson, K.	Reding	Skoglund	Wenzel
Long	Niehaus	Rees	Stadum	Wiesler
Luknic	Norton	Reif	Staten	Wigley
Mann	Novak	Rice	Stowell	Wynia
Marsh	O'Connor	Rodriguez, C.	Stumpf	Spkr. Sieben, H.
McCarron	Ogren	Rodriguez, F.	Sviggum	
McEachern	Olsen	Rose	Swanson	

Those who voted in the negative were:

Ainley	Jennings	Nysether	Valento	Zubay
Den Ouden	Ludeman	Redalen	Welker	
Frerichs	McDonald	Schafer		

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

S. F. No. 411 was reported to the House.

Reding moved to amend S. F. No. 411, the unofficial engrossment, as follows:

Page 6, line 20, after "6," insert "7, 8,"

Page 6, line 20, after "10," insert "11, 12, 13"

The motion prevailed and the amendment was adopted.

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

Stumpf moved to amend S. F. No. 411, the unofficial engrossment, as amended, as follows:

Page 3, line 26, delete "nine" insert "12"

Begich moved to amend the Stumpf amendment to S. F. No. 411, the unofficial engrossment, as follows:

Delete "12" and insert "24"

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

The question recurred on the Stumpf amendment.

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



S. F. No. 411, A bill for an act relating to game and fish; limiting eligibility for antlerless deer permits in certain restricted hunting areas; amending Minnesota Statutes 1980, Section 97.48, Subdivision 24.

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

The question was taken on the passage of the bill and the roll was called. There were 110 yeas and 8 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Begich	Harens	Kalis	Ogren	Welker
Elioff	Jennings	Niehaus		

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

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

S. F. No. 1239 was reported to the House.

Welker moved to amend S. F. No. 1239, the unofficial engrossment, as follows:

Page 2, delete lines 21 to 31

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 30 yeas and 79 nays as follows:

## Those who voted in the affirmative were :

Aasness	Frerichs	McDonald	Rees	Stowell
Ainley	Halberg	Niehaus	Rodriguez, C.	Valento
Dempsey	Haukoos	Nysether	Rose	Weaver
Den Ouden	Hokr	Onnen	Schafer	Welker
Drew	Jennings	Piepho	Sherwood	Wieser
Fjoslien	Knickerbocker	Redalen	Stadum	Wigley

## Those who voted in the negative were :

Anderson, G.	Gustafson	Laidig	Norton	Sieben, M.
Battaglia	Hanson	Lehto	Novak	Simoneau
Begich	Harens	Lemen	O'Connor	Skoglund
Berkelman	Hauge	Long	Ogren	Staten
Blatz	Heap	Ludeman	Olsen	Stumpf
Brandl	Himle	Luknic	Otis	Sviggum
Byrne	Hokanson	Mann	Peterson, B.	Swanson
Carlson, L.	Jacobs	Marsh	Peterson, D.	Tomlinson
Clark, K.	Johnson, C.	McCarron	Pogemiller	Vanasek
Clawson	Johnson, D.	Mehrkens	Reding	Voss
Dahlvang	Jude	Metzen	Reif	Welch
Eken	Kahn	Minne	Rice	Wenzel
Elioff	Kaley	Munger	Rodriguez, F.	Wynia
Ellingson	Kalis	Murphy	Samuelson	Zubay
Greenfield	Kelly	Nelsen, B.	Schoenfeld	Sprk.Sieben,H.
Gruenes	Kostohryz	Nelson, K.	Sherman	

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

S. F. No. 1239, A bill for an act relating to the operation of state government; authorizing the state board of investment to employ investment management firms to invest certain funds on its behalf; appropriating money; amending Minnesota Statutes 1980, Section 11A.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 115 yeas and 2 nays as follows :

## Those who voted in the affirmative were :

Aasness	Clawson	Hanson	Kahn	McDonald
Ainley	Dahlvang	Harens	Kalis	McEachern
Anderson, B.	Dempsey	Hauge	Kelly	Mehrkens
Anderson, G.	Den Ouden	Haukoos	Knickerbocker	Metzen
Anderson, I.	Drew	Heap	Kostohryz	Minne
Battaglia	Eken	Himle	Kvam	Munger
Begich	Elioff	Hoberg	Laidig	Murphy
Berkelman	Ellingson	Hokanson	Lehto	Nelsen, B.
Blatz	Erickson	Hokr	Lemen	Nelson, K.
Brandl	Fjoslien	Jacobs	Long	Niehaus
Byrne	Frerichs	Jennings	Ludeman	Norton
Carlson, D.	Greenfield	Johnson, C.	Luknic	Novak
Carlson, L.	Gruenes	Johnson, D.	Mann	Nysether
Clark, K.	Gustafson	Jude	Marsh	O'Connor

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

Those who voted in the negative were:

McCarron      Welker

The bill was passed and its title agreed to.

S. F. No. 1398 was reported to the House.

O'Connor and Metzen moved to amend S. F. No. 1398, the unofficial engrossment, as follows:

Page 2, after line 20, insert:

*"Subd. 2c. The registrar shall issue special license plates inscribed with a symbol of the state of Minnesota together with five numbers to members of the state legislature for a fee of \$10."*

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 3 yeas and 106 nays as follows:

Those who voted in the affirmative were:

McEachern      Metzen      O'Connor

Those who voted in the negative were:

Aasness	Elioff	Jacobs	Marsh	Pogemiller
Ainley	Ellingson	Jennings	McDonald	Reding
Anderson, B.	Erickson	Johnson, C.	Mehrkens	Rees
Anderson, G.	Fjoslien	Johnson, D.	Minne	Reif
Battaglia	Frerichs	Jude	Munger	Rice
Begich	Greenfield	Kahn	Murphy	Rodriguez, C.
Berkelman	Gruenes	Kalis	Nelsen, B.	Rose
Blatz	Gustafson	Kelly	Niehaus	Samuelson
Brandl	Halberg	Knickerbocker	Norton	Schafer
Brinkman	Hanson	Kostohryz	Novak	Schoenfeld
Carlson, L.	Harens	Kvam	Nysether	Schreiber
Clark, K.	Hauge	Laidig	Ogren	Shea
Clawson	Haukoos	Lehto	Olsen	Sherman
Dahlvang	Heap	Lemen	Onnen	Sherwood
Dempsey	Himle	Long	Otis	Sieben, M.
Den Ouden	Hoberg	Ludeman	Peterson, B.	Simoneau
Drew	Hokanson	Luknic	Peterson, D.	Skoglund
Eken	Hokr	Mann	Piepho	Stadum

Staten	Sviggum	Vanasek	Welch	Wieser
Stowell	Swanson	Voss	Welker	Wigley
Stumpf	Valento	Weaver	Wenzel	Wynia
				Zubay

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

S. F. No. 1398, 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 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 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

#### NOTICE OF INTENTION TO MOVE RECONSIDERATION

Pursuant to Rule 3.4, Carlson, D., gave notice of intention to move reconsideration of the vote whereby H. F. No. 1757 was not passed earlier today.

## MOTION FOR RECONSIDERATION

Novak moved that the vote whereby H. F. No. 1757 was not passed as a Special Order be now reconsidered.

## POINT OF ORDER

Jennings raised a point of order pursuant to rule 3.4 that the Novak motion to reconsider was not in order. The Speaker ruled the point of order not well taken and the Novak motion in order.

Carlson, D., moved that the Novak motion to reconsider be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Carlson, D., motion and the roll was called. There were 65 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Aasness	Greenfield	Kaley	Olsen	Stadum
Ainley	Gruenes	Knickerbocker	Onnen	Staten
Anderson, B.	Halberg	Kvam	Peterson, B.	Stowell
Blatz	Hauge	Laidig	Piepho	Stumpf
Carlson, D.	Haukoos	Lemen	Redalen	Sviggum
Clark, K.	Heap	Ludeman	Rees	Valan
Dempsey	Himle	Luknic	Reif	Valento
Den Ouden	Hoberg	Marsh	Rodriguez, C.	Weaver
Drew	Hokr	McDonald	Rose	Welch
Erickson	Jennings	Mehrkens	Schafer	Welker
Evans	Johnson, D.	Nelsen, B.	Shea	Wieser
Fjoslien	Jude	Niehaus	Sherman	Wigley
Frerichs	Kahn	Nysether	Sherwood	Zubay

Those who voted in the negative were:

Anderson, G.	Eken	Long	O'Connor	Sieben, M.
Anderson, I.	Elioff	Mann	Ogren	Simoneau
Battaglia	Ellingson	McCarron	Osthoff	Skoglund
Begich	Gustafson	McEachern	Otis	Vanasek
Berkelman	Hanson	Metzen	Peterson, D.	Vellenga
Brandl	Harens	Minne	Pogemiller	Voss
Brinkman	Jacobs	Munger	Rice	Wenzel
Byrne	Johnson, C.	Murphy	Rodriguez, F.	Wynia
Carlson, L.	Kalis	Nelson, K.	Samuelson	Spkr. Sieben, H.
Clawson	Kelly	Norton	Schoenfeld	
Dahlvang	Lehto	Novak	Schreiber	

The motion prevailed and the Novak motion to reconsider was laid on the table.

## SPECIAL ORDERS, Continued

S. F. No. 1499, A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; proposing new law coded in Minnesota Statutes, Chapter 168.

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 117 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Greenfield      Hauge      Kahn      Shea

The bill was passed and its title agreed to.

S. F. No. 1671 was reported to the House.

Munger moved to amend S. F. No. 1671, the unofficial engrossment, as follows:

Page 3, line 2, delete "362.12" and insert "116C.04"

Page 3, line 4, delete "5" and insert "10"

The motion prevailed and the amendment was adopted.

S. F. No. 1671, A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sec-

tions 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, 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 77 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Battaglia	Halberg	Long	Otis	Skoglund
Begich	Hanson	Marsh	Peterson, B.	Staten
Berkelman	Harens	McCarron	Peterson, D.	Stowell
Brandl	Hauge	McEachern	Pogemiller	Swanson
Byrne	Hokanson	Metzen	Reding	Tomlinson
Carlson, D.	Jacobs	Minne	Rees	Vanasek
Carlson, L.	Johnson, D.	Munger	Reif	Vellenga
Clark, K.	Jude	Murphy	Rice	Voss
Clawson	Kahn	Nelson, K.	Rodriguez, C.	Weaver
Drew	Kalis	Norton	Rodriguez, F.	Welch
Eken	Kelly	Novak	Rose	Wenzel
Elioff	Knickerbocker	O'Connor	Schreiber	Wynia
Ellingson	Kostohryz	Ogren	Shea	Spkr. Sieben, H.
Evans	Laidig	Olsen	Sherman	
Greenfield	Lehto	Onnen	Sieben, M.	
Gustafson	Lemen	Osthoff	Simoneau	

Those who voted in the negative were:

Aasness	Fjoslien	Jennings	Niehaus	Sviggum
Ainley	Frerichs	Johnson, C.	Nysether	Valan
Anderson, B.	Gruenes	Kaley	Piepho	Valento
Brinkman	Haukoos	Kvam	Redalen	Welker
Dempsey	Himle	Ludeman	Samuelson	Wieser
Den Ouden	Hoberg	McDonald	Schafer	Wigley
Erickson	Hokr	Nelsen, B.	Schoenfeld	Zubay

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

S. F. No. 1910 was reported to the House.

Reif and Heinitz moved to amend S. F. No. 1910, as follows:

Page 2, line 4, after the period insert:

*"The county agency shall provide all acute care facility discharge planners with information concerning the long-term supportive services, other than nursing home care, that are available in that county."*

Page 2, line 5, after "facility" insert: *"not accredited under the standards of the hospital accreditation program of the joint commission on accreditation of hospitals"*

Page 2, line 26, reinstate "(FROM ACUTE CARE FACILITIES OR)" and after the reinstated "facilities" insert: *"ac-*

*credited under the standards of the hospital accreditation program of the joint commission on hospital accreditation"*

Page 3, line 31, strike "and"

Page 3, line 33, after "assistance" insert "*and (4) who, if they are being discharged from an acute care facility, have been referred to the screening team by a discharge planner.*"

Amend the title as follows:

Page 1, line 3, after "for" insert "certain"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 53 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Peterson, B.	Swanson
Ainley	Frerichs	Lemen	Piepho	Valan
Begich	Gruenes	Ludeman	Redalen	Valento
Berkelman	Halberg	Luknic	Rees	Weaver
Blatz	Haukoos	Marsh	Reif	Welker
Dempsey	Himle	McDonald	Rose	Wenzel
Den Ouden	Hoberg	Mehrkens	Schafer	Wieser
Drew	Jennings	Nelsen, B.	Schreiber	Wigley
Elioff	Kaley	Niehaus	Sherwood	Zubay
Erickson	Kalis	Oisen	Stowell	
Evans	Knickerbocker	Onnen	Sviggum	

Those who voted in the negative were:

Anderson, G.	Greenfield	Lehto	Ogren	Simoneau
Anderson, I.	Gustafson	Long	Osthoff	Skoglund
Battaglia	Hanson	Mann	Otis	Staten
Brandl	Harens	McCarron	Peterson, D.	Stumpf
Brinkman	Hauge	McEachern	Pogemiller	Tomlinson
Byrne	Hokanson	Metzen	Reding	Vanasek
Carlson, D.	Hokr	Minne	Rice	Voss
Carlson, L.	Jacobs	Munger	Rodriguez, C.	Welch
Clark, K.	Johnson, C.	Murphy	Rodriguez, F.	Wynia
Clawson	Jude	Nelson, K.	Schoenfeld	Sprk. Sieben, H.
Dahlvang	Kahn	Norton	Shea	
Eken	Kelly	Novak	Sherman	
Ellingson	Kostohryz	O'Connor	Sieben, M.	

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

S. F. No. 1910, A bill for an act relating to public welfare; requiring preadmission screening for patients entering nursing homes from hospitals; allowing hospital discharge planners to attend certain preadmission screening assessments; allowing recipient choice between long term care and alternative care; modifying cost limits for alternative care; amending Minnesota



Statutes 1980, Section 256B.091, Subdivisions 2, 4, and 6; and Minnesota Statutes 1981 Supplement, Section 256B.091, Subdivision 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 116 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Niehaus Valan

The bill was passed and its title agreed to.

H. F. No. 1811 was reported to the House.

Staten moved that H. F. No. 1811 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 1840, A bill for an act relating to public welfare; allowing payment of claims for medical assistance to be made against homestead property which is part of an estate; amending Minnesota Statutes 1980, Sections 510.05; 524.3-805; and Minnesota Statutes 1981 Supplement, Section 525.145.

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 73 yeas and 42 nays as follows :

Those who voted in the affirmative were :

Aasness	Halberg	Lemen	Piepho	Stowell
Ainley	Hauge	Ludeman	Redalen	Sviggum
Anderson, B.	Haukoos	Luknic	Reding	Swanson
Blatz	Himle	Mann	Rees	Valan
Brandl	Hoberg	Marsh	Reif	Valento
Brinkman	Hokanson	McDonald	Rodriguez, C.	Vellenga
Carlson, D.	Hokr	McEachern	Rodriguez, F.	Weaver
Dempsey	Jennings	Mehrkens	Rose	Welker
Den Ouden	Johnson, C.	Nelsen, B.	Samuelson	Wenzel
Drew	Johnson, D.	Niehaus	Schafer	Wieser
Erickson	Kaley	Nysether	Schoenfeld	Wigley
Evans	Kalis	O'Connor	Schreiber	Zubay
Fjoslien	Knickerbocker	Olsen	Sherman	Spkr. Sieben, H.
Frerichs	Kvam	Otis	Sherwood	
Gruenes	Laidig	Peterson, B.	Stadum	

Those who voted in the negative were :

Anderson, G.	Elioff	Kelly	Nelson, K.	Skoglund
Anderson, I.	Ellingson	Kostohryz	Norton	Stumpf
Battaglia	Greenfield	Lehto	Ogren	Vanasek
Begich	Gustafson	Long	Osthoff	Voss
Berkelman	Hanson	McCarron	Peterson, D.	Welch
Byrne	Harens	Metzen	Pogemiller	Wynia
Carlson, L.	Jacobs	Minne	Rice	
Clark, K.	Jude	Munger	Shea	
Dahlvang	Kahn	Murphy	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1887 was reported to the House.

Kelly moved that H. F. No. 1887 be continued on Special Orders for one day. The motion prevailed.

H. F. No. 2040 was reported to the House.

Wieser moved to amend H. F. No. 2040, the second engrossment, as follows :

Page 6, line 17, delete "*The provisions*"

Page 6, delete lines 18 and 19

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

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 Wieser amendment and the roll was called.

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

There were 88 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Lehto	Novak	Schoenfeld
Ainley	Fjoslien	Lemen	Nysether	Schreiber
Anderson, B.	Frerichs	Long	O'Connor	Sherwood
Anderson, I.	Greenfield	Ludeman	Ogren	Stadum
Battaglia	Halberg	Luknic	Olsen	Stowell
Begich	Haukoos	Mann	Onnen	Stumpf
Berkelman	Hoberg	Marsh	Osthoff	Swiggum
Blatz	Hokanson	McCarron	Otis	Swanson
Brinkman	Hokr	McDonald	Peterson, B.	Valan
Byrne	Jennings	McEachern	Peterson, D.	Valento
Carlson, D.	Johnson, D.	Mehrkens	Redalen	Weaver
Carlson, L.	Jude	Metzen	Rees	Welker
Clawson	Kaley	Minne	Reif	Wenzel
Dahlvang	Kalis	Munger	Rice	Wieser
Dempsey	Knickerbocker	Murphy	Rodriguez, C.	Wigley
Den Ouden	Kostohryz	Nelsen, B.	Rose	Zubay
Elioff	Kvam	Nelson, K.	Samuelson	
Erickson	Laidig	Niehaus	Schafer	

Those who voted in the negative were:

Anderson, G.	Gruenes	Johnson, C.	Sherman	Voss
Brandl	Gustafson	Kahn	Sieben, M.	Welch
Clark, K.	Harens	Kelly	Simoneau	Wynia
Drew	Hauge	Norton	Skoglund	Spkr. Sieben, H.
Eken	Himle	Reding	Staten	
Ellingson	Jacobs	Shea	Vanasek	

The motion prevailed and the amendment was adopted.

Jennings moved that H. F. No. 2040, as amended, be referred to the Committee on Financial Institutions and Insurance.

A roll call was requested and properly seconded.

The question was taken on the Jennings motion and the roll was called.

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

There were 61 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Aasness	Halberg	Ludeman	Piepho	Swanson
Ainley	Hauge	Luknic	Redalen	Valan
Berkelman	Haukoos	Marsh	Rees	Valento
Blatz	Himle	McDonald	Reif	Vellenga
Carlson, D.	Hoberg	Mehrkens	Rodriguez, C.	Weaver
Dempsey	Hokr	Metzen	Rose	Welker
Den Ouden	Jennings	Nelsen, B.	Schafer	Wieser
Drew	Johnson, D.	Niehaus	Schreiber	Wigley
Erickson	Kaley	Nysether	Sherman	Zubay
Evans	Knickerbocker	Olsen	Sherwood	
Fjoslien	Kvam	Onnen	Stadum	
Frerichs	Laidig	Osthoff	Stowell	
Gruenes	Lemen	Peterson, B.	Svigum	

Those who voted in the negative were:

Anderson, B.	Eken	Kalis	Novak	Sieben, M.
Anderson, G.	Elioff	Kelly	O'Connor	Simoneau
Anderson, I.	Ellingson	Kostohryz	Ogren	Skoglund
Battaglia	Greenfield	Lehto	Otis	Staten
Begich	Gustafson	Long	Peterson, D.	Stumpf
Brandl	Hanson	Mann	Pogemiller	Tomlinson
Brinkman	Harens	McCarron	Reding	Vanasek
Byrne	Hokanson	Minne	Rice	Voss
Carlson, L.	Jacobs	Munger	Rodriguez, F.	Welch
Clark, K.	Johnson, C.	Murphy	Samuelson	Wenzel
Clawson	Jude	Nelson, K.	Schoenfeld	Wynia
Dahlvang	Kahn	Norton	Shea	Spkr. Sieben, H.

The motion did not prevail.

Peterson, B., moved to lay H. F. No. 2040, as amended, on the table.

A roll call was requested and properly seconded.

The question was taken on the Peterson, B., motion and the roll was called.

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

There were 44 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Aasness	Himle	McDonald	Rees	Swanson
Ainley	Hoberg	Mehrkens	Reif	Valan
Dempsey	Hokr	Metzen	Rose	Valento
Drew	Jennings	Nelsen, B.	Schafer	Weaver
Erickson	Kaley	Olsen	Sherman	Welker
Evans	Kvam	Osthoff	Sherwood	Wieser
Frerichs	Lemen	Peterson, B.	Stadium	Wigley
Gruenes	Ludeman	Piepho	Stowell	Zubay
Haukoos	Marsh	Redalen	Sviggum	

Those who voted in the negative were:

Anderson, B.	Elioff	Kalis	Norton	Schreiber
Anderson, G.	Ellingson	Kelly	Novak	Shea
Anderson, I.	Fjoslien	Knickerbocker	Nysether	Sieben, M.
Battaglia	Greenfield	Kostohryz	O'Connor	Simoneau
Begich	Gustafson	Laidig	Ogren	Skoglund
Berkelman	Halberg	Lehto	Onnen	Staten
Brandl	Hanson	Long	Otis	Stumpf
Brinkman	Harens	Luknic	Peterson, D.	Tomlinson
Byrne	Hauge	Mann	Pogemiller	Vanasek
Carlson, L.	Hokanson	McCarron	Reding	Vellenga
Clark, K.	Jacobs	Minne	Rice	Voss
Clawson	Johnson, C.	Munger	Rodriguez, C.	Welch
Dahlvang	Johnson, D.	Murphy	Rodriguez, F.	Wenzel
Den Ouden	Jude	Nelson, K.	Samuelson	Wynia
Eken	Kahn	Niehaus	Schoenfeld	Spkr. Sieben, H.

The motion did not prevail.

H. F. No. 2040, A bill for an act relating to real property; providing for relief in certain cases from inequitable foreclosure of mortgages, termination of contracts for the conveyance of real estate, and execution sales of real property during an emergency declared by the legislature; postponing certain sales and extending the period of redemption of real property during an emergency; providing for possession during the extended period; and limiting the right to maintain actions for deficiency judgments; proposing new law coded in Minnesota Statutes, Chapter 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.

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

There were 60 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kelly	Novak	Shea
Anderson, G.	Elioff	Kostohryz	O'Connor	Sieben, M.
Anderson, I.	Ellingson	Lehto	Ogren	Simoneau
Battaglia	Greenfield	Long	Otis	Staten
Begich	Gustafson	Mann	Peterson, D.	Stumpf
Brandl	Hanson	McCarron	Pogmiller	Tomlinson
Brinkman	Harens	Minne	Reding	Vanasek
Byrne	Hokanson	Munger	Rice	Voss
Carlson, L.	Johnson, C.	Murphy	Rodriguez, C.	Welch
Clark, K.	Jude	Nelson, K.	Rodriguez, F.	Wenzel
Clawson	Kahn	Niehaus	Samuelson	Wynia
Dahlvang	Kalis	Norton	Schoenfeld	Spkr. Sieben, H.

Those who voted in the negative were:

Aasness	Halberg	Lemen	Piepho	Swanson
Ainley	Hauge	Ludeman	Redalen	Valan
Berkelman	Haukoos	Luknic	Rees	Valento
Blatz	Himle	Marsh	Reif	Vellenga
Carlson, D.	Hoberg	McDonald	Rose	Weaver
Dempsey	Hokr	Mehrkens	Schafer	Welker
Den Ouden	Jacobs	Metzen	Schreiber	Wieser
Drew	Jennings	Nelsen, B.	Sherman	Wigley
Erickson	Johnson, D.	Nysether	Sherwood	Zubay
Evans	Kaley	Olsen	Skoglund	
Fjoslien	Knickerbocker	Onnen	Stadum	
Frerichs	Kvam	Osthoff	Stowell	
Gruenes	Laidig	Peterson, B.	Sviggum	

The bill, as amended, was not passed.

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

### GENERAL ORDERS

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

### MOTIONS AND RESOLUTIONS

Nysether moved that H. F. No. 1765, now on General Orders, be re-referred to the Committee on Education. The motion prevailed.

Pogemiller moved that H. F. No. 1809, now on General Orders, be re-referred to the Committee on Criminal Justice. The motion prevailed.

Skoglund moved that the name of Dean be added as an author on H. F. No. 1542. The motion prevailed.

Kelly moved that S. F. No. 1888 be recalled from the Committee on Appropriations and together with H. F. No. 1887, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Otis moved that S. F. No. 1886 be recalled from the Committee on Appropriations and together with H. F. No. 1798, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Voss moved that S. F. No. 1588 be recalled from the Committee on Appropriations and together with H. F. No. 1566, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Reding moved that the name of Pogemiller be added as author on H. F. No. 1013. The motion prevailed.

Marsh moved that H. F. No. 2001 be returned to its author. The motion prevailed.

Rothenberg moved that H. F. Nos. 76 and 1927 be returned to their author. The motion prevailed.

Schreiber moved that H. F. Nos. 898 and 1759 be returned to their author. The motion prevailed.

Peterson, B., moved that H. F. Nos. 495 and 1926 be returned to their author. The motion prevailed.

Nelsen, B., moved that H. F. No. 1491 be returned to its author. The motion prevailed.

#### NOTICE OF INTENTION TO MOVE RECONSIDERATION

Pursuant to rule 3.4, Carlson, D., gave notice of intention to move reconsideration of the vote whereby H. F. No. 2040, as amended, was not passed earlier today.

Nelson, K.; Shea; Pogemiller; Staten and Peterson, D., introduced:

House Resolution No. 29, A house resolution congratulating the University of Minnesota Gophers Basketball team on winning the Big Ten Championship.

## SUSPENSION OF RULES

Nelson, K., moved that the Rules be so far suspended that House Resolution No. 29 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE RESOLUTION NO. 29

A house resolution congratulating the University of Minnesota Gophers Basketball team on winning the Big Ten Championship.

*Whereas*, the University of Minnesota Gophers Basketball team plays in the Big Ten Conference that is known nationally as one of the toughest basketball conferences in the nation; and,

*Whereas*, the team members throughout the season displayed a determined effort to win the conference under Jim Dutcher's skilled coaching; and,

*Whereas*, many games were played against rugged opposition including other teams rated during the year in the top twenty nationally; and,

*Whereas*, the team displayed not only skill but also consistent sportsmanship; and,

*Whereas*, all the Gopher games were exciting to watch and the season has resulted in new high levels of excitement among the Gophers fans; and,

*Whereas*, the Gophers finished the regular season in first place in the Big Ten Conference, their first championship since 1972, and with a seventh place national ranking; and,

*Whereas*, the season has truly been seen, as said by Darryl Mitchell, as "a championship for the state of Minnesota";

*Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that it congratulates the Gophers basketball team on its first place finish in the Big Ten Conference. It notes with pride that the team consistently displayed sportsmanship and fair play in all its games. On behalf of all Minnesotans, it extends wishes for the best of luck in the National Collegiate Athletic Association's post-season tournament.

*Be It Further Resolved* that particular recognition is extended to the five graduating seniors: Trent Tucker, Gary Holmes, Andy Thompson, Darryl Mitchell, and John Wiley. It was their skill and drive that was the prime cause of the victorious season.



*Be It Further Resolved* that the Chief Clerk is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to the Gophers coach Jim Dutcher.

Nelson, K., moved to amend House Resolution No. 29, as follows:

Page 1, line 21, delete "seventh" and insert "sixth"

The motion prevailed and the amendment was adopted.

Nelson, K., moved that House Resolution No. 29, as amended, be now adopted. The motion prevailed and House Resolution No. 29, as amended, was adopted.

Nelsen, B., introduced:

House Resolution No. 30, A house resolution congratulating the Cardinals wrestling team from Staples High School for winning the 1982 Class A State High School Wrestling Championship.

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

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 12:30 p.m., Wednesday, March 10, 1982. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:30 p.m., Wednesday, March 10, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## EIGHTY-SIXTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 10, 1982

The House of Representatives convened at 12:30 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Pastor Sue Hedahl, Lutheran Church of Peace, Maplewood, Minnesota.

The roll was called and the following members were present:

Aasness	Evans	Knickerbocker	O'Connor	Sieben, M.
Ainley	Fjoslien	Kostohryz	Ogren	Simoneau
Anderson, B.	Forsythe	Kvam	Olsen	Skoglund
Anderson, G.	Greenfield	Laidig	Onnen	Stadum
Anderson, I.	Gruenes	Lehto	Osthoff	Staten
Battaglia	Gustafson	Lemen	Otis	Stowell
Begich	Halberg	Levi	Peterson, B.	Stumpf
Berkelman	Hanson	Long	Peterson, D.	Sviggum
Blatz	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	Reff	Vellenga
Clark, K.	Hoberg	McEachern	Rice	Voss
Clawson	Hokanson	Mehrkens	Rodriguez, C.	Weaver
Dahlvang	Hokr	Metzen	Rodriguez, F.	Welch
Dean	Jacobs	Minne	Rose	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	Zubay
Ellingson	Kaley	Norton	Shea	Spkr. Sieben, H.
Erickson	Kalis	Novak	Sherman	
Esau	Kelly	Nysether	Sherwood	

A quorum was present.

Anderson, R. ; Frerichs and Searles were excused.

Ewald and Rothenberg were excused until 1:30 p.m. Brandl was excused until 2:00 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. 2262, 2277, 674, 1727, 2080, 1176, 1477, 1566, 1669, 1115, 1542, 2033, 2123, 1099, 2005, 2034 and 2190 and S. F. Nos. 1859, 1842, 1838 and 1666 have been placed in the members' files.

S. F. No. 1561 and H. F. No. 1691, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Hokanson moved that the rules be so far suspended that S. F. No. 1561 be substituted for H. F. No. 1691 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1908 and H. F. No. 1935, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Hokanson moved that the rules be so far suspended that S. F. No. 1908 be substituted for H. F. No. 1935 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1207 and H. F. No. 2147, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Peterson, D., moved that the rules be so far suspended that S. F. No. 1207 be substituted for H. F. No. 2147 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1740 and H. F. No. 1296, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Peterson, D., moved that the rules be so far suspended that S. F. No. 1740 be substituted for H. F. No. 1296 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1666 and H. F. No. 1826, 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. 1666 be substituted for H. F. No. 1826 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1809 and H. F. No. 2008, 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. 1809 be substituted for H. F. No. 2008 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1950 and H. F. No. 2092, 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. 1950 be substituted for H. F. No. 2092 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1888 and H. F. No. 1887, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Kelly moved that the rules be so far suspended that S. F. No. 1888 be substituted for H. F. No. 1887 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2125 and H. F. No. 2245, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Jude moved that the rules be so far suspended that S. F. No. 2125 be substituted for H. F. No. 2245 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1588 and H. F. No. 1566, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Voss moved that the rules be so far suspended that S. F. No. 1588 be substituted for H. F. No. 1566 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1949 and H. F. No. 2093, 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. 1949 be substituted for H. F. No. 2093 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1886 and H. F. No. 1798, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Otis moved that the rules be so far suspended that S. F. No. 1886 be substituted for H. F. No. 1798 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1838 and H. F. No. 1946, 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. 1838 be substituted for H. F. No. 1946 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1859 and H. F. No. 1982, 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. 1859 be substituted for H. F. No. 1982 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2141 and H. F. No. 1899, 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. 2141 be substituted for H. F. No. 1899 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1894 and H. F. No. 1879, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Nelson, K., moved that the rules be so far suspended that S. F. No. 1894 be substituted for H. F. No. 1879 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

March 8, 1982

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. 1724, relating to Independent School District No. 507, Nicollet; authorizing a transfer of funds collected by referendum levy to reduce statutory operating debt.

H. F. No. 1637, relating to the standard of time; providing that the Minnesota standard of time conform to the federal standard of time;

H. F. No. 749, relating to real property; providing a fee for issuing noncertified copies of instruments or parts of instruments on file in the office of the registrar of titles;

H. F. No. 1612, a resolution memorializing the life and work of Sigurd F. Olson.

H. F. No. 1614, requiring certification of statutory operating debt for the Tower-Soudan school district in the amount of \$527,483.00.

Sincerely,

ALBERT H. QUIE  
Governor

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

March 8, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
	749	382	March 8	March 8
	1614	383	March 8	March 8
	1637	384	March 8	March 8
1521		385	March 8	March 8
1756		386	March 8	March 8
1582		387	March 8	March 8
709		388	March 8	March 8
	1724	389	March 8	March 8
	1612	Resolution 5	March 8	March 8

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Mann from the Committee on Transportation to which was referred:

H. F. No. 2159, A bill for an act relating to transportation; providing for the coordination and regulation of special transportation services; prescribing the powers and duties of the commissioner of health; providing for the administration of financial assistance by the commissioner of transportation; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 174.29 and 174.30.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 169.44, is amended by adding a subdivision to read:

*Subd. 16. [LIQUEFIED PETROLEUM GAS.] School buses that use liquefied petroleum gas for motor fuel shall conform to the following:*

*(a) Any school bus using liquefied petroleum gas as a motor fuel shall be certified in writing by the installer to meet all standards for "Installation of LPG Systems on Vehicles", as promulgated by the national fire protection association;*

*(b) No fuel tanks shall be installed in the passenger compartment of the vehicle and no removable tanks will be permitted; and*

*(c) The owner shall retain the certification required in clause (a) for verification by personnel of the department of public safety and the department of education. This subdivision expires June 30, 1983.*

Sec. 2. Minnesota Statutes 1980, Section 174.29, is amended to read:

174.29 [COORDINATION OF SPECIAL TRANSPORTATION SERVICE.]

Subdivision 1. [DEFINITION.] For the purpose of sections 174.29 to 174.31 "special transportation service" means motor vehicle transportation provided on a regular basis by a public or private entity or person that is designed exclusively or primarily to serve individuals who are elderly, handicapped, or disabled (, OR ECONOMICALLY DISADVANTAGED) and who are unable to use regular means of transportation. Special



transportation service includes but is not limited to service provided by specially equipped buses, vans, taxis, and volunteers driving private automobiles.

Subd. 2. [DIRECTION.] In order to provide more adequate access to transportation service for the elderly, handicapped and (OTHERS) *disabled* with special transportation needs and to more efficiently utilize public and private funds expended for that purpose, all state agencies that assist, provide, reimburse or regulate special transportation services shall promote, support and facilitate coordination of those services with other special services and with regular transportation services offered to the general public.

Sec. 3. Minnesota Statutes 1980, Section 174.30, is amended to read:

**174.30 [OPERATING STANDARDS FOR SPECIAL TRANSPORTATION SERVICE.]**

Subdivision 1. [(SPECIAL DEFINITION) *APPLICABILITY LIMITATIONS; BY TYPE OF PROVIDER; BY SOURCE OF FUNDS.*] (FOR THE PURPOSE OF THIS SECTION "SPECIAL TRANSPORTATION SERVICE" DOES NOT INCLUDE) *The operating standards for special transportation service adopted under this section do not apply to transportation provided by:*

- (a) A common carrier operating on fixed routes and schedules (,);
- (b) A taxi (,);
- (c) A volunteer driver using a private automobile (,);
- (d) A school bus as defined in section 169.01, subdivision 6 (,); or
- (e) An emergency ambulance regulated under chapter 144.

*The operating standards adopted under this section only apply to providers of special transportation service who receive grants or other financial assistance from either the state or the federal government, or both, to provide or assist in providing that service; except that the operating standards adopted under this section do not apply to any nursing home licensed under section 144A.02, to any board and care facility licensed under section 144.50, or to any day care or group home facility licensed under sections 245.781 to 245.812 unless the facility or program provides transportation to nonresidents on a regular basis and the facility receives reimbursement, other than per diem payments,*

*for that service under rules promulgated by the commissioner of public welfare.*

Subd. 2. [AUTHORITY TO ADOPT; PURPOSE AND CONTENT; RULEMAKING.] The commissioner of transportation shall adopt *by rule* standards for the operation of vehicles used to provide special transportation service which are reasonably necessary to protect the health and safety of individuals using that service. The commissioner, as far as practicable, consistent with the purpose of the standards, shall avoid adoption of standards that unduly restrict any public or private entity or person from providing special transportation service because of the administrative or other cost of compliance.

Standards adopted under this section may include but are not limited to:

- (a) Qualifications of drivers and attendants including driver training requirements;
- (b) Safety equipment required for vehicles;
- (c) General requirements concerning maintenance of standard equipment of vehicles; and
- (d) Minimum insurance requirements.

Subd. 3. [OTHER STANDARDS; WHEELCHAIR SECUREMENT.] A special transportation service that transports individuals occupying wheelchairs is subject to the provisions of sections 299A.11 to 299A.18 concerning wheelchair securement devices. The commissioners of transportation and public safety shall cooperate in the enforcement of this section and sections 299A.11 to 299A.18 so that a single inspection is sufficient to ascertain compliance with sections 299A.11 to 299A.18 and with the standards adopted under this section.

Subd. 4. [CERTIFICATE OF COMPLIANCE.] The commissioner of transportation shall issue an annual certificate of compliance for each vehicle used to provide special transportation service which complies with the standards adopted under this section. (A VEHICLE SUBJECT TO SUBDIVISION 3) *The commissioner shall (BE ISSUED) issue a certificate of compliance to a vehicle subject to subdivision 3 only if the vehicle also complies with sections 299A.11 to 299A.18. The commissioner shall provide in the rules procedures for determining compliance and issuing the certificates. The procedures may include inspection of vehicles and examination of drivers.*

Subd. 5. [RULES.] The (STANDARDS) *rules* authorized under (SUBDIVISION 2 AND THE PROCEDURES AUTHORIZED BY SUBDIVISION 4) *this section* shall be adopted

(BY RULE) in accordance with (CHAPTER 15. NOT LATER THAN NOVEMBER 15, 1979, AND BEFORE PROPOSING ANY RULES UNDER THIS SECTION THE COMMISSIONER SHALL:) *the provisions of the administrative procedures act, sections 15.041 to 15.052.*

(A) MAKE AVAILABLE A DRAFT OF THE RULES, A PLAN FOR ENFORCING THE RULES AND A PROPOSED BUDGET FOR THE NECESSARY ENFORCEMENT ACTIVITIES OF THE DEPARTMENT FOR REVIEW BY THE STANDING COMMITTEES ON TRANSPORTATION IN BOTH HOUSES OF THE LEGISLATURE; AND)

(B) REVIEW THE DRAFT RULES, ENFORCEMENT PLAN AND PROPOSED BUDGET WITH THE INTER-AGENCY TASK FORCE ON COORDINATION OF SPECIAL TRANSPORTATION SERVICE. THE COMMISSIONER SHALL ADOPT THE RULES NECESSARY TO IMPLEMENT THIS SECTION AND COMMENCE ENFORCEMENT OF THOSE RULES NOT LATER THAN JULY 1, 1980.)

Subd. 6. [PREEMPTION OF OTHER REQUIREMENTS.] Notwithstanding any other law, ordinance or resolution to the contrary, an operator of special transportation service that has been issued a current certificate of compliance under subdivision 4 for a vehicle used to provide that service (SHALL) *is not* (BE) required to obtain any other state or local permit, license or certificate as a condition of operating the vehicle for that purpose. This subdivision does not exempt any vehicle from the requirements imposed on vehicles generally as a condition of using the public streets and highways.

Subd. 7. [ENFORCEMENT.] (AFTER JANUARY 1, 1981,) No state agency, political subdivision or other public agency shall provide any capital or operating assistance to or reimbursement for services rendered by any operator of special transportation service unless current certificates of compliance have been issued under subdivision 4 for the vehicles used by the operator to provide the service.

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, after the semicolon insert "regulating the operation of school buses using liquefied petroleum gas as motor fuel;"

Page 1, line 4, delete everything after the semicolon

Page 1, delete lines 5 to 9 and insert "amending Minnesota Statutes 1980, Sections 169.44, by adding a subdivision; 174.29; and 174.30."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 2159 was read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1561, 1908, 1207, 1740, 1666, 1809, 1950, 1888, 2125, 1588, 1949, 1886, 1838, 1859, 2141 and 1894 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced :

Fjoslien, Mann, Munger, Kalis and Carlson, D., introduced :

H. F. No. 2289, A bill for an act relating to taxation; redefining agricultural alcohol gasoline; changing the amount and duration of tax reduction for agricultural alcohol gasoline; providing for reciprocity with certain other states; amending Minnesota Statutes 1980, Sections 296.01, Subdivision 24; and 296.02, Subdivision 7.

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

Sieben, M., for the Committee on Appropriations, introduced :

H. F. No. 2290, A bill for an act relating to the organization and operation of state government; supplementing appropriations for the expenses of the department of revenue; appropriating money.

The bill was read for the first time and laid over one day.

## HOUSE ADVISORIES

The following House Advisories were introduced :

Sarna, Kahn, Long, Pogemiller and Clark, J., introduced:

H. A. No. 65, A proposal to modify the area represented by members of the Minneapolis school board.

The advisory was referred to the Committee on Education.

Jacobs, Swanson and Greenfield introduced:

H. A. No. 66, A proposal to study ambulance costs in the various regions of the state.

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. 773, A bill for an act relating to marriage dissolution; adopting the revised uniform reciprocal enforcement of support act; proposing new law coded as Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41 to 518.53.

H. F. No. 1283, A bill for an act relating to crimes; lengthening the statute of limitations for prosecutions for certain crimes; amending Minnesota Statutes 1980, Section 628.26.

H. F. No. 1701, A bill for an act relating to the city of Hibbing; authorizing increases in certain firefighters service pensions and survivor benefits; amending Laws 1977, Chapter 169, Section 1 and Laws 1971, Chapter 614, Section 1, Subdivision 2.

H. F. No. 2011, A bill for an act relating to commerce; motor vehicle sale and distribution; providing for the termination or cancellation of franchise agreements and certain payments to be made by manufacturers in the event thereof; specifying certain circumstances establishing good cause for entering into or relocating an additional franchise for the same line make; amending Minnesota Statutes 1981 Supplement, Sections 80E.03, Subdivision 8; 80E.07, Subdivision 1; 80E.09, Subdivisions 1, 2 and 3; 80E.11, Subdivisions 2 and 6; and 80E.14, Subdivision 2; and proposing new law coded in Minnesota Statutes, Chapter 80E.

H. F. No. 2021, A bill for an act relating to local government; creating the Morrison County rural development finance author-

ity; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

H. F. No. 2077, A bill for an act relating to insurance; increasing the percentage of the state comprehensive health plan premium that may be used to pay certain fees and expenses; amending Minnesota Statutes 1980, Section 62E.11, Subdivision 3.

H. F. No. 2098, A bill for an act relating to retirement; teachers retirement association; extending the time limit for the purchase of service credit for military service leaves of absence for certain veterans.

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. 1794, A bill for an act relating to health; providing for an advisory task force to make recommendations on the distribution of funds for maternal and child health care needs; proposing new law coded in Minnesota Statutes, Chapter 145.

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. 1817, A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221; repealing Minnesota Statutes 1981 Supplement, Section 161.465.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mehrkens moved that the House refuse to concur in the Senate amendments to H. F. No. 1817, 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. 1804, A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

PATRICK E. FLAHAVEN, Secretary of the Senate

Johnson, C., moved that the House refuse to concur in the Senate amendments to H. F. No. 1804, 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. 1499, A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review 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.23.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clawson moved that the House refuse to concur in the Senate amendments to H. F. No. 1499, 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. 2050, 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. 2050 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2050, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Ainley	Drew	Heinitz	Lehto	Norton
Anderson, B.	Eken	Himle	Lemen	Novak
Anderson, G.	Elioff	Hoberg	Long	Nysether
Anderson, I.	Ellingson	Hokanson	Ludeman	O'Connor
Battaglia	Erickson	Hokr	Luknic	Ogren
Begich	Esau	Jacobs	Mann	Olsen
Berkelman	Evans	Jennings	Marsh	Onnen
Blatz	Fjoslien	Johnson, C.	McCarron	Osthoff
Brandl	Forsythe	Johnson, D.	McDonald	Otis
Brinkman	Greenfield	Jude	McEachern	Peterson, B.
Byrne	Gruenes	Kahn	Mehrkens	Peterson, D.
Carlson, D.	Gustafson	Kaley	Metzen	Piepho
Carlson, L.	Halberg	Kalis	Minne	Pogemiller
Clark, K.	Hanson	Kelly	Munger	Redalen
Clawson	Harens	Knickerbocker	Murphy	Reding
Dahlvang	Hauge	Kostohryz	Nelsen, B.	Rees
Dempsey	Haukoos	Kvam	Nelson, K.	Reif
Den Ouden	Heap	Laidig	Niehaus	Rice



Rodriguez, C.	Schreiber	Stadum	Valan	Welker
Rodriguez, F.	Shea	Staten	Valento	Wenzel
Rose	Sherman	Stowell	Vanasek	Wieser
Samuelson	Sherwood	Stumpf	Vellenga	Wigley
Sarna	Sieben, M.	Sviggum	Voss	Wynia
Schafer	Simoneau	Swanson	Weaver	Zubay
Schoenfeld	Skoglund	Tomlinson	Welch	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. 1863, A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; allowing certain non-members to establish individual retirement accounts; amending Minnesota Statutes 1980, Sections 52.02; 52.08; 52.09, Subdivisions 2 and 3; 52.10; and 52.135.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 1863 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1863, A bill for an act relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; allowing certain non-members to establish individual retirement accounts; amending Minnesota Statutes 1980, Sections 52.02; 52.08; 52.09, Subdivisions 2 and 3; 52.10; and 52.135.

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

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

Those who voted in the affirmative were:

Aasness	Anderson, B.	Anderson, I.	Begich	Blatz
Ainley	Anderson, G.	Battaglia	Berkelman	Brandl

Brinkman	Hauge	Ludeman	Otis	Skoglund
Byrne	Haukoos	Luknic	Peterson, B.	Stadum
Carlson, D.	Heap	Mann	Peterson, D.	Staten
Carlson, L.	Heinitz	Marsh	Piepho	Stowell
Clark, K.	Himle	McCarron	Pogemiller	Stumpf
Clawson	Hoberg	McDonald	Redalen	Sviggum
Dahlvang	Hokanson	McEachern	Reding	Swanson
Dempsey	Hokr	Mehrkens	Rees	Tomlinson
Den Ouden	Jacobs	Metzen	Reif	Valan
Drew	Jennings	Minne	Rice	Valento
Eken	Johnson, C.	Munger	Rodriguez, C.	Vanasek
Elioff	Johnson, D.	Murphy	Rodriguez, F.	Vellenga
Ellingson	Jude	Nelsen, B.	Rose	Voss
Erickson	Kahn	Nelson, K.	Samuelson	Weaver
Esau	Kaley	Niehaus	Sarna	Welch
Evans	Kalis	Norton	Schafer	Welker
Fjoslien	Kelly	Novak	Schoenfeld	Wenzel
Forsythe	Knickerbocker	Nysether	Schreiber	Wieser
Greenfield	Kostohryz	O'Connor	Shea	Wigley
Gruenes	Laidig	Ogren	Sherman	Wynia
Gustafson	Lehto	Olsen	Sherwood	Zubay
Halberg	Lemen	Onnen	Sieben, M.	Spkr. Sieben, H.
Hanson	Levi	Osthoff	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. 1786, A bill for an act relating to agriculture; changing certain procedures relating to fertilizers and soil and plant amendments; imposing a penalty; amending Minnesota Statutes 1980, Sections 17.713, by adding a subdivision; 17.721, Subdivision 2; and 17.728, as amended; Minnesota Statutes 1981 Supplement, Sections 17.713, Subdivisions 8, 12, 17a, and 20; 17.714, Subdivision 2; 17.716, Subdivision 6; 17.719, Subdivision 1, and by adding a subdivision; 17.721, Subdivision 1; 17.725, Subdivision 1; and 17.726; proposing new law coded in Minnesota Statutes, Chapter 17.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Stowell moved that the House concur in the Senate amendments to H. F. No. 1786 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1786, A bill for an act relating to agriculture; changing certain procedures relating to fertilizers and soil and plant amendments; requiring adoption of rules concerning analysis of sewage sludge; imposing a penalty; amending Minnesota Stat-

utes 1980, Sections 17.713, by adding a subdivision; 17.721, Subdivision 2; and 17.728, as amended; Minnesota Statutes 1981 Supplement, Sections 17.713, Subdivisions 8, 12, 17a, and 20; 17.714, Subdivision 2; 17.716, Subdivision 6; 17.719, Subdivision 1, and by adding a subdivision; 17.721, Subdivision 1; 17.725, Subdivision 1; 17.726; and 116.07, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 17.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, B. 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. 1735, A bill for an act relating to retirement; Hennepin county supplemental retirement program; providing for

a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances; amending Laws 1969, Chapter 950, Sections 1, 2, 3, as amended, 4, as amended, 5 and 6; repealing Laws 1969, Chapter 950, Section 8.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Pogemiller moved that the House concur in the Senate amendments to H. F. No. 1735 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1735, A bill for an act relating to retirement; Hennepin county supplemental retirement program; providing for a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances; amending Laws 1969, Chapter 950, Sections 1, 2, 3, as amended, 4, as amended, 5 and 6; repealing Laws 1969, Chapter 950, Section 8.

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

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

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Ogren	Sieben, M.
Ainley	Forsythe	Laidig	Olsen	Simoneau
Anderson, B.	Greenfield	Lehto	Onnen	Skoglund
Anderson, G.	Gruenes	Lemen	Osthoff	Stadum
Anderson, I.	Gustafson	Levi	Otis	Staten
Battaglia	Halberg	Long	Peterson, B.	Stowell
Begich	Hanson	Ludeman	Peterson, D.	Stumpf
Berkelman	Hauge	Luknic	Piepho	Sviggum
Blatz	Haukoos	Mann	Pogemiller	Swanson
Brinkman	Heap	Marsh	Redalen	Tomlinson
Byrne	Heinitz	McCarron	Reding	Vaian
Carlson, D.	Himle	McDonald	Rees	Valento
Carlson, L.	Hoberg	McEachern	Reif	Vanasek
Clark, K.	Hokanson	Mehrkens	Rice	Vellenga
Clawson	Hokr	Metzen	Rodriguez, C.	Voss
Dahlvang	Jennings	Minne	Rodriguez, F.	Weaver
Dempsey	Johnson, C.	Munger	Rose	Welch
Den Ouden	Johnson, D.	Murphy	Samuelson	Welker
Drew	Jude	Nelsen, B.	Sarna	Wenzel
Eken	Kahn	Nelson, K.	Schafer	Wieser
Elioff	Kaley	Niehaus	Schoenfeld	Wigley
Ellingson	Kalis	Norton	Schreiber	Wynia
Erickson	Kelly	Novak	Shea	Zubay
Esau	Knickerbocker	Nysether	Sherman	Spkr. Sieben, H.
Evans	Kostohryz	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. 1707, A bill for an act relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing the requirement for designated routes for certain buses; modifying the public transit capital grant assistance program; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 169.28; 169.29; 169.80, Subdivisions 2 and 2a; 174.245; Laws 1981, Chapter 363, Section 55, Subdivision 1, as amended; repealing Minnesota Statutes 1980, Section 219.21.

PATRICK E. FLAHAVERN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Rodriguez, C., moved that the House concur in the Senate amendments to H. F. No. 1707 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1707, A bill for an act relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing certain geographical operating limitations on passenger motor buses; removing the requirement for designated routes for intercity buses; modifying the public transit capital grant assistance program; modifying certain public transit contract procedures; amending Minnesota Statutes 1980, Sections 169.28; 169.29; 169.80, Subdivisions 2 and 2a; 174.245; Laws 1981, Chapter 363, Section 55, Subdivision 1, as amended; repealing Minnesota Statutes 1980, Section 219.21.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Munger	Osthoff	Rodriguez, F.	Skoglund	Weaver
Murphy	Otis	Rose	Stadum	Welch
Nelsen, B.	Peterson, B.	Samuelson	Stowell	Weiker
Nelson, K.	Peterson, D.	Sarna	Stumpf	Wenzel
Niehaus	Piepho	Schafer	Sviggum	Wieser
Norton	Pogemiller	Schoenfeld	Swanson	Wigley
Novak	Redalen	Schreiber	Tomlinson	Wynia
Nysether	Reding	Shea	Valan	Zubay
O'Connor	Rees	Sherman	Valento	Spkr. Sieben, H.
Ogren	Reif	Sherwood	Vanasek	
Olsen	Rice	Sieben, M.	Vellenga	
Onnen	Rodriguez, C.	Simoneau	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. 1580, A bill for an act relating to state lands; providing for the conveyance of certain tax forfeited lands.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Samuelson moved that the House concur in the Senate amendments to H. F. No. 1580 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1580, A bill for an act relating to state lands; providing for the conveyance of certain tax forfeited lands.

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

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

Those who voted in the affirmative were:

Aasness	Carlson, L.	Evans	Himle	Kelly
Ainley	Clark, K.	Fjoslien	Hoberg	Knickerbocker
Anderson, B.	Clawson	Forsythe	Hokanson	Kostohryz
Anderson, G.	Dahlvang	Greenfield	Hokr	Kvam
Anderson, I.	Dempsey	Gruenes	Jacobs	Laidig
Battaglia	Den Ouden	Gustafson	Jennings	Lehto
Begich	Drew	Halberg	Johnson, C.	Lemen
Berkelman	Eken	Hanson	Johnson, D.	Levi
Blatz	Elioff	Hauge	Jude	Long
Brinkman	Ellingson	Haukoos	Kahn	Ludeman
Byrne	Erickson	Heap	Kaley	Luknic
Carlson, D.	Esau	Heinitz	Kalis	Mann

Marsh	Novak	Reding	Sherman	Valento
McCarron	Nysether	Rees	Sherwood	Vanasek
McDonald	O'Connor	Reif	Sieben, M.	Vellenga
McEachern	Ogren	Rice	Simoneau	Voss
Mehrkens	Olsen	Rodriguez, C.	Skoglund	Weaver
Metzen	Onnen	Rodriguez, F.	Stadum	Welch
Minne	Osthoff	Rose	Staten	Welker
Munger	Otis	Samuelson	Stowell	Wenzel
Murphy	Peterson, B.	Sarna	Stumpf	Wieser
Nelsen, B.	Peterson, D.	Schafer	Swiggum	Wigley
Nelson, K.	Piepho	Schoenfeld	Swanson	Wynia
Niehaus	Pogemiller	Schreiber	Tomlinson	Zubay
Norton	Redalen	Shea	Valan	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. 1234, A bill for an act relating to employees and officials of the state; hospital and medical benefits for retired or disabled state officials and employees; amending Minnesota Statutes 1980, Section 471.61, Subdivision 2a.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Tomlinson moved that the House concur in the Senate amendments to H. F. No. 1234 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1234, A bill for an act relating to employees and officials of the state; clarifying certain hospital and medical benefits for retired or disabled state officials and employees; amending Minnesota Statutes 1980, Section 471.61, Subdivision 2a.

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

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

Those who voted in the affirmative were:

Aasness	Anderson, I.	Blatz	Carlson, L.	Dempsey
Ainley	Battaglia	Brinkman	Clark, K.	Den Ouden
Anderson, B.	Begich	Byrne	Clawson	Drew
Anderson, G.	Berkelman	Carlson, D.	Dahlvang	Eken

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

S. F. Nos. 588, 1682, 1723, 1765, 1948, 2051 and 2127.

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. 1780.

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. 1336.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 588, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; revising certain restrictions on highway bonds.



The bill was read for the first time.

Anderson, G., moved that S. F. No. 588 and H. F. No. 674, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1682, A bill for an act relating to local government; permitting various leases and installment purchases of equipment; providing for their tax and fiscal treatment; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 297B.03; and 465.71; Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1.

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

S. F. No. 1723, A bill for an act relating to retirement; Minnesota state retirement system; imposing liability for certain omitted employee contributions on the employing unit; elective state officers retirement plan; providing benefit adjustments for retired constitutional officers and surviving spouses; amending Minnesota Statutes 1980, Section 352.04, Subdivision 8; proposing new law coded in Minnesota Statutes, Chapter 352C.

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

S. F. No. 1765, A bill for an act relating to game and fish; removing the restriction upon issuance of wild turkey licenses; amending Minnesota Statutes 1980, Section 100.271, Subdivision 3a.

The bill was read for the first time.

Mehrkens moved that S. F. No. 1765 and H. F. No. 1844, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1948, A bill for an act relating to the Hennepin County park reserve district and the city of Anoka; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.

The bill was read for the first time.

Ellingson moved that S. F. No. 1948 and H. F. No. 2228, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2051, A bill for an act relating to rural development; changing the purposes of rural development financing authorities; providing for small business finance agency loans to a farm

business; amending Minnesota Statutes 1980, Sections 362.52, Subdivision 3; 362A.01, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 362.50, Subdivisions 5 and 9.

The bill was read for the first time.

Kalis moved that S. F. No. 2051 and H. F. No. 2238, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2127, A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

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

S. F. No. 1780, A bill for an act relating to highway traffic regulations; governing the movement of certain vehicles on certain highways; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; amending Minnesota Statutes 1980, Section 169.80, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and 12; 299D.03, Subdivision 5; repealing Minnesota Statutes 1981 Supplement, Section 169.861.

The bill was read for the first time.

Anderson, G., moved that S. F. No. 1780 and H. F. No. 1815, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1336, A bill for an act relating to financial institutions; redefining "contract for deed" to include sales of mobile homes used as a residence by the seller; amending Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 2.

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

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1499:

Clawson, Jude and Gruenes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1804:

Johnson, C.; Murphy and Laidig.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1817:

Mehrkens, Dahlvang and Anderson, G.

### CONSENT CALENDAR

There being no objection pursuant to Senate Concurrent Resolution No. 9 the bills on the Consent Calendar were now considered.

S. F. No. 2048, A bill for an act relating to state parks; restating the boundaries of Tower Soudan state park; authorizing conveyance of certain park lands.

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

The bill was passed and its title agreed to.

S. F. No. 2062, A bill for an act relating to courts; providing for the appointment of a court commissioner to solemnize marriages in the combined county court district of Benton and Stearns.

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	Forsythe	Kostohryz	Olsen	Simoneau
Ainley	Greenfield	Kvam	Onnen	Skoglund
Anderson, G.	Gruenes	Laidig	Osthoff	Stadum
Anderson, I.	Gustafson	Lemen	Otis	Staten
Battaglia	Halberg	Levi	Peterson, B.	Stowell
Begich	Hanson	Long	Peterson, D.	Stumpf
Berkelman	Harens	Ludeman	Piepho	Sviggum
Blatz	Hauge	Luknic	Pogemiller	Swanson
Brinkman	Haukoos	Mann	Redalen	Tomlinson
Byrne	Heap	McCarron	Reding	Valan
Carlson, D.	Heinitz	McDonald	Rees	Valento
Carlson, L.	Himle	McEachern	Reif	Vanasek
Clark, K.	Hoberg	Mehrkens	Rice	Vellenga
Clawson	Hokanson	Metzen	Rodriguez, C.	Voss
Dahlvang	Hokr	Minne	Rodriguez, F.	Weaver
Dempsey	Jacobs	Munger	Rose	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	Shea	Zubay
Esau	Kalis	Nysether	Sherman	Spkr. Sieben, H.
Evans	Kelly	O'Connor	Sherwood	
Fjoslien	Knickerbocker	Ogren	Sieben, M.	

Those who voted in the negative were:

Lehto

The bill was passed and its title agreed to.

S. F. No. 1631, A bill for an act relating to the Red River watershed; naming all counties in which the special taxing authority of certain watershed districts applies; amending Laws 1976, Chapter 162, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1967, A bill for an act relating to highway traffic regulations; including a person in a wheelchair within the definition of pedestrian; amending Minnesota Statutes 1980, Sections 169.01, Subdivision 24, and by adding a subdivision; and 169.21, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Sherwood	Staten	Tomlinson	Voss	Wieser
Sieben, M.	Stowell	Valan	Weaver	Wigley
Simoneau	Stumpf	Valento	Welch	Wynia
Skoglund	Sviggunn	Vanasek	Welker	Zubay
Stadum	Swanson	Vellenga	Wenzel	Spkr. Sieben, H.

The bill was passed and its title agreed to.

S. F. No. 1670, A bill for an act relating to guardianship and conservatorship; providing for delegation of certain powers by parents or guardians; applying the rules of evidence to certain proceedings; providing administrative procedures for the appointment of guardians or conservators for minors; providing a procedure for discharge of guardians or conservators in certain cases; clarifying certain provisions; amending Minnesota Statutes 1980, Sections 525.6165; and 525.618, by adding subdivisions; Minnesota Statutes 1981 Supplement, Sections 525.55, Subdivisions 1 and 3; 525.551, Subdivision 3; 525.5515, Subdivision 2; and 525.6196; proposing new law coded in Minnesota Statutes, Chapters 524 and 525; repealing Minnesota Statutes 1981 Supplement, Section 525.5515, 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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

## SPECIAL ORDERS

H. F. No. 1811 was reported to the House.

Staten moved that H. F. No. 1811 be continued on Special Orders. The motion prevailed.

H. F. No. 352 was reported to the House.

Kelly moved to amend H. F. No. 352, the second engrossment, as follows:

Page 1, after line 18, insert:

“Section 1. [609.5811] [DEFINITIONS; SCOPE.]

*Subdivision 1. [LAWFUL ENTRY.] Whoever enters a building while open to the general public does so with consent except when consent was previously expressly withdrawn.*

*Subd. 2. [DEFINITIONS.] For the purposes of sections 2 to 7 and 609.59, the terms in this subdivision have the meanings given them and the principles set forth in this section apply.*

*“Building” means a dwelling or other structure suitable for or affording shelter for human beings or appurtenant to or connected with a structure so adapted, and includes portions of such structures separately occupied.*

*“Dwelling” means a structure used as a permanent or temporary residence.*

Sec. 2. [609.5812] [BURGLARY IN THE FIRST DEGREE.]

*Whoever, under any of the following circumstances, enters a building without the consent of the person in lawful possession, or whoever enters a building by using artifice, trick, or misrepresentation to obtain consent to enter from the person of lawful possession, with intent to commit a crime in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a crime in it, commits burglary in the first degree and may be sentenced to imprisonment for not more than 20 years or to payment of a fine of not more than \$20,000, or both:*

(1) *The building he enters is a dwelling;*

(2) *The portion of the building he enters contains a banking business or other business of receiving securities or other valu-*

*able papers for deposit or safekeeping, the entry is with force or threat of force, and the intent is to steal or commit felony in it; or*

*(3) When entering or while in the building, he possesses a dangerous weapon or explosive, or commits an assault upon a person present in the building entered.*

**Sec. 3. [609.5813] [BURGLARY IN THE SECOND DEGREE.]**

*Whoever, under either of the following circumstances, when burglary in the first degree is not committed, enters a building without the consent of the person in lawful possession, or whoever enters a building by using artifice, trick, or misrepresentation to obtain consent to enter from the person in lawful possession, with intent to commit a crime in it, commits burglary in the second degree and 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:*

*(1) When entering or while in the building, he possesses a tool to gain access to money or property; or*

*(2) The intent is to steal or commit a felony or gross misdemeanor.*

**Sec. 4. [609.5814] [BURGLARY IN THE THIRD DEGREE.]**

*Whoever, when burglary in the first or second degree is not committed, enters a building without the consent of the person in lawful possession, with intent to commit a misdemeanor in it, or remains in a building without the consent of the person in lawful possession, with intent to commit a felony or gross misdemeanor in it, commits burglary in the third degree and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both.*

**Sec. 5. Minnesota Statutes 1980, Section 609.585, is amended to read:**

**609.585 [DOUBLE JEOPARDY.]**

*Subdivision 1. [GENERAL.] A prosecution for or conviction of the crime of burglary is not a bar to conviction of any other crime committed on entering or while in the building entered.*

*Subd. 2. [CONSECUTIVE SENTENCES.] Notwithstanding the provisions of section 609.15, subdivision 1, sentences for violations of section 2 or section 3 and for any other crime com-*



*mitted on entering or while in the building entered shall be presumed to be consecutive to each other."*

Page 5, delete lines 34 to 36

Page 6, delete lines 1 to 15 and insert:

*"(b) intentionally prevents or dissuades or attempts to prevent or dissuade by means of any act described in section 609.27, subdivision 1, clauses (3), (4), or (5), a person from providing information to law enforcement authorities concerning a crime.*

*Subd. 4. [SENTENCE.] Whoever violates subdivision 3 may be sentenced to imprisonment for not more than one year or to payment of a fine not to exceed \$1,000."*

Page 14, after line 7, insert:

*"Sec. 20. [REPEALER.]*

*Minnesota Statutes 1980, Section 609.58, is repealed."*

Renumber succeeding section accordingly.

Page 14, line 9, delete "14" and insert "20"

Page 14, line 9, delete "August" and insert "July"

Renumber the sections, subdivisions, or clauses as may be required by this amendment.

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "establishing classifications for the crime of burglary; prescribing penalties for burglary offenses;"

Page 1, line 15, delete "as" and insert "in"

Page 1, line 15, delete "Chapter" and insert "Chapters 609 and"

Page 1, line 16, delete the period and insert "; repealing Minnesota Statutes 1980, Section 609.58."

The motion prevailed and the amendment was adopted.

H. F. No. 352, A bill for an act relating to crimes; establishing classifications for the crime of burglary; prescribing penal-

ties for burglary offenses; affirming the right of victims to bring actions against offenders; establishing the right of a victim to request restitution; providing for implementation of victim and witness rights by law; providing penal sanctions and judicial mechanisms to deter intimidation of witnesses; requiring criminal justice agencies to inform victims of financial assistance and social services; providing for minimal victim participation in the criminal process; providing penalties; amending Minnesota Statutes 1980, Sections 241.26, Subdivisions 5 and 6; 243.23, Subdivision 3; 571.55, by adding a subdivision; 609.115; 609.498; and 631.425, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapters 609 and 611A; repealing Minnesota Statutes 1980, Section 609.58.

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

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

Berkelman was excused between the hours of 1:30 and 2:15 p.m.

S. F. No. 412, A bill for an act relating to commerce; providing that married couples filing petitions in bankruptcy select either state or federal exemptions; proposing new law coded in Minnesota Statutes, Chapter 550.

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

The bill was passed and its title agreed to.

H. F. No. 1642 was reported to the House.

Wynia moved that H. F. No. 1642 be continued on Special Orders. The motion prevailed.

H. F. No. 1934 was reported to the House.

Long moved that H. F. No. 1934 be continued on Special Orders. The motion prevailed.

H. F. No. 930 was reported to the House.

Ellingson moved that H. F. No. 930 be continued on Special Orders. The motion prevailed.

S. F. No. 1566, A bill for an act relating to the environment; expediting the receipt of federal moneys for emergency response to hazardous waste releases; expediting the variance issuance procedures of the pollution control agency; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; and 116.07, 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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1644 was reported to the House.

Stadum offered an amendment to S. F. No. 1644.

#### CALL OF THE HOUSE

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

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

Onnen	Rees	Shea	Swiggum	Welker
Osthoff	Reif	Sherman	Swanson	Wenzel
Otis	Rice	Sherwood	Tomlinson	Wieser
Peterson, B.	Rodriguez, C.	Simoneau	Valan	Wigley
Peterson, D.	Rodriguez, F.	Skoglund	Valento	Zubay
Piepho	Sarna	Stadum	Vellenga	
Pogemiller	Schafer	Staten	Voss	
Redalen	Schoenfeld	Stowell	Weaver	
Reding	Schreiber	Stumpf	Welch	

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.

#### POINT OF ORDER

Simoneau raised a point of order pursuant to rule 3.9 that the Stadum amendment was not in order. The Speaker ruled the point of order well taken and the Stadum amendment out of order.

Jennings appealed the decision of the Chair.

A roll call was requested and properly seconded.

Simoneau moved to lay the appeal of the decision of the Chair on the table.

A roll call was requested and properly seconded.

The question was taken on the Simoneau motion and the roll was called.

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

There were 66 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gustafson	Mann	Peterson, D.	Stumpf
Anderson, I.	Hanson	McCarron	Pogemiller	Swanson
Battaglia	Harens	McEachern	Reding	Tomlinson
Begich	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	Spk. Sieben, H.
Eken	Kelly	O'Connor	Sieben, M.	
Elioff	Kostohryz	Ogren	Simoneau	
Ellingson	Lehto	Osthoff	Skoglund	
Greenfield	Long	Otis	Staten	

Those who voted in the negative were:

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

The motion prevailed and the appeal of the decision of the Chair was laid on the table.

S. F. No. 1644, A bill for an act relating to securities; removing the exemption from filing fees for an agent who is a primary officer, partner, or director of a licensed broker-dealer; amending Minnesota Statutes 1981 Supplement, Section 80A.28, 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.

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

There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed 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.

Simoneau moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

#### GENERAL ORDERS

Simoneau moved that the bills on General Orders for today be continued. The motion prevailed.

#### MOTIONS AND RESOLUTIONS

Onnen moved that S. F. No. 1713 be recalled from the Committee on Transportation and together with H. F. No. 2159, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Kalis moved that the name of Schoenfeld be added as an author on H. F. No. 2238. The motion prevailed.

Otis moved that H. F. No. 1840 be recalled from the Senate for further consideration by the House.

#### CALL OF THE HOUSE

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

Aasness	Dempsey	Haukoos	Kelly	Mehrkens
Ainley	Den Ouden	Heap	Knickerbocker	Metzen
Anderson, B.	Eken	Heinitz	Kostohryz	Minne
Anderson, G.	Elioff	Himle	Kvam	Munger
Anderson, I.	Ellingson	Hoberg	Laidig	Murphy
Blatz	Esau	Hokanson	Lemen	Nelsen, B.
Brinkman	Evans	Hokr	Levi	Nelson, K.
Byrne	Ewald	Jacobs	Long	Niehaus
Carlson, D.	Fjoslien	Jennings	Ludeman	Norton
Carlson, L.	Forsythe	Johnson, C.	Luknic	Nysether
Clark, J.	Greenfield	Johnson, D.	Mann	Ogren
Clark, K.	Gruenes	Jude	Marsh	Olsen
Clawson	Halberg	Kahn	McCarron	Onnen
Dahlvang	Hanson	Kaley	McDonald	Osthoff
Dean	Harens	Kalis	McEachern	Otis

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

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.

#### POINT OF ORDER

Jennings raised a point of order that the Otis motion to recall H. F. No. 1840 from the Senate was out of order. The Speaker ruled the point of order not well taken and the Otis motion to recall H. F. No. 1840 from the Senate in order.

Jennings moved to lay the Otis motion on the table.

A roll call was requested and properly seconded.

The question was taken on the Jennings motion and the roll was called.

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

There were 60 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Knickerbocker	Nysether	Sherman
Ainley	Gruenes	Kvam	Olsen	Sherwood
Blatz	Halberg	Laidig	Onnen	Stadum
Carlson, D.	Haukoos	Lemen	Peterson, B.	Stowell
Dean	Heap	Levi	Piepho	Sviggum
Dempsey	Heinitz	Ludeman	Redalen	Valan
Den Ouden	Himle	Luknic	Rees	Valento
Drew	Hoberg	Marsh	Reif	Weaver
Esau	Hokr	McDonald	Rose	Welker
Evans	Jennings	Mehrrens	Rothenberg	Wieser
Ewald	Johnson, D.	Nelsen, B.	Schafer	Wigley
Fjoslien	Kaley	Niehaus	Schreiber	Zubay

Those who voted in the negative were:

Anderson, G.	Clark, J.	Greenfield	Johnson, C.	Long
Anderson, I.	Clark, K.	Gustafson	Jude	Mann
Battaglia	Clawson	Hanson	Kahn	McCarron
Begich	Dahlvang	Harens	Kalis	McEachern
Brinkman	Eken	Hauge	Kelly	Metzen
Byrne	Elioff	Hokanson	Kostohryz	Minne
Carlson, L.	Ellingson	Jacobs	Lehto	Munger



Murphy	Otis	Samuelson	Staten	Weich
Nelson, K.	Peterson, D.	Sarna	Stumpf	Wenzel
Norton	Pogemiller	Schoenfeld	Swanson	Wynia
Novak	Reding	Shea	Tomlinson	Spkr. Sieben, H.
O'Connor	Rice	Sieben, M.	Vanasek	
Ogren	Rodriguez, C.	Simoneau	Vellenga	
Osthoff	Rodriguez, F.	Skoglund	Voss	

The motion did not prevail.

The question recurred on the Otis motion that H. F. No. 1840 be recalled from the Senate. The motion prevailed.

Samuelson introduced:

House Resolution No. 31, A house resolution congratulating the Warriors wrestling team from Brainerd High School for winning the 1982 Class AA State High School Wrestling Championship.

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

Begich, Battaglia, Elioff, Minne and Anderson, I., introduced:

House Resolution No. 32, A house resolution urging the President and Congress of the United States to resist attempts by the World Bank to assist on the construction of a taconite facility in Brazil.

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.

#### 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 added to Special Orders pending for Wednesday, March 10, 1982:

H. F. Nos. 1558, 376, 674, 1727 and 1176 and S. F. Nos. 1840, 1715, 1907, 1640, 2000, 1702, 1691, 1015, 1522 and 1443, and H. F. No. 1764, and S. F. Nos. 1684, 1821, 1591, 1677, 1256, 1481, 1231, 1539, 1621, 1605, 1641, 1853, 1758 and 85.

## CALL OF THE HOUSE LIFTED

Simoneau 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 Special Orders.

## SPECIAL ORDERS

H. F. No. 1558 was reported to the House.

Simoneau moved that H. F. No. 1558 be continued on Special Orders. The motion prevailed.

H. F. No. 376 was reported to the House.

Reding moved that H. F. No. 376 be continued on Special Orders. The motion prevailed.

H. F. No. 1727, A bill for an act relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 480.01; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; and Minnesota Statutes 1981 Supplement, Sections 204B.06, Subdivision 6; 204B.34, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapters 480A; and 632; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

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

The question was taken on the passage of the bill and the roll was called. There were 110 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Aasness	Den Ouden	Heap	Levi	O'Connor
Anderson, B.	Drew	Heinitz	Long	Ogren
Anderson, G.	Eken	Himle	Ludeman	Olsen
Anderson, I.	Elioff	Hoberg	Luknic	Otis
Battaglia	Ellingson	Hokanson	Mann	Peterson, B.
Begich	Erickson	Hokr	McDonald	Peterson, D.
Berkelman	Ewald	Jacobs	McEachern	Piepho
Blatz	Fjoslien	Jennings	Mehrkens	Pogemiller
Brandl	Forsythe	Johnson, D.	Metzen	Redalen
Brinkman	Greenfield	Jude	Minne	Rees
Carlson, D.	Gruenes	Kahn	Munger	Reif
Carlson, L.	Gustafson	Kalis	Murphy	Rice
Clark, J.	Halberg	Knickerbocker	Nelsen, B.	Rodriguez, C.
Clawson	Hanson	Kostohryz	Nelson, K.	Rodriguez, F.
Dahlvang	Harens	Kvam	Niehaus	Samuelson
Dean	Hauge	Laidig	Novak	Sarna
Dempsey	Haukoos	Lehto	Nysether	Schafer

Schoenfeld	Simoneau	Sviggum	Vellenga	Wieser
Schreiber	Skoglund	Swanson	Voss	Wigley
Shea	Staten	Tomlinson	Weaver	Wynia
Sherman	Stowell	Valan	Welch	Zubay
Sieben, M.	Stumpf	Vanasek	Wenzel	Spkr. Sieben, H.

Those who voted in the negative were:

Ainley	Lemen	Onnen	Osthoff	Sherwood
Kelly	Marsh			

The bill was passed and its title agreed to.

H. F. No. 1176 was reported to the House.

Heinitz moved to amend H. F. No. 1176, the fourth engrossment, as follows:

Page 5, line 35, delete "*Except as otherwise*" and delete line 36.

Page 6, strike lines 1 through 4 and insert:

*"Any person who intentionally or through gross or culpable negligence or reckless acts is responsible for a release or threatened release of a hazardous substance from a facility shall be strictly liable, jointly and severally, for."*

Page 6, after line 25, insert:

*"Any person who has acted reasonably under the circumstances involved in the release or threatened release of a hazardous substance shall be liable under applicable state and federal laws, including common law, for any economic loss, personal injury or disease resulting from the release or threatened release."*

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

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

Aasness	Brandl	Ellingson	Harens	Jennings
Ainley	Brinkman	Erickson	Hauge	Johnson, C.
Anderson, B.	Carlson, L.	Esau	Haukoos	Johnson, D.
Anderson, G.	Clark, J.	Ewald	Heap	Jude
Anderson, I.	Dahlvang	Fjoslien	Heinitz	Kahn
Battaglia	Dean	Forsythe	Himle	Kaley
Begich	Dempsey	Greenfield	Hoberg	Kelly
Berkelman	Den Ouden	Gruenes	Hokanson	Knickerbocker
Blatz	Drew	Hanson	Jacobs	Kostohryz

Kvam	Minne	Peterson, B.	Schoenfeld	Voss
Laidig	Munger	Peterson, D.	Schreiber	Weaver
Lehto	Murphy	Piepho	Sherwood	Welch
Lemen	Nelson, K.	Redalen	Sieben, M.	Wenzel
Levi	Niehaus	Reding	Skoglund	Wieser
Long	Norton	Rees	Staten	Wigley
Ludeman	Novak	Reif	Sviggum	Wynia
Luknic	Nysether	Rodriguez, C.	Swanson	Zubay
Mann	O'Connor	Rodriguez, F.	Tomlinson	Spkr. Sieben, H.
Marsh	Olsen	Rose	Valan	
McEachern	Onnen	Samuelson	Valento	
Mehrkens	Osthoff	Sarna	Vanasek	
Metzen	Otis	Schafer	Vellenga	

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.

Halberg moved to amend the Heinitz amendment to H. F. No. 1176, the fourth engrossment, as follows:

Line 3, delete "*intentionally*" and insert "*unintentionally*"

Line 5, delete "*strictly*"

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 7 yeas and 114 nays as follows:

Those who voted in the affirmative were:

Dean	Hoberg	Lehto	Shea	Spkr. Sieben, H.
Halberg	Laidig			

Those who voted in the negative were:

Aasness	Dahlvang	Hanson	Kaley	Minne
Ainley	Dempsey	Harens	Kalis	Munger
Anderson, B.	Den Ouden	Hauge	Kostohryz	Murphy
Anderson, G.	Drew	Haukoos	Kvam	Nelsen, B.
Anderson, I.	Eken	Heap	Lemen	Nelson, K.
Battaglia	Eloff	Heinitz	Levi	Niehaus
Begich	Ellingson	Himle	Long	Norton
Berkelman	Erickson	Hokanson	Ludeman	Novak
Blatz	Esau	Hokr	Luknic	Nysether
Brandl	Ewald	Jacobs	Mann	O'Connor
Brinkman	Fjoslien	Jennings	Marsh	Olsen
Carlson, D.	Forsythe	Johnson, C.	McDonald	Onnen
Carlson, L.	Greenfield	Johnson, D.	McEachern	Osthoff
Clark, J.	Gruenes	Jude	Mehrkens	Otis
Clark, K.	Gustafson	Kahn	Metzen	Peterson, B.

Peterson, D.	Rodriguez, F.	Sherman	Sviggum	Welch
Piepho	Rose	Sherwood	Swanson	Welker
Pogemiller	Rothenberg	Simoneau	Tomlinson	Wenzel
Redalen	Samuelson	Skoglund	Vaian	Wieser
Reding	Sarna	Stadum	Valento	Wigley
Rees	Schafer	Staten	Vanasek	Wynia
Reif	Schoenfeld	Stowell	Voss	Zubay
Rice	Schreiber	Stumpf	Weaver	

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

The question recurred on the Heinitz amendment and the roll was called.

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

There were 50 yeas and 74 nays as follows :

Those who voted in the affirmative were :

Aasness	Haukoos	Kvam	Nelsen, B.	Sherwood
Ainley	Heap	Lemen	Niehaus	Stadum
Blatz	Heinitz	Levi	Nysether	Stowell
Brinkman	Himle	Ludeman	Olsen	Sviggum
Den Ouden	Hokr	Luknic	Osthoff	Valento
Erickson	Jennings	Mann	Piepho	Weaver
Esau	Johnson, C.	Marsh	Reif	Welker
Ewald	Johnson, D.	McDonald	Schafer	Wieser
Fjoslien	Kaley	Mehrkens	Schreiber	Wigley
Forsythe	Kalis	Metzen	Sherman	Zubay

Those who voted in the negative were :

Anderson, B.	Elioff	Laidig	Peterson, D.	Simoneau
Anderson, G.	Ellingson	Lehto	Pogemiller	Skoglund
Anderson, I.	Greenfield	Long	Redalen	Staten
Battaglia	Gruenes	McEachern	Reding	Stumpf
Begich	Gustafson	Minne	Rees	Swanson
Berkelman	Halberg	Munger	Rice	Tomlinson
Brandl	Hanson	Murphy	Rodriguez, C.	Valan
Carlson, D.	Harens	Nelson, K.	Rodriguez, F.	Vanasek
Carlson, L.	Hauge	Norton	Rose	Vellenga
Clark, J.	Hoberg	Novak	Rothenberg	Voss
Clark, K.	Hokanson	O'Connor	Samuelson	Welch
Clawson	Jacobs	Ogren	Sarna	Wenzel
Dahlvang	Jude	Onnen	Schoenfeld	Wynia
Dean	Kahn	Otis	Shea	Spkr. Sieben, H.
Dempsey	Kostohryz	Peterson, B.	Sieben, M.	

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

Dempsey, Wigley, Esau and Fjoslien moved to amend H. F. No. 1176, the fourth engrossment, as follows :

Page 3, line 33, delete everything after "or"

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 57 nays as follows :

Those who voted in the affirmative were :

Aasness	Gruenes	Laidig	Olsen	Sherwood
Ainley	Halberg	Lemen	Onnen	Stadum
Berkelman	Haukoos	Levi	Peterson, B.	Stowell
Blatz	Heap	Ludeman	Piepho	Stumpf
Carlson, D.	Heinitz	Luknic	Redalen	Sviggum
Dean	Himle	Mann	Rees	Valan
Dempsey	Hoberg	Marsh	Reif	Valento
Den Ouden	Hokr	McDonald	Rodriguez, C.	Weaver
Drew	Jennings	McEachern	Rose	Weiker
Erickson	Johnson, C.	Mehrkens	Samuelson	Wieser
Esau	Johnson, D.	Metzen	Schafer	Wigley
Ewald	Kalis	Nelsen, B.	Schoenfeld	Zubay
Fjoslien	Knickerbocker	Niehaus	Schreiber	
Forsythe	Kvam	Nysether	Sherman	

Those who voted in the negative were :

Anderson, G.	Ellingson	Lehto	Peterson, D.	Swanson
Anderson, I.	Greenfield	Long	Pogemiller	Tomlinson
Battaglia	Gustafson	Minne	Reding	Vanasek
Begich	Hanson	Munger	Rice	Vellenga
Brandl	Harens	Murphy	Rodriguez, F.	Voss
Carlson, L.	Hauge	Nelson, K.	Rothenberg	Welch
Clark, J.	Hokanson	Norton	Sarna	Wenzel
Clark, K.	Jacobs	Novak	Shea	Wynia
Clawson	Jude	O'Connor	Sieben, M.	Spkr. Sieben, H.
Dahlvang	Kahn	Ogren	Simoneau	
Eken	Kelly	Osthoff	Skoglund	
Elioff	Kostohryz	Otis	Staten	

The motion prevailed and the amendment was adopted.

Himle moved to amend H. F. No. 1176, the fourth engrossment, as amended, as follows :

Page 8, line 32, after the period insert "*The liability of any other responsible person shall not exceed \$1,000,000 to any plaintiff and \$5,000,000 for any number of claims arising out of the same release or threatened release.*"

Amend the title :

Page 1, line 7, after "costs," insert "limitation of liability"

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 23 yeas and 98 nays as follows:

Those who voted in the affirmative were:

Aasness	Haukoos	Kaley	Reif	Weaver
Brinkman	Heap	Kvam	Schafer	Wieser
Dempsey	Heinitz	Mann	Schreiber	Wigley
Erickson	Himle	Mehrkens	Stadum	
Fjoslien	Jennings	Niehaus	Svigum	

Those who voted in the negative were:

Ainley	Ellingson	Knickerbocker	Ogren	Sherwood
Anderson, B.	Esau	Laidig	Olsen	Sieben, M.
Anderson, G.	Ewald	Lehto	Onnen	Simoneau
Anderson, I.	Forsythe	Lemen	Osthoff	Skoglund
Battaglia	Greenfield	Long	Otis	Staten
Begich	Gruenes	Ludeman	Peterson, B.	Stowell
Berkelman	Gustafson	Luknic	Peterson, D.	Stumpf
Blatz	Halberg	Marsh	Piepho	Swanson
Brandl	Hanson	McDonald	Pogemiller	Tomlinson
Carlson, D.	Harens	McEachern	Redalen	Valan
Carlson, L.	Hauge	Metzen	Rees	Vanasek
Clark, J.	Hoberg	Minne	Rice	Vellenga
Clark, K.	Hokanson	Munger	Rodriguez, C.	Voss
Clawson	Jacobs	Murphy	Rodriguez, F.	Welch
Dahlvang	Johnson, C.	Nelsen, B.	Rose	Welker
Dean	Johnson, D.	Nelson, K.	Rothenberg	Wenzel
Den Ouden	Jude	Norton	Sarna	Wynia
Drew	Kahn	Novak	Schoenfeld	Spkr. Sieben, H.
Eken	Kalis	Nysether	Shea	
Elioff	Kelly	O'Connor	Sherman	

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

H. F. No. 1176, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

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 103 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	Laidig	Osthoff	Simoneau
Anderson, G.	Forsythe	Lehto	Otis	Skoglund
Anderson, I.	Greenfield	Lemen	Peterson, B.	Stadum
Battaglia	Gruenes	Levi	Peterson, D.	Staten
Begich	Gustafson	Long	Piepho	Stowell
Berkelman	Halberg	Luknic	Pogemiller	Stumpf
Blatz	Hanson	Mann	Redalen	Swanson
Brandl	Harens	Marsh	Reding	Tomlinson
Carlson, D.	Haugc	McEachern	Rees	Valan
Carlson, L.	Heap	Metzen	Reif	Valento
Clark, J.	Himle	Minne	Rice	Vanasek
Clark, K.	Hoberg	Munger	Rodriguez, C.	Vellenga
Clawson	Hokanson	Murphy	Rodriguez, F.	Voss
Dahlvang	Hokr	Nelsen, B.	Rose	Weaver
Dean	Jacobs	Nelson, K.	Rothenberg	Welch
Dempsey	Johnson, C.	Norton	Sarna	Wenzel
Drew	Johnson, D.	Novak	Schoenfeld	Wieser
Eken	Jude	O'Connor	Schreiber	Wynia
Elioff	Kahn	Ogren	Shea	Spkr. Sieben, H.
Ellingson	Kelly	Olsen	Sherwood	
Ewald	Knickerbocker	Onnen	Sieben, M.	

Those who voted in the negative were:

Aasness	Esau	Kalis	Niehaus	Welker
Ainley	Haukoos	Kvam	Nysether	Wigley
Brinkman	Heinitz	Ludeman	Schafer	
Den Ouden	Jennings	McDonald	Sherman	
Erickson	Kaley	Mehrkens	Sviggun	

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.

The Speaker called Wynia to the Chair.

S. F. No. 1840 was reported to the House.

Ellingson moved to amend S. F. No. 1840, the second engrossment, as follows:

Page 2, line 36, delete the new language and insert:



*“, or issued in any other state the law in which for any reason does not apply to the abandonment of sums payable on checks certified in that state or written instruments issued in that state.”*

Page 3, lines 1 through 4, delete the new language

The motion prevailed and the amendment was adopted.

Nelsen, B., moved to amend S. F. No. 1840, the second engrossment, as amended, as follows:

Page 1, after line 8 insert:

“Section 1. Minnesota Statutes 1980, Section 308.14, is amended by adding a subdivision to read:

*Subd. 3a. Notwithstanding subdivision 3 and the resolution for dissolution, if any property remaining after discharging the debts and liabilities of the corporation is unable to be distributed for any reason, after a period of five years has elapsed following the resolution for dissolution, the undistributed property may be distributed by the trustee or trustees to any corporation or organization which is exempt from taxation pursuant to section 290.05, subdivision 1, or to any unit of state or local government.”*

Renumber the sections accordingly

Page 5, lines 11, 17 and 18 delete “1 and 2” and insert “2 and 3”

Page 5, after line 18 insert:

“Sec. 5. [REPEALER.]

*Section 1 is repealed on October 1, 1983.”*

Amend the title as follows:

Page 1, line 2, after the semicolon insert “providing an alternative distribution of assets following voluntary dissolution of a cooperative association;”

Page 1, line 5, after “Sections” insert “308.14, by adding a subdivision;”

The motion prevailed and the amendment was adopted.

S. F. No. 1840, A bill for an act relating to commerce; providing for a determination of when certain property held by a fi-

nancial institution or business organization is presumed abandoned; amending Minnesota Statutes 1980, Sections 345.32, as amended; and 345.39, as amended.

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 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Jennings      Marsh      Peterson, B.

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

S. F. No. 1715 was reported to the House.

Long moved that S. F. No. 1715 be continued on Special Orders. The motion prevailed.

S. F. No. 1907 was reported to the House.

There being no objection, S. F. No. 1907 was continued on Special Orders.

S. F. No. 1640 was reported to the House.

Ellingson moved to amend S. F. No. 1640, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended by Laws 1980, Chapter 573, Section 4, is amended to read:

**Sec. 4. [DUTIES OF THE PERSONNEL BOARD.]**

Subdivision 1. [BOARD PROCEEDINGS.] When any member of the board is not present at the time a matter is submitted to the board such matter shall be deemed submitted to each member of the board with like effect as though each member of the board had been present at the time of submission of such matter. Whenever during the consideration of a matter which is before the board, there is a change in the personnel of the board, the matter shall be deemed submitted to the new member, or members, as though said new member, or members, had been a member of the board at the time of the submission of the matter.

No meetings of the board shall be held unless at least (THREE) *four* members are present. A majority vote of all members shall constitute the decision of the board. The board shall keep records and minutes of its business and official actions which shall be open to public inspection subject to such reasonable rules as to time and place of inspection as the board may establish.

Sec. 2. Laws 1965, Chapter 855, Section 7, Subdivision 3, as amended by Laws 1980, Chapter 573, Section 7, is amended to read:

Subd. 3. [UNCLASSIFIED SERVICE, COMPENSATION.] The director shall establish a compensation plan in accordance with section 6, clause (e) for those employees in the unclassified service identified in subdivision 2, clauses (c), (d), (f), (h), (i), (j), (k), (l), (m), (n), (o), (r) and (s).

Sec. 3. Laws 1965, Chapter 855, Section 7, Subdivision 4, as amended by Laws 1980, Chapter 573, Section 7, is amended to read:

Subd. 4. [UNCLASSIFIED SERVICE, TENURE, BENEFITS.] The positions in the unclassified service enumerated in subdivision 2, clauses (c), (d), (h), (i), (j), (k), (l), (m), (n), (o), (q), (r) and (s) shall not have permanent tenure but shall have all other benefits provided for in this act. The term of office of any position established by another statute shall be as provided in it.

Sec. 4. Laws 1979, Chapter 55, Section 1, is amended to read:

**Section 1. [COUNTY BOARD; SELF INSURANCE.]**

Notwithstanding any contrary provision of other law, the board of commissioners of Hennepin county may insure the county against any claim of liability or loss using funds of the county, without procuring insurance from any private insurance company when the county board considers it to be in the best interests of the county. This provision shall not be construed as an increase of the liability limitations or as a waiver of defenses allowable in any action pursuant to Minnesota Statutes, Chapter 466. The board may transfer amounts of money from funds of the county to the funds the county may establish for the above purposes in accord with generally accepted accounting principles. The term "liability" shall extend to all liability or loss that may be covered by any form of insurance, including but not limited to malpractice, general liability, or workers' compensation. (THIS ACT SHALL NOT AUTHORIZE SELF INSURANCE AGAINST RISKS AS DEFINED IN MINNESOTA STATUTES, SECTION 60A.06, SUBDIVISION 1, CLAUSES (4) AND (5)(A).) *Minnesota Statutes, Section 471.617 applies to Hennepin County.*

Sec. 5. Laws 1979, Chapter 198, Article II, Section 7, Subdivision 1, is amended to read:

Sec. 7. [CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [TAX ANTICIPATION CERTIFICATES.] At any time after the first day of the year following the making of an annual tax levy, the county board may, by resolution and without public referendum, issue certificates of indebtedness in anticipation of the collection of taxes levied for any fund and not yet collected. The total of all certificates issued against any fund for any year with interest thereon until maturity, together with all orders outstanding against the fund, shall not exceed the total current taxes for the fund uncollected at the time of issuance plus the cash currently in the fund. If certificates are issued against the anticipated tax levy for any fund, any unpaid orders outstanding against the fund shall be redeemed from the proceeds of the certificates. All tax anticipation certificates shall be negotiable and shall be payable to the order of the payee and shall have a definite due date but may be payable on or before that date. No certificate shall be issued to become due and payable later than the first day of April of the year following the year of issuance. Certificates shall be sold for not less than par and accrued interest and shall bear interest at a rate (NOT TO EXCEED SEVEN PERCENT PER ANNUM) that conforms to Minnesota Statutes, Section 475.55, payable at maturity or at such earlier times as the board may determine. Each certificate shall state upon its face the fund for which the proceeds of the certificate shall be used, the total amount of the certificates so issued against the fund and the total amount embraced in the tax levy for that fund. They shall otherwise be issued on terms and conditions as the board may determine. The proceeds of the taxes assessed on account of the fund against

which tax anticipation certificates are issued and the full faith and credit of the county shall be irrevocably pledged for the redemption of the certificate in the order of issuance against the fund.

Sec. 6. Laws 1979, Chapter 198, Article II, Section 7, Subdivision 2, is amended to read:

Subd. 2. [EQUIPMENT ACQUISITION; CAPITAL NOTES.] The board may, by resolution and without public referendum, issue (CERTIFICATES OF INDEBTEDNESS) *capital notes* within existing debt limits for the purpose of purchasing ambulance and other medical equipment, road construction or maintenance equipment, public safety equipment and other capital equipment having an expected useful life at least equal to the term of the (CERTIFICATES) *notes* issued. The (CERTIFICATES) *notes* shall be payable in not more than five years and shall be issued on terms and in a manner as the board determines. The total principal amount of the (CERTIFICATES OF INDEBTEDNESS) *notes* issued for any fiscal year shall not exceed one percent of the total annual budget for that year and shall be issued solely for the purchases authorized in this subdivision. A tax levy shall be made for the payment of the principal and interest on such (CERTIFICATES) *notes* as in the case of bonds.

Sec. 7. [AUTOMOBILE ALLOWANCE; COUNTY BOARD.]

*The Hennepin County board of commissioners may by resolution provide that each county board member shall be paid as compensation or reimbursement for the use by that board member of his own automobile in the performance of his official duties a monthly or periodic allowance in lieu of mileage in an amount to be determined by the board.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1, is amended to read:

Subdivision 1. [FIXED BY COUNTY BOARD.] The county commissioners in all counties of the state, except (HENNEPIN AND) Ramsey (COUNTIES) *County*, shall receive as compensation for services rendered by them for their respective counties, annual salaries and in addition may receive per diem payments and reimbursement for necessary expenses in performing the duties of the office as set by resolution of the county board, provided that the salary and schedule of per diem payments shall not become effective until January 1 of the next year. The resolution shall contain a statement of the new salary to be established set forth on an annual basis. The board may establish a schedule of per diem payments for service by individual county commissioners on any board, committee, or commission of county government including committees of the board, or for the performance of services by individual county commissioners when required by law; *provided that no more than one per diem*

*payment may be collected for any calendar day.* In addition to its publication in the official newspaper of the county as part of the proceedings of the meeting of the county board, the resolution setting the salary and schedule of per diem payments shall be published in one other newspaper of the county, if there be one located in a different municipality in the county than the official newspaper. The salary of a county commissioner or the schedule of per diem payments shall not change except in accordance with the provisions of this subdivision.

**Sec. 9. [REGIONAL RECREATIONAL OPEN SPACE.]**

*The housing outparcel on Nicollet Island referred to by Laws 1981, Chapter 304, Section 2, is more particularly described as follows:*

*A parcel bounded on the north by Hennepin Avenue, on the south by Merriam Street, on the west by Wilder Street, and on the east by East Island Avenue, as said streets are presently located;*

*Together with a parcel bounded on the north by the Burlington Northern Railroad right-of-way, on the south by Hennepin Avenue, on the east by East Island Avenue, and on the west by West Island Avenue;*

*Together with a parcel bounded on the north by Maple Place, on the south by the Burlington Northern Railroad right-of-way, on the east by Nicollet Street, and on the west by West Island Avenue;*

*Together with lots 7, 8, and 9, and the west 60 feet of lot 10, block 1, Nicollet Island;*

*Together with lots 6 and 7, and lots 10 to 16, inclusive, block 3, Nicollet Island.*

**Sec. 10. [LOCAL APPROVAL.]**

*Sections 1 to 8 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Hennepin County board. Section 9 is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington the day after final enactment."*

Delete the title and insert:

A bill for an act relating to local government; regulating duties in Hennepin County; providing for the interest on and name of certain debt; regulating personnel provisions; clarifying self insurance authority; providing for the county board

automobile allowance; describing land to be acquired for open space purposes; amending Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1; Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended; and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 2.

The motion prevailed and the amendment was adopted.

Ellingson moved that S. F. No. 1640, as amended, be continued on Special Orders. The motion prevailed.

S. F. No. 2000 was reported to the House.

Ellingson moved to amend S. F. No. 2000, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [CITY OF BROOKLYN CENTER; HOUSING INTEREST ASSISTANCE PROGRAM; FINDINGS AND PURPOSE.]

*The legislature of the state of Minnesota finds that preservation of the quality of life in a metropolitan city is dependent upon the maintenance, provision, and preservation of an adequate housing stock; that accomplishing this is a public purpose; that there are housing units in the city of Brooklyn Center that do not meet the applicable housing codes, some of which need to be destroyed, and some of which can be rehabilitated; that there are vacant lots upon which new housing units can be constructed; that a need exists to construct new housing on vacant lots and to replace housing which is destroyed; that a need exists for mortgage credit to be made available at reasonable interest rates for new construction; that many owners, would-be purchasers or providers of housing units are unable to afford mortgage credit at market rates of interest; and that subsidizing interest rates can be an effective means of achieving the above-stated purposes.*

Sec. 2. [AUTHORIZATION FOR HOUSING INTEREST BUY-DOWN PROGRAM.]

*Subdivision 1. The Brooklyn Center housing and redevelopment authority may develop and administer an interest buy-down program to assist with the financing of housing, located anywhere within the boundaries of the city of Brooklyn Center, for occupancy primarily by persons of low or moderate income to achieve the purposes set forth in section 1. In developing the program the authority shall consider:*

(a) *the availability and affordability of other governmental programs;*

(b) *the availability and affordability of private market financing;*

(c) *the need for more affordable mortgage credit to encourage the construction and enable the purchase of housing units within the city of Brooklyn Center.*

*Subd. 2. In establishing and operating a housing interest buy-down program the authority may use or pledge to use any revenue of the authority to:*

(a) *pay any of the interest due on loans made pursuant to Minnesota Statutes, Chapter 462C, to purchasers of housing units;*

(b) *pay any of the interest due on bonds issued pursuant to Minnesota Statutes, Chapter 462C, the proceeds of which are used primarily to provide loans to the purchasers of housing units; and*

(c) *pay any of the interest due on loans made by any person to the purchasers of housing units in the city of Brooklyn Center, but the purchaser must intend to occupy the housing unit as a principal place of residence at the time the loan is made.*

*Subd. 3. The authority shall promulgate regulations for the housing interest buy-down program; provided, however, that the regulations shall incorporate the gross income and purchase price limitations established in section 462C.03, subdivisions 2 and 3.*

### Sec. 3. [LIMITATIONS.]

*Housing interest buy-downs shall not be provided when the authority determines that financing for the purchase of a housing unit is otherwise available from private lenders upon terms and conditions which are affordable by the applicant, as provided by the authority in its regulations.*

### Sec. 4. [EFFECTIVE DATE.]

*This act is effective the day after compliance by the governing body of the city of Brooklyn Center with Minnesota Statutes, Section 645.021, Subdivision 3."*

The motion prevailed and the amendment was adopted.



S. F. No. 2000, A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

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 5 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Den Ouden	Ludeman	Marsh	Welker
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The bill was passed, as amended, and its title agreed to.

S. F. No. 1702 was reported to the House.

Johnson, D., moved to amend S. F. No. 1702, as follows:

Page 1, line 23, after the period insert: *"Inmates shall not exercise custodial functions or have authority over other inmates or serve on the board of directors or hold any executive position in any corporation, private industry or educational program located on the grounds of or conducted within a state correctional facility."*

Amend the title as follows:

Page 1, line 2, after the semicolon insert: "limiting certain inmate functions;"

Vanasek moved to amend the Johnson, D., amendment to S. F. No. 1702, as follows:

Line 7, after "facility" insert "without the permission of the warden"

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

The question recurred on the Johnson, D., amendment, as amended.

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

S. F. No. 1702, A bill for an act relating to corrections; authorizing the appointment of internal security investigators for adult correctional facilities in the unclassified civil service; clarifying the "good time" and solitary confinement provisions relating to county jails; amending Minnesota Statutes 1980, Sections 241.01, Subdivision 3a; 641.09; and 643.29, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Tomlinson  
Valan  
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.

S. F. No. 1691 was reported to the House.

Long moved to amend S. F. No. 1691, the second engrossment, as follows:

Page 2, after line 25, insert:

“Sec. 3. Minnesota Statutes 1980, Section 462.445, is amended by adding a subdivision to read:

*Subd. 10. [AUTHORITIES CREATED PURSUANT TO SPECIAL LAW.]*

*Except as expressly limited by the special law establishing the authority, an authority created pursuant to special law shall have as powers granted by any statute to any authority created pursuant to chapter 462.”*

Renumber the remaining section

Amend the title as follows:

Page 1, line 6, after “penalties;” insert “granting powers to authorities created pursuant to special laws; amending Minnesota Statutes 1980, Section 462.445, by adding a subdivision;”

The motion prevailed and the amendment was adopted.

Lehto moved to amend S. F. No. 1691, the second engrossment, as amended, as follows:

Page 2, after line 25, insert:

“Sec. 4. [DULUTH HOUSING AND REDEVELOPMENT COMMISSIONERS.]

*The Duluth housing and redevelopment authority shall consist of seven commissioners. In addition to those serving on the effective date of this act two shall be appointed for terms fixed so that the terms of two commissioners expire the first Monday in January in each of the years 1984 and 1986 and the term of one commissioner expires the first Monday in January 1988, 1985 and 1987. Their successors shall be appointed for regular five year terms.*

Sec. 5. [LOCAL APPROVAL; EFFECTIVE DATE.]

*Section 4 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Duluth city council.*

Renumber the section

Amend the title as follows:

Page 1, line 6, after "exists;" insert "providing for membership on the Duluth housing and redevelopment authority;"

The motion prevailed and the amendment was adopted.

S. F. No. 1691, A bill for an act relating to housing and redevelopment authorities; clarifying the need for a conflict of interest disclosure statement; amending the method of determining a quorum when a conflict of interest exists; providing penalties; amending Minnesota Statutes 1981 Supplement, Section 462.432, Subdivisions 1 and 2.

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

The question was taken on the passage of the bill and the roll was called. There were 108 yeas and 10 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Den Ouden	Jennings	McDonald	Valento
Ainley	Esau	Ludeman	Schafer	Welker

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

S. F. No. 1015, A bill for an act relating to civil actions; limitations of actions; providing that actions for malpractice against health care professionals and veterinarians be commenced within two years; amending Minnesota Statutes 1980, Sections 145.61, Subdivision 2; and 541.07.

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 122 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Sieben, M.      Spkr. Sieben, H.

The bill was passed and its title agreed to.

S. F. No. 1522 was reported to the House.

Voss moved to amend S. F. No. 1522, the second engrossment, as follows:

Page 6, line 10, after the period insert *"If a municipality extends the application of its subdivision regulations to unincorporated territory located within two miles of its limits pursuant to section 462.358, subdivision 1a before the creation of a joint board the subdivision regulations which the municipality has extended shall apply until the joint board adopts subdivision regulations."*

The motion prevailed and the amendment was adopted.

Heinitz moved to amend S. F. No. 1522, the second engrossment, as amended, as follows:

Page 1, after line 21 insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 60A.11, Subdivision 17, is amended to read:

Subd. 17. [CORPORATE AND BUSINESS TRUST OBLIGATIONS.] Obligations issued, assumed or guaranteed by a corporation or business trust organized under the laws of the United States or any state of the United States, or the laws of Canada or any province of Canada, or obligations traded on a national securities exchange on the following conditions:

(a) A company may invest in any obligations traded on a national securities exchange;

(b) A company may also invest in any obligations which are secured by adequate security located in the United States or Canada;

(c) A company may also invest in previously outstanding or newly issued obligations not qualifying for investment under paragraphs (a) or (b) if the corporation or business trust has qualified net earnings. If the obligations are not newly issued, neither principal nor interest payments on the obligations shall have been in arrears (1) for an aggregate of 90 days during the three year period preceding the date of investment, or (2) where the obligations have been outstanding for less than 90 days, during the period the obligations have been outstanding;

(d) A company may invest in federal farm loan bonds and may invest up to 20 percent of its total admitted assets in the obligations of farm mortgage debenture companies; and

(e) A company may not invest more than five percent of its admitted assets in the obligations of any one corporation or business trust; *provided, however, that a company may invest in the obligations of a corporation without regard to this subsection if: (i) the company is wholly-owned by the issuer and/or affiliates of the issuer of such obligations; (ii) the company insures solely the issuer of such obligations and/or its affiliates; (iii) the issuer has a net worth (determined on a consolidated basis) which equals or exceeds one hundred million dollars; and (iv) the issuer and its affiliates forego any and all claims they may have against the Minnesota Insurance Guaranty Association pursuant to chapter 60C in the event of the insolvency of the company. The foregoing shall not affect the rights of any unaffiliated third party claimant as set forth in section 60C.09, subdivision 1"*

Renumber the sections accordingly

Page 7, after line 30 insert:

“Sec. 17. [SEVERABILITY.]

*If any provision of sections 1 to 18 is held invalid, the invalidity shall not affect other provisions of sections 1 to 18 which can be given effect without the invalid provision, and to this end the provisions of sections 1 to 18 are declared to be severable.”*

Page 7, line 31, delete “16” and insert “18”

Page 7, line 32, delete “8, 10, 11 and 15” and insert “9, 11, 12, 16 and 17”

Page 7, line 33, delete “9, 12 and 13” and insert “10, 13 and 14”

Amend the title as follows:

Page 1, line 12, after the semicolon, insert “exempting captive insurers from certain investment limitations;”

Page 1, line 18, after the semicolon insert “Minnesota Statutes 1981 Supplement, Section 60A.11, Subdivision 17”

The motion prevailed and the amendment was adopted.

Begich moved to amend S. F. No. 1522, the second engrossment, as amended, as follows:

Page 7, after line 30 insert:

“Sec. 18. [ST. LOUIS COUNTY HISTORICAL SOCIETIES.]

*St. Louis county may provide funds and facilities for more than one historical society of which shall be subject to the provisions of Minnesota Statutes, Sections 138.051, 138.052, and 138.053 and other laws governing the conduct of county historical societies.”*

Page 7, line 34, after the period insert “Section 18 is effective the day after compliance by the St. Louis county board with Minnesota Statutes, Section 645.021, Subdivision 3.”

Renumber the sections

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1522, A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Sections 367.10; 367.15; 368.01; Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision; and 471.98, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 462.

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

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

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

## REPORTS OF STANDING COMMITTEES

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



H. F. No. 1017, A bill for an act proposing an amendment to the Minnesota Constitution, Article XI, Section 5; providing for the improvement and rehabilitation of certain railroad facilities.

Reported the same back with the following amendments:

Page 2, line 20, delete "*the contracting of debt*" and insert "*state bonding authority*"

Page 2, after line 23 insert:

"Sec. 3. 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 bond proceeds from Article XI, Section 5, Clause (i) of the Minnesota Constitution and including federal money, 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 appropriation 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. 4. [EFFECTIVE DATE.]**

*Section 3 shall be effective December 31, 1982 only if the amendment proposed in section 1 is ratified."*

Amend the title as follows:

Page 1, line 4, before the period insert "; amending Minnesota Statutes 1980, Section 222.49"

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. 1858, A bill for an act relating to local government; authorizing the establishment of subordinate service districts in order to provide and finance governmental services; establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district; amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision; Laws 1981, Chapter 291, Sections 2, Subdivisions 1 and 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1 and 2, and by adding a subdivision; and 24; proposing new law coded as Minnesota Statutes, Chapter 375B.

Reported the same back with the following amendments:

Page 2, line 3, after "state" insert "*except a metropolitan county and any other county containing a city of the first class as defined in section 473.121, subdivision 4.*"

Page 2, line 11, after the second "county" insert "*, except a metropolitan county and any other county containing a city of the first class as defined in section 473.121, subdivision 4.*"

Page 2, line 21, delete "five" and insert "ten"

Page 5, line 28, after "county" insert "*except a metropolitan county and any other county containing a city of the first class as defined in section 473.121, subdivision 4.*"

Page 5, line 35, delete "on" and insert "or"

Page 6, line 3, after the period, insert "*Subsequent increases in the initial tax or service charge, or additional taxes or service charges imposed at a time later than the adoption of the initial tax or service charge shall be subject to levy limitation.*"

Page 11, line 20, delete "April 1," and insert "March 22,"

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. 1878, A bill for an act relating to the legislature; creating a legislative commission on science and technology; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 3; and repealing Minnesota Statutes 1980, Section 3.351.

Reported the same back with the following amendments:

Page 3, line 13, delete everything after the bracket

Page 3, delete line 14

Page 3, line 15, delete everything before "The"

Page 3, line 22, after "state" insert ". Such funds are appropriated to the legislative coordinating commission"

Page 3, delete lines 24 to 33

Renumber the sections

Amend the title as follows:

Page 1, line 3, delete "appropriating"

Page 1, line 4, delete "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. 2000, A bill for an act relating to public welfare; clarifying certain provisions of the general assistance program; amending Minnesota Statutes 1981 Supplement, Section 256D.05, Subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 144A.01, Subdivision 7, is amended to read:

Subd. 7. "Uncorrected violation" means (a) a violation of a statute or rule or any other deficiency for which a notice of noncompliance has been issued and fine assessed *and allowed to be recovered* pursuant to section 144A.10, subdivision 6, or (b) *the issuance of two or more correction orders, within a 12-month period, for a violation of the same provision of a statute or rule.*

Sec. 2. Minnesota Statutes 1980, Section 144A.04, Subdivision 4, is amended to read:

Subd. 4. The controlling persons of a nursing home may not include any person who was a controlling person of another nurs-

ing home during any period of time in the previous two year period:

(a) during which time of control that other nursing home incurred the following number of uncorrected violations (FOR WHICH VIOLATIONS A FINE WAS ASSESSED AND ALLOWED TO BE RECOVERED):

((A)) (1) two or more uncorrected violations which created an imminent risk (OF HARM TO A NURSING HOME RESIDENT) to direct resident care or safety; or

((B) TEN) (2) five or more uncorrected violations of any nature for which the fines are in the two highest daily fine categories prescribed in rule; or

(b) who was convicted of a felony that relates to operation of the nursing home or directly affects resident safety or care, during that period.

The provisions of this subdivision shall not apply to any controlling person who had no legal authority to affect or change decisions related to the operation of the nursing home which incurred the uncorrected violations.

Sec. 3. Minnesota Statutes 1980, Section 144A.04, Subdivision 6, is amended to read:

Subd. 6. A nursing home may not employ as a managerial employee or as its licensed administrators any person who was a managerial employee or the licensed administrator of another facility during any period of time in the previous two year period:

(a) During which time of employment that other nursing home incurred the following number of uncorrected violations which were in the jurisdiction and control of the managerial employee or the administrator (AND FOR WHICH VIOLATIONS A FINE WAS ASSESSED AND ALLOWED TO BE RECOVERED):

((A)) (1) two or more uncorrected violations which created an imminent risk (OF HARM TO A NURSING HOME RESIDENT) to direct resident care or safety; or

((B) TEN) (2) five or more uncorrected violations of any nature for which the fines are in the two highest daily fine categories prescribed in rule; or

(b) who was convicted of a felony that relates to operation of the nursing home or directly affects resident safety or care, during that period.

Sec. 4. Minnesota Statutes 1980, Section 144A.08, Subdivision 3, is amended to read:

Subd. 3. [PENALTY.] Any controlling person who establishes, conducts, manages or operates a nursing home which incurs the following number of uncorrected violations, in any two year period (, FOR WHICH VIOLATIONS A FINE WAS ASSESSED AND ALLOWED TO BE RECOVERED):

(a) Two or more uncorrected violations which created an imminent risk of harm to a nursing home resident; or

(b) (TEN) *Five* or more uncorrected violations of any nature, is guilty of a misdemeanor.

The provisions of this subdivision shall not apply to any controlling person who had no legal authority to affect or change decisions as to the operation of the nursing home which incurred the uncorrected violations.

Sec. 5. Minnesota Statutes 1980, Section 144A.10, Subdivision 4, is amended to read:

Subd. 4. [CORRECTION ORDERS.] Whenever a duly authorized representative of the commissioner of health finds upon inspection of a nursing home, that the facility or a controlling person or an employee of the facility is not in compliance with sections 144.651, 144A.01 to 144A.17, or 626.557 or the rules promulgated thereunder, a correction order shall be issued to the facility. The correction order shall state the deficiency, cite the specific rule or statute violated, state the suggested method of correction, and specify the time allowed for correction. The commissioner of health by rule shall establish a schedule of allowable time periods for correction of nursing home deficiencies. *If the commissioner finds that the nursing home had uncorrected violations and that two or more of the uncorrected violations create a risk to resident care, safety, or rights, the commissioner shall notify the commissioner of public welfare who shall review reimbursement to the nursing home to determine the extent to which the state has paid for substandard care.*

Sec. 6. Minnesota Statutes 1980, Section 144A.11, Subdivision 2, is amended to read:

Subd. 2. [MANDATORY PROCEEDINGS.] The commissioner of health shall initiate proceedings to suspend or revoke a nursing home license or shall refuse to renew a license if within the preceding two years the nursing home has incurred the following number of uncorrected violations (FOR WHICH VIOLATIONS A FINE WAS ASSESSED AND ALLOWED TO BE RECOVERED):

**((A)) (1)** two or more uncorrected violations which created an imminent risk **(OF HARM TO A NURSING HOME RESIDENT)** to direct resident care or safety, violated the patients' bill of rights section 144.651, or violated the vulnerable adults reporting act, section 626.557; or

**((B) TEN) (2)** five or more uncorrected violations of any nature for which the fines are in the two highest daily fine categories prescribed in rule.

Sec. 7. Minnesota Statutes 1980, Section 144A.11, is amended by adding a subdivision to read:

**Subd. 3a. [MANDATORY REVOCATION.]** *Notwithstanding the provisions of subdivision 3, the commissioner shall revoke a nursing home license if a controlling person is convicted of a felony that relates to operation of the nursing home or directly affects resident safety or care. The commissioner shall notify the nursing home 30 days in advance of the date of revocation.*

Sec. 8. Minnesota Statutes 1981 Supplement, 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 if the person or family is:

(a) A person *who is suffering from (AN) a permanent or temporary illness, injury, or incapacity which is both medically certified and prevents the (INDIVIDUAL) person 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) and who, if the medical certification establishes that the illness, injury, or incapacity is temporary and recommends a reasonable plan for rehabilitation, is following the plan;*

(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 mentally retarded*; (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 subdivision is limited to five weeks per calendar year; *or*

(i) *A person who has an application pending for the program of supplemental security income for the aged, blind and disabled or has been terminated from that program and has an appeal from that termination pending, and who has executed an interim assistance authorization agreement pursuant to the provisions of section 256D.06, subdivision 5.*

#### Sec. 9. [SUNSET PROVISION.]

*Section 8 is repealed effective June 30, 1983. Notwithstanding the provisions of Minnesota Statutes, Section 645.34, the repeal of section 8 shall revive the corresponding section of the original law as it existed immediately prior to the amendment made by Laws 1981, Chapter 360, Article II, Section 36, as amended by Laws 1981, First Special Session Chapter 4, Article IV, Section 23; provided, however, that amendments made to the statutory section amended by section 8 between the effective date of this section and June 30, 1983 shall remain effective after June 30, 1983 unless otherwise provided by law.*

#### Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, delete "public" and insert "health and"

Page 1, line 2, after the semicolon insert "strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations;"

Page 1, line 3, after the semicolon insert "revising a penalty;"

Page 1, after line 3 insert "Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.11, Subdivision 2, and by adding a subdivision; 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. 2065, A bill for an act relating to public welfare; providing for regulation of aversive or deprivation procedures for behavior modification of mentally retarded individuals in order that the procedures are appropriately selected, planned, and implemented with due regard for human rights and needs; establishing a penalty; proposing new law coded in Minnesota Statutes, Chapter 245.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [245.825] [RULES.]

*The commissioner of public welfare shall by October, 1983 promulgate rules governing the use of aversive and deprivation procedures in all licensed facilities serving mentally retarded persons. No provision of these rules shall encourage or require the use of aversive and deprivation procedures. The rules shall prohibit: (a) the application of certain aversive or deprivation procedures in facilities except as authorized and monitored by the designated regional review committees; and (b) the use of aversive or deprivation procedures that restrict the consumers' normal access to nutritious diet, drinking water, adequate ventilation, necessary medical care, ordinary hygiene facilities, normal sleeping conditions, and necessary clothing. The rule shall further specify that consumers may not be denied ordinary access to legal counsel and next of kin. In addition, the rule may specify other prohibited practices and the*



*specific conditions under which permitted practices are to be carried out.*

Sec. 2. [REGIONAL REVIEW COMMITTEE.]

*After the rules have been promulgated the commissioner shall appoint regional review committees to monitor the rules."*

Amend the title as follows :

Page 1, line 4, delete "in order"

Page 1, delete lines 5 and 6

Page 1, line 7, delete everything before the second semicolon

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. 2174, A bill for an act relating to housing; directing the department of energy, planning and development to administer certain federal money; proposing new law coded in Minnesota Statutes, Chapter 4.

Reported the same back with the following amendments :

Page 1, line 20, after the period delete the balance of the line

Page 1, delete lines 21 to 25

Page 2, line 1, delete "*meet such urgent needs.*"

Page 2, line 23, after "*the*" insert "*department shall arrange for an independent*"

Page 2, line 24, delete "*shall*" and insert "*to*"

Page 2, line 24, delete "*by the department*"

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. 2188, A bill for an act relating to public welfare; providing for a mechanism in the program of aid to families with dependent children to minimize certain recipients' incentives to quit work; amending Minnesota Statutes 1980, Section 256.74, Subdivision 1, as amended.

Reported the same back with the following amendments:

Page 3, line 33, after "need" insert "*for persons with earned income*"

Page 4, line 7, after "the" insert "*increased*"

Page 4, line 12, delete "*maximum payment amount*" and insert "*standard of need in effect on January 1, 1982*"

Page 4, line 16, delete "*maximum payments in effect*" and insert "*standard of need in effect on January 1, 1982.*"

Page 4, delete line 17 and insert:

"Sec. 2. Minnesota Statutes 1980, Section 256.74, Subdivision 1a, as amended by Laws 1981, Third Special Session Chapter 3, Section 12, is amended to read:

Subd. 1a. [STEPPARENT'S INCOME.] In determining income available, the county agency shall take into account the remaining income of the dependent child's stepparent who lives in the same household after disregarding:

(1) The first \$75 of the stepparent's gross earned income. The commissioner shall prescribe by rule lesser amounts to be disregarded for stepparents who are not engaged in full-time employment or not employed throughout the month;

(2) An amount for support of the stepparent and any other individuals whom the stepparent claims as dependents for tax purposes and who live in the same household but whose needs are not considered in determining eligibility for assistance under sections 256.72 to 256.87. The amount equals the standard of need for a family *with no earned income* of the same composition as the stepparent and these other individuals;

(3) Amounts the stepparent actually paid to individuals not living in the same household but whom the stepparent claims as dependents for tax purposes; and

(4) Alimony or child support, or both, paid by the stepparent for individuals not living in the same household."

Renumber the section

Page 4, line 19, delete "*Section*" and insert "*Sections*"

Page 4, line 19, delete "*is*" and insert "*and 2 are*"

Page 4, line 21, delete "*section*" and insert "*sections*"

Page 4, line 21, delete "*complies*" and insert "*and 2 comply*"

Amend the title as follows:

Page 1, line 6, delete "*Subdivision*" and insert "*Subdivisions*" and after "*as amended*" insert "*;* and 1a, as amended"

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. 276, A bill for an act relating to health; establishing an advisory task force on the use of state facilities in lieu of reimbursing private facilities for some purposes; appropriating money.

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. 2126, A bill for an act relating to the attorney general; establishing a division of land title litigation in the office of the attorney general; proposing new law coded in Minnesota Statutes, Chapter 8.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1017, 1858, 1878, 2000, 2065, 2174 and 2188 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 276 and 2126 were read for the second time.

The Speaker resumed the Chair.

## SPECIAL ORDERS

S. F. No. 1443 was reported to the House.

Brandl moved to amend S. F. No. 1443, the first engrossment, as follows:

Page 1, line 7, before the period insert "OR RACCOONS"

Page 1, line 11, after the comma insert "*or raccoons*"

Page 1, line 14, before the period insert "*or raccoons*"

Page 1, line 17, after "*skunk*" insert "*or raccoon*"

Page 1, line 18, after "*skunk*" insert "*or raccoon*"

Page 1, line 24, after "*skunks*" insert "*or raccoons*"

Page 1, line 25, after "*skunks*" in both places insert "*or raccoons*"

Page 2, line 1, after "*skunks*" insert "*or raccoons*"

Page 2, line 2, after "*skunk*" insert "*or raccoon*"

Page 2, line 3, after "*skunk*" insert "*or raccoon*"

Amend the title as follows:

Page 1, line 3, after "*skunks*" insert "*or raccoons*"

The motion prevailed and the amendment was adopted.

S. F. No. 1443, 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 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 35 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Ellingson	Hanson	Hoberg
Anderson, G.	Clark, J.	Erickson	Harens	Hokanson
Berkelman	Clark, K.	Forsythe	Haukoos	Hokr
Blatz	Clawson	Greenfield	Heap	Jacobs
Brandl	Dean	Gruenes	Heinitz	Johnson, D.
Brinkman	Drew	Halberg	Himle	Jude

Kahn	Marsh	Peterson, D.	Sherman	Valan
Kaley	Minne	Pogemiller	Sieben, M.	Voss
Kelly	Munger	Redalen	Simoneau	Welch
Knickerbocker	Nelson, K.	Reif	Skoglund	Wenzel
Kostohryz	Niehaus	Rodriguez, C.	Stadum	Wigley
Kvam	Norton	Rose	Staten	Wynia
Laidig	Novak	Rothenberg	Stowell	
Lemen	Olsen	Samuelson	Sviggum	
Levi	Otis	Schafer	Swanson	
Luknic	Peterson, B.	Schreiber	Tomlinson	

Those who voted in the negative were:

Aasness	Elioff	Lehto	O'Connor	Sarna
Ainley	Esau	Ludeman	Onnen	Schoenfeld
Battaglia	Fjoslien	Mann	Osthoff	Sherwood
Begich	Gustafson	McEachern	Piepho	Stumpf
Carlson, D.	Jennings	Murphy	Reding	Valento
Dahlvang	Johnson, C.	Nelsen, B.	Rice	Welker
Den Ouden	Kalis	Nysether	Rodriguez, F.	Wieser

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

H. F. No. 1764 was reported to the House.

Levi moved that H. F. No. 1764 be continued on Special Orders. 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.

Staten and O'Connor were excused for the remainder of today's session.

Harens was excused between the hours of 7:30 and 9:25 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, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2136, 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; fixing the boundaries of state parks and trails; appropriating money; amending Minnesota Statutes 1980, Sections 16.826; 85.015, Subdivisions 8 and 13; 86.72, Subdivision 1; 121.21, Subdivision 4a; proposing new law coded in Minnesota Statutes, Chapter 84.

**PATRICK E. FLAHAVEN, Secretary of the Senate**

Sieben, M., moved that the House refuse to concur in the Senate amendments to H. F. No. 2136, 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. 438, A bill for an act relating to retirement; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association; allowing a surviving spouse to elect a joint and survivor annuity under certain circumstances; amending Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2.

**PATRICK E. FLAHAVEN, Secretary of the Senate**

Sarna moved that the House refuse to concur in the Senate amendments to H. F. No. 438, 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. 1573, A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; prohibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

PATRICK E. FLAHAVEN, Secretary of the Senate

Swanson moved that the House refuse to concur in the Senate amendments to H. F. No. 1573, 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. 2054.

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. 1793.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 2054, A bill for an act relating to the department of economic security; regulating community action programs and agencies; amending Minnesota Statutes 1981 Supplement, Sections 268.52, Subdivisions 1, 2, and 4; 268.53, Subdivisions 1, 2, and by adding subdivisions; 268.54, Subdivision 2.

The bill was read for the first time.

Eken moved that S. F. No. 2054 and H. F. No. 2145, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1793, A bill for an act relating to local government; authorizing the establishment of subordinate service districts in

order to provide and finance governmental services; establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district; amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision; Laws 1981, Chapter 291, Sections 2, Subdivisions 1 and 2, and by adding subdivisions; 4, Subdivision 1; 5, subdivision 2; 7; 8, Subdivisions 1 and 2, and by adding a subdivision; and 24; proposing new law coded as Minnesota Statutes, Chapter 375B.

The bill was read for the first time.

Voss moved that S. F. No. 1793 and H. F. No. 1858, now on Technical 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. 1573:

Swanson, Vanasek and Reif.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 438:

Sarna, Kaley, Reding, Rice and Rodriguez, F.

#### SPECIAL ORDERS

S. F. No. 1684, A bill for an act relating to commerce; providing uniformity in requiring insurance of accounts in depository financial institutions; clarifying examination reports as confidential records; clarifying permissible transactions at financial institutions by examiners; defining building and loan association; clarifying financial institution real estate investment authority; establishing an application procedure for certain bank detached facilities; providing for clearly differentiating a detached facility from the parent bank principal office; establishing a uniform authority for financial institutions' limited trust powers and individual housing accounts; clarifying certain words, terms and phrases relating to supervision of banks and trust companies; eliminating the filing requirement for bank directors' oaths; clarifying exceptions to prohibition against bank or trust company sale of assets; providing for uniform quarterly reporting by banks or trust companies; providing uniform capital requirements for stock savings banks and approval procedures for amending articles or certificates of incorporation; removing inconsistencies in fees payable to secretary of state; removing the expiration date for the credit union advisory council; removing inconsistencies with earlier



laws regarding certificate loan plans of industrial loan and thrift companies; providing for liquidity reserve requirements by insured industrial loan and thrift companies consistent with other depository institutions; providing for reasonable fees, annual renewals and surety bond limits for licensing safe deposit companies; clarifying default charges, deferments, conversion rights, interest after maturity and issuance of receipts on regulated loans; limiting licensing and examination of sales finance companies to those located in this state; authorizing the restatement of articles of incorporation of financial institutions; removing ceiling on interest rate paid by mortgagor during redemption period; amending Minnesota Statutes 1980, Sections 46.07, Subdivision 2; 46.09, as amended; 47.01, Subdivision 5; 47.10; 48.01, Subdivision 1; 48.16; 48.21; 48.76; 50.25; 51A.23, Subdivision 6; 52.061; 52.24; 53.04, Subdivision 5; 53.07; 55.04, Subdivision 2; 55.05; 168.66, Subdivision 8; 580.23, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 48.06; 48.48; 51A.03, Subdivision 5; 56.131, Subdivision 1; 56.14; proposing new law coded in Minnesota Statutes, Chapters 45; 47; 55; and 300; repealing Minnesota Statutes 1980, Sections 47.16, Subdivision 2; 48.159, Subdivision 1; 48.25; 50.157, Subdivision 1; 51A.21, Subdivision 16; 52.135; Minnesota Statutes 1981 Supplement, Sections 48.159, Subdivision 2; 50.157, Subdivision 2; 51A.21, Subdivision 16a; and 52.136.

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 109 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kahn	Norton	Schoenfeld
Ainley	Evans	Kalis	Novak	Sherman
Anderson, B.	Ewald	Kostohryz	Nysether	Sherwood
Anderson, I.	Fjoslien	Kvam	Ogren	Sieben, M.
Battaglia	Forsythe	Laidig	Olsen	Skoglund
Begich	Gruenes	Lehto	Onnen	Stumpf
Berkelman	Gustafson	Lemen	Osthoff	Sviggum
Blatz	Halberg	Levi	Otis	Swanson
Brandl	Hanson	Long	Peterson, B.	Tomlinson
Brinkman	Hauge	Ludeman	Piepho	Valan
Byrne	Haukoos	Luknic	Pogemiller	Valento
Carlson, D.	Heap	Mann	Vedalen	Vellenga
Carlson, L.	Heinitz	Marsh	Reding	Voss
Clawson	Himle	McCarron	Rees	Welch
Dahlvang	Hoberg	McDonald	Reif	Welker
Dean	Hokanson	McEachern	Rodriguez, C.	Wenzel
Dempsey	Hokr	Metzen	Rodriguez, F.	Wieser
Den Ouden	Jacobs	Munger	Rose	Wigley
Drew	Jennings	Murphy	Rothenberg	Wynia
Elioff	Johnson, C.	Nelsen, B.	Samuelson	Zubay
Ellingson	Johnson, D.	Nelson, K.	Sarna	Spkr. Sieben, H.
Erickson	Jude	Niehaus	Schafer	

Those who voted in the negative were:

Clark, K.

The bill was passed and its title agreed to.

S. F. No. 1821 was reported to the House.

#### CALL OF THE HOUSE

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

Aasness	Fjoslien	Kostohryz	Onnen	Stowell
Ainley	Forsythe	Laidig	Osthoff	Stumpf
Anderson, B.	Greenfield	Lehto	Peterson, B.	Sviggum
Anderson, I.	Gruenes	Lemen	Piepho	Swanson
Battaglia	Gustafson	Levi	Pogemiller	Tomlinson
Begich	Hanson	Long	Redalen	Valan
Blatz	Haukoos	Ludeman	Reding	Valento
Byrne	Heap	Luknic	Rees	Vellenga
Carlson, L.	Himle	Mann	Reif	Voss
Clark, K.	Hoberg	Marsh	Rice	Weaver
Clawson	Hokanson	McDonald	Rodriguez, F.	Welch
Dahlvang	Hokr	McEachern	Rose	Welker
Dean	Jacobs	Mehrkens	Rothenberg	Wenzel
Dempsey	Jennings	Metzen	Sarna	Wieser
Den Ouden	Johnson, C.	Munger	Schafer	Wynia
Drew	Johnson, D.	Murphy	Schreiber	Zubay
Elioff	Jude	Nelsen, B.	Sherman	Spkr. Sieben, H.
Erickson	Kahn	Niehaus	Sherwood	
Esau	Kaley	Nysether	Sieben, M.	
Evans	Kalis	Ogren	Skoglund	
Ewald	Kelly	Olsen	Stadum	

Mann 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.

Laidig moved to amend S. F. No. 1821, as follows:

Page 2, line 35, after the period reinstate the stricken language

Page 2, line 36, reinstate the stricken language through the period

Page 2, line 36, after the reinstated "County" insert "*Hennepin County*"

The motion prevailed and the amendment was adopted.

Rice moved to amend S. F. No. 1821, as amended by the Laidig amendment, as follows:

Page 2, line 36, delete the new language in the Laidig amendment

Page 2, line 36, reinstate "(IN)"

Page 3, lines 1 to 10, reinstate the stricken language

Page 3, line 3, strike "1981" and insert "1983"

The motion prevailed and the amendment was adopted.

S. F. No. 1821, A bill for an act relating to community corrections; clarifying and harmonizing the provisions of Minnesota Statutes relating to the administrative structure of participating counties, the composition of the corrections advisory board, the powers of probation officers, and the powers and duties of the commissioner of corrections; amending Minnesota Statutes 1980, Sections 401.01, Subdivision 2; 401.02, Subdivisions 1, 3, and 4; 401.06; 401.08, Subdivisions 1 and 2; and 401.13.

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 118 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Samuelson

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.

S. F. No. 1591 was reported to the House.

Haukoos, Ludeman and Sviggum offered an amendment to S. F. No. 1591.

#### POINT OF ORDER

Reding 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.

S. F. No. 1591, A bill for an act relating to retirement; volunteer firefighters relief associations; fire and police state aid programs; combining various reports for purposes of qualifying for fire state aid; modifying the presumptions used in determining qualification for fire or police state aid; clarifying the duration of disqualification from receipt of fire or police state aid in the event of noncompliance with financing guidelines; clarifying the procedure for crediting service by certain probationary volunteer firefighters; clarifying a limitation on the payment of service pensions to active volunteer firefighters; amending Minnesota Statutes 1980, Sections 69.021, Subdivision 4; 69.051, Subdivision 3; 69.771, Subdivision 3; and 424A.01, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 69.011, Subdivision 2; 69.051, Subdivision 1; 69.77, Subdivision 1; and 424A.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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

S. F. No. 1677 was reported to the House.

Voss moved to amend S. F. No. 1677, the first engrossment, as follows:

Page 1, line 13, after "bulk," insert "*type of foundation,*"

Page 2, line 5, after "327.35" delete the comma

Page 2, line 12, after "bulk," insert "*type of foundation,*"

Further, amend the title as follows:

Page 1, line 2, after "to" delete "municipal planning and zoning" and insert "local government; changing municipal and county planning and zoning laws"

The motion prevailed and the amendment was adopted.

Heap moved to amend S. F. No. 1677, as amended, as follows:

Page 3, after line 11, add a new section as follows:

"Sec. 3. [APPLICATION.] *This act applies in the cities of Blaine, Circle Pines, Coon Rapids and Lexington.*"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 31 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Himle	Laidig	Onnen
Ainley	Forsythe	Jennings	Ludeman	Peterson, B.
Den Ouden	Halberg	Kaley	Marsh	Rothenberg
Esau	Heap	Knickerbocker	Nysether	Sherman
Ewald	Heinitz	Kvam	Olsen	Sherwood

Swiggum	Welker	Wieser	Wigley	Zubay
Valento				

Those who voted in the negative were:

Anderson, B.	Eken	Kalis	Norton	Shea
Anderson, G.	Elioff	Kelly	Novak	Sieben, M.
Anderson, I.	Ellingson	Kostohryz	Ogren	Simoneau
Battaglia	Erickson	Lehto	Osthoff	Skoglund
Begich	Evans	Levi	Otis	Stowell
Berkelman	Greenfield	Long	Peterson, D.	Stumpf
Blatz	Gruenes	Luknic	Piepho	Swanson
Brandl	Gustafson	Mann	Pogemiller	Tomlinson
Brinkman	Hanson	McDonald	Redalen	Vanasek
Byrne	Hauge	McEachern	Reding	Voss
Carlson, L.	Haukoos	Metzen	Rees	Weaver
Clark, J.	Hokanson	Minne	Reif	Welch
Clark, K.	Jacobs	Munger	Rice	Wenzel
Clawson	Johnson, C.	Murphy	Rodriguez, C.	Wynia
Dahlvang	Johnson, D.	Nelsen, B.	Rodriguez, F.	Spkr. Sieben, H
Dean	Jude	Nelson, K.	Sarna	
Drew	Kahn	Niehaus	Schoenfeld	

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

S. F. No. 1677, A bill for an act relating to municipal planning and zoning; prohibiting exclusion of manufactured homes and other types of single family dwellings; amending Minnesota Statutes 1980, Sections 394.25, Subdivision 3; and 462.357, 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 68 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Kelly	Norton	Simoneau
Anderson, G.	Eken	Kostohryz	Novak	Skoglund
Battaglia	Elioff	Laidig	Ogren	Stumpf
Begich	Ellingson	Lehto	Osthoff	Swanson
Berkelman	Evans	Long	Otis	Tomlinson
Blatz	Ewald	Ludeman	Peterson, B.	Vanasek
Brandl	Greenfield	Luknic	Peterson, D.	Vellenga
Brinkman	Gustafson	Mann	Pogemiller	Voss
Byrne	Halberg	McDonald	Reding	Wenzel
Carlson, D.	Hanson	Minne	Rees	Wynia
Carlson, L.	Hokanson	Munger	Rice	Zubay
Clark, J.	Johnson, C.	Murphy	Rodriguez, C.	Spkr. Sieben, H.
Clark, K.	Jude	Nelsen, B.	Rodriguez, F.	
Den Ouden	Kahn	Nelson, K.	Sieben, M.	

Those who voted in the negative were:

Ainley	Clawson	Dempsey	Fjoslien	Hauge
Anderson, B.	Dahlvang	Erickson	Forsythe	Haukoos
Anderson, I.	Dean	Esau	Gruenes	Heap

Heinitz	Knickerbocker	Nysether	Schafer	Weaver
Himle	Kvam	Olsen	Schreiber	Welch
Hoberg	Lemen	Onnen	Shea	Welker
Hokr	Levi	Piepho	Sherman	Wieser
Jacobs	Marsh	Redalen	Sherwood	Wigley
Jennings	McEachern	Reif	Stadum	
Johnson, D.	Mehrkens	Rose	Stowell	
Kaley	Metzen	Rothenberg	Sviggum	
Kalis	Niehaus	Sarna	Valento	

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

S. F. No. 1256, A bill for an act relating to state government; directing the commissioner of administration to obtain state office space in certain types of historically significant buildings when practical; amending Minnesota Statutes 1980, Section 16.243.

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 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ludeman	Nelsen, B.	Welker
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The bill was passed and its title was agreed to.

S. F. No. 1481 was reported to the House.

Simoneau moved to amend S. F. No. 1481, the third engrossment, as follows:

Page 2, line 27, after "employee" insert "*of the state of Minnesota or the Regents of the University of Minnesota*"

Page 2, line 27, delete "between" and insert "at least"; after "and" insert "not yet"

Page 2, line 29, after "43A.18" insert "or other law"

Page 2, line 30, delete "state"

Page 2, line 31, delete "*between February 28, 1982 and October 1, 1982*" and insert "*within 60 days of the effective date of this section*"

Page 2, line 32, delete "between" and insert "at least"; after "and" insert "not yet"

Page 2, line 35, delete "between" and insert "at least"; after "and" insert "not yet"

Page 3, line 3, delete "*after July 1, 1981*" and insert "*within 60 days of the effective date of this section. For purposes of this clause, a person retires when the person terminates active employment in state or University of Minnesota service and applies for a retirement annuity*"

Page 3, line 5, after "65" insert "*, or when the employee chooses not to receive the annuity that the employee has applied for*"

Page 3, line 13, after "commissioner" insert "*and the Regents of the University of Minnesota*"

Page 3, line 16, delete "*June 15, 1982*" and insert "*30 days after the effective date of this section*"

Page 3, after line 16, insert:

"Sec. 2. [TEMPORARY.]

*The state and exclusive representatives of state employees and the University of Minnesota and exclusive representatives of University of Minnesota employees shall negotiate on the topic of supplemental agreements to the contracts covering the 1981 to 1983 biennium to provide for early retirement incentives in addition to those listed in section 1. The state and University of Minnesota shall only agree to these incentives if it anticipates that the incentives would result in a cost saving to the state during the 1981 to 1983 biennium. Any supplemental agreements*



*providing for these incentives shall be submitted to the legislative commission on employee relations and the full legislature for approval in the same manner and with the same effect as provided in section 179.74, subdivision 5."*

Page 3, line 17, strike "2" and insert "3"

Page 3, line 18, delete "Section" and insert "Sections"; after "1" delete "is" and insert "and 2 are"; delete "its"

Further, amend the title as follows:

Page 1, line 4, after the semi-colon, insert "providing that certain other early retirement incentives may be negotiated;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 84 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kahn	Ogren	Shea
Anderson, G.	Elioff	Kelly	Olsen	Sherman
Anderson, I.	Ellingson	Kostohryz	Osthoff	Sieben, M.
Battaglia	Ewald	Laidig	Otis	Simoneau
Begich	Greenfield	Lehto	Peterson, D.	Skoglund
Berkelman	Gruenes	Long	Piepho	Stumpf
Blatz	Gustafson	Luknic	Pogemiller	Swanson
Brandl	Hanson	Mann	Reding	Tomlinson
Brinkman	Harens	Marsh	Reif	Vanasek
Byrne	Hauge	McEachern	Rice	Vellenga
Carlson, D.	Heap	Metzen	Rodriguez, C.	Voss
Carlson, L.	Hokanson	Minne	Rodriguez, F.	Weaver
Clark, J.	Hokr	Munger	Rose	Welch
Clark, K.	Jacobs	Murphy	Rothenberg	Wenzel
Clawson	Johnson, C.	Nelson, K.	Samuelson	Wynia
Dahlvang	Johnson, D.	Norton	Sarna	Spkr. Sieben, H.
Dean	Jude	Novak	Schreiber	

Those who voted in the negative were:

Aasness	Fjoslien	Kvam	Onnen	Valan
Ainley	Forsythe	Lemen	Peterson, B.	Valento
Dempsey	Haukoos	Levi	Redalen	Welker
Den Ouden	Heinitz	Ludeman	Rees	Wieser
Drew	Himle	Mehrrens	Schafer	Wigley
Erickson	Hoberg	Nelsen, B.	Sherwood	Zubay
Esau	Jennings	Niehaus	Stowell	
Evans	Kaley	Nysether	Sviggun	

The motion prevailed and the amendment was adopted.

Heinitz moved to amend S. F. No. 1481, the third engrossment, as amended, as follows:

Page 2, delete lines 26 to 36, and insert:

*Notwithstanding section 43A.27, subdivision 3, a plan adopted under section 43A.18 may provide, or the state and an exclusive representative of state employees may negotiate, an agreement which provides for state-paid hospital, medical, and dental benefits for employees who retire from state service earlier than required. Coverage under these agreements shall be coordinated with relevant health insurance benefits provided through the federally-sponsored medicare program.*

Sec. 2. [TEMPORARY.]

*Commencing one week after the effective date of this act the state and exclusive representatives of state employees shall negotiate on the topic of supplemental agreements to the contracts covering the 1981 to 1983 biennium to provide for the benefits listed in section 1. Any supplemental agreements providing for these benefits shall be submitted to the legislative commission on employee relations and the full legislature for approval in the same manner and with the same effect as provided in section 179.74, subdivision 5.*

Sec. 3. [EFFECTIVE DATE.]

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

Delete Page 3.

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 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kalis	Olsen	Stowell
Ainley	Ewald	Knickerbocker	Onnen	Stumpf
Berkelman	Fjoslien	Kvam	Peterson, B.	Sviggum
Blatz	Forsythe	Laidig	Redalen	Valan
Brinkman	Haukoos	Lemen	Rees	Valento
Carlson, D.	Heap	Levi	Reif	Weaver
Dean	Heinitz	Ludeman	Rose	Welker
Dempsey	Himle	McDonald	Rothenberg	Wieser
Den Ouden	Hoberg	Mehrkens	Schafer	Wigley
Drew	Hokr	Nelsen, B.	Schreiber	Zubay
Erickson	Jennings	Niehaus	Sherwood	
Esau	Kaley	Nysether	Stadum	

Those who voted in the negative were:

Anderson, B.	Anderson, I.	Begich	Byrne	Clark, J.
Anderson, G.	Battaglia	Brandl	Carlson, L.	Clark, K.

Clawson	Jacobs	Metzen	Pogemiller	Skoglund
Dahlvang	Johnson, C.	Minne	Reding	Swanson
Eken	Johnson, D.	Munger	Rice	Tomlinson
Elioff	Jude	Murphy	Rodriguez, C.	Vanasek
Ellingson	Kahn	Nelson, K.	Rodriguez, F.	Vellenga
Greenfield	Kelly	Norton	Samuelson	Voss
Gruenes	Kostohryz	Novak	Sarna	Welch
Gustafson	Lehto	Ogren	Schoenfeld	Wenzel
Hanson	Long	Osthoff	Shea	Wynia
Harens	Luknic	Otis	Sherman	Spkr. Sieben, H.
Hauge	Mann	Peterson, D.	Sieben, M.	
Hokanson	McEachern	Piepho	Simoneau	

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

S. F. No. 1481, A bill for an act relating to state government; providing a one time early retirement insurance benefit option for certain state employees; amending Minnesota Statutes 1981 Supplement, Section 43A.24, 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 106 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kaley	Novak	Sherman
Anderson, B.	Evans	Kalis	Ogren	Sieben, M.
Anderson, G.	Ewald	Kelly	Olsen	Simoneau
Anderson, I.	Fjoslien	Knickerbocker	Onnen	Skoglund
Battaglia	Greenfield	Kostohryz	Osthoff	Stadum
Begich	Gruenes	Laidig	Otis	Stumpf
Berkelman	Gustafson	Lehto	Peterson, B.	Sviggum
Blatz	Halberg	Lemen	Peterson, D.	Swanson
Brandl	Hanson	Levi	Piepho	Tomlinson
Brinkman	Harens	Long	Pogemiller	Valan
Byrne	Hauge	Luknic	Reding	Vanasek
Carlson, D.	Haukoos	Mann	Reif	Vellenga
Carlson, L.	Heap	Marsh	Rice	Voss
Clark, J.	Himle	McEachern	Rodriguez, C.	Weaver
Clark, K.	Hoberg	Mehrkens	Rodriguez, F.	Welch
Clawson	Hokanson	Metzen	Rose	Wenzel
Dahlvang	Hokr	Minne	Rothenberg	Wynia
Dean	Jacobs	Munger	Samuelson	Spkr. Sieben, H.
Dempsey	Johnson, C.	Murphy	Sarna	
Drew	Johnson, D.	Nelsen, B.	Schoenfeld	
Eken	Jude	Nelson, K.	Schreiber	
Elioff	Kahn	Norton	Shea	

Those who voted in the negative were:

Ainley	Heinitz	Niehaus	Sherwood	Wigley
Den Ouden	Jennings	Nysether	Stowell	Zubay
Erickson	Kvam	Redalen	Valento	
Esau	Ludeman	Rees	Welker	
Forsythe	McDonald	Schafer	Wieser	

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

The Speaker called Heinitz to the Chair.

S. F. No. 1231, A bill for an act relating to waters; exempting certain watercraft from requirements related to personal flotation devices; amending Minnesota Statutes 1980, Section 361.141, 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 111 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Skoglund

The bill was passed and its title was agreed to.

S. F. No. 1539, A bill for an act relating to state collective bargaining units; adopting a modified unit composition schedule for state employees; amending Minnesota Statutes 1980, Section 179.741, Subdivision 1; and Minnesota Statutes 1981 Supplement, Section 179.74, 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 116 yeas and 1 nay as follows:

Those who voted in the affirmative were :

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

Those who voted in the negative were :

Welker

The bill was passed and its title was agreed to.

S. F. No. 1621, A bill for an act relating to state government; removing the geographic limitation on state and public employees' eligibility for the state employee transportation program; amending Minnesota Statutes 1981 Supplement, Section 16.756, 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 120 yeas and 2 nays as follows:

Those who voted in the affirmative were :

Aasness	Brinkman	Eken	Gruenes	Hokr
Ainley	Byrne	Elioff	Gustafson	Jacobs
Anderson, B.	Carlson, D.	Ellingson	Hanson	Jennings
Anderson, G.	Carlson, L.	Erickson	Hauge	Johnson, C.
Anderson, I.	Clark, K.	Esau	Haukoos	Johnson, D.
Battaglia	Clark, J.	Evans	Heap	Jude
Begich	Clawson	Ewald	Heinitz	Kahn
Berkelman	Dahlvang	Fjoslien	Himle	Kaley
Blatz	Dempsey	Forsythe	Hoberg	Kalis
Brandl	Drew	Greenfield	Hokanson	Kelly

Knickerbocker	Minne	Peterson, B.	Schafer	Tomlinson
Kostohryz	Munger	Peterson, D.	Schoenfeld	Valan
Kvam	Murphy	Piepho	Schreiber	Valento
Laidig	Nelsen, B.	Pogemiller	Shea	Vanasek
Lehto	Nelson, K.	Redalen	Sherman	Vellenga
Lemen	Niehaus	Reding	Sherwood	Voss
Levi	Norton	Rees	Sieben, M.	Weaver
Long	Novak	Reif	Simoneau	Welch
Luknic	Nysether	Rice	Skoglund	Wenzel
Mann	Ogren	Rodriguez, C.	Stadum	Wieser
Marsh	Olsen	Rodriguez, F.	Stowell	Wigley
McDonald	Onnen	Rose	Stumpf	Wynia
Mehrkens	Osthoff	Rothenberg	Sviggum	Zubay
Metzen	Otis	Sarna	Swanson	Spkr. Sieben, H.

Those who voted in the negative were:

Den Ouden      Welker

The bill was passed and its title was agreed to.

S. F. No. 1605, A bill for an act relating to public welfare; requiring audits of nursing home cost reports; amending Minnesota Statutes 1980, Sections 256B.27, Subdivision 2a; and 256B.35, 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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1641, A bill for an act relating to family law; defining a species of marital co-ownership of property and providing for its division in dissolution and annulment actions; amending Minnesota Statutes 1980, Section 518.54, Subdivision 5; and Minnesota Statutes 1981 Supplement, Section 518.58.

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

The bill was passed and its title agreed to.

S. F. No. 1853, A bill for an act relating to agriculture; changing fee provisions relating to abstracts of mortgages and liens on grain crops; amending Minnesota Statutes 1980, Sections 386.42 and 386.43.

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	Anderson, B.	Anderson, I.	Begich	Blatz
Ainley	Anderson, G.	Battaglia	Berkelman	Brandl

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

The bill was passed and its title agreed to.

S. F. No. 1758 was reported to the House.

Kelly moved to amend S. F. No. 1758, the first engrossment, as follows:

Page 2, after line 5 insert

"Sec. 3. Minnesota Statutes 1980, Section 152.19, Subdivision 5, is amended to read:

Subd. 5. Property shall be forfeited after a conviction deemed to be a felony according to the following procedure:

(1) A separate complaint shall be filed against the property describing it, charging its use in the specified violation, and specifying the time and place of its unlawful use.

(2) If the person arrested is acquitted, the court shall dismiss the complaint against any property seized pursuant to the preceding subdivisions and order the property returned to the persons legally entitled to it.

(3) If after conviction the court finds that the property, or any part thereof, was used in any violation as specified in the complaint, it shall order that the property unlawfully used be sold, destroyed, or disposed of by the appropriate state agency in the following manner:

(a) *If the property is not subject to security interest, the appropriate state agency may retain the property for official use*



*but shall not use any motor vehicle required to be registered pursuant to chapter 168A until title is properly transferred pursuant to chapter 168A;*

(b) Sell that which is not required to be destroyed by law and which is not harmful to the public;

((B)) (c) Require the commissioner of administration to take custody of the property and remove it for disposition in accordance with law; or

((C)) (d) Forward it to the federal (BUREAU OF NARCOTICS AND DANGEROUS DRUGS) *drug enforcement administration.*

*Any property retained pursuant to clause (3)(a) of this subdivision shall be used only in the performance of official duties of the appropriate state agency, and shall not be used for any other purpose. All proceeds from property retained under clause (3)(a) of this subdivision which is later sold shall be disbursed as provided in clause (4) of this subdivision.*

(4) Proceeds from the sale of forfeited property, after payment of seizure, storage, and sale expenses and satisfaction of valid liens against the property, shall be forwarded to the state drug abuse authority for distribution of half of the net proceeds among licensed hospitals and licensed drug treatment facilities of this state for the care and treatment of patients with drug related physical and psychological disorders, and licensed drug analysis centers. The remaining half of net proceeds shall be returned to the appropriate state agency."

Amend the title as follows:

Page 1, line 4, after "penalties;" insert "allowing use of forfeited property;"

Page 1, line 5, delete "Section" and insert "Sections 152.19, Subdivision 5; and"

The motion prevailed and the amendment was adopted.

Schreiber and Hokanson moved to amend S. F. No. 1758, the first engrossment, as amended, as follows:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1980, Section 152.01, is amended by adding a subdivision to read:

*Subd. 18. [DRUG PARAPHERNALIA.] "Drug paraphernalia" means all equipment, products, and materials of any kind which are used, intended for use, or designed for use, in manufacturing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance in violation of this act or the Uniform Controlled Substances Act. The term includes, but is not limited to:*

*(1) Diluents and adulterants, such as quinine hydrochloride, mannitol, mannite, dextrose, and lactose, used, intended for use, or designed for use in cutting controlled substances;*

*(2) Separation gins and sifters used, intended for use, or designed for use in removing twigs and seeds from, or in otherwise cleaning or refining, marijuana;*

*(3) Hypodermic syringes, needles, and other objects used, intended for use, and designed for use in parenterally injecting controlled substances into the human body; and*

*(4) Objects used, intended for use, or designed for use in ingesting, inhaling, or otherwise introducing marijuana, cocaine, hashish, or hashish oil into the human body, which shall include but not be limited to the following:*

*(a) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;*

*(b) Water pipes;*

*(c) Carburetion tubes and devices;*

*(d) Smoking and carburetion masks;*

*(e) Roach clips, meaning objects used to hold burning material, such as a marijuana cigarette, which has become too small or too short to be held in the hand;*

*(f) Miniature cocaine spoons, and cocaine vials;*

*(g) Chamber pipes;*

*(h) Carburetor pipes;*

*(i) Electric pipes;*

*(j) Air-driven pipes;*

*(k) Chillums;*

- (l) *Bongs; and*
- (m) *Ice pipes or chillers.*

**Sec. 2. [152.091] [FACTORS TO BE CONSIDERED IN DETERMINING IF OBJECT IS DRUG PARAPHERNALIA.]**

*In determining whether an object is drug paraphernalia, a court or other authority shall consider, in addition to all other logically relevant factors, the following:*

- (1) *Statements by an owner or by anyone in control of the object concerning its use;*
- (2) *The proximity of the object, in time and space, to a violation of this act;*
- (3) *The proximity of the object to any controlled substance;*
- (4) *The existence of any residue of a controlled substance on the object;*
- (5) *Direct or circumstantial evidence of the intent of an owner, or of anyone in control of the object, to deliver it to any person whom he or she knows or reasonably should know intends to use the object to facilitate a violation of this act. The innocence of an owner, or of anyone in control of the object, as to a violation of this act shall not prevent a finding that the object is intended for use, or designed for use as drug paraphernalia;*
- (6) *Instructions, oral or written, provided with the object concerning its use;*
- (7) *Descriptive materials accompanying the object which explain or depict its use;*
- (8) *National and local advertising concerning its use;*
- (9) *The manner in which the object is displayed for sale;*
- (10) *Whether the owner or anyone in control of the object is a legitimate supplier of like or related items to the community, such as a licensed tobacco distributor or dealer.*
- (11) *Direct or circumstantial evidence of the ratio of sales of the object or objects to the total sales of the business enterprise;*
- (12) *The existence and scope of any legitimate use for the object in the community; and*

(13) *Expert testimony concerning its use.*

**Sec. 3. [152.092] [POSSESSION OF DRUG PARAPHERNALIA PROHIBITED.]**

*It shall be unlawful for any person to use, or to possess with intent to use, drug paraphernalia to manufacture, inject, ingest, inhale, or otherwise introduce into the human body a controlled substance in violation of this act. Any violation of this section is a petty misdemeanor.*

**Sec. 4. [152.093] [MANUFACTURE OR DELIVERY OF DRUG PARAPHERNALIA PROHIBITED.]**

*It shall be unlawful for any person to deliver, possess with intent to deliver, or manufacture with intent to deliver, drug paraphernalia, knowing, or under circumstances where one reasonably should know, that it will be used to manufacture, inject, ingest, inhale, or otherwise be used to introduce into the human body a controlled substance in violation of this act. Any violation of this section is a misdemeanor.*

**Sec. 5. [152.094] [DELIVERY OF DRUG PARAPHERNALIA TO A MINOR PROHIBITED.]**

*Any person 18 years of age or older who violates section 4 by delivering drug paraphernalia to a person under 18 years of age who is at least three years his or her junior is guilty of a gross misdemeanor.*

**Sec. 6. [152.095] [ADVERTISEMENT OF DRUG PARAPHERNALIA PROHIBITED.]**

*It shall be unlawful for any person to place in any newspaper, magazine, handbill, or other publication any advertisement, knowing, or under circumstances where one reasonably should know, that the purpose of the advertisement, in whole or in part, is to promote the sale of objects in this state designed or intended for use as drug paraphernalia. A violation of this section is a misdemeanor.*

**Sec. 7. Minnesota Statutes 1980, Section 152.19, Subdivision 1, is amended to read:**

**Subdivision 1.** The following are subject to forfeiture:

(1) All controlled substances which have been manufactured, distributed, dispensed or acquired in violation of this chapter;

(2) All raw materials, moneys, products and equipment of any kind which are used, or intended for use, in manufacturing,

compounding, processing, delivering, importing, or exporting any controlled substance in violation of this chapter;

(3) All property which is used, or intended for use, as a primary container for property described in clauses (1) or (2);

(4) *All drug paraphernalia as defined by section 1;*

(5) All conveyances, including aircraft, vehicles or vessels, which are used, or intended for use, to transport, or in any manner to facilitate the transportation, for the purpose of sale or receipt of property described in clauses (1) or (2) having a retail value of \$100 or more, but:

(a) No conveyance used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section unless the owner or other person in charge of the conveyance is a consenting party or privy to a violation of this chapter.

(b) No conveyance is subject to forfeiture under this section unless the owner thereof is privy to a violation of this chapter, or that the use of the conveyance in such violation otherwise occurred with his knowledge or consent.

(c) A forfeiture of a conveyance encumbered by a bona fide security interest is subject to the interest of the secured party unless he had knowledge of or consented to the act or omission upon which the forfeiture is based.

(d) All books, records, and research products and materials, including formulas, microfilm, tapes, and data which are used, or intended for use, in violation of this chapter.

Sec. 8. Minnesota Statutes 1980, Section 152.19, Subdivision 3, is amended to read:

Subd. 3. In the event of a conviction for a gross misdemeanor or a misdemeanor, any conveyance seized pursuant to subdivision 1, clause ((4)) (5) of this section or any moneys seized pursuant to subdivision 1, clause (2) of this section, shall be returned to the person legally entitled thereto.

Sec. 9. [SEVERABILITY.]

*If any provision or any application of sections 1 to 8 is held invalid, the invalidity shall not affect other provisions or applications which can be given effect without the invalid provision or application, and to this end the provisions of sections 1 to 8 are severable."*

Page 1, line 10, delete "[152.095]" and insert "[152.096]"

Renumber the sections in sequence

Page 2, after line 5, insert:

"Sec. 13. [EFFECTIVE DATE.]

*Sections 1 to 12 are effective August 1, 1982 and apply to all crimes committed on or after that date."*

Amend the title as follows:

Page 1, line 2, after the semicolon insert "prohibiting the manufacture or delivery of drug paraphernalia; prohibiting the delivery of drug paraphernalia to minors; prohibiting the advertisement of drug paraphernalia; providing for civil forfeiture of drug paraphernalia;"

Page 1, line 5, delete "Section" and insert "Sections 152.01, by adding a subdivision; 152.19, Subdivisions 1 and 3; and"

The motion prevailed and the amendment was adopted.

S. F. No. 1758, A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Section 609.485, Subdivision 3; proposing new law coded in Minnesota Statutes 1980, Chapter 152.

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 5 nays as follows:

Those who voted in the affirmative were:

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

Skoglund	Swanson	Vellenga	Wenzel	Spkr. Sieben, H.
Stadum	Tomlinson	Voss	Wieser	
Stowell	Valan	Weaver	Wigley	
Stumpf	Valento	Welch	Wynia	
Sviggum	Vanasek	Welker	Zubay	

Those who voted in the negative were:

Byrne	Clark, K.	Greenfield	Kahn	Sieben, M.
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The bill was passed, as amended, and its title agreed to.

S. F. No. 85, A bill for an act relating to towns; providing for separate election of town supervisors; amending Minnesota Statutes 1980, Section 367.03, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Eken moved that the remaining bills on Special Orders be continued one day. The motion prevailed.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2136:

Sieben, M.; Kahn; Anderson, G.; Carlson, L., and Nelsen, B.

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

## REPORTS OF STANDING COMMITTEES

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

S. F. No. 1706, A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

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

The report was adopted.

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

S. F. No. 1818, A bill for an act relating to financial institutions; providing for maximum interest rates on the unpaid balance of loans made by a bank, savings bank, savings association, or credit union; making a temporary, superseding interest rate provision permanent; amending Minnesota Statutes 1980, Sections 48.153, Subdivisions 1a and 3a; 52.14, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 48.195; repealing Minnesota Statutes 1980, Sections 48.153, Subdivisions 1 and 3; and 52.14, Subdivision 1.

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

The report was adopted.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1706 and 1818 were read for the second time.



## ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 12:00 noon, Thursday, March 11, 1982. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Thursday, March 11, 1982.

**EDWARD A. BURDICK, Chief Clerk, House of Representatives**

## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## EIGHTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 11, 1982

The House of Representatives convened at 12:00 noon and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Intern Pastor Mary Anne Pratt, Zion Lutheran, Minneapolis, Minnesota.

The roll was called and the following members were present:

Aasness	Evans	Knickerbocker	O'Connor	Sherwood
Ainley	<b>Ewald</b>	Kostohryz	Ogren	Sieben, M.
Anderson, B.	Fjoslien	Kvam	Olsen	Simoneau
Anderson, G.	Forsythe	Laidig	Onnen	Skoglund
Anderson, I.	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	Hauge	Luknic	Pogemiller	Swanson
Brinkman	Haukoos	Mann	Redalen	Tomlinson
Byrne	Heap	Marsh	Reding	Valan
Carlson, L.	Heinitz	McCarron	Rees	Valento
Clark, J.	Himle	McDonald	Reif	Vanasek
Clark, K.	Hoberg	McEachern	Rice	Vellenga
Clawson	Hokanson	Mehrkens	Rodriguez, C.	Voss
Dahlvang	Hokr	Metzen	Rodriguez, F.	Weaver
Dean	Jacobs	Minne	Rose	Welch
Dempsey	Jennings	Munger	Rothenberg	Welker
Den Ouden	Johnson, C.	Murphy	Samuelson	Wenzel
Drew	Johnson, D.	Nelsen, B.	Sarna	Wieser
Eken	Jude	Nelson, K.	Schafer	Wigley
Elioff	Kahn	Niehaus	Schoenfeld	Wynia
Ellingson	Kaley	Norton	Schreiber	Zubay
Erickson	Kalis	Novak	Shea	Spkr. Sieben, H.
Esau	Kelly	Nysether	Sherman	

A quorum was present.

Anderson, R.; Frerichs and Searles were excused.

Harens was excused until 12:50 p.m. Carlson, D., was excused until 1:10 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. 2290, 2159, 2065, 2174, 1176, 352, 1017, 1878, 2000, 2188 and 1858 and S. F. Nos. 588, 1682, 1723, 1765, 1948, 2051, 2127, 1336, 1780, 2054 and 1793 have been placed in the members' files.

S. F. No. 1780 and H. F. No. 1815, 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. 1780 be substituted for H. F. No. 1815 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 588 and H. F. No. 674, 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. 588 be substituted for H. F. No. 674 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2051 and H. F. No. 2238, 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. 2051 be substituted for H. F. No. 2238 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1765 and H. F. No. 1844, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Mehrkens moved that the rules be so far suspended that S. F. No. 1765 be substituted for H. F. No. 1844 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1713 and H. F. No. 2159, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Onnen moved that the rules be so far suspended that S. F. No. 1713 be substituted for H. F. No. 2159 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1793 and H. F. No. 1858, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Voss moved that the rules be so far suspended that S. F. No. 1793 be substituted for H. F. No. 1858 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2054 and H. F. No. 2145, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Eken moved that the rules be so far suspended that S. F. No. 2054 be substituted for H. F. No. 2145 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1948 and H. F. No. 2228, 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. 1948 be substituted for H. F. No. 2228 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

March 9, 1982

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. 1574, relating to Independent School District No. 84, Sleepy Eye; requiring revision of its certified statutory operating debt.

Sincerely,

ALBERT H. QUIE  
Governor

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

March 9, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
	1574	390	March 9	March 9
233		391	March 9	March 9
1695		392	March 9	March 9

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

REPORTS OF STANDING COMMITTEES

Rice from the Committee on Labor-Management Relations to which was referred :

H. F. No. 1110, A bill for an act relating to labor; providing for occupational safety and health; defining "toxic substance"; requiring certain information; creating a right to refuse work with a toxic substance under certain conditions; amending Minnesota Statutes 1980, Sections 182.651, by adding a subdivision; 182.654, by adding a subdivision; and 182.655, Subdivision 10.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 182.651, is amended by adding a subdivision to read:

*Subd. 14. "Toxic substance or harmful physical agent" means any substance or physical agent meeting the definition contained in 29 Code of Federal Regulations, Section 1910.20 (c) (11).*

Sec. 2. Minnesota Statutes 1980, Section 182.654, is amended by adding a subdivision to read:

*Subd. 10. Any employee shall have the right, without loss of pay or other benefits or employment, to refuse to work with a substance he reasonably believes to be a toxic substance or a harmful physical agent if (1) the employer has failed to provide the information required pursuant to section 182.655, subdivision 10, within a reasonable time not in excess of 24 hours of the employee's request for same, or (2) the employee is asked to work with the substance or physical agent under conditions which are inconsistent with the information provided by the employer pursuant to section 182.655, subdivision 10, clauses (h) or (i).*

Sec. 3. Minnesota Statutes 1980, Section 182.654, is amended by adding a subdivision to read:

*Subd. 11. Any employee shall have the right, without loss of pay or other benefits of employment, to refuse to work under conditions which he reasonably believes constitute a serious violation of sections 182.65 to 182.674.*

Sec. 4. Minnesota Statutes 1980, Section 182.655, Subdivision 10, is amended to read:

*Subd. 10. Any standard promulgated under this section shall prescribe the use of labels or other appropriate forms of warning as are necessary to insure that employees are apprised of all hazards to which they are exposed, relevant symptoms and appropriate emergency treatment, and proper conditions and precautions of safe use or exposure. In the case of toxic substances or harmful physical agents utilized at a place of employment any standard shall require an employer to provide rea-*

sonable access by employees and their designated representatives to current information for any toxic substance as follows:

- (a) *The name or names of the substance or physical agent, including the generic or chemical name;*
- (b) *The trade name of the chemical and any other commonly used name;*
- (c) *The level at which exposure to the substance or physical agent is determined to be hazardous, if known;*
- (d) *The acute and chronic effects of exposure at hazardous levels;*
- (e) *The symptoms of the effects;*
- (f) *The potential for flammability, explosion and reactivity of the substance or physical agent;*
- (g) *Appropriate emergency treatment;*
- (h) *Proper conditions for safe use and exposure to the substance or physical agent;*
- (i) *Procedures for cleanup of leaks and spills; and*
- (j) *Any relevant material safety data sheet covering the substance or physical agent.*

Where appropriate, such standards shall also prescribe suitable protective equipment, if feasible engineering and administrative methods of protection alone do not provide adequate protection, and this equipment shall be made available by or at the cost of the employer. Such standards shall provide for monitoring or measuring employee exposure at such locations and intervals and in such manner as may be necessary and appropriate for the protection of employees. In addition, where appropriate, any such standard shall prescribe the type and frequency of medical examinations or other tests which shall be made available by the employer, or at his cost, to employees exposed to such hazards in order to most effectively determine whether the health of such employees is adversely affected by such exposure. The results of such examinations or tests shall be furnished only to the commissioner and, at the request of the employee, to his physician.

Sec. 5. Minnesota Statutes 1980, Section 182.658, is amended to read:

182.658 [POSTING REQUIREMENTS.]

The commissioner shall issue regulations requiring that employers, through posting of notices or other appropriate means, keep their employees informed of their protections and obligations under Laws 1973, Chapter 732 including the provisions of applicable standards *and of sections 1 to 8.*

Sec. 6. Minnesota Statutes 1980, Section 182.668, is amended to read:

182.668 [TRADE SECRETS.]

*Subdivision 1. [DETERMINATION BY COMMISSIONER.] The commissioner may, on request and after a sufficient showing by the employer, determine that an employer's use of a substance or physical agent, or its proportion or method of utilization in a process or mixture, is a trade secret.*

*Subd. 2. [CLASSIFICATION OF DATA.] All information reported to or otherwise obtained by the commissioner or his representative in connection with any inspection or proceeding under Laws 1973, Chapter 732 which contains or which might reveal a trade secret shall be considered confidential except that such information may be disclosed to other officers or employees concerned with carrying out Laws 1973, Chapter 732 or when relevant in any proceeding under Laws 1973, Chapter 732.*

*Subd. 3. [PROTECTION OF CONFIDENTIALITY.] The commissioner shall issue such orders as may be appropriate to protect the confidentiality of trade secrets by allowing, upon the request of an employer any authorized representative of employees in inspections of trade secrets areas or discussions involving trade secrets to be replaced by an employee authorized by the employer; by permitting the employer to screen out trade secret details where photographs are deemed essential to the investigation; and by allowing the employer to restrict samples to be taken where trade secrets might be exposed.*

*Subd. 4. [RESTRICTIONS ON DISCLOSURE.] Information provided to an employee or employee representative pursuant to section 182.655, subdivision 10, which has been determined to be a trade secret pursuant to subdivision 1, shall not be disclosed to anyone except as required for medical treatment or in the course of an investigation or proceeding under sections 182.65 to 182.674. An employee or employee representative who discloses information in violation of this subdivision and any person receiving such information, whether directly or indirectly, is guilty of a gross misdemeanor, and shall be liable for damages to the employer, including consequential damages.*

Sec. 7. [RELATIONSHIP TO COLLECTIVE BARGAINING.]



*An employee may seek a resolution of any dispute with his employer, arising in whole or in part under sections 1 to 8, pursuant to any applicable labor agreement or, if there is no applicable provision of a labor agreement, pursuant to a dispute resolution procedure to be developed by the commissioner, giving consideration to the procedure promulgated by the director of the bureau of mediation services pursuant to section 179.71, subdivision 5, prior to August 1, 1982, provided that the employee shall not thereby lose or be deemed to have waived any substantive or procedural rights under sections 182.65 to 182.674 or other law. Nothing in sections 1 to 8 shall be deemed to prevent the creation of additional rights or remedies for employees pursuant to a labor agreement or personnel rule or policy. Temporary rulemaking authority is granted for the development of a dispute resolution procedure by the commissioner pursuant to this section.*

#### Sec. 8. [SAVINGS CLAUSE.]

*Sections 1 to 7 are not intended to affect employee rights in existence at the time of enactment or to limit judicial recognition of a right to refuse work under sections 182.65 to 182.674 or federal law under circumstances other than those specified in sections 1 to 7."*

Delete the title and insert:

"A bill for an act relating to labor; providing for occupational safety and health; defining "toxic substance"; requiring certain information; creating a right to refuse work with a toxic substance under certain conditions; providing protection for trade secrets; amending Minnesota Statutes 1980, Sections 182.651, by adding a subdivision; 182.654, by adding subdivisions; 182.655, Subdivision 10; 182.658; and 182.668."

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

The report was adopted.

#### SECOND READING OF HOUSE BILLS

H. F. No. 2290 was read for the second time.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 1780, 588, 2051, 1765, 1713, 1793, 2054 and 1948 were read for the second time.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Clark, K.; Staten; Greenfield; Rodriguez, F., and Kelly introduced:

H. F. No. 2291, A bill for an act relating to crimes; prohibiting certain actions taken on the basis of race, color, ancestry, national origin, sex, sexual preference, religion, or creed; providing a penalty; proposing new law coded in Minnesota Statutes, Chapter 609.

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

Evans introduced:

H. F. No. 2292, A bill for an act relating to commerce; exempting dairy retailers from prohibitions against certain practices; limiting certain powers of the commissioner of agriculture; amending Minnesota Statutes 1980, Section 32A.05, Subdivision 3; and Minnesota Statutes 1981 Supplement, Section 32A.04, Subdivision 1.

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

Ogren introduced:

H. F. No. 2293, A bill for an act relating to economic development; exempting certain corporations from the requirement of combined reporting of unitary business income; providing for notice, creation of a council and benefits in certain local economic transition situations; prescribing penalties; amending Minnesota Statutes 1980, Section 290.34, Subdivision 2, as amended; proposing new law coded as Minnesota Statutes, Chapter 179A.

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

Olsen, Kvam, Knickerbocker and Blatz introduced:

H. F. No. 2294, A bill for an act relating to local government; establishing an advisory council on school district finance; proposing new law coded as Minnesota Statutes, Chapter 15B.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

McDonald, Rees, Searles and Heinitz introduced:

H. A. No. 67, A proposal to study the feasibility of establishing salary incentives for state employees by sharing in savings in state appropriations.

The advisory was referred to the Committee on Governmental Operations.

Nysether; Johnson, C.; Eken; Jennings and Forsythe introduced:

H. A. No. 68, A proposal to study the issue of permitting enrollment in a non-resident school district in special situations.

The advisory was referred to the Committee on Education.

#### 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 added to Special Orders pending for Thursday, March 11, 1982:

H. F. No. 1684 and S. F. Nos. 1666 and 1859 and H. F. Nos. 1017, 1505, 1669, 2033, 2034, 2080, 2000, 2065 and 2188 and S. F. Nos. 2141, 1809, 1740, 1950, 1949, 1424, 1078, 1747, 1908, 536, 639, 1503, 518 and 1955.

#### 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. 1455, A bill for an act relating to real estate brokers and salespersons; providing for the automatic transfer of a salesperson's license under certain circumstances; amending Minnesota Statutes 1980, Section 82.20, Subdivision 9.

H. F. No. 1579, A bill for an act relating to state lands; providing for the conveyance of certain land to the city of Brainerd.

H. F. No. 1625, A bill for an act relating to retirement; public employees retirement association; changing the reduction factors for early retirement; amending Minnesota Statutes 1980, Section 353.30, Subdivisions 1 and 1a; Minnesota Statutes 1981

Supplement, Section 353.30, Subdivision 1c; repealing Minnesota Statutes 1980, Section 353.30, Subdivision 1b.

H. F. No. 2156, A bill for an act relating to education; authorizing the state university board to lease land on Mankato state university campus; permitting Mankato state university to lease a building; transferring title for a building to the state; proposing new law coded in Minnesota Statutes, Chapter 136.

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. 1663, A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; 140.46; and 480.09, Subdivision 5; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

PATRICK E. FLAHAVEN, Secretary of the Senate

Voss moved that the House refuse to concur in the Senate amendments to H. F. No. 1663, 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. 1902, A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rodriguez, F., moved that the House refuse to concur in the Senate amendments to H. F. No. 1902, 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. 2190, A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block grant funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article I, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carlson, L., moved that the House refuse to concur in the Senate amendments to H. F. No. 2190, 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.

Samuelson moved that the House refuse to concur in the Senate amendments to H. F. No. 2190 and that the bill be returned to the Senate.

#### POINT OF ORDER

Carlson, L., raised a point of order pursuant to joint rule 2.06 that the Samuelson motion was not in order. The Speaker ruled the point of order well taken, and the motion out of order.

The question recurred on the Carlson, L., motion.

Samuelson moved to lay the Carlson, L., motion on the table.

A roll call was requested and properly seconded.

The question was taken on the Samuelson motion and the roll was called. There were 73 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Aasness	Hauge	Lemen	Osthoff	Stadum
Ainley	Haukoos	Levi	Peterson, B.	Staten
Blatz	Heap	Ludeman	Piepho	Stowell
Dahlvang	Heinitz	Luknic	Redalen	Sviggum
Dean	Himle	Marsh	Reif	Tomlinson
Dempsey	Hoberg	McCarron	Rodriguez, C.	Valan
Den Ouden	Hokr	McEachern	Rodriguez, F.	Valento
Drew	Jennings	Mehrkens	Rose	Vellenga
Elioff	Johnson, D.	Minne	Rothenberg	Weaver
Erickson	Jude	Niehaus	Samuelson	Welker
Esau	Kaley	Nysether	Sarna	Wieser
Ewald	Kelly	O'Connor	Schafer	Wigley
Fjoslien	Knickerbocker	Ogren	Shea	Zubay
Forsythe	Kostohryz	Olsen	Sherman	
Halberg	Kvam	Onnen	Sherwood	

Those who voted in the negative were:

Anderson, B.	Clawson	Laidig	Novak	Stumpf
Anderson, G.	Eken	Lehto	Otis	Swanson
Battaglia	Ellingson	Long	Peterson, D.	Vanasek
Begich	Greenfield	Mann	Rees	Voss
Berkelman	Gruenes	McDonald	Rice	Welch
Brandl	Gustafson	Metzen	Schoenfeld	Wenzel
Byrne	Hanson	Munger	Schreiber	Wynia
Carlson, L.	Jacobs	Murphy	Sieben, M.	Spkr. Sieben, H.
Clark, J.	Kahn	Nelsen, B.	Simoneau	
Clark, K.	Kalis	Nelson, K.	Skoglund	

The motion prevailed and the Carlson, L., motion was laid on the table.

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. 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 subdivisions; and 171.19.

PATRICK E. FLAHAVEN, Secretary of the Senate

Vanasek moved that the House refuse to concur in the Senate amendments to H. F. No. 1484, 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 Jennings and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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

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

The question recurred on the Vanasek motion and the roll was called.

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

There were 69 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Berkelman	Clark, J.	Eken	Gustafson
Anderson, I.	Brinkman	Clark, K.	Elioff	Hanson
Battaglia	Byrne	Clawson	Ellingson	Harens
Begich	Carlson, L.	Dahlvang	Greenfield	Hauge

Hokanson	Long	Novak	Rodriguez, F.	Tomlinson
Jacobs	Mann	O'Connor	Sarna	Vanasek
Johnson, C.	McCarron	Ogren	Schreiber	Vellenga
Johnson, D.	McEachern	Osthoff	Shea	Voss
Jude	Metzen	Otis	Sieben, M.	Welch
Kahn	Minne	Peterson, D.	Simoneau	Wenzel
Kelly	Munger	Pogemiller	Skoglund	Wieser
Kostohryz	Murphy	Reding	Staten	Wynia
Lehto	Nelson, K.	Rice	Stumpf	Spkr. Sieben, H.
Levi	Norton	Rodriguez, C.	Swanson	

Those who voted in the negative were :

Aasness	Ewald	Kaley	Niehaus	Schoenfeld
Ainley	Fjoslien	Kalis	Nysether	Sherman
Anderson, B.	Forsythe	Knickerbocker	Olsen	Sherwood
Blatz	Gruenes	Kvam	Onnen	Stadum
Brandl	Halberg	Laidig	Peterson, B.	Stowell
Dean	Haukoos	Lemen	Piepho	Sviggum
Dempsey	Heap	Ludeman	Redalen	Valan
Den Ouden	Heinitz	Luknie	Rees	Valento
Drew	Himle	Marsh	Reif	Weaver
Erickson	Hoberg	McDonald	Rose	Welker
Esau	Hokr	Mehrkens	Rothenberg	Wigley
Evans	Jennings	Nelsen, B.	Schafer	Zubay

The motion prevailed.

#### CALL OF THE HOUSE LIFTED

Reif 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 Senate File, herewith transmitted :

S. F. No. 1988.

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. 1965.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 1988, A bill for an act relating to housing; directing the commissioner of energy, planning and development to admin-



ister certain federal money; proposing new law coded in Minnesota Statutes, Chapter 362.

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

S. F. No. 1965, A bill for an act relating to the environment; amending various provisions of the waste management act; authorizing the commissioner of administration to acquire certain development rights; defining terms for purposes of the resource recovery program; prohibiting the waste management board from certifying the use of facilities for disposal of radioactive waste; stating various policies and requirements relating to solid and hazardous waste plans and facility permits; prescribing standards, procedures, approvals, and supervision relating to designations of resource recovery facilities; requiring the board to place its highest priority on alternatives to land disposal of hazardous waste; allowing the removal of the moratorium on development at certain sites; directing a study of solid waste utilization in the St. Cloud area; appropriating money; amending Minnesota Statutes 1980, Sections 115A.08, by adding a subdivision; 115A.15, Subdivisions 2, 6, and by adding a subdivision; 115A.42; 115A.46; 115A.62; 115A.69, Subdivision 10; 115A.70, Subdivisions 1, 2, and 3; 116.07, Subdivision 4b; 400.16; 400.162; 473.149, Subdivision 1; 473.153, by adding subdivisions; 473.802; 473.803, Subdivision 1, and by adding a subdivision; 473.811, Subdivision 7, and by adding a subdivision; 473.823, Subdivision 3; 473.827, Subdivision 1, and by adding a subdivision; 473.831, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivisions 4 and 13; 115A.11, Subdivision 1; 115A.21, Subdivision 3; 115A.24, Subdivision 1, and by adding a subdivision; 473.803, Subdivision 1a; and 473.831, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 115A; repealing Minnesota Statutes 1980, Section 473.827, Subdivisions 2, 3, 4, 5, and 6.

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, Long moved that the rules therein be suspended and an urgency be declared so that S. F. No. 1965 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Long moved that the rules of the House be so far suspended that S. F. No. 1965 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1965 was read for the second time.

Long and Ogren moved to amend S. F. No. 1965, the third engrossment, as follows:

Page 5, line 34, after "pretreatment," insert "*retrievable storage,*"

Page 6, line 10, after "commercial" insert "*retrievable storage or*"

The motion prevailed and the amendment was adopted.

Marsh moved to amend S. F. No. 1965, the third engrossment, as amended, as follows:

Page 32, after line 34, insert a new section to read:

"Sec. 37. [OPEN BURNING OF LEAVES: LOCAL ORDINANCES.]

*Notwithstanding any law or rule to the contrary, a town or home rule charter or statutory city of 7,500 population or less and located outside the metropolitan area as defined in section 473.121, subdivision 2, by adoption of an ordinance, may permit the open burning of dried leaves within the boundaries of the town or city. The ordinance shall limit leaf burning to the period between September 15 and December 1 and shall set forth limits and conditions on leaf burning to minimize air pollution and fire danger."*

Renumber the following sections accordingly

A roll call was requested and properly seconded.

#### POINT OF ORDER

Kahn raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order not well taken and the amendment in order.

#### POINT OF ORDER

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

The question recurred on the Marsh amendment and the roll was called. There were 106 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, B.	Anderson, I.	Begich	Blatz
Ainley	Anderson, G.	Battaglia	Berkelman	Brinkman

Carlson, D.	Heinitz	Ludeman	Pogemiller	Sviggum
Clark, K.	Himle	Luknic	Redalen	Swanson
Clawson	Hoberg	Marsh	Reding	Tomlinson
Dahlvang	Hokanson	McDonald	Rees	Valan
Dean	Hokr	McEachern	Reif	Valento
Den Ouden	Jacobs	Mehrkens	Rodriguez, C.	Vanasek
Drew	Jennings	Metzen	Rodriguez, F.	Vellenga
Eken	Johnson, C.	Minne	Rose	Voss
Elioff	Johnson, D.	Murphy	Rothenberg	Weaver
Erickson	Jude	Nelsen, B.	Sarna	Welch
Esau	Kaley	Niehaus	Schafer	Welker
Ewald	Kalis	Novak	Schoenfeld	Wenzel
Fjoslien	Kelly	Nysether	Schreiber	Wieser
Forsythe	Knickerbocker	Ogren	Shea	Wigley
Greenfield	Kostohryz	Olsen	Sherman	Wynia
Gruenes	Kvam	Onnen	Sherwood	Zubay
Halberg	Laidig	Osthoff	Simoneau	
Hauge	Lehto	Peterson, B.	Stadum	
Haukoos	Lemen	Peterson, D.	Stowell	
Heap	Levi	Piepho	Stumpf	

Those who voted in the negative were:

Byrne	Gustafson	Long	Norton	Skoglund
Carlson, L.	Hanson	McCarron	O'Connor	Staten
Clark, J.	Harens	Munger	Otis	Spkr. Sieben, H.
Ellingson	Kahn	Nelson, K.	Sieben, M.	

The motion prevailed and the amendment was adopted.

Schreiber was excused between the hours of 1:30 and 4:00 p.m.

Nysether moved to amend S. F. No. 1965, the third engrossment, as amended, as follows:

Page 9, line 13, after the period insert:

*"If more than sixty percent of the total hazardous wastes generated within the state likely to be proposed and permitted for disposal are generated within a fifty mile radius of any location, the board shall certify need only to a site within the fifty mile area capable of disposing of those wastes."*

Page 9, line 35, after "state" insert "*certified pursuant to this section*"

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

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

Ainley	Anderson, G.	Battaglia	Berkelman	Brandl
Anderson, B.	Anderson, I.	Begich	Blatz	Brinkman

Carlson, L.	Harens	Luknic	Peterson, B.	Stowell
Clark, J.	Haukoos	Mann	Peterson, D.	Stampf
Clark, K.	Heap	Marsh	Piepho	Sviggum
Clawson	Himle	McCarron	Pogemiller	Swanson
Dahlvang	Hoberg	McDonald	Redalen	Tomlinson
Dean	Hokanson	McEachern	Reding	Valan
Dempsey	Hokr	Mehrkens	Rodriguez, C.	Valento
Den Ouden	Johnson, C.	Minne	Rodriguez, F.	Vanasek
Drew	Johnson, D.	Munger	Rose	Vellenga
Eken	Jude	Murphy	Rothenberg	Weaver
Elioff	Kahn	Nelsen, B.	Sarna	Welch
Ellingson	Kaley	Nelson, K.	Schafer	Welker
Erickson	Kelly	Niehaus	Schoenfeld	Wenzel
Esau	Knickerbocker	Novak	Shea	Wieser
Ewald	Kostohryz	Nysether	Sherman	Wigley
Fjeslien	Kvam	O'Connor	Sherwood	Wynia
Greenfield	Lehto	Ogren	Sieben, M.	Zubay
Gruenes	Lemen	Olsen	Simoneau	Spkr. Sieben, H.
Gustafson	Levi	Onnen	Skoglund	
Halberg	Long	Osthoff	Stadum	
Hanson	Ludeman	Otis	Staten	

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.

Sviggum moved to lay the Nysether amendment on the table. The motion prevailed and the amendment was laid on the table.

McDonald offered an amendment to S. F. No. 1965.

#### POINT OF ORDER

Long raised a point of order pursuant to rule 3.10 that the amendment was out of order. The Speaker ruled the point of order well taken and the amendment out of order.

Ludeman moved to amend S. F. No. 1965, the third engrossment, as amended, as follows:

Pages 1 to 15, delete sections 1 to 18

Page 33, line 11, delete "Section" insert "Sections 115A.09, 115A.10, 115A.11, 115.18 to 115A.39, and"

Page 33, line 12, after "6" insert "Minnesota Statutes 1981 Supplement, Sections 115A.19 to 115A.24, 115.26, 115A.28, 115A.33, 115A.34, and 115.37"

A roll call was requested and properly seconded.

Simoneau 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 Ludeman amendment to S. F. No. 1965, as amended, was again reported to the House.

The question recurred on the Ludeman amendment and the roll was called.

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

There were 13 yeas and 78 nays as follows :

Those who voted in the affirmative were :

Ainley	Erickson	Jude	Nysether	Welker
Dempsey	Esau	Ludeman	Onnen	
Den Ouden	Heinitz	Niehaus	Schafer	

Those who voted in the negative were :

Anderson, G.	Elioff	Kostohryz	Novak	Sieben, M.
Anderson, I.	Ellingson	Kvam	O'Connor	Simoneau
Battaglia	Fjoslien	Laidig	Olsen	Skoglund
Begich	Forsythe	Lehto	Osthoff	Stadum
Blatz	Gruenes	Lemen	Otis	Staten
Brandl	Gustafson	Long	Peterson, B.	Stowell
Byrne	Hanson	Mann	Peterson, D.	Sviggum
Carlson, D.	Harens	McCarron	Piepho	Vanasek
Carlson, L.	Heap	McDonald	Pogemiller	Voss
Clark, J.	Himle	Mehrkens	Redalen	Welch
Clark, K.	Hoberg	Metzen	Rees	Wieser
Clawson	Hokanson	Minne	Rodriguez, C.	Wynia
Dahlvang	Jacobs	Munger	Rodriguez, F.	Zubay
Dean	Kahn	Murphy	Rothenberg	Spkr. Sieben, H.
Drew	Kaley	Nelsen, B.	Shea	
Eken	Knickerbocker	Nelson, K.	Sherman	

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

Kvam, Schafer, Jude, Wenzel, Schoenfeld and Heinitz moved to amend S. F. No. 1965, the third engrossment, as amended, as follows :

Page 7, after line 35, insert :

"Sec. 9. Minnesota Statutes 1981 Supplement, 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 *class I and II agricultural land* and land determined by the agency to be intrinsically unsuitable for the use intended.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 115A.21, Subdivision 1, is amended to read:

Subdivision 1. [SELECTION.] By 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. *No location shall be selected on class I and II agricultural land.* 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 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.”

Renumber the remaining sections

Page 20, after line 29, insert:

“Sec. 25. Minnesota Statutes 1981 Supplement, Section 473.153, Subdivision 2, is amended to read:

Subd. 2. [CANDIDATE SITE SELECTION.] By December 15, 1981, the council shall select six candidate sites for the disposal of the commission’s sewage sludge and 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 *class I and II agricultural land* and land determined by the agency to be intrinsically unsuitable. No site shall be selected for candidacy 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 council. *No site shall be selected on class I and II agricultural land.* The council 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 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 rulemaking and 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 December 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."

Renumber the remaining sections

Page 21, after line 21, insert:

"Sec. 30. Minnesota Statutes 1981 Supplement, Section 473.803, Subdivision 1a, is amended to read:

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] By October 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 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. *No site shall be selected on class I and II agricultural land.* 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 *class I and II agricultural land and 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 rulemaking and 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. 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 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 without the approval of the council. No county, city, or town land use control shall permit development which has not been approved by the council, nor shall any county, city, or town sanction or approve any subdivision, per-

mit, license, or other authorization which would allow development to occur 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 26, line 31, delete "20" and insert "24"

Page 26, line 31, delete "29" and insert "34"

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 did not prevail.

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

There were 34 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Johnson, D.	Onnen	Sviggum
Anderson, B.	Evans	Jude	Rice	Valan
Anderson, G.	Fjoslien	Kalis	Schafer	Welch
Brinkman	Heinitz	Kvam	Schoenfeld	Welker
Dempsey	Himle	Luknic	Shea	Wenzel
Den Ouden	Jennings	McEachern	Stadium	Wigley
Erickson	Johnson, C.	Niehaus	Stumpf	

Those who voted in the negative were:

Ainley	Forsythe	Lemen	O'Connor	Sherwood
Anderson, I.	Greenfield	Levi	Ogren	Sieben, M.
Battaglia	Gruenes	Long	Olsen	Simoneau
Begich	Gustafson	Mann	Osthoff	Skoglund
Blatz	Hanson	Marsh	Otis	Staten
Brandl	Harens	McCarron	Peterson, B.	Stowell
Byrne	Heap	McDonald	Peterson, D.	Swanson
Carlson, L.	Hoberg	Mehrrens	Piepho	Tomlinson
Clark, J.	Hokanson	Metzen	Pogemiller	Vellenga
Clawson	Hokr	Minne	Redalen	Voss
Dahlvang	Jacobs	Munger	Reding	Weaver
Dean	Kahn	Murphy	Rees	Wieser
Drew	Kelly	Nelsen, B.	Rodriguez, F.	Wynia
Eken	Knickerbocker	Nelson, K.	Rose	Zubay
Elioff	Kostohryz	Norton	Rothenberg	Spkr. Sieben, H.
Ellingson	Laidig	Novak	Samuelson	
Ewald	Lehto	Nysether	Sherman	

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

Kvam, Schafer, Jude, Wenzel and Schoenfeld moved to amend S. F. No. 1965, the third engrossment, as amended, as follows:

Page 7, after line 35, insert:

“Sec. 9. Minnesota Statutes 1981 Supplement, 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. *Class I and II agricultural land shall not be considered unless the board determines that there are no other feasible and prudent alternatives.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 115A.-21, Subdivision 1, is amended to read:

Subdivision 1. [SELECTION.] By 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. *Class I and II agricultural land shall not be selected unless the board determines that there are no other feasible and prudent alternatives.* 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 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."

Renumber the remaining sections

Page 20, after line 29, insert:

"Sec. 25. Minnesota Statutes 1981 Supplement, Section 473.-153, Subdivision 2, is amended to read:

Subd. 2. [CANDIDATE SITE SELECTION.] By December 15, 1981, the council shall select six candidate sites for the disposal of the commission's sewage sludge and 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. *Class I and II agricultural land shall not be considered unless the council determines that there are no other feasible and prudent alternatives.* No site shall be selected for candidacy 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 council. *Class I and II agricultural land shall not be selected unless the council determines that there are no other feasible and prudent alternatives.* The council 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 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 rulemaking and 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 December 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."

Renumber the remaining sections

Page 21, after line 21, insert:

"Sec. 30. Minnesota Statutes 1981 Supplement, Section 473.803, Subdivision 1a, is amended to read:

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] By October 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 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. *Class I and II agricultural land shall not be selected unless the county and the council determine that there are no other feasible and prudent alternatives.* 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. *Class I and II agricultural land shall not be considered unless the county and the council determine that there are no other feasible and prudent alternatives.* 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 rulemaking and 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. 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 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 without the approval of the council. No county, city, or town land use control shall permit 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 development to occur 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."

A roll call was requested and properly seconded.

Redalen moved to amend the Kvam, Schafer, Jude, Wenzel and Schoenfeld amendment to S. F. No. 1965, as follows:

Page 2, line 13, delete "and" and insert a comma and after "II" insert ", III and IV"

Page 2, line 23, delete "and" and insert a comma and after "II" insert ", III and IV"

Page 3, line 17, delete "and" and insert a comma and after "II" insert ", III and IV"

Page 3, line 23, delete "and" and insert a comma and after "II" insert ", III and IV"

Page 5, line 17, delete "and" and insert a comma and after "II" insert ", III and IV"

Page 5, line 25, delete "and" and insert a comma and after "II" insert ", III and IV"

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

The question recurred on the Kvam amendment and the roll was called.

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

There were 39 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kvam	Onnen	Sviggum
Ainley	Fjoslien	Ludeman	Redalen	Valan
Anderson, B.	Halberg	Mann	Sarna	Valento
Anderson, G.	Hauge	McDonald	Schafer	Vanasek
Brinkman	Hoberg	McEachern	Schoenfeld	Welker
Dempsey	Johnson, D.	Mehrkens	Shea	Wenzel
Den Ouden	Jude	Metzen	Sherman	Zubay
Eken	Kalis	Niehaus	Stadum	

Those who voted in the negative were:

Anderson, I.	Forsythe	Lehto	Osthoff	Skoglund
Battaglia	Greenfield	Lemen	Otis	Staten
Begich	Gruenes	Levi	Peterson, B.	Stowell
Berkelman	Gustafson	Long	Peterson, D.	Stumpf
Blatz	Hanson	Marsh	Piepho	Swanson
Brandl	Harens	Minne	Pogemiller	Tomlinson
Byrne	Himle	Munger	Reding	Vellenga
Carlson, L.	Hokanson	Murphy	Rees	Voss
Clark, J.	Hokr	Nelsen, B.	Reif	Weaver
Clark, K.	Jacobs	Nelson, K.	Rodriguez, C.	Welch
Clawson	Jennings	Norton	Rodriguez, F.	Wieser
Dahlvang	Kahn	Novak	Rose	Wynia
Dean	Kaley	Nysether	Rothenberg	Spkr. Sieben, H.
Drew	Kelly	O'Connor	Sherwood	
Elioff	Kostohryz	Ogren	Sieben, M.	
Ellingsen	Laidig	Olsen	Simoneau	

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

Pogemiller was excused between the hours of 4:00 p.m. and 6:00 p.m.

Haukoos and Reding moved to amend the Marsh amendment adopted earlier to S. F. No. 1965, the third engrossment, as amended, as follows:

Line 2 and 3 of the Marsh amendment delete "of 7,500 population or less and"



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 56 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Laidig	Nysether	Sviggum
Ainley	Evans	Lemen	Onnen	Valan
Anderson, B.	Fjoslien	Levi	Osthoff	Valento
Begich	Hauge	Ludeman	Redalen	Weaver
Blatz	Haukoos	Luknic	Reding	Welch
Brinkman	Heap	Mann	Rees	Welker
Carlson, D.	Hoberg	Marsh	Rodriguez, F.	Wenzel
Dahlvang	Jennings	McDonald	Sarna	Wieser
Dempsey	Johnson, D.	McEachern	Schafer	
Den Ouden	Jude	Metzen	Schoenfeld	
Elioff	Kaley	Nelsen, B.	Stadum	
Erickson	Kvam	Niehaus	Stumpf	

Those who voted in the negative were:

Anderson, G.	Ewald	Kostohryz	Peterson, D.	Swanson
Battaglia	Forsythe	Lehto	Piepho	Tomlinson
Berkelman	Greenfield	Long	Reif	Vanasek
Brandl	Gruenes	McCarron	Rodriguez, C.	Vellenga
Byrne	Gustafson	Mehrkens	Rose	Voss
Carlson, L.	Hanson	Munger	Rothenberg	Wigley
Clark, J.	Harens	Murphy	Shea	Wynia
Clark, K.	Himle	Nelson, K.	Sherman	Zubay
Clawson	Hokanson	Norton	Sieben, M.	Spkr. Sieben, H.
Dean	Hokr	Novak	Simoneau	
Drew	Jacobs	Olsen	Skoglund	
Eken	Kahn	Otis	Staten	
Ellingson	Kelly	Peterson, B.	Stowell	

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

The Speaker called Wynia to the Chair.

Valan moved to amend S. F. No. 1965, the third engrossment, as amended, as follows:

Page 33, after line 9, insert a new section:

*"Sec. 38. If any hazardous waste disposal site proposed by the board for certification by the agency on the effective date of this act is not certified as intrinsically suitable, the board shall propose from the inventory of sites previously considered by the board, an equal or greater number of sites for certification by the agency before proceeding further in the selection process."*

Renumber sections accordingly.

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 34 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Aasness	Halberg	Kvam	Ogren	Sviggum
Brinkman	Hauge	Mann	Redalen	Tomlinson
Carlson, D.	Haukoos	Marsh	Rodriguez, C.	Valan
Dempsey	Himle	Mehrkens	Schafer	Vanasek
Den Ouden	Hoberg	Nelsen, B.	Sherman	Wenzel
Esau	Jennings	Niehaus	Stadum	Wigley
Fjoslien	Johnson, C.	Nysether	Stumpf	

Those who voted in the negative were:

Ainley	Erickson	Lehto	Onnen	Sherwood
Anderson, G.	Evans	Lemen	Osthoff	Sieben, M.
Anderson, I.	Ewald	Long	Otis	Simoneau
Battaglia	Forsythe	Ludeman	Peterson, B.	Skoglund
Begich	Greenfield	Luknic	Peterson, D.	Staten
Berkelman	Gruenes	McCarron	Piepho	Stowell
Blatz	Gustafson	McDonald	Reding	Swanson
Brandl	Hanson	McEachern	Rees	Vellenga
Byrne	Harens	Metzen	Reif	Voss
Carlson, L.	Heap	Minne	Rice	Weaver
Clark, J.	Heinitz	Munger	Rodriguez, F.	Welch
Clark, K.	Hokanson	Murphy	Rose	Welker
Clawson	Jacobs	Nelson, K.	Rothenberg	Wieser
Dahlvang	Jude	Norton	Samuelson	Wynia
Drew	Kahn	Novak	Sarna	Zubay
Elioff	Kelly	O'Connor	Schreiber	Spkr. Sieben, H.
Ellingson	Laidig	Olsen	Shea	

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

McDonald offered an amendment to S. F. No. 1965, as amended.

#### POINT OF ORDER

Long raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker Pro Tem ruled the point of order well taken and the amendment out of order.

S. F. No. 1965, A bill for an act relating to the environment; amending various provisions of the waste management act;

authorizing the commissioner of administration to acquire certain development rights; defining terms for purposes of the resource recovery program; prohibiting the waste management board from certifying the use of facilities for disposal of radioactive waste; stating various policies and requirements relating to solid and hazardous waste plans and facility permits; prescribing standards, procedures, approvals, and supervision relating to designations of resource recovery facilities; requiring the board to place its highest priority on alternatives to land disposal of hazardous waste; allowing the removal of the moratorium on development at certain sites; directing a study of solid waste utilization in the St. Cloud area; appropriating money; amending Minnesota Statutes 1980, Sections 115A.08, by adding a subdivision; 115A.15, Subdivisions 2, 6, and by adding a subdivision; 115A.42; 115A.46; 115A.62; 115A.69, Subdivision 10; 115A.70, Subdivisions 1, 2, and 3; 116.07, Subdivision 4b; 400.16; 400.162; 473.149, Subdivision 1; 473.153, by adding subdivisions; 473.802; 473.803, Subdivision 1, and by adding a subdivision; 473.811, Subdivision 7, and by adding a subdivision; 473.823, Subdivision 3; 473.827, Subdivision 1, and by adding a subdivision; 473.831, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivisions 4 and 13; 115A.11, Subdivision 1; 115A.21, Subdivision 3; 115A.24, Subdivision 1, and by adding a subdivision; 473.803, Subdivision 1a; and 473.831, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 115A; repealing Minnesota Statutes 1980, Section 473.827, Subdivisions 2, 3, 4, 5, and 6.

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

The question was taken on the passage of the bill and the roll was called. There were 100 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kostohryz	Ogren	Sherman
Anderson, G.	Fjoslien	Laidig	Olsen	Sherwood
Anderson, I.	Forsythe	Lehto	Onnen	Sieben, M.
Battaglia	Greenfield	Lemen	Osthoff	Simoneau
Begich	Gruenes	Levi	Otis	Skoglund
Berkelman	Gustafson	Long	Peterson, B.	Stadum
Blatz	Hanson	Luknic	Peterson, D.	Staten
Brandl	Harens	Marsh	Piepho	Stumpf
Byrne	Haukoos	McCarron	Redalen	Sviggum
Carlson, D.	Heap	McDonald	Rees	Swanson
Carlson, L.	Himle	Mehrkens	Reif	Valento
Clark, J.	Hoberg	Minne	Rice	Vanasek
Clark, K.	Hokanson	Munger	Rodriguez, C.	Vellenga
Clawson	Hokr	Murphy	Rodriguez, F.	Voss
Dahlvang	Jacobs	Nelsen, B.	Rose	Weaver
Dean	Johnson, D.	Nelson, K.	Rothenberg	Wenzel
Drew	Kahn	Norton	Samuelson	Wieser
Elioff	Kaley	Novak	Schoenfeld	Wynia
Ellingson	Kelly	Nysether	Schreiber	Zubay
Evans	Knickerbocker	O'Connor	Shea	Spkr. Sieben, H.

Those who voted in the negative were:

Ainley	Hauge	Kalis	Niehaus	Wigley
Anderson, B.	Heinitz	Kvam	Sarna	
Brinkman	Jennings	Ludeman	Schafer	
Den Ouden	Johnson, C.	Mann	Valan	
Erickson	Jude	McEachern	Welker	

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.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1902:

Rodriguez, F.; Kelly and Kostohryz.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1484:

Vanasek, Levi, Jude, Vellenga and Johnson, D.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1663:

Voss, Jude and Luknic.

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. 2271, A resolution memorializing the President of the United States and the Administrator of the Federal Aviation Administration against any attempt to prohibit local governments from restricting aircraft noise.

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

The report was adopted.

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

S. F. No. 1957, A resolution memorializing the President and Congress of the United States in support of a mutual freeze with the Soviet Union on the testing, production, and deployment of nuclear weapons and delivery systems.

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

The report was adopted.

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

S. F. No. 2127, A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

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

The report was adopted.

#### SECOND READING OF HOUSE BILLS

H. F. No. 2271 was read for the second time.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 1957 and 2127 were read for the second time.

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

#### CONSENT CALENDAR

There being no objection pursuant to Senate Concurrent Resolution No. 9 the bill on the Consent Calendar was now considered.

S. F. No. 2125 was reported to the House.

Jude moved to amend S. F. No. 2125, the first engrossment, as follows:

Page 2, line 9, delete "*July*" and insert "*August*"

Page 2, line 10, delete "*30*" and insert "*1*"

Page 3, line 4, after "*executed*" insert "*on or*"

The motion prevailed and the amendment was adopted.

S. F. No. 2125, A bill for an act relating to real property; providing that covenants, conditions, restrictions or extensions thereof annexed to a grant, devise or conveyance of land that are or become nominal shall not operate as a basis of forfeiture; providing for the modification and extension of contracts for deed; providing dates for applicable laws relating to termination of contracts; removing a time limitation on the duration of covenants, conditions and restrictions; amending Minnesota Statutes 1980, Sections 500.20, Subdivision 1; 559.21, Subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 508; repealing Minnesota Statutes 1980, Section 500.20, 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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Anderson, G.; Clawson; Gruenes and Nelsen, B., were excused while in conference.

### SPECIAL ORDERS

S. F. No. 1886 was reported to the House.

Otis moved to amend S. F. No. 1886, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 116H.02, Subdivision 5, is amended to read:

Subd. 5. "Large energy facility" means:

(a) Any electric power generating plant or combination of plants at a single site with a combined capacity of (50,000) 80,000 kilowatts or more, or any facility of 5,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been applied for by May 19, 1977 pursuant to Minn. Reg. APC 3(a);

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

(c) (ANY FACILITY ON A SINGLE SITE DESIGNED FOR OR CAPABLE OF STORING MORE THAN ONE MILLION GALLONS OF CRUDE PETROLEUM OR PETROLEUM FUELS OR OIL OR THEIR DERIVATIVES, UNLESS THE FACILITY WOULD BE AT AN EXISTING PETROLEUM STORAGE SITE AND WOULD CONSTITUTE AN INCREASE OF LESS THAN 20 PERCENT IN THE STORAGE CAPACITY AT THAT SITE);

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

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

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

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

((H)) ANY FACILITY DESIGNED OR CAPABLE OF TRANSFERRING MORE THAN 300 TONS OF COAL PER HOUR OR WITH AN ANNUAL THROUGHPUT OF MORE THAN 500,000 TONS OF COAL FROM ONE MODE OF

TRANSPORTATION TO A SIMILAR OR DIFFERENT MODE OF TRANSPORTATION;)

((I) ANY FACILITY DESIGNED FOR OR CAPABLE OF STORING MORE THAN 7,500 TONS OF COAL OR WITH AN ANNUAL THROUGHPUT OF MORE THAN 125,000 TONS OF COAL;)

((J) ANY PETROLEUM REFINERY;)

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

((L) (h) Any facility intended to convert any material into any other combustible fuel and having the capacity to process in excess of (25) 75 tons of the material per hour.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 116H.11, is amended by adding a subdivision to read:

*Subd. 1a. [RATE PLAN.] The energy policy and conservation report shall include a section prepared by the public utilities commission. The commission's section shall be prepared in consultation with the commissioner of the department of energy, planning and development and shall include, but not be limited to, all of the following:*

*(a) A description and analysis of the commission's rate design policy as it pertains to the goals stated in sections 116H.01, 216B.164, and 216B.241; and*

*(b) Recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 116H.01, 216B.164, and 216B.241.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 216B.241, Subdivision 2, is amended to read:

**Subd. 2. [PROGRAMS.] (THE COMMISSION 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) *may* order (AT LEAST ONE) public (UTILITY) *utilities* 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)



may order a utility to make (ANY) an energy conservation improvement investment or expenditure (UNLESS IT FIRST) whenever the commission 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. 4. Minnesota Statutes 1980, Section 218.021, Subdivision 1, is amended as follows:

Subdivision 1. It shall be unlawful for any common carrier :

(1) To charge, demand, collect or receive for any service a greater or a lesser sum than that fixed in its published schedules.

(2) TO CHANGE OR DISCONTINUE ANY PUBLISHED RATE, CHARGE OR CLASSIFICATION, MINIMUM WEIGHT OR RULE RELATING TO SERVICE WITHOUT APPROVAL OF THE BOARD.)

((3)) (2) To make or give any undue or unreasonable preference or advantage, or any undue or unreasonable prejudice or disadvantage, to any person, company, firm, corporation, transit point or locality or to any particular description of traffic.

((4)) (3) By any special rate, rebate, drawback or other device, directly or indirectly, to charge, demand, collect or receive a greater or less compensation for any service rendered in the transportation of any property within this state than the regular established schedule of rates and charges for like and contemporaneous service for any other person, or for the public generally; or, directly or indirectly, to offer or give any shipper, in connection with or as an inducement or reward for receiving any property for transportation, any gift, gratuity or free pass or any rate less than that offered to the public.

((5)) (4) Except as expressly permitted, to charge a greater rate per ton or per ton mile for a single carload of freight of any kind or class than for a greater number of carloads of the same kind or class, to and from the same points of origin or destination.

((6)) (5) To charge or receive any greater compensation for the transportation of a quantity of property for a shorter

than for a longer distance over the same line, the shorter being included within the longer; but this shall not be so construed as to authorize any carrier to charge or receive as great compensation for a shorter as for a longer distance; or to charge or receive any greater compensation per ton per mile for the contemporaneous transportation of the same class of freight for a longer than for a shorter distance over the same line in the same general direction, or from the same original point of departure or to the same point of arrival; but this shall not be construed so as to authorize any carrier to charge as high a rate per ton per mile for a longer as for a shorter distance.

((7)) (6) To charge or receive for the transportation of freight of any description for any distance within this state a greater amount than is at the same time charged or received for a like quantity of freight of the same class over a greater distance of the same railway; or to charge or receive at any point upon its road a higher rate for receiving, handling or delivering freight of the same class or quantity than it shall at the same time charge or receive to any other point upon the same line; or to charge or receive for freight of any description over its railway a greater amount than at the same time is charged or received for the transportation of a like quantity of freight of the same class being transported over any portion of the same railway of equal distance; or to charge or receive from any person a greater amount than it shall at the same time charge or receive from any other person for the same class and like quantity of freight at the same point upon its railway; or to charge or receive from any person for the transportation of any freight upon its railway a greater amount than it shall at the same time charge or receive from any other person for the transportation of a like quantity of freight of the same class being transported from the same point over an equal distance of the same railway; or to charge or receive from any person for the use and transportation of any railway car upon its railroad for any distance, a greater amount than is at the same time charged or received from any other person for the use and transportation of any railway car of the same class or number for a like purpose being transported over a greater distance of the same railway; or to charge or receive from any person for the use and transportation of any railway car upon its railroad a greater amount in the aggregate than it shall at the same time charge or receive from any other person for the use and transportation of any railway car of the same class for a like purpose being transported from the same original point of an equal distance of the same railway; provided, however, where two or more railroads serve a common point one having a shorter mileage than the other from a given point, the railroad having the longer mileage may be authorized by the board to meet the rate made by the shortest line.

((8)) (7) To charge or receive more for transporting a car of freight than is charged or received per car for several cars of a like class of freight over the same railway for the same distance; or to charge or receive more for transporting a ton of

freight than is charged or received per ton for more than a ton but less than a carload of like class over the same railway for the same distance; or to charge or receive more for transporting one hundred pounds of freight than is charged or received per hundred pounds above one hundred pounds but less than a ton of like class over the same railway for the same distance.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 218.031, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise directed or authorized, it shall be the duty of every common carrier:

(1) To prescribe in the first instance, and to publish upon not less than (TEN) 20 days' public notice *in the case of new or increased rates or ten days' public notice in the case of reduced rates*, in such manner as may be required by the commissioner and law, all schedules of (FARES,) rates and charges and classifications thereof, together with the rules governing the same, and minimum weights for transportation of freight articles between points or stations in the state, and terminal and switching charges (, PROVIDED THERE SHALL BE BUT ONE CLASSIFICATION APPLICABLE TO ANY ONE COMMODITY WHICH SHALL BE UNIFORM ON ALL RAILROADS IN THIS STATE AND GOVERN IN ALL STATE COMMERCE). *A new or changed contract rate shall become effective in accordance with the provisions of United States Code, Title 49, Section 10713, as amended through December 31, 1981. The board may, for good cause, reduce the notice period specified in this clause.*

(2) To comply with every duly authorized rule, regulation or directive of the commissioner or board except as the same may be stayed, pending appeal therefrom.

(3) To put into effect and observe all schedules of rates (, FARES) and charges and classifications and any amendments or changes therein duly ordered by the board, except as the same may be stayed, pending appeal.

(4) To maintain as may be directed by the commissioner for public inspection at stations and depots all schedules showing all classifications, rates (, FARES) and charges for transportation of freight currently in force applying from such station. Such schedules shall state the places between which property will be carried and show the classification of freight, the distance tariff, a table of distances between stations, any terminal charges and any rules or regulations in any way affecting the aggregate of such rates (, FARES) and charges.

(5) Upon request of an owner or consignor of freight to the initial company, whenever the initial line does not reach the

place of destination, or the distance from the place of origin to destination may be shortened, to transfer such freight to a connecting line without change in cars if in carload lots, except such change be free of charge to the shipper and receiver; and to transfer with or without change in cars of less than carload lots at a reasonable joint through rate agreed upon by the connecting carriers or prescribed by the board, not greater than the maximum rates allowed by law, provided any unloading and reloading which is necessary shall be at cost and the charge for such transfer included in the joint rate.

(6) To provide the same switching, transfer and handling facilities for local as for interstate traffic.

(7) Upon written demand of the owner, to construct, maintain and operate side tracks and reasonable facilities connecting with any grain warehouse, dock, wharf, mill, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant or manufactory as may be required by the board, and on such terms as may be agreed upon, or, on failure of agreement, as may be prescribed by the board.

(8) To issue receipts or bills of lading covering all property received for transportation from any point in the state to any other point in the state, and to respond for any loss, damage or injury to such property caused by it or any carrier to whom such property may be delivered or over whose line it may pass (, NOR SHALL ANY CONTRACTUAL PROVISION WHATSOEVER EXEMPT IT FROM SUCH LIABILITY).

(9) To refund all overcharges for freight, baggage or express, and pay for any loss, damage or injury to property while in its possession, within ninety (90) days after the filing of a claim for such over-charge, loss or damage.

(10) To keep its accounts so as to show, as far as practicable, the earnings derived from, and the expenses incurred in, handling intrastate business in such form as the commissioner shall prescribe, including the separation of accounts for each operating division, wholly or partly within the state. Such accounts shall show the total cost of operating through trains and the total cost of operating the local or distributing trains of each operating division, wholly or partly within the state, during the fiscal year to be fixed by the commissioner, the total number of tons of revenue and non-revenue freight, the number of tons of each carried one (1) mile on the through trains and on the local trains, respectively, the number of tons and ton miles of revenue and non-revenue freight carried on through or local trains which are exclusively intrastate, and the gross tons and ton miles made by through and local trains on each division. The accounts shall show the total revenue and non-revenue train and engine miles and the total revenue and non-revenue car miles (the non-revenue car miles to be shown loaded and empty separately) produced by such railroad in the state in each op-

erating division, the number of each of the above train, engine and car mileage produced in handling the through trains and in handling the local trains, the total locomotive miles produced in switching on each division and such further information related to the income or cost of intrastate business as the commissioner may require. The commissioner may require such accounts to be kept with reference to the intrastate passenger business of each carrier and the train, car and engine mileage incurred in such business in this state as he may deem necessary.

(11) During pendency of any litigation, when rates prescribed by the board have not been put into effect, to keep a correct account of every charge made by it for any services to which such rates apply in excess of the rates prescribed, showing in each case the difference between the amount actually charged and the amount allowed to be charged, the date of the transaction, the stations between which the business was carried and the names and addresses of the consignor and consignee, and to report such information in full to the board on its request.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 218-041, Subdivision 2, is amended to read:

Subd 2. The board shall, (UPON PETITION AFTER HEARING) *in accordance with the provisions of United States Code, title 49, sections 10101 to 11917, as amended through December 31, 1981:*

(1) *Exercise the jurisdiction over common carriers vested in the board by law.*

((1)) (2) Review and ascertain the reasonableness and equalities of all schedules of rates (, FARES) and charges or any part or classification thereof, including joint through rates, and, if found unreasonable or discriminatory, establish new schedules and prescribe the form and manner of filing, posting and publication thereof.

((2)) (3) Order the issuance of any franchises, permits or certificates of convenience and necessity.

((3) PRESCRIBE SCHEDULES OF REASONABLE MAXIMUM RATES OR CHARGES FOR THE TRANSPORTATION OF FREIGHT AND CARS ON EACH RAILROAD, INCLUDING THE CLASSIFICATION OF SUCH RATES AND RULES GOVERNING THE SAME, AND REVISE THE SAME FROM TIME TO TIME.)

(4) The board may unite two or more stations or commercial centers into a common rate point (AND MAY DESIGNATE THE CLASSES OF FREIGHT WHICH SHALL TAKE COMMON RATES,) and fix the mileage that shall govern between

the common rate point and any or all other points in the state. The distance so fixed shall not apply as a measure of the rate for the movement of (THE SAME CLASS OF) freight for similar distances between other points.

(5) Prescribe a schedule of joint through railway rates for freight over two or more connecting lines of railway and revise the same from time to time. In so doing, the board shall consider, among other things, rates established for shipments within this state for like distances over single lines, rates charged by the railway companies operating such connecting lines for joint interstate shipments, and the increased cost, if any, of a joint through shipment as compared with a shipment over a single line for like distances. In establishing rates for shipments in less than carload lots, in cases where connecting railways are not required to have common stations or stopping place for loading or unloading freight at connecting points, the board shall regulate the transportation of such freight from the usual unloading place of one railway to the usual loading place of the other. The share of any railway company of any joint through rates shall not be construed to fix the charge that it may make for a similar distance over any part of its line for any single rate shipment, or the share of any other joint rate. Where the line of a railway company connects the point of shipment with the point of destination but would require a longer haul than a joint haul for which a joint rate has been established, the board may authorize charging the joint rate for the single haul without affecting the charge upon any other part of its line except that the charge for a like kind of property must not be greater for a shorter than for a longer distance upon that railroad, all of the shorter hauls being included within the longer.

(6) Define switching and drayage service to apply to the movement of traffic within and between points and fix reasonable maximum rates for the same, which shall be independent of any rates that may be made for line haul transportation. (THERE SHALL BE BUT ONE TERMINAL CHARGE FOR SWITCHING OR TRANSFERRING ANY CAR WITHIN ANY ONE MUNICIPALITY AND,) If it is necessary that any car in such transfer pass over the tracks of more than one railroad within such limits, the company first so transferring such car shall receive the entire charge therefor and be liable to each company doing subsequent switching for its just share of such charge as may be agreed upon among the companies, or, in the event of disagreement, as prescribed by the board.

Sec. 7. Minnesota Statutes 1980, Section 218.041, Subdivision 4, is amended to read:

Subd. 4. The board shall, upon petition:

(1) At all points of intersection and crossings of different railroads, or where two railroads are not more than one-half mile apart, and at all terminals, prescribe ample facilities by track connection, joint use of tracks, freight platforms and depots, warehouses, docks over which general merchandise is handled and forwarded, and other necessary appliances and conveniences for the transfer, forwarding and handling of general merchandise and parcel freight between such railroads and between such railroads and such docks, warehouses and vessels at such docks.

(2) Determine the proportionate share of each company in the cost of providing connecting and transfer facilities in the event the companies fail to agree.

(3) Direct construction, maintenance and operation at any points prescribed by law of all side tracks and reasonable facilities connecting any road with any grain warehouse or mill, dock, wharf, coal yard, quarry, brick or lime kiln, sand or gravel pit, crushed rock or concrete plant, or manufactory adjacent thereto, and prescribe the terms therefor.

(4) Prescribe reasonable regulations for handling property, passenger, baggage, express and mail, partly over privately owned rights-of-way and partly over highways, so that reasonable and adequate accommodations and service may be afforded.

(5) Prescribe the extent to which any designated carrier, upon its petition, may be relieved from the operation of the principles established by section 218.021, subdivision 1, clauses ((6)) (5), ((7)) (6) and ((8)) (7).

(6) Direct the repair, reconstruction or replacement of any inadequate or unsafe trackage, structure or facility.

Upon receipt of a petition for action pursuant to this subdivision the board shall give notice to all persons known to it to have an interest in the matter and publish notice of the petition in the state register. The board may grant the petition 30 days after notice has been fully made. If the board receives a written objection to the petition from any person within 20 days after the notice of filing has been fully made, the exemption shall be granted or denied only after a contested case hearing has been held on the matter. The board may elect to hold a contested case hearing if no objections to the petition or application are received. If a timely objection is not received and the board declines to act without hearing, the petitioner may request within 30 days of receiving a notice of denial, and shall be granted, a contested case hearing on the application.

Sec. 8. Minnesota Statutes 1980, Section 218.071, Subdivision 1, is amended to read:

Subdivision 1. *The board and commissioner may promulgate rules, orders and directives necessary to carry out the respective duties conferred on them by this chapter. The rules, orders, and directives may not be contrary to United States Code, title 49, sections 10101 to 11917, as amended through December 31, 1981. Every duly adopted rule, order or directive of the board or commissioner shall have the full force and effect of law.*

Sec. 9. [EFFECTIVE DATE.]

*This act is effective the day following final enactment. Until the effective date of Laws 1980, Chapter 534, the jurisdiction conferred on the transportation regulation board by sections 4 to 8 shall be exercised by the public utilities commission."*

Delete the title and insert :

"A bill for an act relating to the public utilities commission; specifying the role of the department of energy, planning and development before the public utilities commission; clarifying and assigning certain public utilities commission responsibilities; amending Minnesota Statutes 1980, Sections 116H.02, Subdivision 5; 218.021, Subdivision 1; 218.041, Subdivision 4; and 218.071, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 116H.11, by adding a subdivision; 216B.241, Subdivision 2; 218.031, Subdivision 1; and 218.041, Subdivision 2."

Ainley moved to amend the Otis amendment to S. F. No. 1886, as follows :

Page 9, line 15 to page 11, line 7, of the Otis amendment delete Section 6

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

The question recurred on the Otis amendment, as amended. The motion prevailed and the Otis amendment, as amended, was adopted.

Otis moved to amend S. F. No. 1886, the first engrossment, as amended, as follows :

Page 12, after line 28 insert :

"Sec. 8 Minnesota Statutes 1981 Supplement, Section 116H.-31, Subdivision 1, is amended to read :

Subdivision 1. [POLICIES.] Developing and improving efficient and economical district heating systems is a public purpose for state and local financing and a proper function of state and local 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.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 116H.31, Subdivision 2, is amended to read:

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) a *district heating system*. 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.

(f) "*District heating system*" means any existing or proposed facility for (1) the production, through cogeneration or

*otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 465.74, is amended by adding a subdivision to read:

*Subd. 6. [DEFINITION.] For the purposes of this section, and chapters 474 and 475, "district heating system" means any existing or proposed facility for (1) the production, through cogeneration or otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.*

*In keeping with the public purpose of section 116H.31, subdivision 1, to encourage state and local leadership and aid in providing available and economical district heating service, the definition of "district heating system" under this section should be broadly construed to allow municipal government sufficient flexibility and authority to evaluate and undertake such policies and projects as will most efficiently and economically encourage local expansion of district heating service."*

Renumber the sections and correct all internal cross references as may be required by this amendment.

Amend the title as follows:

Page 13, line 6, after the semicolon insert "defining "district heating systems" for purposes of the program of loans to municipalities for establishing and improving district heating systems;"

Page 13, line 10, after "Subdivision;" insert "116H.31, Subdivisions 1 and 2;"

Page 13, line 11, delete "and"

Page 13, line 12, before the period, insert "; and 465.74, by adding a subdivision"

The motion prevailed and the amendment was adopted.

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

S. F. No. 1886 was given its third reading, as amended.

## MOTION FOR RECONSIDERATION

Welker moved that the action whereby S. F. No. 1886, as amended, was given its third reading be now reconsidered. The motion prevailed.

Fjoslien moved to amend S. F. No. 1886, the first engrossment, as amended, as follows:

Page 2, after line 30, insert:

“Sec. 2. Minnesota Statutes 1981 Supplement, Section 116H.13, Subdivision 8, is amended to read:

Subd. 8. This section shall not apply to plants or facilities for the production of ethanol or fuel alcohol nor in any case where the commissioner shall determine after being advised by the attorney general that its application has been preempted by federal law.”

Renumber subsequent sections

Further, amend the title:

Page 13, line 10, after the semicolon, insert “Section 116H.13, Subdivision 8”

The motion prevailed and the amendment was adopted.

Ainley moved to amend S. F. No. 1886, the first engrossment, as amended, as follows:

Reinsert section 6, page 9, line 15 to page 11, line 7, of the first Otis amendment.

The motion prevailed and the amendment was adopted.

S. F. No. 1886, A bill for an act relating to energy; changing the definition of large energy facility; amending Minnesota Statutes 1980, Section 116H.02, 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 101 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, G.	Battaglia	Berkelman	Brandl
Ainley	Anderson, I.	Begich	Blatz	Brinkman

Byrne	Hauge	Long	Piepho	Stumpf
Carlson, D.	Haukoos	Luknic	Reding	Sviggum
Carlson, L.	Heap	Mann	Reif	Swanson
Clark, J.	Hoberg	Marsh	Rice	Tomlinson
Clark, K.	Hokanson	McCarron	Rodriguez, C.	Valan
Clawson	Hokr	McEachern	Rodriguez, F.	Vanasek
Dahlvang	Jacobs	Mehrkens	Rothenberg	Vellenga
Drew	Jennings	Minne	Samuelson	Voss
Eken	Johnson, C.	Munger	Sarna	Weaver
Elioff	Johnson, D.	Murphy	Schafer	Welch
Ellingson	Jude	Nelson, K.	Schoenfeld	Wenzel
Ewald	Kahn	Norton	Schreiber	Wieser
Fjoslien	Kalis	Novak	Shea	Wynia
Forsythe	Kelly	O'Connor	Sherman	Zubay
Greenfield	Knickerbocker	Ogren	Sieben, M.	Spkr. Sieben, H.
Gustafson	Kostohryz	Olsen	Simoneau	
Halberg	Kvam	Otis	Skoglund	
Hanson	Laidig	Peterson, B.	Staten	
Harens	Lehto	Peterson, D.	Stowell	

Those who voted in the negative were:

Don Ouden	Lemen	Niehaus	Rees	Welker
Erickson	Ludeman	Nysether	Valento	Wigley
Esau	McDonald	Onnen		
Kaley	Nelsen, B.	Redalen		

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

H. F. No. 1811 was reported to the House.

Staten moved that H. F. No. 1811 be continued on Special Orders. The motion prevailed.

The Speaker resumed the Chair.

S. F. No. 1888 was reported to the House.

Den Ouden moved to amend S. F. No. 1888, the first engrossment, as follows:

Page 1, line 12, delete "welfare and"

Page 1, line 14, delete "welfare and"

Amend the title as follows:

Page 1, line 2, delete "welfare and"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 52 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Aasness	Gruenes	Laidig	Olsen	Stadum
Ainley	Halberg	Lemen	Onnen	Stowell
Blatz	Heap	Levi	Peterson, B.	Sviggum
Carlson, D.	Heimitz	Ludeman	Piepho	Valento
Dempsey	Himle	Luknic	Redalen	Welker
Den Ouden	Hoberg	Marsh	Rees	Wieser
Erickson	Hokr	McDonald	Rothenberg	Wigley
Esau	Jennings	Mehrkens	Schafer	Zubay
Ewald	Johnson, D.	Nelsen, B.	Schreiber	
Fjoslien	Kaley	Niehaus	Sherman	
Forsythe	Knickerbocker	Nysether	Sherwood	

Those who voted in the negative were:

Anderson, B.	Eken	Kelly	Otis	Stumpf
Anderson, G.	Elioff	Kostohryz	Peterson, D.	Swanson
Battaglia	Ellingson	Lehto	Reding	Tomlinson
Begich	Greenfield	Mann	Rice	Vanasek
Brandl	Hanson	McEachern	Rodriguez, C.	Vellenga
Brinkman	Harens	Minne	Rodriguez, F.	Voss
Carlson, L.	Hauge	Munger	Sarna	Weaver
Clark, J.	Hokanson	Murphy	Schoenfeld	Welch
Clark, K.	Jacobs	Nelson, K.	Shea	Wenzel
Clawson	Johnson, C.	Norton	Sieben, M.	Wynia
Dahlvang	Jude	Novak	Simoneau	Spkr. Sieben, H.
Dean	Kahn	O'Connor	Skoglund	
Drew	Kalis	Ogren	Staten	

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

S. F. No. 1888, A bill for an act relating to education; requiring welfare and correctional institutions to submit an educational policy to the commissioner of education; 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. There were 76 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Johnson, D.	Murphy	Rothenberg
Anderson, G.	Ellingson	Jude	Nelson, K.	Sarna
Battaglia	Erickson	Kahn	Norton	Schoenfeld
Begich	Fjoslien	Kalis	O'Connor	Shea
Brandl	Greenfield	Kelly	Ogren	Sieben, M.
Brinkman	Gustafson	Kostohryz	Otis	Simoneau
Carlson, L.	Hanson	Lehto	Peterson, B.	Skoglund
Clark, J.	Harens	Luknic	Peterson, D.	Stadum
Clark, K.	Hauge	Mann	Piepho	Staten
Clawson	Haukoos	Marsh	Reding	Stumpf
Dahlvang	Heap	McCarron	Reif	Swanson
Dean	Hokanson	McEachern	Rice	Tomlinson
Drew	Jacobs	Minne	Rodriguez, C.	Vanasek
Eken	Johnson, C.	Munger	Rodriguez, F.	Vellenga

Voss  
Weaver

Welch

Wenzel

Wynia

Spkr. Sieben, H.

Those who voted in the negative were:

Aasness	Halberg	Lemen	Olsen	Sviggum
Ainley	Heinitz	Levi	Onnen	Valento
Dempsey	Himle	Ludeman	Redalen	Welker
Den Ouden	Hoberg	McDonald	Rees	Wigley
Esau	Jennings	Mehrkens	Schafer	Zubay
Ewald	Kaley	Nelsen, B.	Schreiber	
Forsythe	Kvam	Niehaus	Sherwood	
Gruenes	Laidig	Nysether	Stowell	

The bill was passed and its title agreed to.

Dempsey was excused between the hours of 5:15 and 9:15 p.m.

S. F. No. 1894 was reported to the House.

Nelson, K., moved to amend S. F. No. 1894, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 16.86, Subdivision 4, is amended to read:

Subd. 4. The commissioner, (NOTWITHSTANDING ANY LAW TO THE CONTRARY) *except in the case of energy conservation standards promulgated or amended pursuant to section 116H.12, subdivision 4*, shall hold all state hearings and make all determinations regarding any subject matter dealt with in the code including those in which another department or agency proposes to adopt or amend rules and regulations which are incorporated by reference into the code or whenever the commissioner proposes to incorporate such regulations into the state building code. In no event shall a state agency or department subsequently authorized to adopt rules and regulations involving state building code subject matter proceed to adopt the rules and regulations without prior consultation with the commissioner.

Sec. 2. Minnesota Statutes 1980, Section 16.86, Subdivision 5, is amended to read:

Subd. 5. Under the direction and supervision of the commissioner, the provisions of the code relating to electrical installations shall be enforced by the state board of electricity, pursuant to the Minnesota electrical act, the provisions relating to plumbing shall be enforced by the state commissioner of health, the provisions relating to fire protection shall be enforced by the state fire marshal, the provisions relating to high pressure steam piping and appurtenances and elevators shall be enforced by the department of labor and industry, *the provisions of energy con-*

*servation standards promulgated pursuant to section 116H.12, subdivision 4 shall be enforced by the commissioner of the department of energy, planning and development, and the code as applied to public school buildings shall be enforced by the state board of education. Fees for inspections conducted by the state board of electricity shall be paid in accordance with the rules and regulations of the state board of electricity.*

Sec. 3. Minnesota Statutes 1980, Section 116H.02, Subdivision 5, is amended to read:

Subd. 5. "Large energy facility" means:

(a) Any electric power generating plant or combination of plants at a single site with a combined capacity of (50,000) 80,000 kilowatts or more, or any facility of 5,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been applied for by May 19, 1977 pursuant to Minn. Reg. APC 3(a);

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

(c) (ANY FACILITY ON A SINGLE SITE DESIGNED FOR OR CAPABLE OF STORING MORE THAN ONE MILLION GALLONS OF CRUDE PETROLEUM OR PETROLEUM FUELS OR OIL OR THEIR DERIVATIVES, UNLESS THE FACILITY WOULD BE AT AN EXISTING PETROLEUM STORAGE SITE AND WOULD CONSTITUTE AN INCREASE OF LESS THAN 20 PERCENT IN THE STORAGE CAPACITY AT THAT SITE;)

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

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

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

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

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

((I) ANY FACILITY DESIGNED FOR OR CAPABLE OF STORING MORE THAN 7,500 TONS OF COAL OR WITH AN ANNUAL THROUGHPUT OF MORE THAN 125,000 TONS OF COAL;)

((J)) (h) Any petroleum refinery;

((K)) (i) Any *energy related* nuclear fuel processing or nuclear waste storage or disposal facility; and

((L)) (j) Any facility intended to convert any material into any other combustible fuel and having the capacity to process in excess of (25) 50 tons of the material per hour.

Sec. 4. Minnesota Statutes 1980, Section 116H.02, is amended by adding a subdivision to read:

*Subd. 15. [DEFINITIONS.] Wind energy conversion system (WECS) means any device, such as a wind charger, windmill, or wind turbine, which converts wind energy to a form of useable energy.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 116H.-07, is amended to read:

116H.07 [DUTIES.]

The commissioner shall:

(a) Manage the 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 and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation 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 non-renewable 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. 6. Minnesota Statutes 1981 Supplement, Section 116H.085, is amended to read:

116H.085 [ENERGY CONSERVATION INFORMATION CENTER.]

The commissioner shall establish an energy information center in the 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, *and alcohol fuels.*

(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 commissioner shall not be liable for damages arising from the installation or operation of equipment or materials recommended by the information center.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 116H.088, Subdivision 1, is amended to read:

Subdivision 1. The 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) *assist in the development and implementation of adult and post-secondary energy education programs.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 116H.09, Subdivision 1, is amended to read:

Subdivision 1. The commissioner shall maintain an emergency conservation and allocation plan. 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) *petroleum* 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 *severe long-term* environmental (SACRIFICES) damage;

(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. 9. Minnesota Statutes 1981 Supplement, Section 116H.-095, Subdivision 4, is amended to read:

Subd. 4. [SET-ASIDE REQUIRED.] Every prime supplier shall allocate for sale or exchange monthly upon order of the commissioner a volume of *motor* 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) *monthly supply estimate*. 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) *monthly supply estimate*.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 116H.-095, Subdivision 5, is amended to read:

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 *monthly* report of its estimated volume of gasoline and middle distillate (SALE) *deliveries*. 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 *motor* gasoline supplies and four percent of estimated middle distillate supplies as shown by the report.

Sec. 11. Minnesota Statutes 1981 Supplement, Section 116H.-10, Subdivision 4, is amended to read:

Subd. 4. Reports issued pursuant to this section, *other than individual corporate reports classified as nonpublic data in section 15.1682*, shall be available for public inspection in the office of the department during normal business hours.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 116H.-11, Subdivision 1, is amended to read:

Subdivision 1. By January 1 of each even-numbered year, the 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) *utility service* 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) *utility service* area energy need for the forthcoming (FIVE AND TEN) 20 year period which, in the judgment of the commissioner, will reasonably balance requirements of state (AND GEOGRAPHICAL AREA) *economic* growth and de-

velopment, 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.

Sec. 13. Minnesota Statutes 1981 Supplement, 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 COMMISSIONER,) shall, pursuant to chapter 15, adopt rules governing building design and construction standards regarding heat loss control, illumination and climate control. The rules shall apply to all new buildings and remodeling affecting heat loss control, illumination and climate control. 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 rules (SHALL BECOME PART OF THE STATE BUILDING CODE AND BE EFFECTIVE SIX MONTHS AFTER PROMULGATION) *adopted pursuant to this subdivision, shall be part of the state building code. Notwithstanding the provisions of this subdivision, all applications for approval of building specifications and plans may be sub-*

*mitted to the state building inspector as provided in section 16.862.*

Sec. 14. Minnesota Statutes 1981 Supplement, Section 116H.128, is amended to read:

**116H.128 [REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS.]**

The 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 *and energy conservation* 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) Other projects the commissioner deems appropriate and of direct benefit to Minnesota and other states of the upper midwest.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 116H.13, Subdivision 8, is amended to read:

Subd. 8. This section shall not apply *to plants or facilities for the production of ethanol or fuel alcohol nor* in any case where the commissioner shall determine after being advised by the attorney general that its application has been preempted by federal law.

Sec. 16. Minnesota Statutes 1980, Section 116H.15, Subdivision 1, is amended to read:

Subdivision 1. Any person who violates (SECTIONS 116H.01 TO 116H.15,) *any provision of this chapter or section 325F.20 (,) or 325F.21,* or any rule or regulation promulgated thereunder, or knowingly submits false information in any report required by (SECTIONS 116H.01 TO 116H.15,) *this chapter or section 325F.20 (,) or 325F.21* shall be guilty of a misdemeanor. Each day of violation shall constitute a separate offense.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 116H.15, Subdivision 2, is amended to read:

Subd. 2. The provisions of *this chapter and 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 commissioner, and the existence of an adequate remedy at law shall not be a defense to an action brought under this subdivision.

Sec. 18. Minnesota Statutes 1980, Section 116H.15, Subdivision 3, is amended to read:

Subd. 3. When the court finds that any person has violated (SECTIONS 116H.01 TO 116H.15,) *any provision of this chapter or section 325F.20 (,) or 325F.21,* or any rule or regulation thereunder, has knowingly submitted false information in any report required by (SECTIONS 116H.01 TO 116H.15,) *this chapter or section 325F.20 (,) or 325F.21,* or has violated any court order issued under sections (116H.01 TO 116H.15,) *this chapter or section 325F.20 (,) or 325F.21,* the court may impose a civil penalty of not more than \$10,000 for each violation. These penalties shall be paid to the general fund in the state treasury.

Sec. 19. Minnesota Statutes 1981 Supplement, Section 116H.18, is amended to read:

**116H.18 [ENERGY EFFICIENT BUILDING EDUCATION.]**

The commissioner shall develop a program to provide information and training to *persons in the state who influence the energy efficiency of new buildings, including 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. 20. [325E.015] [RESIDENTIAL ENERGY SALES PRACTICES.]

*Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms shall have the meanings given.*

(a) *"Budget payment plan" means a billing method in which estimated annual energy consumption costs are billed to the consumer in ten or more approximately equal monthly payments.*

(b) *"Energy index" means a report designed to show the actual, and the weather-adjusted, increase or decrease in energy consumption from the current billing month or heating season to a previous billing month or heating season.*

*Subd. 2. [BUDGET PAYMENT PLAN A CUSTOMER OPTION.] Not later than September 1, 1982, every supplier of electricity or space heating fuels that offers some of its residential customers a budget payment plan shall make the plan available to all residential customers who request it provided that any customer with an outstanding balance on his or her account shall be placed on a budget payment plan that includes repayment of the outstanding balance. Suppliers of fuel oil, liquified petroleum gas, firewood, and coal are exempt from the provisions of this subdivision.*

*Subd. 3. [ENERGY CONSUMPTION INDEX.] Every natural gas supplier serving 50 or more Minnesota residential customers, and electrical suppliers serving cities of the first and second class, shall, at least annually, provide to all residential customers an energy consumption index. Suppliers of firewood, fuel oil, liquified petroleum gas, and coal are exempt from the provisions of this subdivision.*

**Sec. 21. Minnesota Statutes 1980, Section 394.25, Subdivision 2, is amended to read:**

**Subd. 2. Zoning ordinances establishing districts within which the use of land or the use of water or the surface of water pursuant to section 378.32 for agriculture, forestry, recreation, residence, industry, trade, soil conservation, water supply conservation, surface water drainage and removal, conservation of shorelands, as defined in section 105.485, and additional uses of land and of the surface of water pursuant to section 378.32, may be by official controls encouraged, regulated, or prohibited and for such purpose the board may divide the county into districts of such number, shape, and area as may be deemed best suited to carry out the comprehensive plan. Official controls may also be applied to wetlands preservation, open space, parks, sewage disposal, protection of ground water, protection of flood plains as defined in section 104.02, protection of wild, scenic or recreational rivers as defined in section 104.33, protection of slope, soils, unconsolidated materials or bedrock from potentially damaging development, preservation of forests, woodlands and essential wildlife habitat, reclamation of non-metallic mining lands; protection and encouragement of access to direct sunlight for solar energy systems as defined in section 116H.02, subdivision 11; *siting of wind energy conversion systems as defined in section 116H.02, subdivision 15*; and the preservation of agricultural lands.**

**Sec. 22. Minnesota Statutes 1980, Section 462.357, Subdivision 1, is amended to read:**

**Subdivision 1. [AUTHORITY FOR ZONING.] For the purpose of promoting the public health, safety, morals and general welfare, a municipality may by ordinance regulate the location, height, bulk, number of stories, size of buildings and other struc-**



tures, the percentage of lot which may be occupied, the size of yards and other open spaces, the density and distribution of population, the uses of buildings and structures for trade, industry, residence, recreation, public activities, or other purposes, and the uses of land for trade, industry, residence, recreation, agriculture, forestry, soil conservation, water supply conservation, conservation of shorelands, as defined in section 105.485, access to direct sunlight for solar energy systems as defined in section 116H.02, *siting of wind energy conversion systems as defined in section 116H.02*, flood control or other purposes, and may establish standards and procedures regulating such uses. No regulation may prohibit earth sheltered construction as defined in section 116H.02, subdivision 3, that complies with all other zoning ordinances promulgated pursuant to this section. The regulations may divide the municipality into districts or zones of suitable numbers, shape and area. The regulations shall be uniform for each class or kind of buildings, structures or land and for each class or kind of use throughout such district, but the regulations in one district may differ from those in other districts. The ordinance embodying these regulations shall be known as the zoning ordinance and shall consist of text and maps. A city may by ordinance extend the application of its zoning regulations to unincorporated territory located within two miles of its limits in any direction, but not in a county or town which has adopted zoning regulations; provided that where two or more non-contiguous municipalities have boundaries less than four miles apart, each is authorized to control the zoning of land on its side of a line equidistant between the two noncontiguous municipalities unless a town or county in the affected area has adopted zoning regulations. Any city may thereafter enforce such regulations in the area to the same extent as if such property were situated within its corporate limits, until the county or town board adopts a comprehensive zoning regulation which includes the area.

Sec. 23. Minnesota Statutes 1980, Section 500.30, is amended to read:

#### 500.30 [SOLAR OR WIND EASEMENTS.]

Subdivision 1. "Solar easement" means a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or solar skyspace for the purpose of ensuring adequate exposure of a solar energy system as defined in section 116H.02, subdivision 11, to solar energy.

*Subd. 1a. "Wind easement" means a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or air space for the purpose of ensuring adequate exposure of a wind energy conversion system to the winds.*

Subd. 2. Any property owner may grant a solar or wind easement in the same manner and with the same effect as a conveyance of an interest in real property. The easements shall be created in writing and shall be filed, duly recorded, and indexed in the office of the recorder of the county in which the easement is granted. No duly recorded (SOLAR) easement shall be unenforceable on account of lack of privity of estate or privity of contract; such easements shall run with the land or lands benefited and burdened and shall constitute a perpetual easement, except that (A SOLAR) *an* easement may terminate upon the conditions stated therein or pursuant to the provisions of section 500.20.

Subd. 3. Any deed, will, or other instrument that creates a solar or wind easement shall include, but the contents are not limited to:

(a) a description of the real property subject to the (SOLAR) easement and a description of the real property benefiting from the (SOLAR) easement;

(b) a description of the vertical and horizontal angles, expressed in degrees and measured from the site of the solar energy system, at which the solar easement extends over the real property subject to the (SOLAR) easement, or any other description which defines the three dimensional space, or the place and times of day in which an obstruction to direct sunlight is prohibited or limited;

(c) *a description of the vertical and horizontal angles, expressed in degrees, and distances from the site of the wind power system in which an obstruction to the winds is prohibited or limited;*

(d) any terms or conditions under which the (SOLAR) easement is granted or may be terminated;

((D)) (e) any provisions for compensation of the owner of the real property benefiting from the (SOLAR) easement in the event of interference with the enjoyment of the (SOLAR) easement, or compensation of the owner of the real property subject to the (SOLAR) easement for maintaining the (SOLAR) easement;

((E)) (f) any other provisions necessary or desirable to execute the instrument.

Subd. 4. A solar or wind easement may be enforced by injunction or proceedings in equity or other civil action.

Subd. 5. Any depreciation caused by any solar or wind easement which is imposed upon designated property, but not any appreciation caused by any (SOLAR) easement which benefits

designated property, shall be included in the valuation of the property for property tax purposes.

**Sec. 24. [REPEALER.]**

*Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and 116H.19, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 116H.19, Subdivision 1 are repealed.*

**Sec. 25. [EFFECTIVE DATE.]**

*Sections 1, 2 and 13 shall be effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to energy; transferring certain duties to the commissioner of the department of energy, planning and development; providing for local zoning of wind energy conversion systems; changing certain procedures; defining certain terms; regulating residential energy sales practices; authorizing wind easements for the operation of wind energy conversion systems; amending Minnesota Statutes 1980, Sections 16.86, Subdivisions 4 and 5; 116H.02, Subdivision 5, and by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 2; 462.357, Subdivision 1; and 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.085; 116H.088, Subdivision 1; 116H.09, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.12, Subdivision 4; 116H.128; 116H.13, Subdivision 8; 116H.15, Subdivision 2; and 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; 116H.19, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 116H.19, Subdivision 1."

The motion prevailed and the amendment was adopted.

Nelson, K., moved to amend S. F. No. 1894, the second engrossment, as amended, as follows:

Page 2, lines 7 to 25, delete Section 2

Renumber subsequent sections accordingly

Page 16, line 34, delete "2"; delete "13" and insert "12"

Further, amend the title as follows:

Page 17, line 9, delete "Subdivisions" and insert "Subdivision"

Page 17, line 10, delete "and 5"

The motion prevailed and the amendment was adopted.

S. F. No. 1894, A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending Minnesota Statutes 1980, Sections 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.-095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, 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 113 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Erickson	Ludeman	Nysether	Welker	Zubay
Kaley	McDonald			

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

H. F. No. 1642 was reported to the House.

Wynia moved that H. F. No. 1642 be continued on Special Orders. The motion prevailed.

H. F. No. 1934 was reported to the House.

Vanasek moved that H. F. No. 1934 be returned to its author. The motion prevailed.

H. F. No. 930 was reported to the House.

Ellingson moved to amend H. F. No. 930, the first engrossment, as follows:

Page 2, after line 23, insert:

"Sec. 4. Minnesota Statutes 1980, Section 15.165, Subdivision 2, is amended to read:

Subd. 2. An individual asked to supply private or confidential data concerning himself shall be informed of: (a) the purpose and intended use of the requested data within the collecting state agency, political subdivision or statewide system; (b) whether he may refuse or is legally required to supply the requested data; (c) any known consequence arising from his supplying or refusing to supply private or confidential data; and (d) the identity of other persons or entities authorized by state or federal law to receive the data. *This requirement shall not apply when an individual is asked to supply investigative data to an undercover law enforcement officer.*"

Page 3, line 32, strike "sections" and insert "section"

Page 5, after line 19, insert:

"Sec. 13. Minnesota Statutes 1981 Supplement, Section 15.781, Subdivision 2, is amended to read:

Subd. 2. [PRIVATE DATA.] The following data collected, created or maintained by any licensing agency are classified as private, pursuant to section 15.162, subdivision 5a: data, other than their names and addresses, submitted by (LICENSEES AND) applicants for licenses; the identity of complainants who have made reports concerning licensees or applicants which appear in inactive complaint data unless the complainant consents to having his or her name disclosed; the nature or content of unsubstantiated complaints when the information is not maintained in anticipation of legal action; the identity of pa-

tients whose medical records are received by any health licensing agency for purposes of review or in anticipation of a contested matter; inactive investigative data relating to violations of statutes or rules; and the record of any disciplinary proceeding except as limited by subdivision 4.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 15.781, Subdivision 4, is amended to read:

Subd. 4. [PUBLIC DATA.] Licensing agency minutes, *application data on licensees*, orders for hearing, findings of fact, conclusions of law and specification of the final disciplinary action contained in the record of the disciplinary action are classified as public, pursuant to section 15.162, subdivision 5b. The entire record concerning the disciplinary proceeding is public data pursuant to section 15.162, subdivision 5b, in those instances where there is a public hearing concerning the disciplinary action."

Page 6, line 2, after "records" insert "*compiled by the bureau of criminal apprehension and disseminated through the criminal justice information system*"

Page 6, after line 8, insert:

"Subd. 3. [LIMITATION.] *Nothing in this section shall limit public access to data made public by section 15.791.*"

Page 6, line 17, delete "GENERAL" and insert "PRIVATE DATA"

Page 6, line 21, after "5a" insert "*, to the extent that the release of the data would either (a) disclose personal, medical, psychological, or financial information or (b) endanger an individual's life*"

Page 6, delete lines 22 through 27 and insert:

"Subd. 3. [CONFIDENTIAL DATA.] *Corrections and detention data are confidential, pursuant to section 15.162, subdivision 2a, to the extent that release of the data would: (a) endanger an individual's life, (b) endanger the effectiveness of an investigation authorized by statute and relating to the enforcement of rules or law, (c) identify a confidential informant, or (d) clearly endanger the security of any institution or its population.*"

Page 6, line 28, before "After" insert "Subd. 4. [PUBLIC DATA.]"

Page 6, line 28, delete "in" and insert "to a"

Page 6, line 28, delete "the" and insert "any"

Page 6, line 28, after "data" insert "made private or confidential by this section"

Page 6, delete lines 30 through 36

Page 15, line 15, delete "subdivision" and insert "subdivisions and"

Page 15, after line 20, insert:

"Sec. 24. [REVISOR'S INSTRUCTIONS.]

*The revisor of statutes shall codify the provisions of sections 1 to 23 and recodify the provisions of Minnesota Statutes 1980, Section 15.1611 to 15.1699 and of Laws 1981, Chapter 311 in an appropriate place in the next edition of Minnesota Statutes. He shall also correct all statutory cross references in the provisions being codified or recodified.*

Sec. 25. [EFFECTIVE DATE.]

*Sections 1 to 24 are effective the day following final enactment."*

Renumber sections in sequence

Amend the title as follows:

Page 1, line 6, after the second semi-colon, insert "15.165, Subdivision 2,"

Page 1, line 10, delete the second "Subdivision" and insert "Subdivisions"

Page 1, line 10, after "1" insert ", 2, and 4"

The motion prevailed and the amendment was adopted.

Schreiber moved to amend H. F. No. 930, the first engrossment, as amended, as follows:

Page 1, line 15, of the Ellingson amendment delete "an undercover" and insert "a"

The motion prevailed and the amendment was adopted.

H. F. No. 930, A bill for an act relating to the collection and dissemination of data; classifying data as private, confidential, nonpublic, and protected nonpublic; amending Minnesota Stat-

utes 1980, Sections 15.162, Subdivision 4; 15.1621, Subdivision 1; 15.1642, Subdivision 5; 15.1678; 15.1679; 15.1691, Subdivision 6; 15.1692, Subdivision 2; 169.09, Subdivision 13; 268.12, Subdivision 12; Minnesota Statutes 1981 Supplement, Sections 15.1682; 15.1699; 15.775, Subdivision 2; 15.781, Subdivision 1; and 15.784, Subdivision 2; proposing new law coded in Chapter 15.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 9 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Ludeman	Nysether	Rothenberg	Welker
Jennings	McDonald	Rees	Sviggum	

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

H. F. No. 1558 was reported to the House.

Simoneau moved that H. F. No. 1558 be continued on Special Orders. The motion prevailed.

H. F. No. 376 was reported to the House.

Reding moved that H. F. No. 376 be continued on Special Orders. The motion prevailed.

S. F. No. 1715 was reported to the House.



Long moved to amend S. F. No. 1715, the third engrossment, as follows:

Page 2, line 8, delete the period and insert:

*“, except that an incumbent holding a position under subdivision 14 shall not be terminated by the appointing authority for 270 days following the effective date of subdivision 14. For 270 days after the first 270 days the appointing authority under subdivision 14 shall not terminate an incumbent without a vote of approval by a majority of the city council.”*

The motion prevailed and the amendment was adopted.

S. F. No. 1715, A bill for an act relating to the city of Minneapolis; providing duties of the civil service commission; providing for positions in the unclassified service; permitting the city to change the name of the housing and redevelopment authority; permitting the transfer of certain employees to employment of the housing and redevelopment authority; establishing terms for transfer of the employees; permitting certain employees to purchase service credit from the Minneapolis employees retirement fund; amending Laws 1969, Chapter 937, Section 1, Subdivision 1, as amended, and by adding subdivisions; and Laws 1980, Chapter 595, Section 2, Subdivision 1 and Section 3, 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 100 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	Kostohryz	Novak	Sieben, M.
Anderson, G.	Forsythe	Kvam	O'Connor	Simoneau
Battaglia	Greenfield	Laidig	Ogren	Skoglund
Begich	Gustafson	Lehto	Onnen	Staten
Berkelman	Halberg	Lemen	Otis	Stumpf
Blatz	Hanson	Levi	Peterson, D.	Sviggum
Brandl	Hauge	Long	Piepho	Swanson
Brinkman	Heap	Luknic	Redalen	Tomlinson
Byrne	Heinitz	Mann	Reding	Valan
Carlson, D.	Himle	Marsh	Rees	Valento
Carlson, L.	Hoberg	McCarron	Reif	Vanasek
Clark, J.	Hokanson	McDonald	Rodriguez, C.	Voss
Clawson	Jacobs	McEachern	Rodriguez, F.	Weaver
Dean	Johnson, C.	Mehrkens	Rose	Welch
Eken	Johnson, D.	Minne	Samuelson	Wenzel
Elioff	Jude	Munger	Sarna	Wieser
Ellingson	Kahn	Murphy	Schoenfeld	Wigley
Erickson	Kalis	Nelsen, B.	Schreiber	Wynia
Evans	Kelly	Nelson, K.	Shea	Zubay
Ewald	Knickerbocker	Norton	Sherman	Sprk. Sieben, H.

Those who voted in the negative were:

Ainley	Drew	Ludeman	Rice	Stowell
Anderson, I.	Haukoos	Niehaus	Rothenberg	Vellenga
Dahlvang	Hokr	Nysether	Schafer	Welker
Den Ouden	Jennings	Olsen	Stadum	

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

S. F. No. 1907 was reported to the House.

There being no objection, S. F. No. 1907 was continued on Special Orders.

S. F. No. 1640 was reported to the House.

Ellingson moved that S. F. No. 1640, as amended on Wednesday, March 10, 1982, be continued on Special Orders. The motion prevailed.

H. F. No. 1764 was reported to the House.

There being no objection, H. F. No. 1764 was continued on Special Orders.

H. F. No. 1684, A bill for an act relating to gambling; permitting local governments to fix the compensation of bingo security workers by ordinance; amending Minnesota Statutes 1980, Section 349.17, Subdivision 1.

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

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

Those who voted in the affirmative were:

Aasness	Dean	Haukoos	Kvam	Nelson, K.
Ainley	Den Ouden	Heap	Laidig	Niehaus
Anderson, B.	Drew	Heinitz	Lehto	Norton
Anderson, G.	Eken	Himle	Lemen	Novak
Anderson, J.	Elioff	Hoberg	Levi	Nysether
Battaglia	Ellingson	Hokanson	Long	O'Connor
Begich	Erickson	Hokr	Ludeman	Ogren
Berkelman	Esau	Jacobs	Luknic	Olsen
Blatz	Evans	Jennings	Mann	Onnen
Brandl	Ewald	Johnson, C.	Marsh	Otis
Brinkman	Fjoslien	Johnson, D.	McCarran	Peterson, B.
Byrne	Forsythe	Jude	McDonald	Peterson, D.
Carlson, D.	Greenfield	Kahn	McEachern	Piepho
Carlson, L.	Gustafson	Kaley	Mehrkens	Redalen
Clark, J.	Halberg	Kalis	Minne	Reding
Clark, K.	Hanson	Kelly	Munger	Rees
Clawson	Harens	Knickerbocker	Murphy	Reif
Dahlvang	Hauge	Kostohryz	Nelsen, B.	Rice

Rodriguez, C.	Schoenfeld	Stadum	Valan	Wenzel
Rodriguez, F.	Schreiber	Staten	Valento	Wieser
Rose	Shea	Stowell	Vanasek	Wigley
Rothenberg	Sherman	Stumpf	Vellenga	Wynia
Samuelson	Sherwood	Sviggum	Voss	Zubay
Sarna	Sieben, M.	Swanson	Weaver	Spkr. Sieben, H.
Schafer	Simoneau	Tomlinson	Welch	

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 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. 492, A bill for an act relating to crimes; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C.

The Senate has appointed as such committee Messrs. Pehler, Humphrey 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 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. 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 Senate has appointed as such committee Messrs. Tennessen; Peterson, R. W., 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 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. 438, A bill for an act relating to retirement; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association; allowing a surviving spouse to elect a joint and survivor annuity under certain circumstances; amending Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2.

The Senate has appointed as such committee Messrs. Peterson, C. C.; Renneke; Moe, D. M.; Spear and Frederickson.

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. 1499, A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review 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.23.

The Senate has appointed as such committee Messrs. Spear, Hanson and Peterson, D. L.

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. 1804, A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

The Senate has appointed as such committee Messrs. Renneke, Willet and Menning.

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. 1817, A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections

221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221; repealing Minnesota Statutes 1981 Supplement, Section 161.465.

The Senate has appointed as such committee Messrs. Engler, Purfeerst and Schmitz.

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. 1573, A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; prohibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

The Senate has appointed as such committee Mr. Frank, Mrs. Lantry and Mr. Ramstad.

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. 1712, A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repeal-

ing Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivision 2.

The Senate has appointed as such committee Messrs. Fredrickson, Solon and Mrs. Lantry.

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. 2170, A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract in order to correct a survey error.

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. 2000, A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and re-development authority to carry out a housing interest buy-down program.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Luther; Peterson, R. W., 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

Ellingson moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 2000. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1821, A bill for an act relating to community corrections; clarifying and harmonizing the provisions of Minnesota Statutes relating to the administrative structure of participating counties, the composition of the corrections advisory board, the powers of probation officers, and the powers and duties of the commissioner of corrections; amending Minnesota Statutes 1980, Sections 401.01, Subdivision 2; 401.02, Subdivisions 1, 3, and 4; 401.06; 401.08, Subdivisions 1 and 2; and 401.13.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Renneke, Sikorski and Moe, D. M.

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

Laidig 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. 1821. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 16, A bill for an act relating to probate; changing certain time limits and procedures for a personal representative to file an inventory and appraisalment; amending Minnesota Statutes 1980, Section 524.3-706.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Davies, Sieloff 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

Norton 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. 16. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:



S. F. No. 358, A bill for an act relating to intoxicating liquor; requiring proof of financial responsibility; amending Minnesota Statutes 1980, Sections 340.11, by adding a subdivision; 340.12; and 340.353, by adding a subdivision.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Tennesen, Bang, Davies, Sikorski and Benson.

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

Otis 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. 358. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1621, A bill for an act relating to state government; removing the geographic limitation on state and public employees' eligibility for the state employee transportation program; amending Minnesota Statutes 1981 Supplement, Section 16.756, Subdivision 1a.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Merriam, Davis 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

Voss 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. 1621. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1758, A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Section 609.485, Subdivision 3; proposing new law coded in Minnesota Statutes 1980, Chapter 152.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Hanson, Davies, Merriam, Knutson and Peterson, R. W.

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

Kelly 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. 1758. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 155, A bill for an act relating to public welfare; providing for retention of certain receipts by state hospitals; amending Minnesota Statutes 1980, Section 246.57.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Mr. Purfeerst, Mrs. Brataas and Mr. Peterson, R. W.

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

Luknic 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. 155. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1522, A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Sections 367.10; 367.15; 368.01, Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision; and 471.98, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 462.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Wegener, Rued and Davies.

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

Brinkman 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. 1522. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1443, 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.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Mr. Setzepfandt, Mrs. Lantry and Mr. Nelson.

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

Reif 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. 1443. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to :

S. F. No. 1702, A bill for an act relating to corrections; authorizing the appointment of internal security investigators for adult correctional facilities in the unclassified civil service; clarifying the "good time" and solitary confinement provisions relating to county jails; amending Minnesota Statutes 1980, Sections 241.01, Subdivision 3a; 641.09; and 643.29, Subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Solon, Knutson 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

Johnson, 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. 1702. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to :

S. F. No. 1239, A bill for an act relating to the operation of state government; authorizing the state board of investment to employ investment management firms to invest certain funds on its behalf; appropriating money; amending Minnesota Statutes 1980, Section 11A.04.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Moe, D. M.; Spear 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

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. 1239. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1964, A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; amending Minnesota Statutes 1980, Section 299D.03, Subdivision 2; repealing Minnesota Statutes 1980, Sections 299C.041; and 299D.03, Subdivision 3.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Knoll; Spear; Pillsbury; Moe, D. M., and Nelson.

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. 1964. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1671, A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Bernhagen, Merriam and Luther.

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

Munger 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. 1671. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1499, A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; proposing new law coded in Minnesota Statutes, Chapter 168.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Bertram, Schmitz 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

Osthoff 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. 1499. 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. 1897, A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, Subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rice moved that the House refuse to concur in the Senate amendments to H. F. No. 1897, 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. 1799, A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; 145.835, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; 145.834; and 145.845.

PATRICK E. FLAHAVEN, Secretary of the Senate

Swanson moved that the House refuse to concur in the Senate amendments to H. F. No. 1799, 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. 1699, A bill for an act relating to education; requiring all public elementary and secondary schools to provide instructional programs in chemical abuse; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

PATRICK E. FLAHAVEN, Secretary of the Senate

McEachern moved that the House refuse to concur in the Senate amendments to H. F. No. 1699, 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.

### SPECIAL ORDERS

S. F. No. 1666 was reported to the House.

There being no objection, S. F. No. 1666 was temporarily laid over on Special Orders.

S. F. No. 1859 was reported to the House.

Heinitz moved to amend S. F. No. 1859, the third engrossment, as follows:

Page 7, delete lines 29 to 36

Page 8, delete lines 1 to 36

Page 9, delete lines 1 to 11

Re-number remaining sections

Page 11, delete lines 12 to 20

Re-number remaining sections

Page 28, delete lines 8 to 36

Page 29, delete lines 1 to 35

Page 31, delete line 9

Page 31, line 10, delete "1, 1983. The remaining sections of this act are" and insert "This act is"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 42 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Blatz	Drew	Heap	Kelly	Olsen
Brandl	Erickson	Heinitz	Kvam	Onnen
Byrne	Fjoslien	Hoberg	Levi	Peterson, B.
Clark, J.	Greenfield	Hokr	Marsh	Reif
Clark, K.	Hanson	Jennings	McEachern	Rothenberg
Clawson	Hauge	Jude	Niehaus	Schafer
Dean	Haukoos	Kaley	Norton	Staten



Sviggum	Vellenga	Wieser	Wigley	Zubay
Valento	Voss			

Those who voted in the negative were:

Ainley	Ellingson	Lehto	Nysether	Sherwood
Anderson, I.	Esau	Lemen	O'Connor	Sieben, M.
Battaglia	Evans	Long	Ogren	Simoneau
Begich	Forsythe	Ludeman	Peterson, D.	Skoglund
Berkelman	Gruenes	Mann	Piepho	Stowell
Brinkman	Himle	McCarron	Reding	Swanson
Carlson, D.	Hokanson	McDonald	Rees	Valan
Carlson, L.	Jacobs	Mehrkens	Rodriguez, C.	Weaver
Dahlvang	Johnson, D.	Minne	Rodriguez, F.	Welker
Dempsey	Kalis	Munger	Samuelson	Wenzel
Den Ouden	Knickerbocker	Murphy	Schreiber	Spkr. Sieben, H.
Eken	Kostohryz	Nelsen, B.	Shea	
Elioff	Laidig	Novak	Sherman	

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

Anderson, I., moved to amend S. F. No. 1859, the third engrossment, as follows:

Page 4, line 17, after "base" insert "*, compatible with the data base of the Minnesota land management information center,*"

Page 8, line 34, after the semicolon, insert:

*"(c) Money from the sale of tree planting stock as provided in section 89.37, subdivision 4,"*

Reletter subsequent clause

Page 11, line 16, restore the stricken language

Page 11, line 17, delete "*are annually appropriated*" and insert "*forest management fund pursuant to section 11 and are available*"

Page 11, delete lines 19 and 20

Page 15, line 9, after the period, insert "*The standards shall not be subject to the rulemaking provisions of chapter 15.*"

Page 21, line 6, after "IS" insert "*containing any standing timber*"

Page 22, line 26, delete the new language

Page 22, line 26, after "and" strike the comma

Page 22, line 27, strike "in the case of timbered land,"

Page 22, line 27, after "approval" strike "of the"

Page 22, line 28, delete "appraised value" and strike "of the timber"

Page 22, line 29, after "resources" insert "when required pursuant to section 282.01, subdivision 3"

Page 25, line 5, delete "full"

Page 25, line 6, delete "appraised" and insert "sale"

Page 25, line 10, delete "appraised" and insert "sale"

The motion prevailed and the amendment was adopted.

Battaglia moved to amend S. F. No. 1859, the third engrossment, as amended, as follows:

Page 24, line 22, after the period insert a new section to read:

"Sec. 28. [VETERANS' CREDIT APPLICATION.]

*The provisions of Minnesota Statutes 1980, Sections 282.031 to 282.037 shall continue in effect with respect to any veteran who has applied to purchase land under those sections before the effective date of this section or to any veteran who purchases land under those sections and applies within the required time for a credit under Minnesota Statutes 1980, Section 282.033. This section is repealed April 1, 1988.*

Renumber subsequent sections

Page 31, line 9, delete "30" and insert "31"

The motion prevailed and the amendment was adopted.

Welker moved to amend S. F. No. 1859, the third engrossment, as amended, as follows:

Page 28, after line 7, insert a new section to read:

"Sec. 30. [SALE OF TAX-FORFEITED LAND.]

*Subdivision 1. [COUNTY SALE.] Notwithstanding any other law to the contrary, any parcel of land forfeited to the state for the non-payment of taxes before June 30, 1982, and classified as non-conservation land pursuant to chapter 282, shall be sold by public auction in the county where the land is located according to the following formula:*

(a) *In counties with less than 1,000 acres of tax-forfeited lands, all such land shall be sold by June 30, 1983;*

(b) *In counties with more than 1,000 but less than 10,000 acres of tax-forfeited lands, at least 50 percent of the land shall be sold by June 30, 1983, and the remaining land sold by June 30, 1985;*

(c) *In counties with more than 10,000 but less than 200,000 acres of tax-forfeited lands, at least 20 percent shall be sold by June 30, 1983, and the remaining lands sold by June 30, 1987; and*

(d) *In counties with more than 200,000 acres of tax-forfeited lands, at least ten percent shall be sold by June 30, 1983, and the remaining lands sold by June 30, 1991.*

*Any parcel of land forfeited to the state for the non-payment of taxes after June 30, 1982, shall be sold by public auction in the county where the land is located, after one year from the date of forfeiture.*

*Subd. 2. [TERMS.] Payments, interest, notice, appraisal and certification of tax-forfeited land sales made pursuant to subdivision 1 shall conform with the applicable provisions of chapter 282.*

*Subd. 3. [COMMISSIONER OF NATURAL RESOURCES BID AND SALE.] The commissioner of natural resources may bid on tax-forfeited land offered for public sale in subdivision 1 using current funds available for land acquisition. For each acre of tax-forfeited land purchased under this subdivision, the commissioner of natural resources shall certify to the commissioner of administration that two acres of state land are offered for sale and are sold."*

**Renumber remaining sections**

**A roll call was requested and properly seconded.**

**Sherwood moved to amend the Welker amendment to S. F. No. 1859, the third engrossment, as amended, as follows:**

**On line 3 of the Welker amendment after "contrary" insert "with the exception of Minnesota Statutes 282.018 and 282.06"**

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

**The question recurred on the Welker amendment and the roll was called. There were 44 yeas and 65 nays as follows:**

Those who voted in the affirmative were:

Aasness	Forsythe	Kalis	Olsen	Stowell
Ainley	Halberg	Kvam	Onnen	Sviggum
Blatz	Haukoos	Ludeman	Piepho	Valan
Carlson, D.	Heap	Marsh	Redalen	Valento
Dempsey	Himle	McDonald	Rees	Welker
Den Ouden	Hoberg	Mehrkens	Reif	Wieser
Erickson	Hokr	Neisen, B.	Schafer	Wigley
Evans	Jennings	Niehaus	Schoenfeld	Zubay
Fjoslien	Kaley	Nysether	Sherman	

Those who voted in the negative were:

Anderson, I.	Eken	Kelly	Novak	Sarna
Battaglia	Elioff	Kostohryz	O'Connor	Sherwood
Begich	Ellingson	Laidig	Ogren	Sieben, M.
Berkelman	Greenfield	Lehto	Otis	Simoneau
Brandl	Gruenes	Lemen	Peterson, B.	Skoglund
Brinkman	Hanson	Long	Peterson, D.	Staten
Byrne	Harens	Mann	Pogemiller	Swanson
Carlson, L.	Hauge	McCarron	Reding	Vellenga
Clark, J.	Hokanson	Minne	Rice	Voss
Clark, K.	Jacobs	Munger	Rodriguez, F.	Welch
Clawson	Johnson, C.	Murphy	Rose	Wenzel
Dahlvang	Johnson, D.	Nelson, K.	Rothenberg	Wynia
Drew	Jude	Norton	Samuelson	Spkr. Sieben, H.

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

Welker moved to amend S. F. No. 1859, the third engrossment, as amended, as follows:

Page 16, lines 28 to 36 reinstate the stricken language and delete the new language

Page 17, delete lines 1 and 2

Page 17, line 3, delete "*private ownership.*"

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

Welker moved to amend S. F. No. 1859, the third engrossment, as amended, as follows:

Page 21, lines 6 to 8 reinstate the stricken language and delete the new language

Page 22, lines 25 to 28 reinstate the stricken language and 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 44 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Piepho	Sherwood
Ainley	Halberg	Laidig	Redalen	Sviggum
Blatz	Haukoos	Ludeman	Rees	Valan
Carlson, D.	Heap	Marsh	Reif	Valento
Dempsey	Himle	McDonald	Rodriguez, C.	Welker
Den Ouden	Hoberg	Nelsen, B.	Rose	Wieser
Erickson	Jennings	Niehaus	Rothenberg	Wigley
Esau	Johnson, D.	Olsen	Schafer	Zubay
Evans	Kaley	Onnen	Sherman	

Those who voted in the negative were:

Anderson, G.	Eken	Kostohryz	Ogren	Skoglund
Anderson, I.	Elioff	Lehto	Otis	Staten
Battaglia	Ellingson	Lemen	Peterson, B.	Stowell
Begich	Greenfield	Long	Peterson, D.	Swanson
Berkelman	Gruenes	Mann	Pogemiller	Tomlinson
Brandl	Hanson	McCarron	Reding	Vanasek
Brinkman	Harens	McEachern	Rice	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	Kalis	Norton	Shea	Spkr. Sieben, H.
Dahlvang	Kelly	Novak	Sieben, M.	
Dean	Knickerbocker	O'Connor	Simoneau	

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

Welker moved to amend S. F. No. 1859, the third engrossment, as amended, as follows:

Page 2, line 6, after "resources" insert a period and delete the remainder of the line

Page 2, delete lines 7 and 8

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

Carlson, D., moved to amend S. F. No. 1859, the third engrossment, as amended, as follows:

Page 21, line 9, after the period insert: "*The commissioner of natural resources shall base his review of a proposed sale on the policy and considerations specified in subdivision 1. The decision of the commissioner of natural resources shall be in writing and shall state the reasons therefor. The county may appeal the decision of the commissioner of natural resources to the district court in the manner provided by section 15.0424 for judicial review of contested case decisions.*"

The motion prevailed and the amendment was adopted.

S. F. No. 1859, A bill for an act relating to forestry; establishing a forest resource management policy and plan; realignment of forestry boundaries; establishing a forest management fund and accounting system; changing certain procedures for timber sales from state and tax-forfeited lands; extending certain timber permits; making various changes in forestry laws; amending Minnesota Statutes 1980, Sections 16A.125, Subdivision 5; 89.001, and by adding subdivisions; 89.01, Subdivision 6; 89.021, Subdivision 1; 89.036; 89.37, Subdivisions 2, 3, 3a, and 4; 90.201; 90.251, Subdivisions 1 and 4; 197.447; 282.01, Subdivisions 1 and 3; 282.02; and 282.132; Minnesota Statutes 1981 Supplement, Section 282.04, Subdivision 1; Laws 1981, Chapter 305, Section 11; proposing new law coded in Minnesota Statutes, Chapters 88, 89, 90, and 282; repealing Minnesota Statutes 1980, Sections 282.031; 282.032; 282.033; 282.034; 282.035; 282.036; and 282.037.

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 8 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Ludeman	Nelsen, B.	Voss	Welker
Den Ouden	McDonald	Stowell		

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 S. F. No. 1964:

Simoneau; Sieben, M.; Rose; Halberg and Norton.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1821:

Laidig, McCarron and Rice.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 358:

Otis, Wynia, Jude, Sarna and Halberg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1239:

Reding, Rice and Kaley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 155:

Luknic, McCarron and Samuelson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1758:

Kelly, Battaglia, Jude, Schreiber and Halberg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1699.

McEachern, Long and Levi.

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 Senate File, herewith transmitted :

S. F. No. 1738.

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. 1508.

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. 1451.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 1738, A bill for an act relating to crimes; prohibiting possession of obscene works appealing to pedophiles; increasing the fines for distribution of obscene material; prescribing penalties; amending Minnesota Statutes 1980, Sections 617.241; and 617.246, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 617.

The bill was read for the first time.

Levi moved that S. F. No. 1738 and H. F. No. 1764, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1508, A bill for an act relating to veterans; establishing information and referral assistance programs; authorizing limited studies; mandating annual reports; establishing an Agent Orange information and assistance section in the department of veterans affairs; providing Agent Orange information to health professionals; providing genetic information and counseling; classifying certain information as confidential; authorizing certain class actions; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 196.

The bill was read for the first time.



Harens moved that S. F. No. 1508 and H. F. No. 1669, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1451, 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; providing for the establishment and operation of watershed management organizations; establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district; authorizing counties, cities, and towns to bond for certain watershed improvements; 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 a subdivision; 112.43, by adding a subdivision; Laws 1981, Chapter 291, Section 2, Subdivisions 1, 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1, 2, and by adding a subdivision; and 24; proposing new law coded in Minnesota Statutes, Chapter 473.

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, Levi moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1451 be given its second and third readings and be placed upon its final passage. **The motion prevailed.**

Levi moved that the rules of the House be so far suspended that S. F. No. 1451 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1451 was read for the second time.

Levi moved to amend S. F. No. 1451, the third engrossment, as follows:

Delete everything after the enacting clause and insert:

Section 1. Laws 1981, Chapter 291, Section 2, Subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] A (WASTE WATER TREATMENT) *sanitary sewer* board called the North Koochiching (COUNTY WASTE WATER TREATMENT) *sanitary sewer* board with jurisdiction in the (INTERNATIONAL FALLS, SOUTH INTERNATIONAL FALLS AND RANIER MUNICIPALITIES AND THE EAST KOOCHICHING COUNTY SEWER DISTRICT AND THE PAPERMAKERS SEWER

DISTRICT) *North Koochiching area sanitary district* is established as a public corporation and political subdivision with all the rights, powers, privileges, immunities and duties which may be granted to or imposed upon a municipal corporation.

Sec. 2. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 1a. [DISTRICT.] The North Koochiching area sanitary district is the International Falls, South International Falls and Ranier municipalities and the East Koochiching county sewer district and the Papermakers sewer district, except that if the conditions in subdivision 10 as added by section 4 of this act are not met, after December 31, 1985, the north Koochiching area sanitary district shall then be the area served by the district disposal system on that date.*

Sec. 3. Laws 1981, Chapter 291, Section 2, Subdivision 2, is amended to read:

Subd. 2. [MEMBERS AND SELECTIONS.] The board members shall be appointed by each of their governmental units in the following numbers:

International Falls 4

South International Falls 2

East Koochiching county sewer district 1

Papermakers sewer district 1

Ranier 1

The East Koochiching and Papermakers sewer districts shall each appoint their member on the board and designate the term of the member in accordance with subdivision 5, by a majority vote. *If the conditions in subdivision 10 as added by section 4 of this act are not met, after December 31, 1985 the composition of the board shall be changed, with each local government unit remaining in the district appointing one board member.*

Sec. 4. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 10. [CONDITIONS; APPOINTMENT OF ENGINEER; BOARD COMPOSITION.] If before January 1, 1986, the state or federal governments have not offered grants for at least 70 percent of the estimated grant eligible cost, or the board has not advertised for bids for construction, of all interceptors and treatment works which the comprehensive plan adopted*

*pursuant to Laws 1981, Chapter 291, section 4 identifies as critical to the integrity of the district, then:*

*(a) The board shall appoint an independent consulting engineer who shall determine the actual value, as of January 1, 1982, of all real and personal property transferred to the board pursuant to Laws 1981, Chapter 291, section 5, subdivision 2, clause (a) as amended by section 6 of this act.*

*(b) After appointing the independent consulting engineer, the composition of the board shall be changed to comply with Laws 1981, Chapter 291, Section 2, Subdivision 2.*

Sec. 5. Laws 1981, Chapter 291, Section 4, Subdivision 1, is amended to read:

Subdivision 1. [BOARD PLAN AND PROGRAM.] The board shall adopt as its first comprehensive plan for the collection, treatment and disposal of waste water in the district for the period the board deems proper the comprehensive plan adopted by the joint powers board previously established for the cities of International Falls, South International Falls, and Ranier and the county of Koochiching by agreement pursuant to Minnesota Statutes, Section 471.59. The board shall prepare and adopt subsequent comprehensive plans for the collection, treatment and disposal of waste water in the district for each succeeding designated period the board deems proper. The first plan, as modified by the board, and any subsequent plan, *shall provide that no treatment facilities shall be constructed which would allow a discharge above the water intake used to supply drinking water to residents of the district, and shall take into account the preservation and best and most economic use of water and other natural resources in the area; the preservation, uses and potential for use of lands adjoining waters of the state to be used for the disposal of waste water; and the impact the disposal system will have on present and future land use in the area affected. Plans shall include the general location of needed interceptors and treatment works, a description of the area that is to be served by the various interceptors and treatment works, a long range capital improvements program and other details the board deems appropriate. Plans shall specifically identify those interceptors and treatment works which are critical to the integrity of the district.* In developing the plans, the board shall consult with persons designated for the purpose by the governing body of any municipal and public corporation or governmental or political subdivision or agency within the district. It shall consider the data, resources, and suggestions offered to the board by the entities and any planning agency acting on behalf of one or more of them. Each plan, when adopted, shall be followed in the district and may be revised as often as the board deems necessary.

Sec. 6. Laws 1981, Chapter 291, Section 5, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ACQUISITION.] (a) The board may require any local government unit to transfer to the board, *without consideration, free and clear of all encumbrances, subject only to a contingent liability pursuant to section 8, subdivision 1a, as amended by section 9 of this act* all of the unit's right, title, and interest in any interceptors or treatment works and their necessary appurtenances owned by the unit which are needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for all the transferred property shall be executed and delivered to the board by the proper officers of each local government unit concerned.

(b) All persons regularly employed by a local government unit to operate and maintain works transferred to the board on the date on which the transfer becomes effective shall be employees of the board, in the same manner and with the same options and rights as other employees of the board.

Sec. 7. Laws 1981, Chapter 291, Section 7, is amended to read:

Sec. 7. [BUDGET.]

The board shall prepare and adopt a budget, on or before (SEPTEMBER 1, 1981) *August 1, 1982* and annually thereafter. The budget shall show for the following calendar year or other fiscal year determined by the board estimated receipts of money from all sources, including but not limited to payments by each local government unit, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated expenditures for:

(a) Costs of operation, administration and maintenance of the district disposal system;

(b) Costs of acquisition and betterment of the district disposal system; and

(c) Debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 12, and any money judgments against the district.

Expenditures within these categories and others the board may determine, shall be itemized in the detail the board shall prescribe. The board and its officers, agents, and employees shall not spend money for any purpose other than debt service without having set forth the expense and its amount in the budget. No obligation to make an unbudgeted expenditure shall be enforceable except as the obligation of the person incurring it. The board

may amend the budget at any time by transferring from one purpose to another any budgeted sums, except money for debt service and bond proceeds, or by increasing expenditures in any amount by which cash receipts during the budget year actually exceed the total amounts designated in the original budget. The creation of an obligation pursuant to section 12 or the receipt of a federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation, whether or not specifically included in the budget.

Sec. 8. Laws 1981, Chapter 291, Section 8, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF CURRENT COSTS.] The estimated cost of administration, operation, maintenance and debt service of the district disposal system to be paid by the board in a fiscal year and the estimated costs of acquisition and betterment of the system which are to be paid during the year from funds other than state or federal grants and bond proceeds and all other previously unallocated payments made by the board pursuant to this act to be allocated in the year, less any costs to be allocated to industries pursuant to subdivision 3 and less any amounts to be received pursuant to subdivision 1a as added by section 9 of this act, are referred to as current costs and shall be allocated by the board to the local government units in the budget for such year.

Sec. 9. Laws 1981, Chapter 291, Section 8, is amended by adding a subdivision to read:

*Subd. 1a. [PAYMENT OF DIFFERENCE.] If the area of the district and the composition of the board change pursuant to section 2, after December 31, 1985 any local government unit remaining in the district shall pay in equal payments over 20 years, with interest at the rate of eight percent per annum, the proportionate difference in the value determined pursuant to Laws 1981, Chapter 291, section 2, subdivision 10, clause (a), as amended by section 4 of this act.*

Sec. 10. Laws 1981, Chapter 291, Section 8, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ALLOCATION OF CURRENT COSTS.] All current costs shall be allocated to local government units in the district on a pro rata basis determined by the effluent contributed by each, less any industrial wastes for which costs have been allocated under subdivision 3, calculated on the basis of flow measurement. The projected pro rata contribution of effluent shall be made on or before (SEPTEMBER 1, 1981) August 1, 1982 and annually thereafter. An adjustment shall be made on or before February 1 of each succeeding year based upon the actual effluent contributed by each government entity.

The adjustments shall be paid to the district or to the proper local government units. It also may be corrected by deduction from or addition to subsequent payments. The adoption or revision of a method of allocation used by the board shall be by the affirmative vote of at least two-thirds of the members of the board.

Sec. 11. Laws 1981, Chapter 291, Section 24, is amended to read:

**Sec. 24. [EFFECTIVE DATE; LOCAL APPROVAL.]**

(THIS ACT) *Laws 1981, Chapter 291*, 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.) *the day after final enactment of sections 1 to 11 of this chapter, pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, clause (a).*

Sec. 12. Minnesota Statutes 1980, Section 112.35, is amended by adding a subdivision to read:

*Subd. 22. "Metropolitan area" has the meaning given in section 473.121, subdivision 2.*

Sec. 13. Minnesota Statutes 1980, Section 112.37, Subdivision 1, is amended to read:

**112.37 [PROCEDURE FOR ESTABLISHMENT.]**

Subdivision 1. Proceedings for the establishment of a watershed district shall be initiated (ONLY) by the filing of a nominating petition with the secretary of the board (, WHICH). *The nominating petition shall be signed by any one of the following groups: (EITHER BY)*

(1) at least one-half of the counties within the proposed district; *or*

(2) (OR) by a county or counties having at least 50 percent of the area within the proposed district; *or*

(3) (OR) by a majority of the cities within the proposed district; *or*

(4) (OR A NOMINATING PETITION ALSO MAY BE FILED IF SIGNED) by at least 50 resident freeholders of the proposed district, exclusive of the resident freeholders within the corporate limits of any city on whose behalf the authorized official has signed the petition.

(SAID) *The nominating petition shall set forth the following:*

- (1) The name of the proposed district;
- (2) The necessity for the the district, and why it would be conducive to public health and public welfare, or accomplish any of the purposes of a watershed district;
- (3) A statement in general terms setting forth the purpose of the contemplated improvements, the territory to be included in the district, and all proposed subdivisions thereof, if any, of the district;
- (4) The number of managers proposed for the district. *Except as otherwise provided in subdivisions 6 and 7, the managers shall be not less than three nor more than five (AND), shall be selected from a list of at least ten nominees (. THEY), and shall be selected as representative of the local units of government affected (AND). None shall be a public officer of the county, state, or federal government;*
- (5) A map of the proposed district;
- (6) A request for the establishment of the district as proposed.

The petitioners shall cause to be served upon the county auditor or auditors of the counties affected by the proposed district, the commissioner, and the director, a copy of (SAID) *the nominating petition, and proof of service thereof shall be attached to the original petition, to be filed with the secretary of the board.*

Sec. 14. Minnesota Statutes 1980, Section 112.37, is amended by adding a subdivision to read:

*Subd. 7. The managers of a district wholly within the metropolitan area shall number not less than five nor more than nine. They shall be selected from a list of persons nominated jointly or severally by statutory and home rule charter cities and towns having territory within the district. The list shall contain at least three nominees for each position to be filled. If the cities and towns fail to nominate in accordance with this subdivision, the managers shall be selected as provided in subdivision 1.*

Sec. 15. Minnesota Statutes 1980, Section 112.42, Subdivision 3, is amended to read:

Subd. 3. At least 30 days prior to the expiration of the term of office of the first managers named by the board, the county commissioners of each county affected shall meet and proceed

to appoint successors to the first managers. (PROVIDED, HOWEVER,) If the nominating petition that initiated the district (SHALL BE) originated from a majority of the cities within the district *or if the district is wholly within the metropolitan area*, the county commissioners shall appoint the managers from a list of (NOMINEES SUBMITTED) *persons nominated jointly or severally* by the townships and municipalities within the district. (SAID) *The list shall contain at least three nominees for each position to be filled. It shall be submitted to the affected county board at least 60 days prior to the expiration of the term of office. If (SUCH) the list is not submitted within 60 days prior to the expiration of the term of office the county commissioners shall select the managers from eligible individuals within the district. (SAID) The county commissioners shall at least 30 days before the expiration of the term of office of any managers meet and appoint the successors. If the district affects more than one county, distribution of the managers among the counties affected shall be as directed by the board. Ten years after the order of establishment, upon petition of the county board of commissioners of any county affected by the district, the board after public hearing thereon, may redistribute the managers among the counties if (SUCH) redistribution is in accordance with the policy and purposes of this chapter. No petition for the redistribution of managers shall be filed with the board more often than once in ten years. The term of office of each manager, if the number does not exceed three, shall be one for a term of one year, one for a term of two years, and one for a term of three years. If the managers consist of five members, one shall be for a term of one year, two for a term of two years, and two for a term of three years. If the board of managers consists of more than five members, the managers shall be appointed so that as nearly as possible one-third serve terms of one year, one-third serve terms of two years, and one-third serve terms of three years. If the district affects more than one county, the board shall direct the distribution of the one, two and three year terms among the affected counties. Thereafter, the term of office for each manager shall be for a term of three years, and until his successor is appointed and qualified. If the district affects more than five counties, in order to provide for the orderly distribution of the managers, the board may determine and identify the manager areas within the territory of the district and select the appointing county board of commissioners for each manager's area. Any vacancy occurring in an office of a manager shall be filled by the appointing county board of commissioners. A record of all appointments made under this subdivision shall be filed with the county auditor of each county affected, with the secretary of the board of managers, and with the secretary of the water resources board. No person shall be appointed as a manager who is not a voting resident of the district and none shall be a public officer of the county, state, or federal government.*

Sec. 16. Minnesota Statutes 1980, Section 112.42, is amended by adding a subdivision to read:



*Subd. 3a. The board shall restructure the boards of managers of districts established before the effective date of this act and located wholly within the metropolitan area to ensure compliance with the requirements of sections 14 and 15. The board shall request recommendations from the district and the affected local government units. Additional managers, if any, shall be appointed by the county designated by the board, to terms designated by the board, at the time of and in the manner provided for the next regular appointment of successors to managers of the district.*

**Sec. 17. Minnesota Statutes 1980, Section 112.43, is amended by adding a subdivision to read:**

*Subd. 1a. A watershed district located wholly within the metropolitan area shall have the duties and authorities provided in sections 18 to 25. Notwithstanding any contrary provision of subdivision 1, a watershed district located wholly within the metropolitan area shall have authority to regulate the use and development of land only under the conditions specified in section 20, clause (c).*

**Sec. 18. [473.875] [PURPOSES.]**

*The purpose of the surface water management programs required by sections 18 to 25 is to preserve and use natural water storage and retention systems in order to (a) reduce to the greatest practical extent the public capital expenditures necessary to control excessive volumes and rates of runoff, (b) improve water quality, (c) prevent flooding and erosion from surface flows, (d) promote ground water recharge, (e) protect and enhance fish and wildlife habitat and water recreational facilities, and (f) secure the other benefits associated with the proper management of surface water.*

**Sec. 19. [473.876] [DEFINITIONS.]**

*Subdivision 1. [SCOPE.] For the purposes of sections 7 to 14, the following terms have the meanings given them.*

*Subd. 2. [CAPITAL IMPROVEMENT PROGRAM.] "Capital improvement program" means an itemized program for at least a five year prospective period, and any amendments to it, subject to at least biennial review, setting forth the schedule, timing, and details of specific contemplated capital improvements by year, together with their estimated cost, the need for each improvement, financial sources, and the financial effect that the improvements will have on the local government unit or watershed management organization.*

*Subd. 3. [LOCAL COMPREHENSIVE PLAN.] "Local comprehensive plan" has the meaning given it in section 473.852, subdivision 5.*

*Subd. 4. [LOCAL GOVERNMENT UNIT.] "Local government unit" or "local unit" has the meaning given it in section 473.852.*

*Subd. 5. [MINOR WATERSHED UNITS.] "Minor watershed units" means the drainage areas identified and delineated as such pursuant to Laws 1977, Chapter 455, Section 33, Subdivision 7(a).*

*Subd. 6. [OFFICIAL CONTROLS.] "Official controls" has the meaning given it in section 473.852.*

*Subd. 7. [WATERSHED.] "Watershed" means a drainage area having boundaries which are substantially coterminous with those of an aggregation of contiguous minor watershed units possessing similar drainage patterns and which crosses the borders of two or more local government units.*

*Subd. 8. [WATERSHED DISTRICT.] "Watershed district" means a district established under chapter 112.*

*Subd. 9. [WATERSHED MANAGEMENT ORGANIZATION.] "Watershed management organization" or "organization" means a watershed district wholly within the metropolitan area or a joint powers entity established wholly within the metropolitan area by special law or by agreement which performs some or all of the functions of a watershed district for a watershed and which has the characteristics and the authority specified under section 20. Lake improvement or conservation districts are not watershed management organizations.*

**Sec. 20. [473.877] [WATERSHED MANAGEMENT ORGANIZATION.]**

*Subdivision 1. [AUTHORITY.] Any agreement under section 471.59 to jointly or cooperatively manage or plan for the management of surface water as required by sections 18 to 25 may provide for a joint board having:*

*(a) the authority to prepare and adopt a plan meeting the requirements of section 21;*

*(b) the authority to review and approve local water management plans as provided in section 22;*

*(c) the authority of a watershed district under chapter 112 to regulate the use and development of land when one or more of the following conditions exist: (1) the local government unit exercising planning and zoning authority over the land under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.364, does not have a local water management plan approved and adopted in accordance with the requirements of section 11 or*

has not adopted the implementation program described in the plan; (2) an application to the local government unit for a permit for the use and development of land requires an amendment to or variance from the adopted local water management plan or implementation program of the local unit; (3) the local government unit has authorized the organization to require permits for the use and development of land.

(d) other powers necessary to exercise the authority under clauses (a) to (c), including the power to enter into contracts for the performance of functions with governmental units or persons.

**Subd. 2. [REVIEW OF WATERSHED BOUNDARIES.]**

Before commencing planning under section 21, a watershed management organization established pursuant to section 471.-59 and this section shall submit a map delineating the boundaries of the watershed to the water resources board for review and comment on the conformance of the boundaries with the requirements of sections 18 to 25. The board shall have 60 days to comment.

**Sec. 21. [473.878] [WATERSHED PLANS.]**

**Subdivision 1. [REQUIREMENT.]** A watershed management plan is required for watersheds comprising all minor watershed units within the metropolitan area. For the purposes of this section a minor watershed unit shall be considered within the metropolitan area if more than 90 percent of its area is within the metropolitan area. The watershed management plan shall be prepared, adopted, and implemented in accordance with the requirements of sections 18 to 25.

**Subd. 2. [RESPONSIBLE UNITS.]** Where a watershed management organization exists, the plan for the watershed shall be prepared and adopted by the organization. If a watershed management organization is not established by December 31, 1983, for any watershed located wholly outside of Hennepin and Ramsey counties, the county or counties containing the watershed shall prepare and adopt the watershed plan and shall have the planning, review, and permitting authority of a watershed management organization specified in section 20. If a watershed management organization is not established by December 31, 1983, for any watershed or minor watershed unit within the metropolitan area and wholly or partly within Hennepin or Ramsey counties, the county or counties containing the watershed shall petition for the establishment of a watershed district under chapter 112, provided, however, that a district established pursuant to such a petition shall not cross a primary river nor a river forming the boundary between a metropolitan county and a county outside the metropolitan area and shall not have authority to plan or construct storm sewer separation projects without the agreement of all local government units having

*territory within the district. A watershed management organization may request a county to prepare all or part of a plan. A county may delegate the preparation of all or part of a plan to the county soil and water conservation district. Upon request of a statutory or home rule charter city or town, a county may delegate the preparation of all or part of a plan to the city or town.*

*Subd. 3. [GENERAL STANDARDS.] The watershed management plan shall extend through the year 1990 or any year thereafter which is evenly divisible by five. The plan shall contain the elements required by subdivision 4. Each element shall be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 18 to 25, considering the character of existing and anticipated physical and hydrogeologic conditions, land use, and development and the severity of existing and anticipated water management problems in the watershed. The plan shall be prepared and submitted for review under subdivision 5 by December 31, 1985. Existing plans of a watershed management organization shall remain in force and effect until amended or superseded by plans adopted under sections 18 to 25. Existing or amended plans of a watershed management organization which meet the requirements of sections 18 to 25 may be submitted for review under subdivision 5.*

*Subd. 4. [CONTENTS.] The plan shall:*

*(a) Describe the existing physical environment, land use, and development in the area and the environment, land use, and development proposed in existing local and metropolitan comprehensive plans;*

*(b) Present information on the hydrologic system and its components and existing and potential problems related thereto;*

*(c) State objectives and policies, including management principles, alternatives and modifications, water quality, and protection of natural characteristics;*

*(d) Set forth a management plan, including the hydrologic and water quality conditions that will be sought and significant opportunities for improvement;*

*(e) Describe conflicts between the watershed plan and existing plans of local government units;*

*(f) Set forth an implementation program consistent with the management plan, which includes a capital improvement program and standards and schedules for amending the comprehensive plans and official controls of local government units in the watershed to bring about conformance with the watershed plan; and*

(g) *Set out a procedure for amending the plan.*

*Subd. 5. [REVIEW.] Upon completion of the plan but before final adoption by the organization, the organization shall submit the plan for review and comment to all counties, soil and water conservation districts, towns, and statutory and home rule charter cities having territory within the watershed. Any local government unit which expects that substantial amendment of its local comprehensive plan will be necessary in order to bring local water management into conformance with the watershed plan shall describe as specifically as possible, within its comments, the amendments to the local plan which it expects will be necessary. Sixty days after the submission to local government units for comment, the organization shall submit the plan, any comments received, and any appropriate amendments to the plan, to the board of the county or counties having territory within the watershed. The county shall approve or disapprove projects in the capital improvement program which may require the provision of county funds pursuant to section 112.60, subdivision 2, or section 25. The county shall have 60 days to complete its review of the capital improvement program. If the county fails to complete its review within the prescribed period, unless an extension is agreed to by the organization the program shall be deemed approved. If the watershed extends into more than one county and one or more counties disapprove of all or part of a capital improvement program while the other county or counties approve, the program shall be submitted to the water resources board for review pursuant to subdivision 7.*

*Subd. 6. [REVIEW BY METROPOLITAN COUNCIL.] After completion of the review under subdivision 5, the plan shall be submitted to the metropolitan council for review. Notwithstanding any provision to the contrary in sections 112.46 and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided for the council's review of the comprehensive plans of local government units under section 473.175. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amendments to local comprehensive plans.*

*Subd. 7. [REVIEW BY STATE AGENCIES.] After completion of the review under subdivision 6, the plan shall be submitted to the commissioner of natural resources and the pollution control agency for review and comment on the consistency of the plan with state laws and rules relating to water and related land resources, and to the water resources board for review under section 112.46. Except as otherwise provided in this subdivision, the water resources board shall review the plan as provided in section 112.46. The board shall review the plan for conformance with the requirements of chapter 112 and sections 18 to 25. The board shall not prescribe a plan, but may disapprove all or parts of a plan which it determines is not in conformance with the requirements of chapter 112 and sections 18 to 25. If the capital*

*improvement program is the subject of a dispute between counties, the water resources board shall make a final decision on the issue. The decision shall be binding on the organization and the counties involved.*

*Subd. 8. [ADOPTION; IMPLEMENTATION.] The organization shall adopt and implement its plan within 120 days after compliance with the provisions of subdivision 7 and approval of the plan by the water resources board. A watershed district may implement its approved plan and approved capital improvement program by resolution of the majority of the board of managers and without respect to the provisions of chapter 112 requiring the managers to wait upon petitions for projects, to submit projects for review by the water resources board, and to limit the cost and purposes of projects.*

*Subd. 9. [AMENDMENTS.] To the extent and in the manner required by the adopted plan, all amendments to the adopted plan shall be submitted to the towns, cities, county, and other agencies for review in accordance with the provisions of subdivisions 5, 6, and 7.*

**Sec. 22. [473.879] [LOCAL WATER MANAGEMENT PLANS.]**

*Subdivision 1. [REQUIREMENT.] After the watershed plan is approved and adopted, or amended, pursuant to section 21, the local government units having land use planning and regulatory responsibility for territory within the watershed shall prepare or cause to be prepared a local water management plan, capital improvement program, and official controls as necessary to bring local water management into conformance with the watershed plan within the time period prescribed in the implementation program of the watershed plan and, as necessary, shall prepare or cause to be prepared amendments to the local comprehensive plan. Each town within the counties of Anoka, Carver, Dakota, Scott, and Washington authorized by general or special law to plan and regulate the use of land under sections 462.351 to 462.364 shall by resolution determine whether to prepare the local water management plan itself or to delegate all or part of the preparation of the plan to the county. Towns within counties which have adopted comprehensive plans applicable to the town shall use county preparation of their plan to the maximum extent possible.*

*Subd. 2. [STANDARDS; CONTENTS.] Each local plan, in the degree of detail required in the watershed plan, shall:*

*(a) Describe existing and proposed physical environment and land use;*

*(b) Define drainage areas and the volumes, rates, and paths of stormwater runoff;*

(c) *Identify areas and elevations for stormwater storage adequate to meet performance standards established in the watershed plan;*

(d) *Define water quality and water quality protection methods adequate to performance standards established in the watershed plan;*

(e) *Identify regulated areas; and*

(f) *Set forth an implementation program, including a description of official controls and, as appropriate, a capital improvement program.*

*Subd. 3. [REVIEW.] After consideration but before adoption by the governing body, each local unit shall submit its water management plan to the watershed management organization for review for consistency with the watershed plan adopted pursuant to section 21. The organization shall approve or disapprove the local plan or parts thereof. The organization shall have 60 days to complete its review. If the organization fails to complete its review within the prescribed period, unless an extension is agreed to by the local unit the local plan shall be deemed approved.*

*Subd. 4. [ADOPTION; IMPLEMENTATION.] After approval of the local plan by the organization, the local government unit shall adopt and implement its plan within 120 days and shall amend its official controls accordingly within 180 days.*

*Subd. 5. [AMENDMENTS.] To the extent and in the manner required by the organization, all amendments to local water management plans shall be submitted to the organization for review and approval in accordance with the provisions of subdivision 3 for the review of plans.*

**Sec. 23. [473.880] [EXEMPTION FROM LEVY LIMIT.]**

*Any levy to pay the increased costs to a local government unit or watershed management organization of implementing sections 10 and 11 or to pay costs of improvements and maintenance of improvements identified in an approved and adopted plan shall be in addition to any other taxes authorized by law and shall be disregarded in the calculation of limits on taxes imposed by chapter 275 except those allowed to be levied pursuant to section 25, subdivision 7 after the taxable years 1984 and thereafter. Notwithstanding any provision to the contrary in chapter 112, a watershed district may levy a tax sufficient to pay the increased costs to the district of implementing sections 21 and 22. The proceeds of any tax levied under this section shall be deposited in a separate fund and expended only for the purposes authorized by this section.*

## Sec. 24. [473.881] [SPECIAL TAX DISTRICT.]

*Subdivision 1. [WATERSHED MANAGEMENT TAX DISTRICT.] Any local government unit planning for water management under sections 10 and 11 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying the costs of the planning required under sections 21 and 22. Any local government unit which has part of its territory within a watershed for which a plan has been adopted in accordance with section 21 and which has a local water management plan adopted in accordance with section 11 may establish a watershed management tax district in the territory within the watershed, for the purpose of paying capital costs of the water management facilities described in the capital improvement program of the plans and for the purpose of paying for normal and routine maintenance of the facilities.*

*Subd. 2. [PROCEDURE.] The district shall be established by ordinance adopted after a hearing. Notice of the time, place, and purpose of the hearing shall be published for two successive weeks in the official newspaper of the local government unit, ending at least seven days before the day of the hearing. The ordinance shall describe with particularity the territory or area to be included in the district. After adoption, the ordinance shall be filed with the county auditor and county recorder. The district may be dissolved by following the procedures prescribed for the establishment of the district.*

*Subd. 3. [TAX.] After adoption of the ordinance under subdivision 2, a local government unit may annually levy a tax on all taxable real property in the district for the purposes for which the tax district is established. The proceeds of the tax shall be paid into a fund reserved for these purposes. Any proceeds remaining in the reserve fund at the time the tax is terminated or the district is dissolved shall be transferred and irrevocably pledged to the debt service fund of the local unit to be used solely to reduce tax levies for bonded indebtedness of taxable property in the district. A tax levied in accordance with this subdivision for paying capital costs is a levy for the payment of principal and interest on bonded indebtedness within the meaning of section 275.50, subdivision 5, clause (e).*

*Subd. 4. [BONDS.] After adoption of the ordinance under subdivision 2, and after a contract for the construction of all or part of an improvement has been entered into or the work has been ordered done by day labor, the local government unit may issue obligations in the amount it deems necessary to pay in whole or in part the capital cost incurred and estimated to be incurred in making the improvement. The obligations shall be payable out of the proceeds of the tax levied pursuant to subdivision 3. The local unit may by resolution of its governing body adopted prior to the sale of obligations pledge the full faith, credit and taxing power of the local unit to assure payment of the principal*



and interest in the event the proceeds of the tax levy in the district are insufficient to pay principal and interest. The amount of any taxes which are required to be levied outside of the territory of the tax district or taken from the general funds of the local unit to pay principal and interest on the obligations shall be reimbursed to the local unit from taxes levied within the territory of the tax district. Obligations shall be issued in accordance with chapter 475, except that an election is not required and the amount of any obligations shall not be included in determining the net indebtedness of the local unit under the provisions of any law or charter limiting indebtedness.

**Sec. 25. [473.882] [WATERSHED MANAGEMENT ORGANIZATION; CAPITAL IMPROVEMENTS; PAYMENT BY COUNTY.]**

**Subdivision 1. [GENERAL AUTHORITY.]** *The authority provided to watershed districts in this section is in addition to the authority provided in chapter 112. A watershed management organization which has adopted a watershed plan in accordance with section 10 may certify for payment by the county as provided in this section all or any part of the cost of a capital improvement contained in the capital improvement program of the plan.*

**Subd. 2. [PROCEDURE.]** *A copy of the plan for the improvement shall be forwarded to the county board. The organization shall then hold a public hearing on the proposed improvement, following publication once each week for two successive weeks before the date of the hearing in a legal newspaper published in the county or counties in which a part or all of the affected waters and lands are located. The last publication shall occur not more than 30 days nor less than ten days before the hearing. The notice shall state the time and place of hearing, the general nature of the proposed improvement, the estimated cost, and the method by which the cost of the improvement is to be paid, including the cost to be allocated to each county under subdivision 3. Not less than ten days before the hearing, notice by mail shall be given to the counties and to each home rule charter or statutory city or town located wholly or partly within the territory of the watershed management organization. Failure to give mailed notice or defects in the notice shall not invalidate the proceedings. At the time and place specified in the notice the organization shall hear all parties interested in the proposed improvement. If upon full hearing the organization finds that the improvement will be conducive to public health and promote the general welfare, and is in compliance with sections 18 to 25 and the plan adopted pursuant to section 21, it shall make findings accordingly, determine the cost of the improvement, and certify the cost to the county or counties for payment.*

*Subd. 3. [APPORTIONMENT OF COSTS.] If the territory of the watershed management organization extends into more than one county, the cost of the improvement shall be certified to the county boards in an amount bearing the same proportion to the cost of the improvement as the assessed value of all taxable property in the part of the territory of the organization located within each county bears to the assessed value of all taxable property in the territory of the organization.*

*Subd. 4. [COUNTY PAYMENT.] Each county receiving a certification for payment from a watershed management organization pursuant to this section shall provide funds to meet its proportionate share of the cost of the improvement as shown in the certification by the organization.*

*Subd. 5. [BONDS.] In order to make the payment required by subdivision 4, the county board of each county may issue general obligation bonds of the county in the amount necessary to pay all or part of the cost of improvements certified to the county board or to refund general obligation bonds issued for this purpose. The bonds shall be sold, issued, and secured in accordance with the provisions of chapter 475 for general obligation bonds, except as otherwise provided in this subdivision. No election shall be required.*

*Subd. 6. [TAX.] For the payment of principal and interest on the bonds issued under subdivision 5 and the payment required under subdivision 4, the county shall irrevocably pledge and appropriate the proceeds of an ad valorem tax levied on all taxable property located within the territory of the watershed management organization for which the bonds are issued. Each year until the reserve for payment of the bonds is sufficient to retire the bonds, the county shall levy on all taxable property in the territory of the organization, without respect to any statutory or other limitation on taxes, an amount of taxes sufficient to pay principal and interest on the bonds and to restore any deficiencies in reserves required to be maintained for payment of the bonds. If at any time the amounts available from the levy on property in the territory of the organization are insufficient to pay principal and interest on the bonds when due, the county shall make payment from any available funds in the county treasury. The amount of any taxes which are required to be levied outside of the territory of the watershed management organization or taken from the general funds of the county to pay principal or interest on the bonds shall be reimbursed to the county from taxes levied within the territory of the watershed management organization.*

*Subd. 7. [MAINTENANCE LEVY.] For the purpose of creating a maintenance fund to be used for normal and routine maintenance of a work of improvement constructed in whole or part with money provided by the county pursuant to subdivision*

*4, the board of managers of a watershed district, with the approval of the county, may impose an ad valorem levy on all property located within the territory of the watershed district. The levy shall be certified, levied, collected, and distributed as provided in section 112.611, and shall be in addition to any other moneys levied and distributed to the district thereunder. The proceeds of the levy shall be deposited in a separate maintenance and repair account to be used only for the purpose for which the levy was made.*

Sec. 26. [APPLICATION.]

*Sections 18 to 25 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

Sec. 27. [EFFECTIVE DATE.]

*Sections 1 to 11 are effective the day after final enactment."*

Delete the title and insert:

"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; providing for the establishment and operation of watershed management organizations; establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district; authorizing 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 a subdivision; 112.43, by adding a subdivision; 112.46; Laws 1981, Chapter 291, Section 2, Subdivisions 1 and 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1 and 2, and by adding a subdivision; and 24; proposing new law coded in Minnesota Statutes, Chapter 473."

The motion prevailed and the amendment was adopted.

Levi moved to amend S. F. No. 1451, the third engrossment, as amended, as follows:

Page 11, line 15, delete "7" and insert "18"

Page 11, line 16, delete "14" and insert "25"

Page 12, line 2, delete "crosses" and insert "cross"

Page 13, line 26, after "any" insert "minor"

Page 13, line 26, after "*watershed*" insert "*unit*"

Page 13, line 27, after "*watershed*" insert "*unit*"

Page 13, line 32, delete "*watershed or*"

Page 13, line 34, after "*watershed*" insert "*unit*"

Page 18, line 32, delete "*10 and 11*" and insert "*21 and 22*"

Page 18, line 36, insert a comma after "*275*"

Page 18, line 36, delete "*those allowed to be levied*" and insert "*levies*"

Page 19, line 1, delete "*after the taxable years*" and insert "*, for taxes payable in*"

Page 19, line 2, delete "*1984*" and insert "*1985*"

Page 19, line 11, delete "*10 and 11*" and insert "*21 and 22*"

Page 19, line 17, delete "*11*" and insert "*22*"

Page 21, line 3, delete "*10*" and insert "*21*"

Page 21, line 36, before "*county*" insert "*respective*"

Page 21, line 36, delete everything after "*in*"

Page 22, delete lines 1 to 4 and insert "*the proportions prescribed in the capital improvement program of the organization.*"

Further amend the title as follows:

Page 23, line 26, delete "*metropolitan government*" and insert "*storm and waste water management*"

Page 23, line 29, after "*plans*" insert "*in the metropolitan area*"

Page 23, line 31, after "*organizations*" insert "*in the metropolitan area*"

The motion prevailed and the amendment was adopted.

Levi moved to amend S. F. No. 1451, the third engrossment as amended, as follows:

Page 14, line 3, delete "*and*" and insert a comma

Page 14, line 3, delete everything after "shall"

Page 14, delete lines 4 and 5

Page 14, line 3, delete "territory within the district" and insert "have boundaries which are based upon negotiations among all local government units which may have territory within the district and adjacent watersheds and shall not cross county boundaries to include territory whose distinguishing characteristic is multiple drainage points into a primary river"

The motion prevailed and the amendment was adopted.

Novak moved to amend S. F. No. 1451, the third engrossment, as amended, as follows:

Page 19, line 35, delete "real"

The motion prevailed and the amendment was adopted.

Anderson, I., moved to amend S. F. No. 1451, the third engrossment, as amended, as follows:

Page 6, line 18, after "act." insert " "Proportionate difference" in this subdivision means the difference in value determined in Laws 1981, Chapter 291, Section 2, Subdivision 10, as amended by section 4 of this act, divided by the number of remaining government units."

The motion prevailed and the amendment was adopted.

S. F. No. 1451, 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; providing for the establishment and operation of watershed management organizations; establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district; authorizing counties, cities, and towns to bond for certain watershed improvements; 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 a subdivision; 112.43, by adding a subdivision; Laws 1981, Chapter 291, Section 2, Subdivisions 1, 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1, 2, and by adding a subdivision; and 24; proposing new law coded in Minnesota Statutes, Chapter 473.

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

Those who voted in the negative were:

Knickerbocker Rees

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

#### MOTION FOR RECONSIDERATION

Pursuant to notice given on March 9, 1982, Carlson, D., moved that the vote whereby H. F. No. 1757 was not passed on Special Orders on March 9, 1982 be now reconsidered. The motion prevailed.

H. F. No. 1757 was reported to the House.

#### CALL OF THE HOUSE

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

Aasness	Carlson, D.	Eken	Gruenes	Himle
Ainley	Clark, J.	Elioff	Gustafson	Hoberg
Anderson, I.	Clark, K.	Ellingson	Halberg	Hokanson
Battaglia	Clawson	Erickson	Hanson	Hokr
Begich	Dahivang	Esau	Harens	Jacobs
Blatz	Dean	Ewald	Hauge	Johnson, C.
Brandl	Dempsey	Fjoslien	Haukoos	Johnson, D.
Brinkman	Den Ouden	Forsythe	Heap	Jude
Byrne	Drew	Greenfield	Heinitz	Kaley

Kalis	McEachern	Otis	Sarna	Valan
Kelly	Mehrkens	Peterson, B.	Schafer	Valento
Knickerbocker	Minne	Peterson, D.	Schoenfeld	Vellenga
Kostohryz	Munger	Piepho	Schreiber	Voss
Kvam	Murphy	Pogemiller	Shea	Weaver
Lemen	Nelson, K.	Redalen	Sherman	Welch
Levi	Niehaus	Reding	Sherwood	Wenzel
Long	Norton	Rees	Simoneau	Wieser
Ludeman	Novak	Reif	Skoglund	Wigley
Luknic	Nysether	Rodriguez, C.	Stadum	Wynia
Mann	O'Connor	Rodriguez, F.	Staten	Zubay
Marsh	Ogren	Rose	Stumpf	Spkr. Sieben, H.
McCarron	Olsen	Rothenberg	Sviggum	
McDonald	Onnen	Samuelson	Swanson	

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. 1757, A bill for an act relating to the University of Minnesota hospitals; limiting the amount of certain bonds previously authorized; amending Laws 1981, Chapter 275, Section 1, Subdivisions 1 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.

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

There were 81 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Aasness	Greenfield	Kvam	Piepho	Stumpf
Ainley	Gruenes	Laidig	Pogemiller	Sviggum
Begich	Halberg	Lemen	Redalen	Swanson
Blatz	Hauge	Levi	Rees	Valan
Brinkman	Haukoos	Ludeman	Reif	Valento
Clark, K.	Heap	Luknic	Rodriguez, C.	Vellenga
Clawson	Heintz	Marsh	Rose	Weaver
Dean	Himle	McDonald	Rothenberg	Welch
Dempsey	Hoberg	Mehrkens	Sarna	Welker
Den Ouden	Hokanson	Minne	Schafer	Wieser
Drew	Hokr	Nelsen, B.	Schreiber	Wigley
Elioff	Jennings	Nelson, K.	Shea	Wynia
Esau	Johnson, D.	Niehaus	Sherman	Zubay
Evans	Jude	Nysether	Sherwood	
Ewald	Kahn	Olsen	Skoglund	
Fjoslien	Kaley	Onnen	Stadum	
Forsythe	Knickerbocker	Peterson, B.	Stowell	

Those who voted in the negative were:

Anderson, G.	Battaglia	Brandl	Carlson, L.	Dahlvang
Anderson, I.	Berkelman	Byrne	Clark, J.	Eken

Ellingson	Kalis	Munger	Peterson, D.	Simoneau
Erickson	Kelly	Murphy	Reding	Staten
Gustafson	Kostohryz	Norton	Rice	Vanasek
Hanson	Lehto	Novak	Rodriguez, F.	Voss
Harens	Long	O'Connor	Samuelson	Wenzel
Jacobs	Mann	Ogren	Schoenfeld	Spkr. Sieben, H.
Johnson, C.	McCarron	Otis	Sieben, M.	

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.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1799:

Swanson; Sieben, M., and Kaley.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1897:

Rice, Wynia and Laidig.

#### SPECIAL ORDERS

S. F. No. 1666 temporarily laid over earlier today was again reported to the House.

Wynia moved to amend S. F. No. 1666, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [480.24] [DEFINITIONS.]

*Subdivision 1. [TERMS.] As used in sections 1 to 5, the terms defined in this section have the meanings given them.*

*Subd. 2. [ELIGIBLE CLIENT.] “Eligible client” means an individual or organization that is financially unable to afford legal assistance, as determined by a recipient on the basis of*



*eligibility guidelines established by the supreme court pursuant to section 4, subdivision 1.*

**Subd. 3. [QUALIFIED LEGAL SERVICES PROGRAM.]** *“Qualified legal services program” means a nonprofit corporation which provides or proposes to provide legal services to eligible clients in civil matters and which is governed by a board of directors composed of attorneys-at-law and consumers of legal services.*

**Subd. 4. [RECIPIENT.]** *“Recipient” means a qualified legal services program that receives funds from the supreme court to provide legal services to eligible clients.*

**Sec. 2. [480.241] [FILING FEE SURCHARGE IN CIVIL ACTIONS.]**

**Subdivision 1. [AMOUNT OF SURCHARGE; COLLECTION BY COURT CLERKS AND ADMINISTRATORS.]** *A plaintiff, petitioner, defendant, respondent, intervenor or moving party in any district, county or municipal court civil action or civil proceeding in which an initial filing fee is payable by that party, except a marriage dissolution or conciliation court action, shall pay to the clerk of district or county court or court administrator of the municipal courts of Hennepin County or Ramsey County a surcharge of \$10 in addition to the initial filing fee otherwise prescribed. A plaintiff, defendant or moving party in any conciliation court action in which an initial filing fee is payable shall pay to the clerk of conciliation court a surcharge of one dollar in addition to the initial filing fee otherwise prescribed. Notwithstanding any other law or rule to the contrary, no surcharge shall be paid by any governmental unit of the state of Minnesota, any local unit of government, or agency thereof, when the governmental unit, local government, or agency thereof is a party to any civil action or civil proceeding in the municipal courts of Hennepin or Ramsey counties, or in any county court.*

**Subd. 2. [TRANSMITTAL OF SURCHARGE TO SUPREME COURT.]** *Notwithstanding any other law or rule to the contrary, all surcharges collected pursuant to subdivision 1 shall be transmitted monthly by the district, county and conciliation court clerks and municipal court administrators to the supreme court for deposit in the general fund.*

**Sec. 3. [480.242] [DISTRIBUTION OF SURCHARGE FUNDS TO QUALIFIED LEGAL SERVICES PROGRAMS.]**

**Subdivision 1. [ADVISORY COMMITTEE.]** *The supreme court shall establish an advisory committee to assist it in performing its responsibilities under sections 1 to 5. The advisory committee shall consist of eleven members appointed by the*

supreme court including seven attorneys-at-law who are well acquainted with the provision of legal services in civil matters, two public members who are not attorneys and two persons who would qualify as eligible clients. Four of the attorney-at-law members shall be nominated by the state bar association in the manner determined by it, and three of the attorney-at-law members shall be nominated by the programs in Minnesota providing legal services in civil matters on July 1, 1982, with funds provided by the federal Legal Services Corporation in the manner determined by them. In making the appointments of the attorney-at-law members, the supreme court shall not be bound by the nominations prescribed by this section. In making appointments to the advisory committee, the supreme court shall ensure that urban and rural areas of the state are represented. The supreme court shall adopt by rule policies and procedures for the operation of the advisory committee including, but not limited to, policies and procedures governing membership terms, removal of members, and the filling of membership vacancies.

**Subd. 2. [REVIEW OF APPLICATIONS; SELECTION OF RECIPIENTS.]** At times and in accordance with any procedures as the supreme court adopts in the form of court rules, applications for the expenditure of funds collected pursuant to section 2 shall be accepted from qualified legal services programs or from local government agencies and nonprofit organizations seeking to establish qualified alternative dispute resolution programs. The applications shall be reviewed by the advisory committee, and the advisory committee, subject to review by the supreme court, shall distribute the funds received pursuant to section 2, subdivision 2 to qualified legal services programs or to qualified alternative dispute resolution programs submitting applications. Subject to the provisions of subdivision 4, the funds shall be distributed in accordance with the following formula.

(a) Eighty-five percent of the funds distributed shall be distributed to qualified legal services programs that have demonstrated an ability as of July 1, 1982, to provide legal services to persons unable to afford private counsel with funds provided by the federal Legal Services Corporation. The allocation of funds among the programs selected shall be based upon the number of persons with incomes below the poverty level established by the United States Census Bureau who reside in the geographical area served by each program, as determined by the supreme court on the basis of the 1980 national census. All funds distributed pursuant to this clause shall be used for the provision of legal services in civil matters to eligible clients.

(b) Fifteen percent of the funds distributed may be distributed to other qualified legal services programs for the provision of legal services in civil matters to eligible clients, including programs which organize members of the private bar to per-

*form services and programs for qualified alternative dispute resolution. If all the funds to be distributed pursuant to this clause cannot be distributed because of insufficient acceptable applications, the remaining funds shall be distributed pursuant to clause (a).*

*Subd. 3. [TIMING OF DISTRIBUTION OF FUNDS.] The funds to be distributed to recipients selected in accordance with the provisions of subdivision 2 shall be distributed by the supreme court no less than twice per calendar year.*

*Subd. 4. [ADMINISTRATION.] The supreme court may retain up to five percent of the funds received pursuant to section 2, subdivision 2 to defray the costs incurred in executing its responsibilities and the responsibilities of the advisory committee under sections 1 to 5.*

**Sec. 4. [480.243] [CLIENT ELIGIBILITY; RECEIPT OF OTHER FUNDS.]**

*Subdivision 1. [COMMITTEE ELIGIBILITY GUIDELINES.] The supreme court, with the advice of the advisory committee, shall establish guidelines in the form of court rules to be used by recipients to determine the eligibility of individuals and organizations for legal services provided with funds received pursuant to section 3. The guidelines shall be designed solely to assist recipients in determining whether an individual or organization is able to afford or secure legal assistance from private council with respect to the particular matter for which assistance is requested.*

*Subd. 2. [RECEIPT OF OTHER FUNDS BY RECIPIENTS.] Nothing in this section shall be construed to prohibit a recipient from soliciting and accepting other public or private funds to be used for the provision of legal services in civil matters to persons who are not eligible clients, and the guidelines established pursuant to subdivision 1 shall not apply to the use of other funds.*

**Sec. 5. [480.244] [REVENUE AND EXPENDITURE RECORDS; POST-AWARD AUDITS.]**

*A recipient of funds distributed pursuant to section 3 shall maintain revenue and expenditure records regarding those funds in accordance with acceptable general accounting principles for a period of five years following their receipt. The legislative auditor may conduct post-award audits of the funds distributed pursuant to section 3 upon the request of the supreme court and the approval of the legislative audit commission.*

**Sec. 6. [REPORTS TO THE LEGISLATURE.]**

*The supreme court shall prepare and submit to the legislature on or before January 1, 1985 a report analyzing the effectiveness of the filing fee surcharge as a means of funding legal services in civil matters to persons unable to afford private counsel and making recommendations regarding the funding of services.*

*The judicial planning committee shall submit a report to the chairmen of the house appropriations and senate finance committees by February 1, 1983, with recommendations relative to the appropriate placement of the administrative responsibilities of this act. The committee shall consider merging administrative functions with the duties of the board of public defense.*

Sec. 7. [APPROPRIATIONS.]

*There is appropriated from the general fund to the supreme court all monies deposited pursuant to section 2, subdivision 2, for the fiscal year ending June 30, 1983.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 7 are effective July 1, 1982. Section 2 applies to filings made on or after July 1, 1982.*

Sec. 9. [SUNSET PROVISION.]

*Sections 1 to 7 are repealed effective June 30, 1985."*

Delete the title and insert:

"A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report to the legislature; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 480."

The motion prevailed and the amendment was adopted.

The Speaker called Heinitz to the Chair.

Peterson, B., and Jude moved to amend S. F. No. 1666, the first engrossment, as amended, as follows:

Page 1, after line 11, insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 375.167, Subdivision 1, is amended to read:

**375.167 [NONPROFIT LEGAL ASSISTANCE CORPORATIONS.]**

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 FIRST SPECIAL SESSION LAWS 1981, CHAPTER 1, ARTICLE 5, SECTIONS 3 TO 7 AND SHALL BE DISREGARDED IN THE CALCULATION OF LEVIES SUBJECT TO THEM)."

Renumber sections in sequence

Correct internal cross-references

Amend the title as follows:

Page 6, line 15, after the semi-colon, insert "amending Minnesota Statutes 1981 Supplement, Section 375.167, Subdivision 1;"

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 32 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Knickerbocker	Nysether	Stowell
Ainley	Evans	Kvam	Olsen	Sviggum
Battaglia	Fjoslien	Laidig	Onnen	Swanson
Begich	Forsythe	Lehto	Peterson, B.	Valan
Berkelman	Gruenes	Lemen	Piepho	Valento
Elatz	Halberg	Long	Redalen	Vanasek
Brandl	Haukoos	Ludeman	Rees	Weaver
Brinkman	Heap	Luknic	Reif	Welker
Byrne	Heinitz	Mann	Rose	Wenzel
Carlson, D.	Himle	Marsh	Rothenberg	Wieser
Carlson, L.	Hoberg	McDonald	Sarna	Wigley
Dean	Hokr	McEachern	Schafer	Zubay
Dempsey	Jennings	Mehrkens	Schreiber	
Den Ouden	Johnson, D.	Minne	Sherman	
Elioff	Jude	Murphy	Sherwood	
Erickson	Kalis	Niehaus	Stadum	

Those who voted in the negative were:

Anderson, I.	Greenfield	Jacobs	O'Connor	Rodriguez, C.
Clark, K.	Gustafson	Kahn	Otis	Rodriguez, F.
Clawson	Hanson	Kelly	Peterson, D.	Schoenfeld
Dahlvang	Hauge	Kostohryz	Pogemiller	Sieben, M.
Ellingson	Hokanson	Nelson, K.	Reding	Simoneau

Skoglund  
StatenStumpf  
Tomlinson

Vellenga

Voss

Wynia

The motion prevailed and the amendment was adopted.

Byrne moved to amend S. F. No. 1666, the first engrossment, as amended, as follows:

Page 6, after line 1, insert:

“Sec. 9. [APPROPRIATION LIMITATION.]

*Effective immediately the appropriation provided in Laws 1981, Chapter 356, Section 3 for the fiscal year ending June 30, 1983 shall be available, to the extent it is awarded as grants, only to alternative dispute resolution programs designed to train or reimburse persons other than attorneys in the resolution of disputes.”*

Page 6, line 2, delete “8” and insert “10”

Page 6, line 3, delete “7” and insert “9”

Page 6, line 5, delete “9” and insert “11”

The motion prevailed and the amendment was adopted.

Clawson moved to amend S. F. No. 1666, the first engrossment, as amended, as follows:

Page 2, line 35, delete “seven” and insert “five”

Page 3, line 1, delete the first “two” and insert “three”

Page 3, line 1, delete the second “two” and insert “three”

Page 3, line 2, delete “Four of the”

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

Sviggum and Ainley moved to amend S. F. No. 1666, the first engrossment, as amended, as follows:

Page 1, line 16, delete “or organization”

The motion prevailed and the amendment was adopted.

S. F. No. 1666, A bill for an act relating to legal services; providing for a surcharge on civil filing fees; authorizing the supreme court to appoint an advisory committee; authorizing the distribution of the surcharge funds to qualified programs providing legal services to certain persons; requiring a report

to the legislature; proposing new law coded in Minnesota Statutes, Chapter 480.

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 34 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kelly	Onnen	Simoneau
Anderson, I.	Fjoslien	Kostohryz	Otis	Skoglund
Battaglia	Greenfield	Laidig	Peterson, B.	Staten
Begich	Gruenes	Lehto	Peterson, D.	Stowell
Berkelman	Gustafson	Lemen	Piepho	Stumpf
Blatz	Hanson	Long	Pogemiller	Swanson
Brandl	Harens	Luknic	Reding	Tomlinson
Byrne	Hauge	Mann	Rice	Vanasek
Carlson, L.	Heap	McCarron	Rodriguez, C.	Vellenga
Clark, J.	Heinitz	McEachern	Rodriguez, F.	Voss
Clark, K.	Himle	Minne	Rose	Weaver
Clawson	Hokanson	Munger	Rothenberg	Welch
Dahlvang	Hokr	Murphy	Samuelson	Wenzel
Dempsey	Jacobs	Nelson, K.	Schafer	Wigley
Drew	Johnson, C.	Norton	Schoenfeld	Wynia
Eken	Johnson, D.	Novak	Shea	
Elioff	Jude	O'Connor	Sherman	
Ellingson	Kahn	Ogren	Sieben, M.	

Those who voted in the negative were:

Ainley	Forsythe	Knickerbocker	Nysether	Sviggum
Anderson, G.	Halberg	Ludeman	Olsen	Valan
Brinkman	Haukoos	Marsh	Redalen	Valento
Carison, D.	Hoberg	McDonald	Rees	Welker
Dean	Jennings	Mehrkens	Reif	Wieser
Den Ouden	Kaley	Nelsen, B.	Schreiber	Zubay
Ewald	Kalis	Niehaus	Stadum	

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 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. 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 subdivisions; and 171.19.

The Senate has appointed as such committee Messrs. Davies; Ulland; Peterson, R. W.; Dieterich and Olhofft.

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. 2136, 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; fixing the boundaries of state parks and trails; appropriating money; amending Minnesota Statutes 1980, Sections 16.826; 85.-015, Subdivisions 8 and 13; 86.72, Subdivision 1; 121.21, Subdivision 4a; proposing new law coded in Minnesota Statutes, Chapter 84.

The Senate has appointed as such committee Messrs. Willet, Menning, Luther, Engler and Nelson.

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. 1663, A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.-37; 140.38; 140.39; 140.40; 140.44; 140.45; 140.46; and 480.09,



Subdivision 5; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

The Senate has appointed as such committee Messrs. Peterson, R. W.; Tennesen and Merriam.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1902, A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

The Senate has appointed as such committee Mrs. Lantry, Messrs. Waldorf and Hughes.

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. 1365, A bill for an act relating to cities; authorizing city rehabilitation loan programs for small and medium sized commercial buildings; and providing for the issuance of revenue bonds to finance the programs; authorizing a housing and commercial rehabilitation interest reduction program; amending Minnesota Statutes 1980, Sections 462.421, Subdivision 14; 462.445, by adding subdivisions; and 462.545, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 459.

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. 303.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 303, A bill for an act proposing an amendment to the Minnesota Constitution, Article X, by adding a section to authorize at the track parimutuel betting on races if authorized by law; proposing an amendment to the Minnesota Constitution by repealing Article XIII, Section 5, the prohibition against lotteries.

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, Reding moved that the rule therein be suspended and an urgency be declared so that S. F. No. 303 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Reding moved that the rules of the House be so far suspended that S. F. No. 303 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 303 was read for the second time.

The Speaker resumed the Chair.

Reding moved to amend S. F. No. 303, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [PROPOSED AMENDMENT.]

An amendment to the Minnesota Constitution, Article X, adding a section, is proposed to the people. If the amendment is adopted, the section will read:

*Sec. 8. The legislature may authorize and tax parimutuel wagering on horse and dog racing in a manner prescribed by law.*

Sec. 2. [SUBMISSION TO VOTERS.]

*The proposed amendment shall be submitted to the people at the 1982 general election. The question submitted shall be:*

*“Shall the Minnesota Constitution be amended to authorize and tax parimutuel wagering on horse and dog races to be authorized by law?”*

Yes . . . . .

No . . . . .”

Delete the title and insert:

“A bill for an act proposing an amendment to the Minnesota Constitution, Article X, adding a section; authorizing and taxing parimutuel wagering on races if authorized by law.”

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	Nelson, K.	Schoenfeld
Ainley	Ewald	Kahn	Niehaus	Schreiber
Anderson, G.	Fjoslien	Kalis	Novak	Shea
Anderson, I.	Forsythe	Kelly	O'Connor	Sherman
Battaglia	Greenfield	Knickerbocker	Ogren	Sieben, M.
Berkelman	Gruenes	Kostohryz	Olsen	Simoneau
Blatz	Gustafson	Kvam	Onnen	Skoglund
Brinkman	Hanson	Laidig	Otis	Stadum
Byrne	Harens	Lehto	Peterson, B.	Stowell
Carlson, D.	Hauge	Lemen	Peterson, D.	Stumpf
Carlson, L.	Haukoos	Levi	Piepho	Swiggum
Clark, J.	Heap	Long	Pogemiller	Swanson
Clawson	Heinitz	Ludeman	Redalen	Tomlinson
Dean	Himle	Luknic	Reding	Valan
Dempsey	Hoberg	Marsh	Rees	Valento
Den Ouden	Hokanson	McEachern	Rice	Vanasek
Drew	Hokr	Metzen	Rodriguez, C.	Wenzel
Eken	Jacobs	Minne	Rothenberg	Wieser
Elioff	Jennings	Munger	Sarna	Zubay
Ellingson	Johnson, C.	Nelsen, B.	Schafer	Spkr. Sieben, H.

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.

S. F. No. 303, A bill for an act proposing an amendment to the Minnesota Constitution, Article X, by adding a section to authorize at the track parimutuel betting on races if authorized by law; proposing an amendment to the Minnesota Constitution by repealing Article XIII, Section 5, the prohibition against lotteries.

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 76 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	O'Connor	Sieben, M.
Anderson, G.	Evans	Lehto	Ogren	Simoneau
Anderson, I.	Halberg	Levi	Olsen	Stumpf
Begich	Hauge	Ludeman	Peterson, D.	Sviggum
Berkelman	Heap	Luknic	Piepho	Tomlinson
Blatz	Heinitz	Mann	Pogemiller	Valento
Brinkman	Himle	Marsh	Redalen	Vanasek
Byrne	Hoberg	McCarron	Reding	Welker
Carlson, L.	Hokanson	McDonald	Rees	Wenzel
Clark, J.	Hokr	McEachern	Reif	Wieser
Clawson	Jacobs	Mehrkens	Rodriguez, F.	Wigley
Dahlvang	Jennings	Metzen	Rose	Spkr. Sieben, H.
Dean	Jude	Minne	Samuelson	
Dempsey	Kahn	Munger	Sarna	
Drew	Kalis	Murphy	Schreiber	
Eken	Kelly	Novak	Sherman	

Those who voted in the negative were:

Aasness	Fjoslien	Kvam	Peterson, B.	Stowell
Ainley	Forsythe	Laidig	Rice	Swanson
Battaglia	Greenfield	Lemen	Rodriguez, C.	Valan
Brandl	Gruenes	Long	Rothenberg	Vellenga
Carlson, D.	Gustafson	Nelson, B.	Schafer	Voss
Clark, K.	Hanson	Nelson, K.	Schoenfeld	Weaver
Den Ouden	Haukoos	Niehaus	Shea	Welch
Ellingson	Johnson, C.	Norton	Sherwood	Wynia
Erickson	Johnson, D.	Nysether	Skoglund	Zubay
Esau	Kaley	Onnen	Stadum	
Ewald	Knickerbocker	Otis	Staten	

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

### SPECIAL ORDERS

H. F. No. 1017, A bill for an act proposing an amendment to the Minnesota Constitution, Article XI, Section 5; providing for the improvement and rehabilitation of certain railroad facilities; amending Minnesota Statutes 1980, Section 222.49.

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.

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

There were 112 yeas and 11 nays as follows :

Those who voted in the affirmative were :

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

Those who voted in the negative were :

Drew	Ludeman	Peterson, B.	Schreiber	Weaver
Knickerbocker	Norton	Rothenberg	Valento	Zubay
Kvam				

The bill was passed and its title agreed to.

H. F. No. 1505 was reported to the House.

Jennings moved that H. F. No. 1505 be returned to its author. The motion prevailed.

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

H. F. No. 2033 was reported to the House.

There being no objection, H. F. No. 2033 was continued on Special Orders.

H. F. No. 2034 was reported to the House.

There being no objection, H. F. No. 2034 was continued on Special Orders.

H. F. No. 2080 was reported to the House.

Lemen moved to amend H. F. No. 2080, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [362.60] [DEFINITIONS.]

*Subdivision 1. [GENERAL.] For the purpose of sections 1 to 3 the terms defined in this section have the meanings given them.*

*Subd. 2. [COMMISSION.] “Commission” means the legislative commission for job development.*

*Subd. 3. [COMMISSIONER.] “Commissioner” means the commissioner of the department of energy, planning and development.*

*Subd. 4. [NEW JOB.] “New job” means a permanent job which was created due to the expansion of an existing business or the formation of a new business and which is determined by the commissioner to be a new job.*

Sec. 2. [362.61] [LEGISLATIVE COMMISSION FOR JOB DEVELOPMENT.]

*Subdivision 1. [CREATION.] There is created the legislative commission for job development. The commission shall consist of six members of the house and six members of the senate. The senate members shall consist of three members designated by the leader of the majority caucus and three members designated by the leader of the minority caucus.*

*The house members shall consist of three members designated by the leader of the minority caucus and three members designated by the leader of the majority caucus.*

*The governor, the commissioner of the department of energy, planning and development, and the commissioner of the department of revenue or their designees shall be ex officio members of the commission. Any member of the commission may resign by providing notice to the chairman. A replacement shall be selected in the same manner as the member replaced.*

*The commission shall elect its own officers who shall serve for terms of 18 months. The chairmanship of the commission shall alternate between a member of the senate and a member of the house. The commission shall utilize existing legislative staff for its staff to the extent possible and may employ professional, clerical and technical assistants necessary to perform its duties.*

*The commission shall maintain an office in the capitol group of buildings.*

*Subd. 2. [MEETINGS QUORUM.] The commission shall meet at least once a month on a regular schedule and may meet more frequently at the call of the chairman or at the request of a majority of its legislative members. Any action of the commission shall require the approval of seven of its legislative members.*

*Subd. 3. [REVIEWING CONTRACTS.] The commissioner shall regularly advise the commission of contract negotiations conducted with employers pursuant to section 3. During the course of the negotiations, the commission may make recommendations to the commissioner as it deems appropriate but no recommendation shall impose any obligation or grant any right or privilege to the parties. The commissioner shall submit to the chairman of the commission any negotiated agreements. Agreements shall be submitted within five days of the date of approval by the commissioner but before the agreement is signed. If the commission disapproves of any agreement, the commission shall specify in writing to the parties those portions with which it disagrees and the reasons therefor. Failure of the commission to disapprove of an agreement within 30 days of its receipt shall be deemed approval. Approval or disapproval by the commission shall not be binding on the commissioner.*

**Sec. 3. [362.62] [COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT; NEW JOB ASSISTANCE.]**

*Subdivision 1. [POWERS.] The commissioner is authorized to enter into contracts with employers and third parties which provide assistance to employers with respect to projects which the commissioner determines will create new jobs. The commissioner may provide the assistance in any combination of the following:*

*(a) Provide income tax credits of up to five percent of the payroll for the amount by which the annual payroll exceeds 110 percent of the average payroll for the preceding year. "Payroll" includes only pay subject to Minnesota individual income tax. The credit may not be available for more than ten consecutive years;*

*(b) Provide an exemption from the sales and use tax on building materials and other capital equipment used for new construction or expansion;*

*(c) Reduce corporate income tax for a number of years and in an amount as determined by the commissioner; and*

(d) *Provide aid for compliance with licensing requirements, certificate of need applications and environmental impact statements.*

**Subd. 2. [PROCEDURES, COMMISSION ASSISTANCE.]** *An employer seeking assistance for projects which the employer claims will create new jobs shall file an application with the commissioner on forms supplied by the commissioner. The application shall include the number of permanent new jobs the project will create itemized as to type of job, annual wage, the type of assistance sought from the commissioner and other information the commissioner may require. The commissioner shall respond to an application within 90 days of its receipt describing in writing to the applicant whether or not assistance will be provided and what kind of assistance will be provided.*

**Subd. 3. [CONTRACT OF ASSISTANCE.]** *A contract of assistance shall be executed by the commissioner and the assisted employer. The contract shall detail the assistance to be provided and the obligations of the employer. Third parties may be included as contracting parties as guarantors. Labor unions may be included as contracting parties with respect to labor relations on a project. Local governments may be parties to a contract. All state agencies shall cooperate in performing the state's contract obligations. A contract shall be drafted so that in all cases the dollar assistance given by the state will at the least be offset by the dollar increase in total revenues to the state due to the new jobs created because of the assistance. No contract may be signed by the commissioner until 45 days after it is submitted to the commission.*

**Sec. 4.** Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

**Subd. 9b. [JOB DEVELOPMENT CREDIT.]** *A credit as provided pursuant to a contract executed pursuant to section 3, subdivision 3. If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year, beginning after December 31, 1981, the excess amount may be carried forward to the four taxable years following 1981. The entire amount of the credit not used shall be carried to the earliest of the four taxable years to which the credit may be carried and then to each of the three successive taxable years.*

**Sec. 5.** Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 1, is amended to read:

**Subdivision 1. [COMPUTATION, CORPORATIONS.]** *The privilege and income taxes imposed by this chapter upon corporations shall be computed by applying to their taxable net income in excess of the applicable deductions allowed under section 290.21 the rate of 12 percent. The rate of tax provided in a con-*



*tract executed pursuant to section 3, subdivision 3 shall govern the tax rate of a contracting taxpayer.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, 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, 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 airlift 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, "airlift equipment" includes airplanes and parts necessary for the repair and maintenance of such airlift 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 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.

(s) 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.

(t) 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.

(u) 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.

(v) 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.

(w) 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.

(x) 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 oppor-

tunity 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).

(y) 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.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

(aa) *Any exemption provided in a contract executed pursuant to section 3, subdivision 3.*

#### Sec. 7. [SALES TAX EXEMPTION FOR NEW PLANTS; CONTRACT REQUIRED.]

*An exemption from the sales tax imposed in chapter 297A which is allowed for materials and supplies or equipment consumed in constructing or incorporated into the construction of a new plant, or the expansion of an existing plant, which are purchased or used in connection with the construction, shall be effective only if purchased pursuant to a contract of assistance under section 5, subdivision 3. Regardless of the order of final enactment of this section and any act providing the exemption referred to in this section, this section shall be given effect.*

#### Sec. 8. [ALLOCATION OF PRIOR UNUSED APPROPRIATIONS; APPROPRIATION.]

*There is allocated to the legislative commission on job development for the biennium ending June 30, 1983, the sum of \$40,000 from uncanceled funds previously appropriated to the legislature. The house of representatives and the senate shall make available to the commission the sums allocated by this section. There is appropriated to the legislative commission on job development one percent of any state revenues in the biennium ending June 30, 1983 which are generated pursuant to section 5, subdivision 3 in excess of assistance provided under section 5, subdivision 3.*

## Sec. 9. [SUNSET; REPEALER.]

*Sections 1 to 3 are repealed effective June 30, 1983. Any contract executed pursuant to sections 3 to 5 shall be enforceable according to its terms notwithstanding the repeal of sections 1 to 3.*

## Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective the day following their final enactment."*

Amend the title accordingly.

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 57 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Aasness	Gruenes	Lemen	Piepho	Stowell
Ainley	Halberg	Levi	Redalen	Swiggum
Anderson, B.	Haukoos	Ludeman	Rees	Valan
Blatz	Heap	Marsh	Reif	Valento
Carlson, D.	Himle	McDonald	Rose	Weaver
Dean	Hoberg	Mehrkens	Rothenberg	Welker
Dempsey	Hokr	Nelsen, B.	Schafer	Wieser
Drew	Jennings	Niehaus	Schoenfeld	Wigley
Erickson	Johnson, D.	Nysether	Schreiber	Zubay
Evans	Kaley	Olsen	Sherman	
Fjoslien	Knickerbocker	Onnen	Sherwood	
Forsythe	Kvam	Peterson, B.	Stadum	

Those who voted in the negative were:

Anderson, G.	Eken	Kalis	Novak	Simoneau
Anderson, I.	Elioff	Kelly	O'Connor	Skoglund
Battaglia	Ellingson	Kostohryz	Otis	Stumpf
Begich	Greenfield	Lehto	Peterson, D.	Swanson
Berkelman	Hanson	Long	Pogemiller	Tomlinson
Brandl	Harens	Mann	Reding	Vanasek
Byrne	Hauge	McEachern	Rice	Vellenga
Carlson, L.	Hokanson	Minne	Rodriguez, C.	Voss
Clark, J.	Jacobs	Munger	Rodriguez, F.	Welch
Clark, K.	Johnson, C.	Murphy	Sarna	Wenzel
Clawson	Jude	Nelson, K.	Shea	Wynia
Dahlvang	Kahn	Norton	Sieben, M.	Spkr. Sieben, H.

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

H. F. No. 2080, A bill for an act relating to economic development; providing for a Minnesota conference on job formation; 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 91 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Forsythe	Kelly	O'Connor	Simoneau
Battaglia	Greenfield	Knickerbocker	Olsen	Skoglund
Begich	Gustafson	Kostohryz	Onnen	Stadum
Berkelman	Halberg	Laidig	Otis	Stumpf
Blatz	Hanson	Lehto	Peterson, D.	Sviggum
Brandl	Harens	Levi	Pogemiller	Swanson
Byrne	Hauge	Long	Redalen	Tomlinson
Carlson, D.	Haukoos	Mann	Reding	Valan
Carlson, L.	Heap	Marsh	Reif	Vellenga
Clark, J.	Himle	McCarron	Rice	Voss
Clark, K.	Hoberg	McEachern	Rodriguez, C.	Weaver
Clawson	Hokanson	Mehrkens	Rodriguez, F.	Welch
Dahlvang	Jacobs	Minne	Rose	Wenzel
Dean	Johnson, C.	Munger	Rothenberg	Wynia
Drew	Johnson, D.	Murphy	Sarna	Sprk. Sieben, H.
Eken	Jude	Nelson, K.	Schoenfeld	
Elioff	Kahn	Norton	Schreiber	
Ellingson	Kaley	Novak	Shea	
Evans	Kalis	Nysether	Sieben, M.	

Those who voted in the negative were:

Aasness	Fjoslien	Ludeman	Piepho	Vanasek
Ainley	Gruenes	McDonald	Rees	Welker
Dempsey	Jennings	Nelsen, B.	Schafer	Wigley
Den Ouden	Kvam	Niehaus	Sherwood	Zubay
Erickson	Lemen	Peterson, B.	Valento	

The bill was passed and its title agreed to.

H. F. No. 2000, A bill for an act relating to health and welfare; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; amending Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.11, Subdivision 2, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 256D.05, Subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 2 nays as follows:



Those who voted in the affirmative were:

Aasness	Fjoslien	Kvam	Onnen	Skoglund
Anderson, B.	Forsythe	Laidig	Otis	Stadum
Anderson, G.	Greenfield	Lehto	Peterson, B.	Staten
Battaglia	Gruenes	Lemen	Peterson, D.	Stowell
Begich	Gustafson	Long	Piepho	Stumpf
Berkelman	Hanson	Ludeman	Pogemiller	Sviggum
Blatz	Harens	Luknic	Redalen	Swanson
Brandl	Hauge	Mann	Reding	Tomlinson
Byrne	Haukoos	Marsh	Rees	Valan
Carlson, D.	Heap	McCarron	Reif	Valento
Carlson, L.	Himle	McDonald	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	Welch
Dean	Johnson, C.	Munger	Samuelson	Wenzel
Dempsey	Johnson, D.	Murphy	Sarna	Wieser
Den Ouden	Jude	Nelsen, B.	Schoenfeld	Wigley
Drew	Kahn	Nelson, K.	Schreiber	Wynia
Eken	Kaley	Norton	Shea	Zubay
Elioff	Kalis	Novak	Sherman	Spkr. Sieben, H.
Ellingson	Kelly	Nysether	Sherwood	
Erickson	Knickerbocker	Ogren	Sieben, M.	
Ewald	Kostohryz	Olsen	Simoneau	

Those who voted in the negative were:

Niehaus      Welker

The bill was passed and its title agreed to.

H. F. No. 2065, A bill for an act relating to public welfare; providing for regulation of aversive or deprivation procedures for behavior modification of mentally retarded individuals; proposing new law coded in Minnesota Statutes, Chapter 245.

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 117 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Aasness	Dean	Himle	Lemen	Novak
Ainley	Dempsey	Hoberg	Levi	Nysether
Anderson, B.	Drew	Hokanson	Long	Ogren
Anderson, G.	Eken	Hokr	Luknic	Olsen
Anderson, I.	Elioff	Jacobs	Mann	Otis
Battaglia	Ellingson	Jennings	Marsh	Peterson, B.
Begich	Erickson	Johnson, C.	McDonald	Peterson, D.
Berkelman	Ewald	Johnson, D.	McEachern	Piepho
Blatz	Fjoslien	Jude	Mehrkens	Pogemiller
Brandl	Greenfield	Kahn	Metzen	Redalen
Byrne	Gustafson	Kalis	Minne	Reding
Carlson, D.	Halberg	Kelly	Munger	Rees
Carlson, L.	Hanson	Knickerbocker	Murphy	Reif
Clark, J.	Harens	Kostohryz	Nelsen, B.	Rice
Clark, K.	Hauge	Kvam	Nelson, K.	Rodriguez, C.
Clawson	Haukoos	Laidig	Niehaus	Rodriguez, F.
Dahlvang	Heap	Lehto	Norton	Rose

Rothenberg	Sherman	Stowell	Vanasek	Wigley
Samuelson	Sherwood	Stumpf	Vellenga	Wynia
Sarna	Sieben, M.	Sviggum	Voss	Zubay
Schafer	Simoneau	Swanson	Weaver	Spkr. Sieben, H.
Schoenfeld	Skoglund	Tomlinson	Welch	
Schreiber	Stadum	Valan	Wenzel	
Shea	Staten	Valento	Wieser	

Those who voted in the negative were:

Den Ouden	Gruenes	Onnen	Welker
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The bill was passed and its title agreed to.

H. F. No. 2188, A bill for an act relating to public welfare; providing for a mechanism in the program of aid to families with dependent children to minimize certain recipients' incentives to quit work; amending Minnesota Statutes 1980, Section 256.74, Subdivisions 1, as amended; and 1a, 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 117 yeas and 9 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Jennings	Nysether	Welker	Zubay
Den Ouden	Ludeman	Onnen	Wieser	

The bill was passed and its title agreed to.

Eken moved that the remaining bills on Special Orders be continued one day. The motion prevailed.

### GENERAL ORDERS

Eken moved that the bills on General Orders be 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 S. F. No. 1671:

Munger, Hanson and Dean.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1621:

Voss, McCarron and Schreiber.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1702:

Johnson, D.; Laidig and Battaglia.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 16:

Norton, Jude and Peterson, B.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1522:

Brinkman, Voss and Niehaus.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1443:

Reif, Begich and Welch.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2000:

Ellingson, Jacobs and Schreiber.

## MOTIONS AND RESOLUTIONS

### MOTION FOR RECONSIDERATION

Pursuant to notice given on March 9, 1982, Carlson, D., moved that the vote whereby H. F. No. 2040, as amended, was not passed on Special Orders on March 9, 1982 be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Carlson, D., motion and the roll was called. There were 84 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Greenfield	Kahn	Murphy	Shea
Anderson, G.	Gustafson	Kalis	Nelson, K.	Sherman
Battaglia	Halberg	Kelly	Norton	Sieben, M.
Begich	Hanson	Knickerbocker	Novak	Simoneau
Berkelman	Harens	Kostohryz	O'Connor	Skoglund
Brandl	Hauge	Laidig	Ogren	Stadum
Carlson, D.	Haukoos	Lehto	Peterson, D.	Stowell
Clark, J.	Heap	Lemen	Redalen	Stumpf
Clark, K.	Himle	Levi	Reding	Tomlinson
Clawson	Hoberg	Luknic	Rees	Valan
Dean	Hokanson	Mann	Reif	Vanasek
Dempsey	Hokr	Marsh	Rice	Vellenga
Eken	Jacobs	McCarron	Rodriguez, C.	Welch
Elioff	Jennings	McEachern	Rodriguez, F.	Wenzel
Ellingson	Johnson, C.	Mehrkens	Rose	Wieser
Evans	Johnson, D.	Minne	Samuelson	Wynia
Ewald	Jude	Munger	Schoenfeld	

Those who voted in the negative were:

Aasness	Blatz	Den Ouden	Erickson	Forsythe
Ainley	Carlson, L.	Drew	Fjoslien	Gruenes

Kaley	Niehaus	Piepho	Sviggum	Wigley
Kvam	Nysether	Rothenberg	Swanson	Zubay
Ludeman	Onnen	Schafer	Valento	
McDonald	Otis	Schreiber	Weaver	
Nelsen, B.	Peterson, B.	Sherwood	Welker	

The motion prevailed.

H. F. No. 2040, as amended, was reported to the House.

Anderson, G., moved that H. F. No. 2040, as amended, be placed on Special Orders and be continued.

A roll call was requested and properly seconded.

The question was taken on the Anderson, G., motion and the roll was called. There were 92 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	Kelly	Novak	Sieben, M.
Anderson, G.	Greenfield	Kostohryz	O'Connor	Simoneau
Anderson, I.	Gustafson	Laidig	Ogren	Skoglund
Battaglia	Halberg	Lehto	Otis	Stadum
Begich	Hanson	Levi	Peterson, D.	Staten
Berkelman	Harens	Long	Pogemiller	Stowell
Brandl	Hauge	Luknic	Redalen	Stumpf
Byrne	Haukoos	Mann	Reding	Tomlinson
Carlson, D.	Heap	Marsh	Rees	Valan
Carlson, L.	Himle	McCarron	Reif	Vanasek
Clark, J.	Hoberg	McEachern	Rice	Vellenga
Clark, K.	Hokanson	Mehrkens	Rodriguez, C.	Voss
Clawson	Jacobs	Metzen	Rodriguez, F.	Weaver
Dahlvang	Jennings	Minne	Rose	Welch
Dempsey	Johnson, C.	Munger	Samuelson	Wenzel
Eken	Johnson, D.	Murphy	Sarna	Wynia
Elioff	Jude	Nelsen, B.	Schoenfeld	
Ellingson	Kahn	Nelson, K.	Shea	
Evans	Kalis	Norton	Sherman	

Those who voted in the negative were:

Aasness	Ewald	Lemen	Peterson, B.	Swanson
Ainley	Forsythe	Ludeman	Piepho	Valento
Blatz	Gruenes	McDonald	Rothenberg	Welker
Dean	Hokr	Niehaus	Schafer	Wieser
Den Ouden	Kaley	Nysether	Schreiber	Wigley
Drew	Knickerbocker	Olsen	Sherwood	Zubay
Erickson	Kvam	Onnen	Sviggum	

The motion prevailed.

Ogren moved that S. F. No. 1988 be recalled from the Committee on Local and Urban Affairs and together with H. F. No. 2174, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Kelly moved that the name of Onnen be added as an author on H. F. No. 1758. The motion prevailed.

Gustafson moved that his name be stricken as an author on H. F. No. 1758. The motion prevailed.

Carlson, D., moved that his name be stricken as an author on H. F. No. 849. The motion prevailed.

Anderson, G., moved that his name be stricken and the name of Simoneau be shown as chief author on H. F. No. 1220. The motion prevailed.

Lemen moved that H. F. No. 2149 be returned to its author. The motion prevailed.

Reding moved that H. F. No. 376 be returned to its author. The motion prevailed.

Kvam moved that the chairman of the House Tax Conference Committee present a progress report to the House. 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 File, herewith returned:

H. F. No. 2066, A bill for an act relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

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. The Senate has appointed as such committee Messrs. Spear, Dahl and Ms. Berglin.

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. 452.

Kaley moved that the Clark, K., motion be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Kaley motion and the roll was called. There were 60 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Aasness	Gruenes	Kvam	Nysether	Sherman
Ainley	Halberg	Lemen	Olsen	Sherwood
Anderson, I.	Haukoos	Levi	Onnen	Stadum
Blatz	Heap	Ludeman	Peterson, B.	Stowell
Dahlvang	Heinitz	Luknic	Piepho	Sviggum
Dempsey	Himle	Marsh	Rees	Valan
Den Ouden	Hoberg	McDonald	Reif	Valento
Drew	Hokr	McEachern	Rose	Weaver
Evans	Jennings	Mehrkens	Rothenberg	Welker
Ewald	Johnson, D.	Metzen	Sarna	Wieser
Fjoslien	Kaley	Nelsen, B.	Schafer	Wigley
Forsythe	Knickerbocker	Niehaus	Schreiber	Zubay

Those who voted in the negative were:

Anderson, G.	Ellingson	Kostohryz	Otis	Staten
Battaglia	Greenfield	Laidig	Peterson, D.	Stumpf
Begich	Gustafson	Lehto	Pogemiller	Swanson
Berkelman	Hanson	Long	Redalen	Tomlinson
Brandl	Harens	Mann	Reding	Vanasek
Byrne	Hauge	Minne	Rice	Vellenga
Carlson, D.	Hokanson	Munger	Rodriguez, C.	Voss
Carlson, L.	Jacobs	Murphy	Rodriguez, F.	Welch
Clark, J.	Johnson, C.	Nelson, K.	Schoenfeld	Wenzel
Clark, K.	Jude	Norton	Shea	Wynia
Clawson	Kahn	Novak	Sieben, M.	Spkr. Sieben, H.
Eken	Kalis	O'Connor	Simoneau	
Elioff	Kelly	Ogren	Skoglund	

The motion did not prevail.

The question recurred on the Clark, K., motion.

A roll call was requested and properly seconded.

There were 53 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hanson	Long	Peterson, D.	Staten
Berkelman	Harens	Mann	Pogemiller	Stumpf
Brandl	Hauge	Minne	Reding	Tomlinson
Byrne	Johnson, C.	Munger	Rice	Vanasek
Clark, J.	Jude	Murphy	Rodriguez, C.	Vellenga
Clark, K.	Kahn	Nelson, K.	Rodriguez, F.	Voss
Clawson	Kalis	Norton	Schoenfeld	Welch
Eken	Kelly	Novak	Shea	Wymia
Ellingson	Kostohryz	O'Connor	Sieben, M.	Spkr. Sieben, H.
Greenfield	Laidig	Ogren	Simoneau	
Gustafson	Lehto	Otis	Skoglund	

Those who voted in the negative were:

Aasness	Evans	Johnson, D.	Nysether	Sherwood
Ainley	Ewald	Kaley	Olsen	Stadum
Anderson, I.	Fjoslien	Knickerbocker	Onnen	Stowell
Battaglia	Forsythe	Lemen	Peterson, B.	Sviggum
Begich	Gruenes	Levi	Piepho	Swanson
Blatz	Halberg	Ludeman	Redalen	Valan
Carlson, D.	Haukoos	Luknic	Rees	Valento
Carlson, L.	Heap	Marsh	Reif	Weaver
Dahlvang	Heinitz	McDonald	Rose	Welker
Dempsey	Himle	McEachern	Rothenberg	Wenzel
Den Ouden	Hoberg	Mehrkens	Sarna	Wieser
Drew	Hokanson	Metzen	Schafer	Wigley
Elihoff	Hokr	Nelsen, B.	Schreiber	Zubay
Erickson	Jennings	Niehaus	Sherman	

The motion did not prevail.

## MOTIONS AND RESOLUTIONS

Kahn moved that H. F. No. 356 be taken from the table, 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.

McDonald moved that the rules of the House be so far suspended that H. F. No. 2135 be recalled from the Committee on Rules and Legislative Administration, be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.



Kelly moved to lay the McDonald motion on the table.

A roll call was requested and properly seconded.

**ADJOURNMENT**

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Friday, March 12, 1982. 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, March 12, 1982.

**EDWARD A. BURDICK, Chief Clerk, House of Representatives**

## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## EIGHTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, FRIDAY, MARCH 12, 1982

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 Father Roman Schaefer, National Chaplain, V.F.W., New Ulm, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Frerichs and Searles were excused.

Osthoff was excused until 11:45 a.m. Carlson, D.; Ewald and O'Connor were excused until 1:00 p.m. Sherwood was excused until 1:30 p.m. Anderson, R., was excused until 3:30 p.m. Anderson, B., was excused until 4:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kvam 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. 930 and 2271 and S. F. Nos. 1451, 1508, 1738, 2054 and 303 have been placed in the members' files.

S. F. No. 1508 and H. F. No. 1669, 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. 1508 be substituted for H. F. No. 1669 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1738 and H. F. No. 1764, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Levi moved that the rules be so far suspended that S. F. No. 1738 be substituted for H. F. No. 1764 and that the House File be indefinitely postponed. The motion prevailed.

#### PETITIONS AND COMMUNICATIONS

The following communication was received:

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

March 10, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
272		393	March 10	March 10
1514		394	March 10	March 10
1107		395	March 10	March 10
1088		396	March 10	March 10

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

#### SECOND READING OF SENATE BILLS

S. F. Nos. 1508 and 1738 were read for the second time.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced :

Elioff, Minne, Begich and Battaglia introduced :

H. F. No. 2295, A bill for an act relating to insurance; health and accident; requiring employers to give employees the option of accepting the cash equivalent of any required coverage; proposing new law coded in Minnesota Statutes, Chapter 62A.

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 :

Lehto, Norton, Simoneau, Eken and Rees introduced :

H. A. No. 69, A proposal to examine the feasibility of establishing a commission on foreign visitors and economic relations with other countries.

The advisory was referred to the Committee on Governmental Operations.

Sarna, Dahlvang and Metzen introduced:

H. A. No. 70, A proposal to conduct a study of the question of whether beer wholesalers should be limited by law to selling only in the territory covered by his franchise agreement.

The advisory was referred to the Committee on Commerce and Economic Development.

Rodriguez, F.; Munger and Drew introduced:

H. A. No. 71, A proposal to study the actual and potential hazards associated with the release of p.c.b.s. by power plants and industry.

The advisory was referred to the Committee on Environment and Natural Resources.

Levi was excused while in conference committee.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1965, A bill for an act relating to the environment; amending various provisions of the waste management act; authorizing the commissioner of administration to acquire certain development rights; defining terms for purposes of the resource recovery program; prohibiting the waste management board from certifying the use of facilities for disposal of radioactive waste; stating various policies and requirements relating to solid and hazardous waste plans and facility permits; prescribing standards, procedures, approvals, and supervision relating to designations of resource recovery facilities; requiring the board to place its highest priority on alternatives to land disposal of hazardous waste; allowing the removal of the moratorium on development at certain sites; directing a study of solid waste utilization in the St. Cloud area; appropriating money; amending Minnesota Statutes 1980, Sections 115A.08, by adding a subdivision; 115A.15, Subdivisions 2, 6, and by adding a subdivision; 115A.42; 115A.46; 115A.62; 115A.69, Subdivision 10; 115A.70, Subdivisions 1, 2, and 3; 116.07, Subdivision 4b; 400.16; 400.162; 473.149, Subdivision 1; 473.153, by adding subdivisions; 473.802; 473.803, Subdivision 1, and by adding a subdivision; 473.811, Subdivision 7, and by adding a subdivision; 473.823, Subdivision 3; 473.827, Subdivision 1, and by adding a subdivision; 473.831, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivisions 4 and

13; 115A.11, Subdivision 1; 115A.21, Subdivision 3; 115A.24, Subdivision 1, and by adding a subdivision; 473.803, Subdivision 1a; and 473.831, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 115A; repealing Minnesota Statutes 1980, Section 473.827, Subdivisions 2, 3, 4, 5, and 6.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Merriam, Willet 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**

Long 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. 1965. The motion prevailed.

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 12, A Concurrent Resolution expressing the importance of clean air and urging the Minnesota Pollution Control Agency to maintain strong air quality standards that will fully provide the necessary protection for the State of Minnesota.

**PATRICK E. FLAHAVEN, Secretary of the Senate**

#### SUSPENSION OF RULES

Munger moved that the Rules be so far suspended that Senate Concurrent Resolution No. 12 be now considered and be placed upon its adoption.

A roll call was requested and properly seconded.

The question was taken on the Munger motion and the roll was called. There were 69 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brinkman	Dahlvang	Gruenes	Johnson, C.
Anderson, I.	Byrne	Drew	Gustafson	Jude
Battaglia	Carlson, L.	Eken	Hanson	Kahn
Begich	Clark, J.	Elioff	Hauge	Kalis
Berkelman	Clark, K.	Ellingson	Hokanson	Kelly
Brandl	Clawson	Greenfield	Jacobs	Laidig

Lehto	Munger	Peterson, B.	Sarna	Swanson
Long	Murphy	Peterson, D.	Schoenfeld	Vanasek
Luknic	Nelson, K.	Reding	Shea	Vellenga
Mann	Norton	Rice	Sieben, M.	Voss
McCarron	Novak	Rodriguez, C.	Simoneau	Wenzel
McEachern	Ogren	Rodriguez, F.	Skoglund	Wynia
Metzen	Osthoff	Rothenberg	Staten	Spkr. Sieben, H.
Minne	Otis	Samuelson	Stowell	

Those who voted in the negative were:

Aasness	Forsythe	Kvam	Piepho	Valan
Ainley	Haukoos	Lemen	Redalen	Valento
Blatz	Heap	Ludeman	Rees	Weaver
Dean	Heinitz	McDonald	Reif	Welker
Dempsey	Hoberg	Mehrkens	Rose	Wieser
Erickson	Hokr	Nelsen, B.	Schafer	Wigley
Esau	Jennings	Niehaus	Schreiber	Zubay
Evans	Kaley	Olsen	Sherman	
Fjoslien	Knickerbocker	Onnen	Sviggum	

The motion did not prevail.

Senate Concurrent Resolution No. 12 was referred to the Committee on Rules and Legislative Administration.

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. 1885, A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

PATRICK E. FLAHAVEN, Secretary of the Senate

Brandl moved that the House refuse to concur in the Senate amendments to H. F. No. 1885, 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. 1637.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1637, A bill for an act relating to state investment policy ; prohibiting certain investments in countries not following human rights standards; proposing new law coded in Minnesota Statutes, Chapter 11A.

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, Staten moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1637 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 Staten motion and the roll was called. There were 52 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Eken	Kelly	Ogren	Skoglund
Anderson, I.	Elioff	Lehto	Otis	Staten
Battaglia	Ellingson	Long	Peterson, D.	Tomlinson
Begich	Greenfield	Mann	Pogemiller	Vanasek
Brandl	Gustafson	McCarron	Reding	Welch
Byrne	Harens	McEachern	Rice	Wenzel
Carlson, L.	Hauge	Minne	Rodriguez, C.	Wynia
Clark, J.	Hokanson	Munger	Rodriguez, F.	Spkr. Sieben, H.
Clark, K.	Jacobs	Nelson, K.	Shea	
Clawson	Johnson, C.	Norton	Sieben, M.	
Dahlvang	Kalis	Novak	Simoneau	

Those who voted in the negative were:

Aasness	Forsythe	Kvam	Olsen	Sherman
Ainley	Gruenes	Laidig	Onnen	Stadum
Blatz	Halberg	Lemen	Peterson, B.	Stowell
Dean	Haukoos	Ludeman	Piepho	Sviggum
Dempsey	Heap	Luknic	Redalen	Valan
Den Ouden	Heinitz	McDonald	Rees	Valento
Drew	Hoberg	Mehrkens	Reif	Weaver
Erickson	Hokr	Metzen	Rose	Welker
Esau	Jennings	Nelsen, B.	Rothenberg	Wieser
Evans	Kaley	Niehaus	Schafer	Wigley
Fjoslien	Knickerbocker	Nysether	Schreiber	Zubay

The motion did not prevail.

Staten moved that S. F. No. 1637 and H. F. No. 1811, now on Special Orders, be referred to the Chief Clerk for comparison. 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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Forsythe moved that the House concur in the Senate amendments to H. F. No. 1092 and that the bill be repassed as amended by the Senate. The motion prevailed.

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, 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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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. 1751, A bill for an act relating to alcoholic beverages; increasing the maximum dollar value of equipment furnished to beer retailers by brewers and wholesalers; deleting obsolete language; amending Minnesota Statutes 1980, Sections 340.031, Subdivision 2; and 340.405.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Dahlvang moved that the House concur in the Senate amendments to H. F. No. 1751 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1751, A bill for an act relating to alcoholic beverages; increasing the maximum dollar value of equipment furnished to beer retailers by brewers and wholesalers; deleting obsolete language; amending Minnesota Statutes 1980, Sections 340.031, Subdivision 2; and 340.405.

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 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, I.	Berkelman	Brinkman	Clark, J.
Ainley	Battaglia	Blatz	Byrne	Clark, K.
Anderson, G.	Begich	Brandl	Carlson, L.	Clawson

Dahlvang	Heap	Ludeman	Osthoff	Skoglund
Dean	Heinitz	Luknic	Otis	Staten
Dempsey	Himle	Mann	Peterson, B.	Stowell
Den Ouden	Hoberg	Marsh	Peterson, D.	Stumpf
Drew	Hokanson	McCarron	Piepho	Sviggum
Eken	Hokr	McDonald	Pogemiller	Swanson
Elioff	Jacobs	McEachern	Redalen	Tomlinson
Ellingson	Jennings	Mehrkens	Rees	Valan
Erickson	Johnson, C.	Metzen	Reif	Valento
Esau	Johnson, D.	Minne	Rice	Vanasek
Evans	Kahn	Munger	Rodriguez, C.	Voss
Fjoslien	Kaley	Murphy	Rodriguez, F.	Weaver
Forsythe	Kalis	Nelsen, B.	Rose	Welch
Greenfield	Kelly	Nelson, K.	Rothenberg	Welker
Gruenes	Knickerbocker	Niehaus	Samuelson	Wenzel
Gustafson	Kostohryz	Norton	Sarna	Wieser
Halberg	Kvam	Novak	Schafer	Wigley
Hanson	Laidig	Nysether	Schreiber	Wynia
Harens	Lehto	Ogren	Sherman	Zubay
Hauge	Lemen	Olsen	Sieben, M.	Spkr. Sieben, H.
Haukoos	Long	Onnen	Simoneau	

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

#### TAKEN FROM THE TABLE

Samuelson moved that the Message from the Senate and the Carlson, L., motion relating to H. F. No. 2190 which were laid on the table on March 11, 1982, be now taken from the table.

A roll call was requested and properly seconded.

The question was taken on the Samuelson motion and the roll was called. There were 78 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Kostohryz	Novak	Skoglund
Anderson, I.	Erickson	Laidig	Ogren	Staten
Battaglia	Greenfield	Lehto	Osthoff	Stowell
Begich	Gruenes	Long	Otis	Stumpf
Berkelman	Gustafson	Luknic	Peterson, D.	Swanson
Brandl	Hanson	Mann	Pogemiller	Tomlinson
Brinkman	Harens	McCarron	Reding	Vanasek
Byrne	Hauge	McEachern	Rice	Vellenga
Carlson, L.	Heap	Mehrkens	Rodriguez, C.	Voss
Clark, J.	Hokanson	Metzen	Rodriguez, F.	Weaver
Clark, K.	Jacobs	Minne	Samuelson	Welch
Clawson	Johnson, C.	Munger	Sarna	Wenzel
Dahlvang	Jude	Murphy	Schreiber	Wynia
Drew	Kahn	Nelsen, B.	Shea	Spkr. Sieben, H.
Eken	Kalis	Nelson, K.	Sieben, M.	
Elioff	Kelly	Norton	Simoneau	

Those who voted in the negative were:

Aasness	Esau	Hoberg	Lemen	Onnen
Ainley	Evans	Hokr	Ludeman	Peterson, B.
Blatz	Fjoslien	Jennings	McDonald	Piepho
Dean	Forsythe	Kaley	Niehaus	Redalen
Dempsey	Halberg	Knickerbocker	Nysether	Rees
Den Ouden	Heinitz	Kvam	Olsen	Reif

Rothenberg  
Schafer

Sherman  
Sviggum

Valan  
Valento

Welker  
Wieser

Wigley  
Zubay

The motion prevailed.

The following Message from the Senate was now reported to the House.

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. 2190, A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block grant funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article 1, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12.

PATRICK E. FLAHAVEN, Secretary of the Senate

Carlson, L., moved that the House refuse to concur in the Senate amendments to H. F. No. 2190, 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. 1710, A bill for an act relating to commerce; petroleum products; providing specifications for fuel oil sold as kerosene; amending Minnesota Statutes 1980, Section 296.05, Subdivision 2, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 1710 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1710, A bill for an act relating to commerce; petroleum products; providing specifications for fuel oil sold as kerosene; amending Minnesota Statutes 1980, Section 296.05, Subdivision 2, 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 116 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Weiker

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. 2134, A bill for an act relating to intoxicating liquor; providing that on-sale licenses issued to certain nonprofit corporations shall authorize sales on all days of the week; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11b.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Dahlvang moved that the House concur in the Senate amendments to H. F. No. 2134 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2134, A bill for an act relating to intoxicating liquor; providing that on-sale licenses issued to certain nonprofit corporations shall authorize sales on all days of the week; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11b.

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 100 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Kelly	Olsen	Shea
Anderson, I.	Evans	Knickerbocker	Onnen	Sherman
Battaglia	Greenfield	Kostohryz	Osthoff	Sieben, M.
Begich	Halberg	Lehto	Otis	Simoneau
Berkelman	Hanson	Long	Peterson, B.	Skoglund
Blatz	Harens	Ludeman	Peterson, D.	Stowell
Brandl	Hauge	Mann	Piepho	Stumpf
Brinkman	Haukoos	Marsh	Pogemiller	Swanson
Byrne	Heap	McCarron	Redalen	Tomlinson
Carlson, L.	Heinritz	McDonald	Reding	Valan
Clark, J.	Himle	McEachern	Rees	Valento
Clark, K.	Hoberg	Mehrkens	Reif	Vanasek
Clawson	Hokanson	Metzen	Rice	Vellenga
Dahlvang	Jacobs	Minne	Rodriguez, C.	Vess
Dean	Jennings	Munger	Rodriguez, F.	Welch
Dempsey	Johnson, C.	Murphy	Rose	Wenzel
Drew	Jude	Nelson, K.	Samuelson	Wieser
Eken	Kahn	Norton	Sarna	Wynia
Elioff	Kaley	Novak	Schafer	Zubay
Ellingson	Kalis	Nysether	Schreiber	Spkr. Sieben, H.

Those who voted in the negative were:

Aasness	Fjoslien	Laidig	Sviggum	Welker
Ainley	Forsythe	Lemen	Weaver	Wigley
Den Ouden	Gruenes	Niehaus		
Esau	Kvam	Rothenberg		

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. 1652, A bill for an act relating to game and fish; authorizing special permits to take deer with a crossbow under certain circumstances; amending Minnesota Statutes 1980, Sections 98.48, by adding a subdivision; and 100.29, Subdivision 7.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 1652 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1652, A bill for an act relating to game and fish; authorizing special permits to take deer with a crossbow under certain circumstances; amending Minnesota Statutes 1980, Sections 98.48, by adding a subdivision; and 100.29, Subdivision 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 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Ainley	Evans	Knickerbocker	Nysether	Sherman
Anderson, G.	Fjoslien	Kostohryz	Ogren	Sieben, M.
Anderson, I.	Forsythe	Kvam	Olsen	Simoneau
Battaglia	Greenfield	Laidig	Onnen	Skoglund
Begich	Gruenes	Lehto	Osthoff	Stowell
Berkelman	Halberg	Lemen	Otis	Stumpf
Blatz	Hanson	Long	Peterson, B.	Sviggum
Brandl	Harens	Ludeman	Peterson, D.	Swanson
Brinkman	Hauge	Luknic	Piepho	Tomlinson
Byrne	Haukoos	Mann	Pogemiller	Valan
Carlson, L.	Heap	Marsh	Redalen	Valento
Clark, J.	Heinitz	McCarron	Reding	Vanasek
Clark, K.	Himle	McDonald	Rees	Vellienga
Clawson	Hoberg	McEachern	Reif	Voss
Dahlvang	Hokanson	Mehrkens	Rice	Weaver
Dean	Hokr	Metzen	Rodriguez, C.	Welch
Dempsey	Jacobs	Minne	Rodriguez, F.	Welker
Den Ouden	Jennings	Munger	Rose	Wenzel
Drew	Johnson, C.	Murphy	Rothenberg	Wieser
Eken	Jude	Nelsen, B.	Samuelson	Wigley
Elioff	Kahn	Nelson, K.	Sarna	Wynia
Ellingson	Kaley	Niehaus	Schafer	Zubay
Erickson	Kalis	Norton	Schreiber	Spkr. Sieben, H.
Esau	Kelly	Novak	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. 1831, A bill for an act relating to human rights; including sexual harassment as a form of unfair discriminatory practices for certain purposes; amending Minnesota Statutes 1980, Section 363.01, Subdivision 10, and by adding a subdivision.

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. 1831 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

Rose moved that the House refuse to concur in the Senate amendments to H. F. No. 1831, 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 Rose motion and the roll was called. There were 51 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Aasness	Gruenes	Laidig	Redalen	Valan
Ainley	Halberg	Lemen	Rees	Valento
Blatz	Haukoos	Ludeman	Reif	Weaver
Dean	Heap	McDonald	Rose	Welker
Dempsey	Heinritz	Mehrkens	Rothenberg	Wieser
Den Ouden	Himle	Nelsen, B.	Schafer	Wigley
Drew	Hoberg	Niehaus	Schreiber	Zubay
Erickson	Hokr	Nysether	Sherman	
Esau	Johnson, D.	Onnen	Stadum	
Evans	Kaley	Peterson, B.	Stowell	
Fjoslien	Kvam	Piepho	Sviggum	



Those who voted in the negative were:

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

The motion did not prevail.

The question recurred on the Rodriguez, C., motion.

There were 86 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Kostohryz	Ogren	Skoglund
Anderson, I.	Gustafson	Kvam	Olsen	Staten
Battaglia	Halberg	Laidig	Onnen	Stumpf
Begich	Hanson	Lehto	Osthoff	Swanson
Berkelman	Hauge	Lemen	Otis	Tomlinson
Brandl	Haukoos	Long	Peterson, D.	Vanasek
Byrne	Himle	Luknic	Piepho	Vellenga
Carlson, L.	Hokanson	Mann	Pogemiller	Voss
Clark, J.	Hokr	McCarron	Reding	Weaver
Clark, K.	Jacobs	McEachern	Rice	Welch
Clawson	Jennings	Mehrkens	Rodriguez, C.	Wenzel
Dahlvang	Johnson, C.	Metzen	Rodriguez, F.	Wieser
Drew	Johnson, D.	Minne	Rothenberg	Wynia
Eken	Jude	Munger	Samuelson	Spkr. Sieben, H.
Elioff	Kahn	Murphy	Sarna	
Ellingson	Kalis	Nelson, K.	Schoenfeld	
Forsythe	Kelly	Norton	Schreiber	
Greenfield	Knickerbocker	Novak	Simoneau	

Those who voted in the negative were:

Aasness	Hoberg	Niehaus	Schafer	Welker
Ainley	Kaley	Nysether	Sherman	Wigley
Den Ouden	Ludeman	Peterson, B.	Stowell	Zubay
Erickson	Marsh	Redalen	Sviggum	
Esau	McDonald	Rees	Valan	
Fjoslien	Nelsen, B.	Rose	Valento	

The motion prevailed.

H. F. No. 1831, A bill for an act relating to human rights; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; including sexual harassment as a form of unfair discriminatory practices for certain purposes; amending Minnesota Statutes 1980, Sections 268.09, Subdivision 1; and 363.01, Subdivision 10, 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 114 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Redalen            Rees            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. 1430, A bill for an act relating to the city of Hibbing; fixing the amount of the mayor's contingent fund; amending Laws 1939, Chapter 329, Section 1.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Minne moved that the House concur in the Senate amendments to H. F. No. 1430 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1430, A bill for an act relating to the city of Hibbing; fixing the amount of the mayor's contingent fund; amending Laws 1939, Chapter 329, 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 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kelly	Novak	Simoneau
Ainley	Fjoslien	Knickerbocker	Nysether	Skoglund
Anderson, I.	Forsythe	Kostohryz	Ogren	Stadum
Battaglia	Greenfield	Kvam	Olsen	Staten
Begich	Gruenes	Laidig	Onnen	Stowell
Berkelman	Gustafson	Lehto	Osthoff	Stumpf
Blatz	Halberg	Lemen	Otis	Sviggun
Brandl	Hanson	Long	Peterson, B.	Swanson
Brinkman	Harens	Ludeman	Peterson, D.	Tomlinson
Byrne	Haukoos	Luknic	Piepho	Valan
Carlson, L.	Heap	Mann	Redalen	Valento
Clark, J.	Heinitz	Marsh	Reding	Vellenga
Clark, K.	Himle	McCarron	Rees	Voss
Clawson	Hoberg	McDonald	Reif	Weaver
Dahlvang	Hokanson	McEachern	Rodriguez, C.	Welch
Dean	Hokr	Mehrkens	Rose	Welker
Dempsey	Jacobs	Metzen	Rothenberg	Wenzel
Den Ouden	Jennings	Minne	Samuelson	Wieser
Drew	Johnson, C.	Munger	Sarna	Wigley
Eken	Johnson, D.	Murphy	Schafer	Wynia
Elioff	Jude	Nelsen, B.	Schoenfeld	Zubay
Ellingson	Kahn	Nelson, K.	Schreiber	Spkr. Sieben, H.
Erickson	Kaley	Niehaus	Sherman	
Esau	Kalis	Norton	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. 623, A bill for an act relating to commerce; providing for an alternative method of meeting the organizational membership requirement for the conducting of bingo occasions, operation of gambling devices, and conducting of raffles by organizations; amending Minnesota Statutes 1980, Sections 349.14; and 349.26, Subdivision 9.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Stowell moved that the House concur in the Senate amendments to H. F. No. 623 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 623, A bill for an act relating to commerce; lowering the organizational membership requirement for the conducting of bingo occasions, operation of gambling devices, and conducting of raffles by organizations; amending Minnesota Statutes 1980, Sections 349.14; and 349.26, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kelly	Novak	Sieben, M.
Ainley	Fjoslien	Knickerbocker	Nysether	Simoneau
Anderson, G.	Forsythe	Kostohryz	Ogren	Skoglund
Anderson, I.	Greenfield	Kvam	Olsen	Stadum
Battaglia	Gruenes	Laidig	Onnen	Staten
Begich	Gustafson	Lehto	Osthoff	Stowell
Berkelman	Halberg	Lemen	Otis	Stumpf
Blatz	Hanson	Levi	Peterson, B.	Sviggum
Brandl	Harens	Long	Peterson, D.	Swanson
Brinkman	Hauge	Ludeman	Piepho	Tomlinson
Byrne	Haukoos	Luknic	Pogemiller	Valan
Carlson, L.	Heap	Mann	Redalen	Valento
Clark, J.	Heinitz	Marsh	Reding	Vanasek
Clark, K.	Himle	McCarron	Rees	Vellenga
Clawson	Hoberg	McDonald	Reif	Voss
Dahlvang	Hokanson	McEachern	Rodriguez, C.	Weaver
Dean	Hokr	Mehrkens	Rodriguez, F.	Welch
Dempsey	Jacobs	Metzen	Rose	Welker
Den Ouden	Jennings	Minne	Rothenberg	Wenzel
Drew	Johnson, C.	Munger	Samuelson	Wieser
Eken	Johnson, D.	Murphy	Sarna	Wigley
Elioff	Jude	Nelsen, B.	Schafer	Wynia
Ellingson	Kahn	Nelson, K.	Schoenfeld	Zubay
Erickson	Kaley	Niehaus	Schreiber	Spkr. Sieben, H.
Esau	Kalis	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. 1068, A bill for an act relating to adoption; providing for record retention; providing for services by adoption agencies; proposing new law coded in Minnesota Statutes, Chapter 259.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Peterson, D., moved that the House concur in the Senate amendments to H. F. No. 1068 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1068, A bill for an act relating to adoption; providing for record retention; providing for services by adoption agencies; recodifying law relating to access to adoption records into another chapter; amending Minnesota Statutes 1980, Section 144.1761, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 259; repealing Minnesota Statutes 1980, Section 144.1761, 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 114 yeas and 5 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Dean	Den Ouden	Erickson	Esau
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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. 1589, A bill for an act relating to motor vehicles; authorizing the operation of motorized golf carts by certain persons on designated roadways of city streets; regulating the operation thereof; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 169.522; and proposing new law coded in Minnesota Statutes, Chapter 169.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Stowell moved that the House concur in the Senate amendments to H. F. No. 1589 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1589, A bill for an act relating to motor vehicles; authorizing the operation of motorized golf carts by certain persons on designated roadways of city streets; regulating the operation thereof; amending Minnesota Statutes 1980, Sections 168.012, by adding a subdivision; 169.522; and proposing new law coded in Minnesota Statutes, Chapter 169.

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	Drew	Hokanson	Ludeman	Olsen
Ainley	Eken	Hokr	Luknic	Onnen
Anderson, G.	Elioff	Jacobs	Mann	Osthoff
Anderson, I.	Ellingson	Jennings	Marsh	Otis
Battaglia	Erickson	Johnson, C.	McCarron	Peterson, B.
Begich	Esau	Johnson, D.	McDonald	Peterson, D.
Berkelman	Evans	Jude	McEachern	Piepho
Blatz	Fjoslien	Kahn	Mehrkens	Redalen
Brandl	Forsythe	Kaley	Metzen	Reding
Brinkman	Greenfield	Kalis	Minne	Rees
Byrne	Gruenes	Kelly	Munger	Reif
Carlson, L.	Gustafson	Knickerbocker	Murphy	Rice
Clark, J.	Halberg	Kostohryz	Nelson, B.	Rodriguez, C.
Clark, K.	Hanson	Kvam	Nelson, K.	Rose
Clawson	Haukoos	Laidig	Niehaus	Rothenberg
Dahlvang	Heap	Lehto	Norton	Samuelson
Dean	Heinitz	Lemen	Novak	Sarna
Dempsey	Himle	Levi	Nysether	Schafer
Den Ouden	Hoberg	Long	Ogren	Schoenfeld

Schreiber	Staten	Valan	Welch	Zubay
Sherman	Stowell	Valento	Welker	Spkr. Sieben, H.
Sieben, M.	Stumpf	Vanasek	Wenzel	
Simoneau	Sviggum	Vellenga	Wieser	
Skoglund	Swanson	Voss	Wigley	
Stadum	Tomlinson	Weaver	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. 1668, A bill for an act relating to manufactured homes; requiring manufacturers and dealers of manufactured homes to be licensed and regulated by the commissioner of administration; providing for the rights and duties of owners and residents of manufactured home parks; making certain changes in the procedure for titling manufactured homes; requiring park owners to adopt storm safety plans for the protection of residents; empowering municipalities to enforce certain ordinances within manufactured home parks and recreational camping areas; clarifying the procedures to be used in the repossession of a manufactured home; clarifying certain language; prohibiting certain practices; imposing fees and penalties; providing remedies; defining terms; proposing new law coded in Minnesota Statutes, Chapter 168A; proposing new law coded as Minnesota Statutes, Chapters 327B and 327C; amending Minnesota Statutes 1980, Sections 168A.02, Subdivision 3; 327.14; 327.16, Subdivision 2; 327.20, Subdivision 1; 327.24, by adding a subdivision; 327.26; 327.27, Subdivision 2, and by adding a subdivision; 327.62, Subdivision 2; 327.63; 327.65; 327.66; 363.02, by adding a subdivision; and 566.18, Subdivisions 2, 7, and 8; repealing Minnesota Statutes 1980, Sections 327.41; 327.42; 327.43; 327.45; 327.451; 327.452; 327.46; 327.47; 327.51; 327.52; 327.53; 327.54; 327.55; 327.551; 327.552; 327.553, Subdivisions 2, 3 and 4; 327.554; 327.56; and Minnesota Statutes 1981 Supplement, Sections 327.44; 327.441; 327.55, Subdivision 1a; and 327.553, Subdivision 1.

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. 1668 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1668, A bill for an act relating to manufactured homes; requiring manufacturers and dealers of manufactured

homes to be licensed and regulated by the commissioner of administration; providing for the rights and duties of owners and residents of manufactured home parks; making certain changes in the procedure for titling manufactured homes; requiring park owners to adopt storm safety plans for the protection of residents; empowering municipalities to enforce certain ordinances within manufactured home parks and recreational camping areas; clarifying the procedures to be used in the repossession of a manufactured home; clarifying certain language; prohibiting certain practices; imposing fees and penalties; providing remedies; defining terms; proposing new law coded in Minnesota Statutes, Chapter 168A; proposing new law coded as Minnesota Statutes, Chapters 327B and 327C; amending Minnesota Statutes 1980, Sections 168A.02, Subdivision 3; 327.14; 327.16, Subdivision 2; 327.20, Subdivision 1; 327.24, by adding a subdivision; 327.26; 327.27, Subdivision 2, and by adding a subdivision; 327.62, Subdivision 2; 327.63; 327.65; 327.66; 363.02, by adding a subdivision; and 566.18, Subdivisions 2, 7, and 8; repealing Minnesota Statutes 1980, Sections 327.41; 327.42; 327.43; 327.45; 327.451; 327.452; 327.46; 327.47; 327.51; 327.52; 327.53; 327.54; 327.55; 327.551; 327.552; 327.553, Subdivisions 2, 3 and 4; 327.554; 327.56; and Minnesota Statutes 1981 Supplement, Sections 327.44; 327.441; 327.55, Subdivision 1a; and 327.553, 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 87 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Kelly	Ogren	Simoneau
Anderson, I.	Evans	Knickerbocker	Olsen	Skoglund
Battaglia	Forsythe	Kostohryz	Osthoff	Staten
Begich	Greenfield	Laidig	Otis	Stumpf
Berkelman	Gruenes	Lehto	Peterson, B.	Sviggum
Blatz	Gustafson	Lemen	Peterson, D.	Swanson
Brandl	Halberg	Long	Piepho	Tomlinson
Brinkman	Hanson	Luknic	Reding	Valento
Byrne	Hauge	Mann	Rees	Vanasek
Carlson, L.	Himle	Marsh	Reif	Vellenga
Clark, J.	Hokanson	McCarron	Rice	Voss
Clawson	Hokr	McEachern	Rose	Welch
Dahlvang	Jacobs	Metzen	Rothenberg	Wenzel
Dean	Johnson, C.	Minne	Samuelson	Wynia
Dempsey	Johnson, D.	Murphy	Sarna	Spkr. Sieben, H.
Drew	Jude	Nelson, K.	Schreiber	
Eken	Kahn	Norton	Sherman	
Elioff	Kalis	Novak	Sieben, M.	

Those who voted in the negative were:

Aasness	Den Ouden	Esau	Haukoos	Hoberg
Ainley	Erickson	Fjoslien	Heinitz	Jennings



Kaley	Nelsen, B.	Redalen	Valan	Wigley
Kvam	Niehaus	Schafer	Weaver	Zubay
Ludeman	Nysether	Schoenfeld	Welker	
Mehrkens	Onnen	Shea	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. 1456, A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Section 525.03; Laws 1979, Chapter 303, Article III, Section 43.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Ellingson moved that the House concur in the Senate amendments to H. F. No. 1456 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1456, A bill for an act relating to probate; changing certain records-keeping requirements; amending Minnesota Statutes 1980, Sections 488A.27, Subdivision 11; and 525.03; Laws 1979, Chapter 303, Article III, Section 43.

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

The question was taken on the repassage of the bill and the roll was called. There were 103 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Aasness	Dahlvang	Harens	Kahn	Mehrkens
Ainley	Dean	Hauge	Kaley	Metzen
Anderson, G.	Dempsey	Haukoos	Kalis	Minne
Anderson, I.	Eken	Heap	Kelly	Munger
Battaglia	Elioff	Heinitz	Knickerbocker	Murphy
Begich	Ellingson	Himle	Kvam	Nelsen, B.
Berkelman	Erickson	Hoberg	Laidig	Nelson, K.
Blatz	Evans	Hokanson	Lehto	Niehaus
Brandl	Fjoslien	Hokr	Lemen	Norton
Brinkman	Greenfield	Jacobs	Long	Nysether
Byrne	Gruenes	Jennings	Luknic	Ogren
Carlson, L.	Gustafson	Johnson, C.	Mann	Olsen
Clark, J.	Halberg	Johnson, D.	Marsh	Onnen
Clawson	Hanson	Jude	McEachern	Osthoff

Otis	Rothenberg	Simoneau	Swanson	Wenzel
Peterson, B.	Samuelson	Skoglund	Tomlinson	Wigley
Peterson, D.	Sarna	Stadum	Vanasek	Wynia
Piepho	Schafer	Staten	Vellenga	Zubay
Rees	Schreiber	Stowell	Voss	Spkr. Sieben, H.
Rodriguez, F.	Sherman	Stumpf	Weaver	
Rose	Sieben, M.	Sviggum	Welch	

**Those who voted in the negative were :**

Drew	Ludeman	McDonald	Reif	Wieser
Esau	McCarron	Redalen	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. 1697, A bill for an act relating to retirement; validating a certain post retirement adjustment granted by the Virginia firefighters relief association; authorizing increases in benefits payable by the Eveleth police and fire trust fund; defining certain terms, providing for the governance of separate and distinct general and special funds, providing benefit improvements for certain participants and benefit recipients, validating adoption of third class city police law, and validating past payments by the Virginia police relief association; clarifying the authority to approve alternative benefit increases; repealing Laws 1935, Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter 235.

PATRICK E. FLAHAVEN, Secretary of the Senate

**CONCURRENCE AND REPASSAGE**

Elioff moved that the House concur in the Senate amendments to H. F. No. 1697 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1697, A bill for an act relating to retirement; validating a certain post retirement adjustment granted by the Virginia firefighters relief association; authorizing increases in benefits payable by the Eveleth police and fire trust fund; Virginia police relief association; defining certain terms; providing for the governance of separate and distinct general and special funds; providing benefit improvements for certain participants and benefit recipients; validating adoption of third class city police law; validating past payments; clarifying the authority to approve alternative benefit increases; repealing Laws 1935,

Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter 235.

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:

Aasness	Esau	Kelly	Novak	Sieben, M.
Ainley	Evans	Knickerbocker	Nysether	Simoneau
Anderson, G.	Fjoslien	Kvam	Ogren	Skoglund
Anderson, I.	Greenfield	Laidig	Olsen	Stadum
Battaglia	Gruenes	Lehto	Onnen	Staten
Begich	Gustafson	Lemen	Osthoff	Stowell
Berkelman	Halberg	Levi	Otis	Stumpf
Blatz	Hanson	Ludeman	Peterson, B.	Sviggum
Brandl	Harens	Luknic	Peterson, D.	Swanson
Brinkman	Haukoos	Mann	Piepho	Tomlinson
Byrne	Heap	Marsh	Redalen	Valan
Carlson, L.	Himle	McCarron	Rees	Valento
Clark, J.	Hoberg	McDonald	Reif	Vanasek
Clawson	Hokanson	McEachern	Rice	Vellenga
Dahlvang	Hokr	Mehrkens	Rodriguez, C.	Voss
Dean	Jacobs	Metzen	Rose	Weaver
Dempsey	Jennings	Minne	Rothenberg	Welch
Den Ouden	Johnson, C.	Munger	Samuelson	Wenzel
Drew	Johnson, D.	Murphy	Sarna	Wieser
Eken	Jude	Nelsen, B.	Schafer	Wigley
Elioff	Kahn	Nelson, K.	Schreiber	Wynia
Ellingson	Kaley	Niehaus	Shea	Zubay
Erickson	Kalis	Norton	Sherman	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. 1819, A bill for an act relating to education; authorizing school districts to develop programs enabling secondary students to attend courses at post secondary institutions; proposing new law coded in Minnesota Statutes, Chapter 123.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Levi moved that the House concur in the Senate amendments to H. F. No. 1819 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1819, A bill for an act relating to education; authorizing school districts to develop programs enabling secondary students to attend courses at post secondary institutions; permitting the granting and transfer of credits for students; allowing reimbursement for instruction; proposing new law coded in Minnesota Statutes, Chapter 123.

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

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Voss moved that the House concur in the Senate amendments to H. F. No. 560 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 560, A bill for an act relating to courts; authorizing the awarding of costs, disbursements, and attorney's fees in certain actions or proceedings; restoring a right of action for law enforcement officers; amending Minnesota Statutes 1980, Sections 117.195; and 549.21; proposing new law coded in Minnesota Statutes, Chapter 604.

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 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1550, A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

PATRICK E. FLAHAVERN, Secretary of the Senate

Anderson, I., moved that the House refuse to concur in the Senate amendments to H. F. No. 1550, 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. 2190:

Sieben, M.; Samuelson; Kahn; Carlson, L., and Forsythe.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1499:

Osthoff, Hokanson and Peterson, D.

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. 1885:

Brandl, Wynia and Onnen.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1965:

Long, Dahlvang and Rees.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1550:

Anderson, I.; Brinkman and Evans.

#### SPECIAL ORDERS

H. F. No. 1642 was reported to the House.

Wynia moved that H. F. No. 1642 be continued on Special Orders. The motion prevailed.

The Speaker called Wynia to the Chair.

S. F. No. 1948 was reported to the House.

Ellingson moved to amend S. F. No. 1948, as follows:

Delete everything after the enacting clause and insert:

**“Section 1. [HENNEPIN COUNTY PARK RESERVE DISTRICT; HYDROELECTRIC GENERATION FACILITIES CONSTRUCTION AND OPERATION.]**

*In furtherance of the authority granted by Minnesota Statutes, Chapter 398, the Hennepin County park reserve district may, acting jointly with another local government unit pursuant to Minnesota Statutes, Section 471.59, participate in the construction, establishment, ownership, operation, and maintenance of hydroelectric generation and transmission facilities in connection with dams owned or controlled by the district, and the use, distribution, or sale of hydroelectric power generated by the facilities. The district shall exercise its authority under this section to further the maintenance of its park property and services, to use the hydroelectric capacity of the dams and to preserve the economic benefits of the dams.*

**Sec. 2. [EFFECTIVE DATE.]**

*This act is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the Hennepin County park reserve district.”*

Delete the title and insert:

“A bill for an act relating to the Hennepin County park reserve district; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.”

The motion prevailed and the amendment was adopted.

Weaver moved to amend S. F. No. 1948, as amended, as follows:

Delete the Ellingson amendment.

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 22 yeas and 93 nays as follows:

Those who voted in the affirmative were:

Ainley	Esau	Nelsen, B.	Stowell	Welker
Carlson, D.	Jennings	Nysether	Sviggum	Wigley
Den Ouden	Ludeman	Redalen	Valan	
Drew	McDonald	Rothenberg	Valento	
Erickson	Mehrkens	Stadum	Weaver	

Those who voted in the negative were:

Aasness	Fjoslien	Kalis	Novak	Sherman
Anderson, G.	Forsythe	Kelly	O'Connor	Sieben, M.
Anderson, I.	Greenfield	Kvam	Ogren	Simoneau
Battaglia	Gruenes	Lehto	Olsen	Skoglund
Begich	Hanson	Lemen	Osthoff	Staten
Berkelman	Hauge	Levi	Otis	Stumpf
Blatz	Haukoos	Long	Peterson, B.	Swanson
Brandl	Heap	Luknic	Peterson, D.	Tomlinson
Brinkman	Heinitz	Mann	Piepho	Vanasek
Byrne	Himle	Marsh	Pogemiller	Vellenga
Carlson, L.	Hoberg	McCarron	Rees	Voss
Clark, J.	Hokanson	McEachern	Reif	Welch
Clawson	Hokr	Metzen	Rice	Wenzel
Dahlvang	Jacobs	Minne	Rodriguez, C.	Wieser
Dean	Johnson, C.	Munger	Rodriguez, F.	Wynia
Dempsey	Johnson, D.	Murphy	Samuelson	Zubay
Eken	Jude	Nelson, K.	Sarna	Spkr. Sieben, H.
Elioff	Kahn	Niehaus	Schafer	
Ellingson	Kaley	Norton	Schreiber	

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

Ellingson, Jacobs and Schreiber moved to amend S. F. No. 1948, as amended, as follows:

Page 1, line 22, after the period insert "*If the dam, dam site or power generation plant is located in or contiguous to a city or town, other than the lessor governmental unit, the lease or agreement shall not be effective unless it is approved by the governing body of such city or town. For purposes of this subdivision, city means a statutory or home rule charter city.*"

The motion prevailed and the amendment was adopted.

S. F. No. 1948, A bill for an act relating to Hennepin County park reserve district and the city of Anoka; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.

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

The question was taken on the passage of the bill and the roll was called. There were 102 yeas and 14 nays as follows:



Those who voted in the affirmative were:

Anderson, G.	Fjoslien	Kvam	O'Connor	Sieben, M.
Anderson, I.	Forsythe	Laidig	Ogren	Simoneau
Battaglia	Greenfield	Lehto	Olsen	Skoglund
Begich	Gruenes	Lemen	Onnen	Staten
Berkelman	Gustafson	Levi	Osthoff	Stowell
Blatz	Hanson	Long	Otis	Stumpf
Brandl	Hauge	Luknic	Peterson, D.	Swanson
Brinkman	Heap	Mann	Piepho	Tomlinson
Byrne	Heinitz	Marsh	Pogemiller	Valan
Carlson, D.	Himle	McDonald	Redalen	Vanasek
Carlson, L.	Hoberg	McEachern	Rees	Vellenga
Clark, J.	Hokanson	Mehrkens	Rice	Voss
Clawson	Hokr	Metzen	Rodriguez, C.	Welch
Dahlvang	Jacobs	Minne	Rodriguez, F.	Wenzel
Dean	Johnson, C.	Munger	Rose	Wieser
Dempsey	Johnson, D.	Murphy	Rothenberg	Wigley
Drew	Jude	Nelsen, B.	Samuelson	Wynia
Eken	Kahn	Nelson, K.	Sarna	Spkr. Sieben, H.
Eloff	Kaley	Niehaus	Schafer	
Ellingson	Kalis	Norton	Schreiber	
Evans	Kelly	Novak	Shea	

Those who voted in the negative were:

Ainley	Esau	McCarron	Sviggum	Welker
Den Ouden	Haukoos	Nysether	Valento	Zubay
Erickson	Ludeman	Stadum	Weaver	

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

S. F. No. 1765 was reported to the House.

Mehrkens moved to amend S. F. No. 1765, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [98.456] [TURKEY HUNTER GUIDE LICENSE.]

*No person shall for compensation engage in the business or occupation of guiding hunters in seeking to take turkeys without an annual license from the commissioner. The commissioner shall promulgate rules governing qualifications for issuance and administration of licenses required by this section. No license shall be issued under this section after the day prior to the opening of the season for taking turkeys.*

Sec. 2. Minnesota Statutes 1981 Supplement, 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;

(2) To trap fur bearing animals, except beaver, for residents 18 years of age and older, \$13;

(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, \$100, provided that any employee, partner or officer buying or selling at the established place of business only for the licensee may secure a supplemental license for \$50;

(4) To trap beaver during an open season or by permit when doing damage, \$2.50;

(5) To guide bear hunters, \$75;

(6) To guide turkey hunters, \$20.

Sec. 3. Minnesota Statutes 1980, Section 100.271, Subdivision 3a, is amended to read:

Subd. 3a. No person shall be eligible to be issued a license to take moose who has been issued a license to take (THAT SPECIES OF WILD GAME WITHIN EITHER) moose during any of the last (TWO) five seasons."

Delete the title and insert:

"A bill for an act relating to game and fish; removing the restriction upon issuance of wild turkey licenses; amending Minnesota Statutes 1980, Section 100.271, Subdivision 3a; and Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 98."

The motion prevailed and the amendment was adopted.

Sherman moved to amend S. F. No. 1765, as amended, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 100.271, Subdivision 3a, is amended to read:

Subd. 3a. No person shall be eligible to be issued a license to take moose who has been issued a license to take (THAT SPECIES OF WILD GAME) moose within either of the last two seasons. No person shall be eligible to be issued a license to take turkey who has been issued a license to take turkey during any past season until such time as the commissioner determines that there are fewer turkey license applicants for a particular

*season than the commissioner desires to include in the selection, at which time he may include that number of previous licensees."*

Delete the title and insert:

"A bill for an act relating to game and fish; extending the restriction upon issuance of wild turkey licenses; amending Minnesota Statutes 1980, Section 100.271, Subdivision 3a."

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

S. F. No. 1765, A bill for an act relating to game and fish; removing the restriction upon issuance of wild turkey licenses; amending Minnesota Statutes 1980, Section 100.271, Subdivision 3a.

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 0 nays as follows:

Those who voted in the affirmative were:

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

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

H. F. No. 1558 was reported to the House.

There being no objection, H. F. No. 1558 was continued on Special Orders.

S. F. No. 588 was reported to the House.

Anderson, G., moved to amend S. F. No. 588, the first engrossment, as follows:

Page 1, line 13, after "2." strike "Bonds issued"

Page 1, line 14, strike "and unpaid shall not at any time exceed"

Page 1, line 15, delete "\$440,000,000"

Page 1, line 15, after the deleted "\$440,000,000" strike "par value."

Page 2, line 3, after "remove" delete "the"

Page 2, line 4, delete "five percent restrictions" and insert "restrictions"

Page 2, line 4, after "and" delete "to"

Page 2, line 5, delete "establish a new limit on"

Page 2, after line 7, insert:

"Sec. 3. [BALLOT QUESTION.]

*Notwithstanding any law or rule to the contrary, the ballot question in section 2 shall immediately follow the first question placed on the ballot and submitted to the people at the 1982 general election. This section is effective the day following final enactment."*

The motion prevailed and the amendment was adopted.

S. F. No. 588, A bill for an act proposing an amendment to the Minnesota Constitution, Article XIV, Section 11; revising certain restrictions on highway bonds.

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 1 nay as follows:

Those voting in the affirmative were:

Aasness	Begich	Byrne	Dahlvang	Elioff
Ainley	Berkelman	Carlson, D.	Dempsey	Ellingson
Anderson, G.	Blatz	Carlson, L.	Den Ouden	Erickson
Anderson, I.	Brandl	Clark, J.	Drew	Esau
Battaglia	Brinkman	Clawson	Eken	Evans

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

Those who voted in the negative were:

Norton

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

S. F. No. 1907 was reported to the House.

Jacobs moved to amend S. F. No. 1907, the first engrossment, as follows:

Page 2, line 21, after "*municipalities*" insert "*located within the metropolitan area, as defined in section 473.121, subdivision 2,*"

Page 2, after line 26, insert:

"Sec. 2. [HENNEPIN COUNTY PARK RESERVE DISTRICT.]

*The Hennepin County Park Reserve District is a municipality for purposes of United States Code, Title 16, Section 796 (7)."*

Page 2, line 28, after the period insert "*Section 2 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Hennepin County park reserve district board of commissioners.*"

Renumber the section

Amend the title as follows:

Page 1, line 4, after the semicolon insert "*defining the Hennepin County park reserve district as a municipality;*"

The motion prevailed and the amendment was adopted.

Rees offered an amendment to S. F. No. 1907, as amended.

#### POINT OF ORDER

Skoglund raised a point of order pursuant to rule 3.9 that the amendment was out of order. The Speaker pro tem ruled the point of order well taken and the amendment out of order.

S. F. No. 1907, A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

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

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

S. F. No. 1640 was reported to the House.

Ellingson moved that S. F. No. 1640 be continued on Special Orders. The motion prevailed.

H. F. No. 2033, A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers;

providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Sections 223.04; 223.07 to 223.11; 232.01; 232.02, Subdivisions 4, 5, 6, 7, 8 and 9; 232.03; 232.04; and 232.06, Subdivision 5; Minnesota Statutes 1981 Supplement, Sections 223.-01; 223.02; 223.03; 223.05; and 232.02, Subdivisions 1, 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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2034 was reported to the House.

Anderson, G., moved that H. F. No. 2034 be continued on Special Orders. The motion prevailed.

The Speaker resumed the Chair.

S. F. No. 2141 was reported to the House.

Clawson moved to amend S. F. No. 2141, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 375.12, Subdivision 1, is amended to read:

Subdivision 1. The county board shall cause the official proceedings of its sessions to be published in some qualified newspaper produced and published in its county, which publication shall be let annually by contract to the lowest bidder, at the first regular session of the board in January each year. *The board may elect to publish all or any part of the official proceedings; provided that in the case of partial publication, the published proceedings shall indicate in what respect they are incomplete.* In each county whose population exceeds 600,000, the proceedings shall be published in a daily newspaper. The board may reject any offer if, in its judgment, the public interests so require, and may thereupon designate a newspaper without regard to any rejected offer. In any county whose population exceeds 50,000, and is less than 250,000, the proceedings may be published in one daily and one weekly newspaper at their respective county seats. If the official newspaper of the county shall cease to exist for any reason, except by consolidation with another newspaper, the county board shall have authority to designate another newspaper for the remainder of the year. For the purpose of this section, a newspaper is produced and published in the county if it has in the county its known office of issue, as such term is defined in section 331.02, and if it does its typographic composition or presswork or both in the county.

Sec. 2. Minnesota Statutes 1980, Section 461.12, is amended to read:

461.12 [MUNICIPAL CIGARETTE LICENSE.]

*The town board or governing body of each town and home rule charter and statutory city (OF ANY CLASS,) may (, AFTER JANUARY 1, 1942,) license and regulate the sale at retail of cigarettes, cigarette paper, or cigarette wrappers and fix the license fee (THEREFORE AT NOT TO EXCEED \$12 PER ANNUM, AND) for sales. The town or city may charge a uniform annual fee for all sellers or different annual fees for different classes of sellers. It may provide for the punishment of any violation of (SUCH) the regulations, and make (SUCH) other provisions for the regulation of the sale of cigarettes within its jurisdiction as are permitted by law. The county board may make like provisions for licensing and regulating the sale of cigarettes in unorganized territory. The provisions of this section shall not apply to the licensing of sale of cigarettes in cars of common carriers."*

Delete the title and insert:

"A bill for an act relating to local government; authorizing county boards to publish its official proceedings completely or partially; allowing towns and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Sections 375.12, Subdivision 1; and 461.12."



The motion prevailed and the amendment was adopted.

Clawson moved to amend S. F. No. 2141, the first engrossment, as amended, as follows:

Page 2, after line 26, insert:

“Sec. 3. [REPEALER.]

*Minnesota Statutes 1980, Sections 461.03; 461.04; 461.05; 461.06; and 461.14 are repealed.*”

Amend the title as follows:

Page 2, line 34, after “461.12” insert “; repealing Minnesota Statutes 1980, Sections 461.03 to 461.06; and 461.14”

The motion prevailed and the amendment was adopted.

Onnen moved to amend S. F. No. 2141, as amended.

#### POINT OF ORDER

McCarron raised a point of order pursuant to rule 3.9 that the amendment was out of order. The Speaker ruled the point of order well taken and the amendment out of order.

S. F. No. 2141, A bill for an act relating to local government; allowing towns and cities to set license fees for cigarette sellers; amending Minnesota Statutes 1980, Section 461.12.

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 123 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Nysether	Pogemiller	Sarna	Stowell	Weaver
O'Connor	Redalen	Schafer	Stumpf	Welch
Ogren	Reding	Schreiber	Swiggum	Wenzel
Olsen	Rees	Sherman	Swanson	Wieser
Onnen	Reif	Sherwood	Tomlinson	Wigley
Osthoff	Rodriguez, C.	Sieben, M.	Valan	Wynia
Otis	Rodriguez, F.	Simoneau	Valento	Zubay
Peterson, B.	Rose	Skoglund	Vanasek	Spkr. Sieben, H
Peterson, D.	Rothenberg	Stadum	Vellenga	
Piepho	Samuelson	Staten	Voss	

Those who voted in the negative were:

Kalis                      Kvam                      Schoenfeld                      Welker

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

S. F. No. 1809 was reported to the House.

Wynia moved to amend S. F.No. 1809, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9, is amended to read:

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 or *intrafamilial sexual abuse* or of a violation of section 617.246, subdivision 1;

(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.

Sec. 2. [15.7915] [SEXUAL ASSAULT DATA.]

*Subdivision 1. [DEFINITIONS.] (a) “Community based program” means any office, institution, or center offering assis-*

*tance to victims of sexual assault and their families through crisis intervention, medical, and legal accompaniment and subsequent counseling.*

(b) *“Sexual assault counselor” means a person who has undergone at least 40 hours of crisis counseling training and works under the direction of a supervisor in a crisis center, whose primary purpose is the rendering of advice, counseling, or assistance to victims of sexual assault.*

(c) *“Victim” means a person who consults a sexual assault counselor for the purpose of securing advice, counseling, or assistance concerning a mental, physical, or emotional condition caused by a sexual assault.*

(d) *“Confidential communication data” means all information transmitted in confidence between a victim of sexual assault and a sexual assault counselor and all other information received by the sexual assault counselor in the course of providing assistance to the victim. The victim shall be deemed the subject of confidential communication data.*

*Subd. 2. [CLASSIFICATION.] All confidential communication data is classified as private data on individuals.*

Sec 3. Minnesota Statutes 1981 Supplement, 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 the attorney be examined as to 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 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 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 the deceased person for the purpose of waiving this privilege, and no oral or written waiver of the privilege shall have any binding force or effect except 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 609.364, 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;

(8) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed

to disclose any communication 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;

(9) A parent or his minor child may not be examined as to any communication made in confidence by the minor to his parent. A communication is confidential if made out of the presence of persons not members of the child's immediate family living in the same household. This exception may be waived by express consent to disclosure by a parent entitled to claim the privilege or by the child who made the communication, or by failure of the child or parent to object when the contents of a communication are demanded. This exception does not apply to a civil action or proceeding by one spouse against the other or by a parent or child against the other, nor to a proceeding to commit either the child or parent to whom the communication was made or to place the person or property or either under the control of another because of his alleged mental or physical condition, nor to a criminal action or proceeding in which the parent is charged with a crime committed against the person or property of the communicating child, the parent's spouse, or a child of either the parent or the parent's spouse, or in which a child is charged with a crime or act of delinquency committed against the person or property of a parent or a child of a parent, nor to an action or proceeding for termination of parental rights, nor any other action or proceeding on a petition alleging child abuse, child neglect, abandonment or nonsupport by a parent;

(10) *Sexual assault counselors as defined in section 2 may not be compelled to testify about any opinion or information received from or about the victim without the consent of the victim. However, a counselor may be compelled to identify or disclose information in investigations or proceedings related to neglect or termination of parental rights if the court determines good cause exists. In determining whether to compel disclosure, the court shall weigh the public interest and need for disclosure against the effect on the victim, the treatment relationship, and the treatment services if disclosure occurs.*

**Sec. 4. [631.045] [EXCLUSION OF SPECTATORS FROM COURTROOM.]**

*At the trial of a complaint or indictment for a violation of sections 609.341 to 609.3644, or 617.246, subdivision 1, where a minor under 18 years of age is the person upon, with, or against*

*whom the crime is alleged to have been committed, the judge may exclude the public from the courtroom during the testimony of the victim or during all or part of the remainder of the trial upon a showing that closure is necessary to protect a witness or ensure fairness in the trial. Opportunity shall be provided for the defendant and members of the public to object to the closure prior to any closure order. The judge shall specify the reasons for closure in any order closing all or part of the trial. Upon closure the judge shall only admit persons who have a direct interest in the case.*

Sec. 5. [EFFECTIVE DATE.]

*Sections 1, 2, and 4 are effective the day following final enactment. Section 3 is effective August 1, 1982 and applies to court proceedings commenced on and after that date."*

Delete the title and insert:

"A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct and intra-familial sexual abuse; classifying data; specifying the competency of witnesses; amending Minnesota Statutes 1981 Supplement, Sections 15.791, Subdivision 9; and 595.02; proposing new law coded in Minnesota Statutes, Chapters 15 and 631."

The motion prevailed and the amendment was adopted.

Wynia moved to amend S. F. No. 1809, as amended, as follows:

In the Wynia amendment:

Page 1, line 13, delete "1" and insert "2"

Page 2, line 16, delete "Confidential" and insert "Sexual assault"

Page 2, line 21, delete "confidential" and insert "sexual assault"

Page 2, line 22, delete "confidential" and insert "sexual assault"

Page 5, line 21, delete "as defined in section 2"

Page 5, line 30, after the period insert "Nothing in this clause exempts sexual assault counselors from compliance with the provisions of sections 626.556 and 626.557.

"Sexual assault counselor" for the purpose of this section means a person who has undergone at least 40 hours of crisis counseling training and works under the direction of a super-

visor in a crisis center, whose primary purpose is to render advice, counseling or assistance to victims of sexual assault."

Page 5, line 34, delete "1" and insert "2"

Page 6, line 5, after the first "the" insert "prosecutor,"

The motion prevailed and the amendment was adopted.

S. F. No. 1809, A bill for an act relating to crimes; providing for the protection of the victims of criminal sexual conduct, intrafamilial sexual abuse, or use of a minor to prepare an obscene work; amending Minnesota Statutes 1981 Supplement, Section 15.791, Subdivision 9; proposing new law coded in Minnesota Statutes, Chapter 631.

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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Heinitz

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

S. F. No. 1740, A bill for an act relating to real estate; providing an exception for certain restrictions based on familial status in cooperative housing; permitting administrators of rental housing to petition the court for certain powers; clarifying the court's discretion to make certain orders; amending Minnesota Statutes 1980, Sections 363.01, by adding a subdivision; 363.02, Subdivision 2; 566.25, and 566.29, 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 118 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ludeman      Nysether      Welker

The bill was passed and its title agreed to.

S. F. No. 1950, A bill for an act relating to corporations; correcting certain errors; removing certain deficiencies and ambiguities; and amending Minnesota Statutes 1981 Supplement, Sections 300.083, Subdivision 2; 300.49, Subdivision 1; 302A.011, Subdivisions 4, 10, 17, 21, 25, 29, 30, and 31; 302A.021, Subdivisions 2, 4, 7, and 8; 302A.111, Subdivisions 2, 3, and 4; 302A.115, Subdivision 2; 302A.123; 302A.131; 302A.135, Subdivisions 2 and 4; 302A.181, Subdivision 3; 302A.201, Subdivision 2; 302A.207; 302A.235; 302A.239, Subdivision 1; 302A.241, Subdivisions 1 and 2; 302A.243; 302A.251, Subdivisions 2 and



3; 302A.255, Subdivision 1; 302A.401, Subdivision 2; 302A.403, Subdivisions 2 and 4; 302A.405, Subdivision 1; 302A.413, Subdivision 4; 302A.431, Subdivision 2; 302A.433, Subdivisions 1 and 2; 302A.435, Subdivision 1; 302A.437, Subdivision 1; 302A.443; 302A.445, Subdivisions 1 and 6; 302A.455; 302A.457, Subdivisions 1 and 2; 302A.461, Subdivision 2; 302A.463; 302A.467; 302A.521, Subdivision 2; 302A.551, Subdivisions 1 and 2; 302A.559, Subdivision 1; 302A.613, Subdivisions 2 and 3; 302A.661, Subdivision 2; 302A.721, Subdivision 2; 302A.723, Subdivision 1; 302A.727, Subdivision 2; 302A.729, Subdivision 1; 302A.731, Subdivision 2; 302A.733, Subdivision 1; 302A.741; 302A.751, Subdivisions 2 and 3; 302A.781, Subdivision 1; 302A.821, Subdivisions 4 and 5; repealing Minnesota Statutes 1981 Supplement, Sections 302A.011, Subdivision 35; and 302A.241, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1949, A bill for an act relating to state departments and agencies; secretary of state; eliminating and simplifying certain filings; amending Minnesota Statutes 1980, Sections 300.06; 300.14, Subdivision 2; 300.45; 301.42, Subdivision 4; 303.14, Subdivision 3, as amended; 333.001, Subdivisions 2 and

3; Minnesota Statutes 1981 Supplement, Sections 301.071, Subdivision 2; 303.05, Subdivision 1; and 322A.16; repealing Minnesota Statutes 1980, Sections 300.07; 301.06, Subdivision 3; 301.07; 301.071, Subdivision 1; and 301.33, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kostohryz	Olsen	Simoneau
Ainley	Fjoslien	Kvam	Onnen	Skoglund
Anderson, G.	Forsythe	Laidig	Osthoff	Stadum
Anderson, I.	Greenfield	Lehto	Otis	Staten
Battaglia	Gruenes	Levi	Peterson, B.	Stowell
Begich	Gustafson	Long	Peterson, D.	Stumpf
Berkelman	Halberg	Ludeman	Piepho	Sviggum
Blatz	Hanson	Luknic	Pogemiller	Swanson
Brandl	Hauge	Mann	Redalen	Tomlinson
Brinkman	Haukoos	Marsh	Reding	Valan
Byrne	Heap	McCarron	Rees	Valento
Carlson, D.	Heinitz	McDonald	Reif	Vanasek
Carlson, L.	Himle	McEachern	Rice	Vellenga
Clark, J.	Hoberg	Mehrkens	Rodriguez, C.	Voss
Clark, K.	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	Kaley	Novak	Shea	Spkr. Sieben, H.
Ellingson	Kalis	Nysether	Sherman	
Erickson	Kelly	O'Connor	Sherwood	
Esau	Knickerbocker	Ogren	Sieben, M.	

The bill was passed and its title agreed to.

S. F. No. 1424, A bill for an act relating to insurance; regulating minimum nonforfeiture benefits and reserves of life insurance policies and annuity contracts; modifying the definitions of "insolvent insurer" and "covered claim" for purposes of the insurance guaranty association act; amending Minnesota Statutes 1980, Sections 61A.24, Subdivisions 2, 4, 6, 9, 10, 11, 12, 13, 14, and by adding subdivisions; 61A.25, Subdivisions 3, 3a, 4, 5, 7, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Sections 60C.03, Subdivision 8; and 60C.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 122 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kostohryz	O'Connor	Sherwood
Ainley	Fjoslien	Kvam	Ogren	Simoneau
Anderson, G.	Forsythe	Laidig	Olsen	Skoglund
Battaglia	Greenfield	Lehto	Onnen	Stadum
Begich	Gruenes	Lemen	Otis	Staten
Berkelman	Gustafson	Levi	Peterson, B.	Stowell
Blatz	Halberg	Long	Peterson, D.	Stumpf
Brandl	Hanson	Ludeman	Piepho	Sviggum
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
Clark, K.	Hoberg	McEachern	Rice	Voss
Clawson	Hokanson	Mehrkens	Rodriguez, C.	Weaver
Dean	Hokr	Metzen	Rodriguez, F.	Welch
Dempsey	Jennings	Minne	Rose	Wenzel
Den Ouden	Johnson, C.	Munger	Rothenberg	Wieser
Drew	Johnson, D.	Murphy	Samuelson	Wigley
Eken	Jude	Nelsen, B.	Sarna	Wynia
Elioff	Kahn	Nelson, K.	Schafer	Zubay
Ellingson	Kaley	Niehaus	Schoenfeld	Spkr. Sieben, H.
Erickson	Kalis	Norton	Schreiber	
Esau	Kelly	Novak	Shea	
Evans	Knickerbocker	Nysether	Sherman	

Those who voted in the negative were:

Welker

The bill was passed and its title agreed to.

S. F. No. 1078, A bill for an act relating to game and fish; allowing the commissioner of natural resources to authorize the use of snowmobiles in connection with taking beaver or otter; amending Minnesota Statutes 1980, Section 100.29, Subdivision 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 119 yeas and 6 nays as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Byrne	Munger	Nelson, K.	Peterson, D.	Skoglund
Clark, J.				

The bill was passed and its title agreed to.

S. F. No. 1747 was reported to the House.

Begich moved that S. F. No. 1747 be returned to the Committee on Environment and Natural Resources. The motion prevailed.

S. F. No. 1908 was reported to the House.

Hokanson moved to amend S. F. No. 1908, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 361.02, is amended by adding a subdivision to read:

*Subd. 17. “Paddle boat” means a nonmotorized watercraft 19 feet in length or less which is propelled solely by a paddle wheel peddled by the operator or passenger or both.*

Sec. 2. Minnesota Statutes 1980, Section 361.03, Subdivision 3, is amended to read:

Subd. 3. [FEES FOR LICENSE.] The fee for each watercraft license issued after December 31, (1980) 1982 for a period of three calendar years, or a portion thereof, shall be as follows:

(a) Any watercraft 19 feet in length or less which is rented or leased or offered for rent or lease, \$6 each;

(b) Canoes, kayaks, sailboats, sailboards, *paddle boats* and rowing shells 19 feet in length or less, \$7 each;

(c) All other watercraft 19 feet in length or less, *not covered in clauses (a), (b), (g), and (i)*, \$12 each;

(d) Watercraft more than 19 feet but less than 26 feet in length, \$20 each;

(e) Watercraft 26 feet but less than 40 feet in length, \$30 each;

(f) Watercraft 40 feet in length and over, \$40 each;

(g) Dealer's license, regardless of the number of watercraft owned by the dealer, \$30 per dealer;

(h) Any watercraft more than 19 feet in length for hire with an operator, \$50 each;

(i) Any watercraft used by a nonprofit organization for teaching boat and water safety, \$3 each; and

(j) Transfer or duplicate, \$3 each.

Sec. 3. Minnesota Statutes 1980, Section 361.03, Subdivision 12, is amended to read:

Subd. 12. [EXEMPTIONS.] No license hereunder shall be required for the following described watercraft:

(a) Watercraft which is covered by a license or number in full force and effect pursuant to federal law or a federally approved licensing or numbering system of another state, and which has not been within this state for more than 90 consecutive days, the aforesaid 90 consecutive days shall not include days in which a watercraft is laid up at dock over winter or for repairs at any Lake Superior port, or any other Minnesota port.

(b) Watercraft from a country other than the United States which have not been within this state for more than 90 consecutive days, the aforesaid 90 consecutive days shall not include days in which a watercraft is laid up at dock over winter or for repairs at any Lake Superior port, or any other Minnesota port.

(c) Watercraft owned by the United States, a state, or a political subdivision thereof except watercraft used for recreational purposes.

(d) Ship's lifeboat.

(e) Watercraft which has a valid marine document issued by the United States government.

(f) *Nonmotorized watercraft nine feet in length or less.*

Sec. 4. [EFFECTIVE DATE.]

*This act is effective January 1, 1983."*

Delete the title and insert:

"A bill for an act relating to waters and watercraft safety; clarifying certain watercraft definitions and changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, by adding a subdivision; and 361.03, Subdivisions 3 and 12."

The motion prevailed and the amendment was adopted.

S. F. No. 1908, A bill for an act relating to waters and watercraft safety; amending the definition of watercraft; defining paddle boat; changing registration fees; amending Minnesota Statutes 1980, Sections 361.02, Subdivision 7, and by adding a subdivision; and 361.03, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kelly	Nysether	Sieben, M.
Ainley	Evans	Knickerbocker	O'Connor	Simoneau
Anderson, G.	Ewald	Kostohryz	Ogren	Skoglund
Anderson, I.	Fjoslien	Kvam	Oisen	Stadum
Battaglia	Forsythe	Laidig	Osthoff	Staten
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	Hauge	Luknic	Redalen	Valan
Carlson, D.	Haukoos	Mann	Rees	Valento
Carlson, L.	Heap	Marsh	Reif	Vanasek
Clark, J.	Heinitz	McCarron	Rice	Vellenga
Clark, K.	Himle	McDonald	Rodriguez, C.	Voss
Clawson	Hoberg	McEachern	Rodriguez, F.	Weaver
Dahlvang	Hokanson	Metzen	Rose	Welch
Dean	Hokr	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	Zubay
Ellingson	Kaley	Norton	Sherman	Spkr. Sieben, H.
Erickson	Kalis	Novak	Sherwood	

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

S. F. No. 536, A bill for an act relating to local government; providing for the board membership and powers of the Moose Lake and Windemere area sanitary sewer district; amending Laws 1974, Chapter 400, Section 3, Subdivision 12, as amended;

and Section 4, Subdivision 2, as amended; repealing Laws 1974, Chapter 400, Section 8, Subdivision 5, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Knickerbocker	O'Connor	Sieben, M.
Ainley	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	Hauge	Luknic	Pogemiller	Tomlinson
Byrne	Haukoos	Mann	Redalen	Valan
Carlson, D.	Heap	Marsh	Rees	Valento
Carlson, L.	Heinitz	McCarron	Reif	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	Wynia
Elioff	Kahn	Niehaus	Schreiber	Zubay
Ellingson	Kaley	Norton	Shea	Spkr. Sieben, H.
Erickson	Kalis	Novak	Sherman	
Esau	Kelly	Nysether	Sherwood	

The bill was passed and its title agreed to.

S. F. No. 639, A bill for an act relating to metropolitan government; requiring that metropolitan council boundaries be redrawn after each federal census; amending Minnesota Statutes 1980, Section 473.123, 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 123 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

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

Those who voted in the negative were:

Hokr

The bill was passed and its title agreed to.

S. F. No. 1503, A bill for an act relating to game and fish; fees for firearms safety courses; amending Minnesota Statutes 1980, Section 97.85, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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



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

The bill was passed and its title agreed to.

S. F. No. 518 was reported to the House.

Anderson, G., moved that S. F. No. 518 be continued on Special Orders. The motion prevailed.

S. F. No. 1955 was reported to the House.

Voss moved to amend S. F. No. 1955 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1981 Supplement, 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.

*There is appropriated from the general fund to the state treasurer amounts sufficient to pay the amount by which any claims ordered to be paid from the real estate assurance account pursuant to this subdivision exceed the amount existing in the account at the time of the order, but the total amount appropriated from the general fund shall not exceed the amounts transferred from the real estate assurance account to the general fund pursuant to Laws 1981, Chapter 356, Section 339, plus interest.*

Sec. 2. [TRANSFER.]

*The transfer on July 1, 1982, shall not exceed \$100,000.*

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective July 2, 1982. Section 2 is effective the day following final enactment."*

The motion prevailed and the amendment was adopted.

S. F. No. 1955, A bill for an act relating to tax forfeited land; restoring certain funds to the real estate assurance account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 284.28, Subdivision 8.

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

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

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

H. F. No. 2040 was reported to the House. There being no objection H. F. No. 2040 was continued on Special 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.

#### 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 added to Special Orders pending for Friday, March 12, 1982:

H. F. Nos. 1878 and 2290 and S. F. Nos. 1780, 1838, 2054, 1207, 2006, 2051, 1561, 744, 1588, 1837, 1713, 1793, 276, 2126, 1706 and 1818 and H. F. No. 2271 and S. F. Nos. 1957 and 2127.

S. F. No. 518, designated a Special Order on Thursday, March 11, 1982, was stricken from Special Orders.

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. 1685, A bill for an act relating to the military; providing for the administration of oaths and acknowledgments by a member of the armed forces of the United States; amend-

ing Minnesota Statutes 1980, Sections 192.205, by adding a subdivision; and 358.32.

H. F. No. 1789, A bill for an act relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring adoption of an acid deposition control standard and plan by the pollution control agency; requiring reports; imposing an assessment on utilities; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 116C.69, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 116.

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. 1699, A bill for an act relating to education; requiring all public elementary and secondary schools to provide instructional programs in chemical abuse; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

The Senate has appointed as such committee Messrs. Davis, Vega and Rued.

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. 1799, A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; 145.835, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; 145.834; and 145.845.

The Senate has appointed as such committee Messrs. Solon, Waldorf 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. 1897, A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, Subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

The Senate has appointed as such committee Messrs. Chmielewski, Solon and Frederickson.

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. 917, A bill for an act relating to retirement; authorizing special coverage for members of the Minnesota state retirement system prohibited from performing specified duties after age 60; clarifying various aspects of the special retirement program for certain employees of the department of military affairs; amending Minnesota Statutes 1980, Section 352.-85, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapter 352.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Rose moved that the House concur in the Senate amendments to H. F. No. 917 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 917, A bill for an act relating to retirement; authorizing special coverage for members of the Minnesota state retirement system prohibited from performing specified duties after age 60; clarifying various aspects of the special retirement program for certain employees of the department of military affairs; extending deferred compensation option to Little Falls city administrator; amending Minnesota Statutes 1980, Section 352.85, Subdivisions 1 and 3; proposing new law coded in Minnesota Statutes, Chapter 352.

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 17 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Lehto	Osthoff	Sieben, M.
Ainley	Gruenes	Lemen	Otis	Stadum
Anderson, G.	Gustafson	Levi	Peterson, B.	Staten
Begich	Halberg	Long	Peterson, D.	Stumpf
Blatz	Hanson	Ludeman	Piepho	Sviggum
Brandl	Harens	Mann	Redalen	Swanson
Brinkman	Haukoos	Marsh	Reding	Tomlinson
Carlson, D.	Heap	McDonald	Rees	Valan
Carlson, L.	Heinitz	McEachern	Reif	Valento
Clark, J.	Himle	Mehrkens	Rodriguez, C.	Vanasek
Dahlvang	Hokanson	Munger	Rodriguez, F.	Vellenga
Dempsey	Jennings	Nelsen, B.	Rose	Voss
Den Ouden	Johnson, C.	Nelson, K.	Rothenberg	Weaver
Eken	Jude	Niehaus	Samuelson	Wenzel
Elioff	Kaley	Norton	Sarna	Wieser
Esau	Knickerbocker	Nysether	Schreiber	Wigley
Evans	Kostohryz	O'Connor	Shea	Wynia
Ewald	Kvam	Olsen	Sherman	Zubay
Fjoslien	Laidig	Onnen	Sherwood	Spkr. Sieben, H.

Those who voted in the negative were:

Anderson, I.	Clawson	Hoberg	Ogren	Skoglund
Battaglia	Drew	Kahn	Pogemiller	
Berkelman	Ellingson	McCarron	Schafer	
Byrne	Hauge	Murphy	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. 1803, A bill for an act relating to juveniles; providing for termination of jurisdiction over juveniles; providing for the apprehension of juvenile absconders and escapees;

amending Minnesota Statutes 1980, Sections 242.19; 260.181, Subdivision 4; and Minnesota Statutes 1981 Supplement, Sections 4.12, by adding subdivisions; and 242.44.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Levi moved that the House concur in the Senate amendments to H. F. No. 1803 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1803, A bill for an act relating to juveniles; designating a juvenile justice agency; providing for termination of jurisdiction over juveniles; providing for the apprehension of juvenile absconders and escapees; amending Minnesota Statutes 1980, Sections 242.19; 260.181, Subdivision 4; and Minnesota Statutes 1981 Supplement, Sections 4.12, by adding a subdivision; and 242.44.

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 118 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Johnson, C.

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. 1915, A bill for an act relating to local government; establishing a board to implement and administer a plan for a segment of the Minnesota river in Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville counties.

PATRICK E. FLAHAVER, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Dempsey moved that the House concur in the Senate amendments to H. F. No. 1915 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1915, A bill for an act relating to local government; establishing a board to implement and administer a plan for a segment of the Minnesota river in Blue Earth, Brown, Le Sueur, Nicollet, Redwood and Renville counties.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Kelly	Nysether	Sherwood
Ainley	Fjoslien	Knickerbocker	O'Connor	Sieben, M.
Anderson, G.	Forsythe	Kostohryz	Ogren	Simoneau
Anderson, I.	Greenfield	Kvam	Olsen	Skoglund
Battaglia	Gruenes	Laidig	Onnen	Stadum
Begich	Gustafson	Lehto	Osthoff	Staten
Berkelman	Halberg	Lemen	Otis	Stowell
Blatz	Hanson	Levi	Peterson, B.	Stumpf
Brandl	Harens	Long	Peterson, D.	Sviggum
Brinkman	Hauge	Luknic	Piepho	Swanson
Byrne	Haukoos	Mann	Pogemiller	Tomlinson
Carlson, D.	Heap	Marsh	Redalen	Valan
Carlson, L.	Heinitz	McCarron	Reding	Valento
Clark, J.	Himle	McDonald	Rees	Vanasek
Clawson	Hoberg	McEachern	Reif	Vellenga
Dahlvang	Hokanson	Mehrkens	Rodriguez, C.	Voss
Dean	Hokr	Metzen	Rodriguez, F.	Weaver
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	
Esau	Kalis	Novak	Sherman	



Those who voted in the negative were:

Ludeman            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. 1176, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

PATRICK E. FLAHAVER, Secretary of the Senate

Long moved that the House refuse to concur in the Senate amendments to H. F. No. 1176, 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. 1176:

Long; Rothenberg; Harens; Anderson, I., and Johnson, D.

#### SPECIAL ORDERS

H. F. No. 1878, A bill for an act relating to the legislature; creating a legislative commission on science and technology; proposing new law coded in Minnesota Statutes, Chapter 3; and repealing Minnesota Statutes 1980, Section 3.351.

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 18 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kelly	Olsen	Stadum
Anderson, I.	Fjoslien	Knickerbocker	Omnen	Staten
Battaglia	Forsythe	Kostohryz	Osthoff	Stowell
Begich	Greenfield	Laidig	Otis	Stumpf
Berkelman	Gruenes	Lehto	Peterson, B.	Swanson
Blatz	Gustafson	Lemen	Peterson, D.	Tomlinson
Brandl	Hanson	Long	Piepho	Valan
Brinkman	Harens	Luknic	Pogemiller	Valento
Byrne	Hauge	Mann	Redalen	Vanasek
Carlson, D.	Haukoos	Marsh	Reding	Vellenga
Carlson, L.	Heap	McCarron	Rees	Voss
Clark, J.	Himle	McEachern	Rice	Weaver
Clawson	Hoberg	Mehrkens	Rodriguez, C.	Wenzel
Dahlvang	Hokanson	Metzen	Rodriguez, F.	Wieser
Dean	Hokr	Minne	Rothenberg	Wigley
Den Ouden	Jacobs	Munger	Samuelson	Wynia
Drew	Johnson, C.	Murphy	Sarna	Zubay
Eken	Johnson, D.	Nelson, K.	Shea	Sprk. Sieben, H.
Elioff	Jude	Novak	Sherman	
Ellingson	Kahn	O'Connor	Sieben, M.	
Evans	Kaley	Ogren	Skoglund	

Those who voted in the negative were:

Ainley	Kalis	McDonald	Schafer	Sviggum
Erickson	Kvam	Nelsen, B.	Schoenfeld	Welker
Esau	Levi	Niehaus	Schreiber	
Jennings	Ludeman	Nysether	Sherwood	

The bill was passed and its title agreed to.

H. F. No. 2290, A bill for an act relating to the organization and operation of state government; supplementing appropriations for the expenses of the department of revenue; 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 79 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brinkman	Clawson	Evans	Hauge
Anderson, I.	Byrne	Dahlvang	Ewald	Heap
Battaglia	Carlson, D.	Dean	Greenfield	Hokanson
Begich	Carlson, L.	Eken	Gruenes	Jacobs
Berkelman	Clark, J.	Elioff	Gustafson	Johnson, C.
Brandl	Clark, K.	Ellingson	Hanson	Johnson, D.

Kahn	Metzen	Otis	Schoenfeld	Tomlinson
Kalis	Minne	Peterson, D.	Shea	Vanasek
Kelly	Murphy	Pogemiller	Sieben, M.	Vellenga
Kostohryz	Nelson, K.	Reding	Simoneau	Voss
Laidig	Norton	Reif	Skoglund	Weaver
Lehto	Novak	Rice	Stadum	Welch
Lemen	Ogren	Rodriguez, C.	Staten	Wenzel
Long	Olsen	Rodriguez, F.	Stumpf	Wynia
Mann	Onnen	Samuelson	Sviggum	Spkr. Sieben, H.
McEachern	Osthoff	Sarna	Swanson	

Those who voted in the negative were:

Ainley	Haukoos	Ludeman	Peterson, B.	Sherwood
Blatz	Heinitz	Luknic	Piepho	Stowell
Dempsey	Himle	Marsh	Redalen	Valan
Den Ouden	Hoberg	McCarron	Rees	Valento
Drew	Hokr	McDonald	Rothenberg	Welker
Esau	Jennings	Mehrkens	Schafer	Wieser
Fjoslien	Knickerbocker	Niehau	Schreiber	Wigley
Halberg	Kvam	Nysether	Sherman	Zubay

The bill was passed and its title agreed to.

S. F. No. 1780 was reported to the House.

Anderson, G., moved to amend S. F. No. 1780, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 169.80, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] It is a misdemeanor for a person to drive or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80 to 169.88, or otherwise in violation of sections 169.80 to 169.88, and the maximum size and weight of vehicles as prescribed in sections 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no power or authority to alter these limitations except as express authority may be granted in sections 169.80 to 169.88.

When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

The provisions of sections 169.80 to 169.88 governing size, weight, and load shall not apply to fire apparatus, or to implements of husbandry temporarily moved upon a highway, or to loads of loose hay or corn stalks if transported by a horse-drawn vehicle or drawn by a farm tractor, or to a vehicle operated under the terms of a special permit issued as provided by law. For purposes of sections 169.80 to 169.88, a specialized vehicle resembling a low-slung two wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when the vehicle is used exclusively to transport implements of husbandry; and the term "temporarily moved upon a highway" shall mean a movement not to exceed 50 miles.

In addition to any other special permits authorized, an annual permit may be issued authorizing movements *on interstate highway and movements* exceeding 50 miles *on non-interstate highways of oversize* vehicles and loads when the vehicles or combination of vehicles are used exclusively to transport implements of husbandry. Annual permits are issued in accordance with the applicable provisions of section 169.86, except that the transporting vehicle or combination of vehicles may be moved at the discretion of the permittee without prior route approval from the permit issuing office of the department of transportation if:

(a) The overall width of the transporting vehicle, including load, does not exceed 12 feet;

(b) The transporting vehicle otherwise complies with equipment requirements and length, height and weight limitations prescribed by this chapter;

(c) The movement is made after the hour of sunrise and not later than 30 minutes after sunset;

(d) The movement is not made when visibility is impaired by weather, fog or other conditions rendering persons and vehicles not clearly visible at a distance of 500 feet, or on Sundays *after twelve o'clock noon*, and holidays;

(e) The transporting vehicle shall display at the front and rear end of the load or vehicle a pair of flashing amber lights *whenever the overall width of the vehicle exceeds ten feet, six inches*, as provided in section 169.59, subdivision 4; and

(f) The movement, if made on a trunk highway, is made on a trunk highway with a surfaced roadway width of not less than 24 feet.

The fee for an annual permit is \$24.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 169.81, Subdivision 3, is amended to read:

Subd. 3. [LENGTH OF COMBINATIONS AND SEMI-TRAILERS AND TRUCK-TRACTORS.] (a) *Except as provided in clause (c)*, no combination of vehicles coupled together (UNLADEN OR WITH LOAD), including truck-tractor and (SEMI-TRAILERS) *semitrailer*, 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, *unladen or with load*, shall exceed a total length of 60 feet. The *length* 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 sufficient 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 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) *deemed* 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.

*(c) A combination of vehicles between 55 and 65 feet in length regularly engaged in the transportation of commodities and consisting of a truck and semitrailer or a truck-tractor and semitrailer drawing one additional semitrailer which may be equipped with an auxiliary dolly or a truck-tractor and semitrailer drawing one full trailer may operate only on divided highways having four or more lanes of travel, and on 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 the highway, for the purpose of providing access between the 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 those vehicles as prescribed by the United States Department of Transportation, Federal Highway Administration, Bureau of Motor Carrier Safety, and as may be amended. The total length of the combination, unladen or with load, shall not exceed 65 feet. For the purpose of registration, trailers coupled with a truck-tractor semitrailer combination shall be deemed semitrailers.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 169.825, Subdivision 8, is amended to read:

Subd. 8. [PNEUMATIC-TIRED VEHICLES.] No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state:

(a) Where the gross weight on any wheel exceeds 9,000 pounds, except that on designated routes the gross weight on any single wheel shall not exceed 10,000 pounds;

(b) Where the gross weight on any single axle exceeds 18,000 pounds, except that on designated routes the gross weight on any single axle shall not exceed 20,000 pounds;

(c) Where the maximum wheel load exceeds 600 pounds per inch of tire width or the manufacturer's recommended load, whichever is less;

(d) Where the gross weight on any axle of a tridem exceeds 15,000 pounds, except that for vehicles to which an additional axle has been added prior to June 1, 1981, the maximum gross weight on any axle of a tridem (SHALL NOT EXCEED) *may be up to 16,000 pounds (AND) provided* the gross weight of the tridem combination (SHALL) *does not exceed 37,000 pounds where the first and third axles of the tridem are spaced seven feet apart; 38,500 pounds where the first and third axles of the tridem are spaced eight feet apart; and 39,900 pounds where the first and third axles of the tridem are spaced nine feet apart.*

(e) Where the gross weight on any group of axles exceeds the weights permitted under this section with any or all of the interior axles disregarded and their gross weights subtracted from the gross weight of all axles of the (VEHICLE) *group under consideration.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 169.825, Subdivision 10, is amended to read:

Subd. 10. [GROSS WEIGHT SCHEDULE.] (a) No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state where the total gross weight on any group of two or more consecutive axles of any vehicle or combination of vehicles exceeds that given in the following table for the distance between the centers of the first and last axles of any group of two or more consecutive axles under consideration; the distance between axles being measured longitudinally to the nearest even foot, and when the measurement is a fraction of exactly one-half foot the next largest whole number in feet shall be used, except that when the distance between axles is more than three feet four inches and less than three feet six inches the distance of four feet shall be used:

Maximum gross weight in pounds on a group of			
	2	3	4
Distances in feet between centers of fore- most and rearmost axles of a group	consecutive axles of a 2-axle vehicle or of any vehicle or combination of vehicles having a total of 2 or more axles	consecutive axles of a 3-axle vehicle or of any vehicle or combination of vehicles having a total of 3 or more axles	consecutive axles of a 4-axle vehicle or any com- bination of vehicles having a total of 4 or more axles
4	34,000		
5	34,000 (35,000)		

6	34,000 (36,000)		
7	34,000 (37,000)	41,500	
8	34,000 (38,000)	42,000	
9	35,000 (39,000)	43,000	
10	36,000 (40,000)	43,500	49,000
11	36,000	44,500	49,500
12		45,000	50,000
13		46,000	51,000
14		46,500	51,500
15		47,500	52,000
16		48,000	53,000
17		49,000	53,500
18		49,500	54,000
19		50,500	55,000
20		51,000	55,500
21		52,000	56,000
22		52,500	57,000
23		53,500	57,500
24		54,000	58,000
25		(55,000)	59,000
26		(55,500)	59,500



27	(56,500)	60,000
28	(57,000)	61,000
29	(58,000)	61,500
30	(58,500)	62,000
31	(59,500)	63,000
32	(60,000)	63,500
33		64,000
34		65,000
35		65,500
36		66,000
37		67,000
38		67,500
39		68,000
40		69,000
41		69,500
42		70,000
43		71,000
44		71,500
45		72,000
46		(72,500)
47		(73,500)
48		(74,000)
49		(74,500)
50		(75,500)
51		(76,000)

## Maximum gross weight in pounds on a group of

Distances in feet between centers of fore- most and rearmost axles of a group	5	6	7
	consecutive axles of a 5-axle vehicle or any com- bination of vehicles having a total of 5 or more axles	consecutive axles of a combination of vehicles having a total of 6 or more axles	consecutive axles of a combination of vehicles having a total of 7 or more axles
14	57,000		
15	57,500		
16	58,000		
17	59,000		
18	59,500		
19	60,000		
20	60,500	66,000	72,000
21	61,500	67,000	72,500
22	62,000	67,500	73,000
23	62,500	68,000	73,500
24	63,000	68,500	74,000
25	64,000	69,000	75,000
26	64,500	70,000	75,500
27	65,000	70,500	76,000
28	65,500	71,000	76,500
29	66,500	71,500	77,000
30	67,000	72,000	77,500
31	67,500	73,000	78,500

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32	68,000	73,500	79,000
33	69,000	74,000	79,500
34	69,500	74,500	80,000
35	70,000	75,000	
36	70,500	76,000	
37	71,500	76,500	
38	72,000	77,000	
39	72,500	77,500	
40	73,000	78,000	
41	74,000	79,000	
42	74,500	79,500	
43	75,000	80,000	
44	75,500		
45	76,500		
46	77,000		
47	77,500		
48	78,000		
49	79,000		
50	79,500		
51	80,000		

The gross weights shown in parentheses in this clause are permitted only on routes designated under section 169.832, subdivision 11.

(b) Notwithstanding any lesser weight in pounds shown in this table but subject to the restrictions on gross vehicle weights in clause (c), two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each and a combined gross load

of 68,000 pounds provided the overall distance between the first and last axles of the consecutive sets of tandem axles is 36 feet or more.

(c) Notwithstanding the provisions of section 169.85, the gross vehicle weight of all axles of a vehicle or combination of vehicles shall not exceed the following:

(1) 80,000 pounds for routes designated under section 169.832, subdivision 11; and

(2) 73,280 pounds for any vehicle or combination of vehicles with five axles or less on all routes not designated under section 169.832, subdivision 11; and

(3) 80,000 pounds for any vehicle or combination of vehicles with six or more axles on all routes not designated under Section 169.832, subdivision 11;

(d) The maximum weights specified in this subdivision for five (AND SIX) consecutive axles shall not apply to a combination of vehicles that includes a three axle semi-trailer first registered before (THE EFFECTIVE DATE OF LAWS 1981, CHAPTER 321, SECTIONS 1 TO 12. THE GROSS WEIGHT FOR FOUR OR FEWER CONSECUTIVE AXLES ON A COMBINATION OF VEHICLES EXCEPTED UNDER THIS CLAUSE SHALL NOT EXCEED ANY MAXIMUM WEIGHT SPECIFIED FOR FOUR OR FEWER CONSECUTIVE AXLES) *August 1, 1981. All other weight limitations in this section are applicable;*

(e) The maximum weights specified in this subdivision for five consecutive axles shall not apply to a four axle ready mix concrete truck which was equipped with a fifth axle prior to June 1, 1981. The maximum gross weight on four or fewer consecutive axles of vehicles excepted by this clause shall not exceed any maximum weight specified for four or fewer consecutive axles in this subdivision.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 169.825, Subdivision 12, is amended to read:

Subd. 12. [GROSS WEIGHT REDUCTION ON RESTRICTED ROUTES.] The gross weight of any axle or group of consecutive axles of any vehicle or combination of vehicles operated on (A) *any* route on which a load restriction is imposed in accordance with section 169.87 shall not exceed the gross weights allowed *for routes not designated* under (THIS) section 169.832 multiplied by a factor of the axle weight in tons allowed on the restricted route divided by nine (, EXCEPT THAT FOR ROUTES DESIGNATED UNDER 169.832, SUBDIVISION 11, ON WHICH A LOAD RESTRICTION

HAS BEEN IMPOSED, THE ALLOWABLE LOAD SHALL NOT EXCEED THE WEIGHTS LISTED FOR ROUTES NOT DESIGNATED UNDER SECTION 169.832 IN THE GROSS WEIGHT SCHEDULE IN THIS SECTION). The weight reductions imposed in this subdivision shall not apply to *the maximum total gross vehicle weight as limited in section 169.825, subdivision 10, clause (c)*.

Sec. 6. Minnesota Statutes 1981 Supplement, 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) *Five-eighths of such receipts shall be transmitted by that officer to the state treasurer and shall be credited to the (TRUNK HIGHWAY) highway user tax distribution fund. Three-eighths of such receipts shall be credited to the general revenue fund of the county.*

Section 7. [169.762] [PRESSURIZED FLAMMABLE GAS.]

*Subdivision 1. [MARKING REQUIRED.] Any vehicle within this state which carries liquefied petroleum gas fuel*

or natural gas in a tank attached to the vehicle in any concealed area, including but not limited to trunks, compartments, or under the vehicle, shall display on the exterior of the vehicle the words "Pressurized Flammable Gas", or a standard abbreviation or symbol as determined by the department of public safety, in block letters at least two inches high. The letters shall be of contrasting colors and shall be placed as near as possible to the area where the tank is located.

*Subd. 2. [DISPENSING PROHIBITION.] No person shall dispense liquefied petroleum gas fuel or natural gas into any tank in a concealed area of a vehicle unless the vehicle is in compliance with the requirements of subdivision 1.*

*Subd. 3. [PENALTY.] Any owner convicted of violating the provisions of subdivisions 1 or 2 is guilty of a misdemeanor.*

**Sec. 8. [REPEALER.]**

*Minnesota Statutes 1981 Supplement, Section 169.861, is repealed.*

**Sec. 9. [EFFECTIVE DATE.]**

*Sections 1 to 6 are effective the day following their final enactment. Section 7 is effective January 1, 1983."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; requiring certain exterior markings on vehicles carrying liquefied petroleum gas fuel in concealed tanks and prohibiting the dispensing of those fuels in unmarked vehicles; prescribing penalties; amending Minnesota Statutes 1980, Section 169.80, Subdivision 1; and Minnesota Statutes 1981 Supplement, Sections 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and 12; 299D.03, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 169; repealing Minnesota Statutes 1981 Supplement, Section 169.861."

The motion prevailed and the amendment was adopted.

Anderson, G., and Mehrkens moved to amend S. F. No. 1780, the second engrossment, as amended, as follows:

Page 8, line 29 strike the parentheses before and after "72,500"

Page 11, lines 14 to 30, delete Section 5 and insert:

"Sec. 5. Minnesota Statutes 1981 Supplement, Section 169.825, is amended by adding a subdivision to read:

Subd. 12a. [GROSS WEIGHT REDUCTION ON RESTRICTED ROUTES.]

*The maximum weight on any single axle, two consecutive axles spaced within eight feet or less, three consecutive axles spaced within nine feet or less, or four consecutive axles spaced within 14 feet or less shall not exceed 18,000 pounds, 34,000 pounds, 43,000 pounds, or 51,500 pounds respectively multiplied by a factor of the axle weight in tons allowed on the restricted route divided by nine. No combination of axle weights shall exceed those weights specified in Minnesota Statutes 1981 Supplement, Section 169.825, Subdivision 10 for non-designated routes.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 169.87, Subdivision 2, is amended to read:

Subd. 2. [SEASONAL LOAD RESTRICTIONS.] *Except for portland cement concrete roads, (F) from March 20 to May 15 of each year, the weight on any single axle shall not exceed five tons on a county or town road that has not been restricted as provided in subdivision 1. The gross weight on consecutive axles shall not exceed the gross weight allowed in section 169.825 multiplied by a factor of five divided by nine. This reduction shall not apply to the gross vehicle weight."*

Page 13, line 15 delete "Section 169.861, is" and insert "Sections 169.861 and 169.825, subdivision 12 are repealed."

Page 13, line 16 delete "repealed."

Page 13, line 18 delete "to 6" and insert "2, 3, 4, 5, 6, 7 and 9"

Page 13, line 19 delete "7" and insert "8"

Amend the title as follows:

Page 13, line 6 after the semicolon insert "providing for seasonal load restrictions"

Page 13, line 14, delete ", 10," and insert "and 10,"

Page 13, line 15 delete "and 12;"

Page 13, line 17 delete "Section 169.861." and insert "Sections 169.861, and 169.825, subdivision 12."

Renumber the sections, subdivisions, or clauses and correct all internal cross references as may be required by this amendment.

The motion prevailed and the amendment was adopted.

Anderson, G., moved to amend S. F. No. 1780, the second engrossment, as amended, as follows:

Page 1, line 20 to Page 3, line 23, strike Section 1 from the first Anderson, G., amendment

The motion prevailed and the amendment was adopted.

Osthoff offered an amendment to S. F. No. 1780, the second engrossment, as amended.

#### POINT OF ORDER

Kahn raised a point of order pursuant to rule 3.9 that the amendment was out of order. The Speaker ruled the point of order not well taken and the amendment in order.

Hanson moved to lay the Osthoff amendment on the table.

A roll call was requested and properly seconded.

The question was taken on the Hanson motion and the roll was called. There were 22 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Ainley	Clawson	Ludeman	Otis	Vellenga
Anderson, G.	Ellingson	Mann	Rothenberg	Wynia
Brandl	Greenfield	Munger	Skoglund	
Brinkman	Kahn	Norton	Staten	
Clark, K.	Laidig	Ogren	Vanasek	

Those who voted in the negative were:

Aasness	Ewald	Kostohryz	O'Connor	Simoneau
Anderson, I.	Fjoslien	Kvam	Olsen	Stadum
Battaglia	Gruenes	Lehto	Onnen	Stowell
Begich	Halberg	Lemen	Osthoff	Stumpf
Berkelman	Haukoos	Levi	Peterson, B.	Swiggun
Blatz	Heap	Long	Piepho	Swanson
Byrne	Heinitz	Luknic	Redalen	Tomiinson
Carlson, D.	Himle	Marsh	Rees	Valan
Carlson, L.	Hoberg	McCarron	Reif	Valento
Dahlvang	Hokanson	McDonald	Rodriguez, C.	Weaver
Dean	Hokr	McEachern	Rose	Wenzel
Dempsey	Jacobs	Mehrkens	Samuelson	Wieser
Drew	Johnson, C.	Metzen	Sarna	Wigley
Eken	Johnson, D.	Minne	Schafer	Zubay
Elioff	Jude	Murphy	Schreiber	Spkr. Sieben, H.
Erickson	Kalis	Nelsen, B.	Shea	
Esau	Kelly	Niehaus	Sherman	
Evans	Knickerbocker	Novak	Sieben, M.	



The motion did not prevail.

POINT OF ORDER

Skoglund raised a point of order pursuant to section 401 of "Mason's Manual of Legislative Procedure" that the Osthoff amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Osthoff moved to amend S. F. No. 1780, the second engrossment, as amended, as follows:

Page 13, after line 13, insert:

"Section 9. Minnesota Statutes 1980, Section 161.12, is amended to read:

161.12 [ADDITIONAL ROUTES ADDED TO TRUNK HIGHWAY SYSTEM.]

To take advantage of federal aid made available by the United States to the state of Minnesota for highway purposes, the following trunk highway routes are added to the trunk highway system which routes form a part of the national system of interstate and defense highways and may be referred to as the interstate system:

Route No. 390. Beginning at a point on the boundary between the states of Minnesota and Iowa, southerly of Albert Lea; thence extending in a general northeasterly direction to a point in Duluth on the boundary between the states of Minnesota and Wisconsin. Route No. 390 shall not include any portion of (ROUTE NO. 382 AS DESIGNATED BY SECTION 161.117 OR ANY PORTION OF ANY ROUTE CONNECTING ROUTE NO. 382 TO ROUTE NO. 392, NOR SHALL IT INCLUDE ANY PORTION OF) trunk highway marked No. 3 from trunk highway marked No. 110 in Dakota county to East Seventh Street in the city of St. Paul.

Route No. 391. Beginning at a point on the boundary between the states of Minnesota and South Dakota, westerly of Luverne; thence extending in a general easterly direction to a point on the boundary between the states of Minnesota and Wisconsin, near La Crescent.

Route No. 392. Beginning at a point on the boundary between the states of Minnesota and North Dakota in or near Moorhead; thence extending in a general southeasterly direction through the city of Minneapolis; thence in a general easterly direction through the city of St. Paul to a point on the boundary between the states of Minnesota and Wisconsin in or near Lakeland.

Route No. 393. Beginning at a point on Route No. 392, easterly of the city of St. Paul; thence in a general southerly and westerly direction through the city of South St. Paul; thence in a general westerly direction to a point in Eden Prairie Township, Hennepin County; thence in a general northerly direction to a point in the city of Maple Grove, Hennepin County; thence in a general easterly direction to a point on Route 390; thence in a general easterly, southeasterly and southerly direction to the point of beginning on Route No. 392, easterly of St. Paul.

Route No. 394. Beginning at a point on Route No. 390, southerly of the Minnesota River; thence extending in a general northerly and northeasterly direction through the city of Minneapolis; thence continuing in a northeasterly direction to a point on Route No. 390, near Forest Lake and there terminating.

Route No. 395. Beginning at a point on Route No. 390 at or near the intersection of Superior Street and Nineteenth Avenue West in the city of Duluth, thence extending in a northeasterly direction to a point on Route No. 103 at or near the intersection of Superior Street and Tenth Avenue East in the city of Duluth.

Sec. 10. Minnesota Statutes 1980, Section 161.1245, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of transportation is authorized to construct a four-lane parkway with limited access along the right of way of Route No. 382 in the city of St. Paul, which parkway (MAY) *shall* be connected with Route No. 392 by a roadway that is (NOT) a controlled access highway as defined in section 160.02. The commissioner shall not construct any highway on Route No. 382 or connection to Route No. 392 other than that described in this subdivision.

Sec. 12. [BOND REQUIRED.]

*Any person initiating any administrative, judicial or quasi-judicial proceeding contesting the provisions of section 1 shall post bond for the benefit of the state conditioned upon the payment of all costs and damages caused by the proceeding that may result to the state from the possibility of exceeding the federal deadlines.*

Sec. 13. [REPEALER.]

*Minnesota Statutes 1980, Section 161.1245, Subdivision 2, is repealed."*

Renumber the remaining sections.

Kahn requested a division of the amendment.

## POINT OF ORDER

Halberg raised a point of order pursuant to section 315 of "Mason's Manual of Legislative Procedure" that the request for division was not in order. The Speaker ruled the point of order well taken.

Anderson, G., moved that S. F. No. 1780, as amended, be continued on Special Orders. The motion prevailed.

S. F. No. 1838 was reported to the House.

Rees moved to amend S. F. No. 1838, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5, is amended to read:

Subd. 5. [TEMPORARY RULES; ADOPTION PROCEDURE.] When an agency is directed by statute, federal law or court order to adopt, amend, suspend or repeal a rule in a manner that does not allow for compliance with subdivisions 4 to 4h, or if an agency is expressly required or authorized by statute to adopt temporary rules, the agency shall adopt temporary rules in accordance with this subdivision. The proposed temporary rule shall be published with a notice of intent to adopt temporary rules in the state register, *and the same notice shall be mailed to all persons registered with the agency to receive notice of any rulemaking proceedings.* For at least 20 days after publication the agency shall afford all interested persons an opportunity to submit data and views on the proposed temporary rule in writing. The proposed temporary rule may be modified if the modifications are supported by the data and views submitted to the agency. The agency shall submit to the attorney general the proposed temporary rule as published, with any modifications. The attorney general shall review the proposed temporary rule as to its legality, review its form to the extent the form relates to legality, and shall approve or disapprove the proposed temporary rule and any modifications within five working days. The temporary rule shall take effect upon approval of the attorney general. The attorney general shall file two copies of the approved rule with the secretary of state. Failure of the attorney general to approve or disapprove a rule within five working days is approval. As soon as practicable, notice of the attorney general's decision shall be published in the state register and the adopted rule shall be published in the manner as provided for adopted rules in subdivision 4f. Temporary rules adopted under this subdivision shall be effective for the period stated in the notice of intent to adopt temporary rules which may not be longer than 180 days. *The temporary rules may be continued in effect for an additional*

*period of up to 180 days if the agency gives notice of continuation by publishing notice in the state register and mailing the same notice to all persons registered with the agency to receive notice of any rulemaking proceedings. The continuation shall not be effective until these notices have been mailed. No temporary rule shall remain in effect on a date 361 days after its original effective date. The temporary rules may not be (ADOPTED AGAIN) continued in effect after 360 days without following the procedure of either subdivisions 4 to 4g or 4h. The secretary of state shall forward one copy of each approved and filed temporary rule to the revisor of statutes.*

No approved temporary rule shall be filed with the secretary of state or published in the state register unless the revisor of statutes has certified that the rule's form is approved.

**Sec. 2. Minnesota Statutes 1981 Supplement, Section 256B.02, Subdivision 8, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 31, 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.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services, 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 designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall 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 commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. 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. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, *but the formulary committee shall review and comment on the formulary contents.* The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

*Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act.*

(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. 3. [MAILING LISTS.]

*A department, agency, or official of the state issuing for public distribution any book, document, journal, map, pamphlet, or report on a regular basis to a list of persons who have asked to receive regular publications shall insert into at least one publication per person per year a returnable card which must be returned by that person in order to receive future similar publications from that department, agency, or official.*

### 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 administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, Subdivision 5; and 256B.02, Subdivision 8, as amended.”

The motion prevailed and the amendment was adopted.

S. F. No. 1838, A bill for an act relating to administrative procedures; providing for notice of temporary rulemaking; amending Minnesota Statutes 1981 Supplement, Section 15.0412, 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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Keliy	Nysether	Sieben, M.
Ainley	Ewald	Knickerbocker	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	Hauge	Luknic	Pogemiller	Valan
Byrne	Haukoos	Mann	Redalen	Valento
Carlson, D.	Heap	Marsh	Rees	Vanasek
Carlson, L.	Heinitz	McCarron	Reif	Vellenga
Clark, J.	Himle	McDonald	Rice	Voss
Clark, K.	Hoberg	McEachern	Rodriguez, C.	Weaver
Clawson	Hokanson	Mehrkens	Rodriguez, F.	Welch
Dahlvang	Hokr	Metzen	Rose	Welker
Dean	Jacobs	Minne	Rothenberg	Wenzel
Dempsey	Jennings	Munger	Samuelson	Wieser
Den Ouden	Johnson, C.	Murphy	Sarna	Wigley
Drew	Johnson, D.	Nelsen, B.	Schafer	Wynia
Eken	Jude	Nelson, K.	Schoenfeld	Zubay
Elioff	Kahn	Niehaus	Schreiber	Spkr. Sieben, H.
Ellingson	Kaley	Norton	Sherman	
Erickson	Kalis	Novak	Sherwood	

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

S. F. No. 2054, A bill for an act relating to the department of economic security; regulating community action programs and agencies; amending Minnesota Statutes 1981 Supplement, Sections 268.52, Subdivisions 1, 2, and 4; 268.53, Subdivisions 1, 2, and by adding subdivisions; 268.54, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

S. F. No. 1207 was reported to the House and given its third reading.

#### MOTION FOR RECONSIDERATION

O'Connor moved that the action whereby S. F. No. 1207 was given its third reading be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the O'Connor motion and the roll was called. There were 47 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Blatz	Gustafson	Kelly	O'Connor	Sherwood
Brinkman	Halberg	Kostohryz	Olsen	Stadum
Byrne	Harens	Laidig	Osthoff	Stowell
Clark, K.	Hauge	Lemen	Peterson, B.	Stumpf
Dempsey	Heap	Levi	Piepho	Tomlinson
Drew	Heinitz	Long	Reding	Valan
Ellingson	Hoberg	Mann	Reif	Welch
Erickson	Hokr	Marsh	Rodriguez, F.	
Esau	Jennings	Murphy	Schoenfeld	
Greenfield	Kalis	Norton	Sherman	



## Those who voted in the negative were:

Aasness	Fjoslien	Luknic	Otis	Vanasek
Ainley	Forsythe	McCarron	Peterson, D.	Vellenga
Anderson, B.	Gruenes	McDonald	Pogemiller	Voss
Anderson, I.	Hanson	McEachern	Redalen	Weaver
Battaglia	Himle	Mehrkens	Rees	Wenzel
Begich	Hokanson	Metzen	Rodriguez, C.	Wieser
Berkelman	Jacobs	Minne	Rose	Wigley
Carlson, D.	Johnson, C.	Munger	Samuelson	Wynia
Carlson, L.	Johnson, D.	Nelsen, B.	Sarna	Zubay
Clark, J.	Jude	Nelson, K.	Schafer	Spkr. Sieben, H.
Dean	Kahn	Niehaus	Schreiber	
Den Ouden	Kvam	Nysether	Skoglund	
Elioff	Lehto	Ogren	Swanson	
Evans	Ludeman	Onnen	Valento	

The motion did not prevail.

S. F. No. 1207, A bill for an act relating to intoxicating liquor; providing an exemption from the multiple interest limitation on off-sale licenses for pre-existing franchise agreements; authorizing the issuance of two additional wine licenses outside the liquor patrol limit of the city of St. Paul; amending Minnesota Statutes 1980, Section 340.13, Subdivision 3.

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 37 yeas and 81 nays as follows:

## Those who voted in the affirmative were:

Anderson, I.	Evans	Luknic	Ogren	Vellenga
Berkelman	Greenfield	McCarron	Osthoff	Voss
Byrne	Hanson	McEachern	Otis	Wenzel
Clark, J.	Jacobs	Minne	Peterson, D.	Wynia
Clark, K.	Jennings	Murphy	Pogemiller	Spkr. Sieben, H.
Dahlvang	Jude	Nelson, K.	Samuelson	
Elioff	Kahn	Norton	Sarna	
Ellingson	Long	Novak	Staten	

## Those who voted in the negative were:

Aasness	Erickson	Hokanson	Mann	Rees
Ainley	Esau	Hokr	Marsh	Reif
Anderson, B.	Fjoslien	Johnson, C.	McDonald	Rodriguez, C.
Battaglia	Forsythe	Johnson, D.	Mehrkens	Rodriguez, F.
Begich	Gruenes	Kalis	Nelsen, B.	Schafer
Blatz	Gustafson	Kelly	Niehaus	Schoenfeld
Brinkman	Halberg	Knickerbocker	Nysether	Schreiber
Carlson, D.	Harens	Kostohryz	O'Connor	Sherman
Carlson, L.	Hauge	Kvam	Olsen	Sherwood
Clawson	Haukoos	Laidig	Onnen	Skoglund
Dean	Heap	Lehto	Peterson, B.	Stadum
Dempsey	Heinitz	Lemen	Piepho	Stowell
Den Ouden	Himle	Levi	Redalen	Stumpf
Drew	Hoberg	Ludeman	Reding	Sviggum

Swanson  
Tomlinson  
Valan

Valento  
Vanasek  
Weaver

Welch  
Welker  
Wieser

Wigley

Zubay

The bill was not passed.

The Speaker resumed the Chair.

S. F. No. 2006 was reported to the House.

Greenfield moved to amend S. F. No. 2006, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 349.26, Subdivision 9, is amended to read:

Subd. 9. [ISSUANCE OF LICENSE.] Licenses shall be issued only to a fraternal, religious, veterans or other nonprofit organization (COVERED BY SECTION 290.05, SUBDIVISION 1, CLAUSE (I) OR (K)) *which is a 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, 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, or is a club organized and operated exclusively for pleasure, recreation, or other nonprofitable purposes, no part of the net income of which inures to the benefit of any private member, stockholder, or individual, which organization has been in existence for at least three years and has at least 30 active members, as defined in section 349.12, subdivision 2.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15, is amended to read:

Subd. 15. [TOTAL PRIZE AWARD LIMITS.] Total prizes from the operation of paddlewheels, tipboards and pull-tabs (or ticket jars) awarded in any single day in which they are operated shall not exceed \$1,000. Total prizes resulting from any single spin of a paddlewheel, or from any single seal of a tipboard, each tipboard limited to a single seal, or from a single pull-tab (or ticket jar), shall not exceed \$150. Total prizes awarded in any calendar year by any organization from the operation of paddlewheels, tipboards and pull-tabs (or ticket jars) and the conduct of raffles, *except as provided in subdivision 15a*, shall not exceed \$35,000. Merchandise prizes shall be valued at fair market retail value.

*The county attorney of each county shall be responsible for investigating and, if appropriate, prosecuting organizations for violations of this section.*

Sec. 3. Minnesota Statutes 1980, Section 349.26, is amended by adding a subdivision to read:

*Subd. 15a. [EXCEPTION; TOTAL PRIZE AWARDS LIMITATIONS.] (a) An organization which directly or under contract to the state or a political subdivision delivers health or social services and which is exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 30, 1981, may award total prizes in a calendar year from the conduct of raffles, in excess of the limitation provided in subdivision 15, provided the prizes consist of real or personal property donated to the organization by an individual, corporation, or other organization and, except as provided in clause (b), provided the organization complies with the other requirements and restrictions of section 349.26.*

*(b) For the purposes of this subdivision, an organization covered by clause (a) is not subject to the membership limitations of subdivisions 9, 11, and 12, nor to the compensation limitations of subdivision 12. Subject to the other requirements of subdivision 13, the person who accounts for gross receipts, expenses, and profits from the conduct of raffles may be the same person who accounts for other revenues of the organization."*

Delete the title and insert:

"A bill for an act relating to gambling; providing an exception for certain nonprofit organizations to the annual limitation on prizes awarded from the conduct of raffles; amending Minnesota Statutes 1980, Section 349.26, Subdivision 9, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15."

The motion prevailed and the amendment was adopted.

The Speaker called Mann to the Chair.

S. F. No. 2006, A bill for an act relating to gambling; providing an exception for certain non-profit organizations to the annual limitation on prizes awarded from the conduct of raffles; amending Minnesota Statutes 1980, Sections 349.17, Subdivision 1; and 349.26, Subdivision 9, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 349.26, Subdivision 15.

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 74 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dahlvang	Jacobs	Norton	Sarna
Anderson, G.	Dean	Johnson, C.	Novak	Sherman
Anderson, I.	Eken	Jude	O'Connor	Sieben, M.
Anderson, R.	Elioff	Kahn	Ogren	Simoneau
Battaglia	Ellingson	Kelly	Olsen	Stadum
Begich	Evans	Kvam	Osthoff	Staten
Berkelman	Ewald	Levi	Otis	Stumpf
Blatz	Greenfield	Long	Peterson, D.	Swanson
Brandl	Gruenes	Luknic	Piepho	Tomlinson
Byrne	Hanson	McCarron	Pogemiller	Vanasek
Carlson, D.	Harens	McEachern	Redalen	Voss
Carlson, L.	Hauge	Metzen	Reif	Welch
Clark, J.	Heap	Minne	Rodriguez, F.	Wenzel
Clark, K.	Himle	Murphy	Rose	Wynia
Clawson	Hokanson	Nelson, K.	Samuelson	

Those who voted in the negative were:

Aasness	Jennings	Mehrkens	Rodriguez, C.	Welker
Ainley	Kalis	Nelsen, B.	Rothenberg	Wieser
Dempsey	Laidig	Niehaus	Sherwood	Wigley
Den Ouden	Lehto	Nysether	Skoglund	Zubay
Erickson	Lemen	Onnen	Stowell	
Esau	Ludeman	Peterson, B.	Sviggum	
Fjoslien	Marsh	Rees	Valento	
Haukoos	McDonald	Rice	Weaver	

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

S. F. No. 2051, A bill for an act relating to rural development; changing the purposes of rural development financing authorities; providing for small business finance agency loans to a farm business; amending Minnesota Statutes 1980, Sections 362.52, Subdivision 3; 362A.01, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 362.50, Subdivisions 5 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 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Brinkman	Den Ouden	Greenfield	Himle
Ainley	Byrne	Drew	Gruenes	Hoberg
Anderson, B.	Carlson, D.	Eken	Gustafson	Hokanson
Anderson, I.	Carlson, L.	Elioff	Halberg	Hokr
Anderson, R.	Clark, J.	Ellingson	Hanson	Jacobs
Battaglia	Clark, K.	Erickson	Harens	Jennings
Begich	Clawson	Esau	Hauge	Johnson, C.
Berkelman	Dahlvang	Evans	Haukoos	Johnson, D.
Blatz	Dean	Ewald	Heap	Jude
Brandl	Dempsey	Fjoslien	Heinitz	Kahn

Kaley	McCarron	Ogren	Rose	Sviggum
Kalis	McDonald	Olsen	Rothenberg	Swanson
Kelly	McEachern	Onnen	Samuelson	Tomlinson
Knickerbocker	Mehrkens	Osthoff	Sarna	Valan
Kostohryz	Metzen	Otis	Schafer	Valento
Kvam	Minne	Peterson, B.	Schoenfeld	Voss
Laidig	Munger	Peterson, D.	Schreiber	Weaver
Lehto	Murphy	Piepho	Sherman	Welch
Lemen	Nelsen, B.	Pogemiller	Sherwood	Wenzel
Levi	Nelson, K.	Redalen	Sieben, M.	Wieser
Long	Niehaus	Reding	Simoneau	Wigley
Ludeman	Norton	Rees	Skoglund	Wynta
Luknic	Novak	Reif	Staten	Zubay
Mann	Nysether	Rodriguez, C.	Stowell	
Marsh	O'Connor	Rodriguez, F.	Stumpf	

The bill was passed and its title agreed to.

S. F. No. 1561, A bill for an act relating to child support and maintenance payments; authorizing release of information for location of certain parents of deserted children; providing for the collection and withholding of payments; amending Minnesota Statutes 1980, Section 256.978; Minnesota Statutes 1981 Supplement, Sections 256.872, Subdivisions 1, as amended, and 2; 518.551, Subdivisions 1 and 2; and 518.611, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 518; repealing Minnesota Statutes 1980, Sections 256.874 and 256.878; and Minnesota Statutes 1981 Supplement, Sections 256.875 and 256.877.

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

Swiggum	Valento	Welch	Wigley	Zubay
Swanson	Vanasek	Welker	Wynia	Spkr.Sieben,H.
Tomlinson	Voss	Wenzel		
Valan	Weaver	Wieser		

The bill was passed and its title agreed to.

S. F. No. 744, 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; 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; 112.37, Subdivision 1; 112.39, Subdivision 1; 112.42, Subdivisions 3, 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; and Minnesota Statutes 1981 Supplement, Section 112.53, 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 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.	Greenfield	Lehto	Osthoff	Stowell
Anderson, R.	Gruenes	Lemen	Otis	Stumpf
Battaglia	Gustafson	Levi	Peterson, B.	Swiggum
Begich	Halberg	Long	Peterson, D.	Swanson
Berkelman	Hanson	Ludeman	Piepho	Tomlinson
Blatz	Hauge	Luknic	Pogemiller	Valan
Brandl	Haukoos	Mann	Redalen	Valento
Brinkman	Heap	Marsh	Rees	Vanasek
Byrne	Heinritz	McCarron	Reif	Vellenga
Carlson, L.	Himle	McDonald	Rodriguez, C.	Voss
Clark, J.	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
Den Ouden	Johnson, C.	Murphy	Schafer	Wigley
Drew	Johnson, D.	Nelsen, B.	Schoenfeld	Wynia
Eken	Jude	Nelson, K.	Schreiber	Zubay
Elihoff	Kahn	Niehaus	Shea	Spkr.Sieben,H.
Ellingson	Kaley	Norton	Sherman	
Erickson	Kalis	Novak	Sherwood	
Esau	Kelly	Nysether	Sieben, M.	

The bill was passed and its title agreed to.

S. F. No. 1588 was reported to the House.

Voss moved to amend S. F. No. 1588, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [15B.01] [PURPOSE.]

*It is the purpose of sections 1 to 7 to create in the legislative branch a permanent advisory council, composed of persons active and experienced in state and local government interrelationships, to serve as a forum for discussing and an organization for studying, reporting, and making recommendations on local government and intergovernmental relations, including the following subjects:*

(a) *Methods for improving relations among local governments and between local governments and the state government;*

(b) *Assignment of government responsibilities, powers, and functions;*

(c) *State and local government laws, structures, administrative practices, and procedures which govern or affect intergovernmental relations;*

(d) *Intergovernmental fiscal relations, local government finance, local revenue needs and resources, and the allocation of state and local fiscal powers and resources;*

(e) *The state's biennial budgets as they relate to local government finance and intergovernmental fiscal relations;*

(f) *Effects on local governments of federal and state actions, including fiscal and programmatic mandates and limitations;*

(g) *State services to local governments.*

Sec. 2. [15B.02] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] For the purposes of sections 1 to 7, the terms defined in this section have the meanings ascribed to them.*

*Subd. 2. [COUNCIL.] “Advisory council” or “council” means the advisory council on local government created by section 3.*

*Subd. 3. [LOCAL GOVERNMENT.] “Local government” means statutory and home rule charter cities, counties, towns,*

*local and regional public authorities, corporations, special districts, and other political subdivisions of the state, except school districts.*

Sec. 3. [15B.03] [CREATION OF ADVISORY COUNCIL.]

*The advisory council on local government is created.*

Sec. 4. [15B.04] [MEMBERSHIP.]

*Subdivision 1. [APPOINTMENT.] The council shall be composed of 19 members, as follows:*

(a) *Three representatives and three senators, appointed by the respective appointing authority of each house;*

(b) *Three members appointed by the governor;*

(c) *The state auditor;*

(d) *The commissioner of revenue;*

(e) *Three members appointed by the league of Minnesota cities, at least two of whom shall be officials of cities of less than 2,500 population and at least two of whom shall be officials of cities outside the metropolitan area defined in section 473.121, subdivision 2;*

(f) *Three members appointed by the association of Minnesota counties, at least two of whom shall be officials of counties outside the metropolitan area defined in section 473.121, subdivision 2;*

(g) *Two members appointed by the Minnesota association of townships.*

*The appointing authorities shall select members to ensure broad and equitable representation of various geographic areas, interests, and local governments in the state. Two representatives and two senators shall be appointed from the majority caucus in each house and one representative and one senator from the minority caucus in each house. At least two of the appointees of the governor shall be appointed officers or employees of the executive branch of state government, and one shall be the chairman of the metropolitan council, established by section 473.123, or the chairman's designee. All members appointed pursuant to clauses (e), (f), and (g) shall be elected local government officials.*

*Subd. 2. [TERMS; COMPENSATION; REMOVAL.] Section 15.059, subdivisions 2 to 4, shall govern the term of office, compensation, and removal of members and the filling of vacan-*



*cies, provided that members of the legislature shall serve on the commission without compensation but shall receive per diems and expenses in the same manner as for legislative service, and executive branch officers or employees shall be reimbursed for expenses by the office or agency in which they serve or are employed. The terms of members appointed to the council by virtue of service in another office or employment shall expire upon termination of the other office or employment.*

**Sec. 5. [15B.05] [ADMINISTRATION.]**

*Subdivision 1. [MEETINGS.] The governor shall convene the first meeting of the council within 30 days following the effective date of sections 1 to 7. Thereafter the council shall meet at the call of the chair or a majority of the council, which shall be at least once quarterly.*

*Subd. 2. [OFFICERS; ELECTION; TERMS.] The council shall elect from among its membership a chair, vice-chair, and other officers it deems appropriate. The officers shall serve for one year terms.*

*Subd. 3. [CHAIR; POWERS AND DUTIES.] The chair or the chair's designee shall preside at meetings. The chair shall appoint council committees, execute contracts and agreements, hire and supervise the executive director of the council as provided in section 6, subdivision 4, and perform all other executive duties and functions assigned to the chair by the council or by law. The council shall approve contracts and agreements and the hiring of employees.*

*Subd. 4. [ADMINISTRATIVE AND STAFF SERVICES.] The legislative coordinating commission shall ensure the provision of office space, meeting rooms, and administrative and office services and equipment for the council for fiscal years 1982 and 1983. The legislative coordinating commission may assist in the provision of an executive director for employment by the council pursuant to section 6, subdivision 4. The council shall make recommendations about permanent office and administrative arrangements. Officers, departments, agencies, and staff in the executive and legislative branches of state government that have responsibilities in local government matters and state-local relations shall cooperate with the council and provide information and technical advice and assistance and may provide staff support as requested by the council. Until an executive director is employed by the council pursuant to section 6, subdivision 4, the commissioner of the department of energy, planning, and development shall coordinate requests from the council for assistance from other state departments and agencies.*

**Sec. 6. [15B.06] [POWERS.]**

**Subdivision 1. [RESEARCH AND INVESTIGATION.]** *The council may undertake research studies and programs, collect and analyze data, prepare reports and other materials, and conduct hearings and investigations for the accomplishment of its purposes. The council may encourage, monitor, and, where appropriate, coordinate studies of intergovernmental relations conducted by other entities.*

**Subd. 2. [ASSISTANCE TO STATE.]** *The council may advise and assist the governor, executive branch agencies, and the legislature on matters within its scope of responsibility.*

**Subd. 3. [GIFTS AND GRANTS.]** *The council may apply and contract for, accept and receive, and use or expend any appropriations, gifts, or grants of money or property in accordance with the purposes of the council and the terms of the appropriation, gift, or grant.*

**Subd. 4. [EMPLOYEES; CONTRACTS.]** *The council may enter into contracts and agreements necessary and proper for the accomplishment of its purposes. It may act under the provisions of section 471.59 or any other law providing for joint or cooperative governmental action. It may employ an executive director and other persons in the unclassified service. It may contract for the performance of professional and other services for the accomplishment of its purposes.*

**Sec. 7. [15B.07] [DUTIES.]**

**Subdivision 1. [RECOMMENDATIONS TO LEGISLATURE AND GOVERNOR.]** *The council shall provide advice and recommendations to the governor, legislature, and executive agencies from time to time as it deems necessary and as directed by law. The council shall make biennial recommendations to the legislature and the governor by November 15 of each even-numbered year commencing in 1984. The council shall provide the advice and recommendations required in subdivision 3 by January 1, 1983.*

**Subd. 2. [FISCAL AFFAIRS.]** *The council shall give special attention to advising the governor, executive branch agencies, and the legislature about decisions on local government finance and intergovernmental fiscal relations, including: local government revenue needs, resources, and limits; local debt and debt limits; state and federal fiscal and programmatic mandates and limits; and state and federal financial assistance to local governments.*

**Subd. 3. [PRIORITY.]** *In particular, during fiscal years 1982 and 1983, the council shall study and provide advice and recommendations on:*

(a) *Changes in the state's budgets for fiscal years 1982 and 1983, as they relate to local government finance and intergovernmental fiscal relations;*

(b) *Development and modification of the state's budget for the 1984-1985 biennium, as it relates to local government finance and intergovernmental fiscal relations;*

(c) *Long-range state policy and state laws governing local government finance and intergovernmental fiscal relations;*

(d) *Systematic methods for bringing knowledge and information about local government finance and intergovernmental fiscal relations into the state's biennial budget-making process, including systems and procedures for collecting, maintaining, monitoring, and reporting on the requisite quantitative data.*

#### Sec. 8. [APPROPRIATIONS.]

*The sum of \$50,000 is appropriated from the general fund to the advisory council on local government for the purposes of sections 1 to 7. The sum is available until June 30, 1983. The limitation upon the appropriation for calendar year 1982 local government aids, contained in Minnesota Statutes 1981 Supplement, Section 477A.03, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 12, is reduced by the sum of \$50,000.*

#### 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 state and local government organization and relations; creating an advisory council on local government; prescribing its duties; appropriating money; proposing new law coded as Minnesota Statutes, Chapter 15B."*

The motion prevailed and the amendment was adopted.

Voss moved to amend S. F. No. 1588, as amended, as follows:

Page 6, after line 20, insert

*"Sec. 9. [273.79] [ADDITIONAL EXISTING PROJECTS.] An authority may elect to apply any of the provisions of sections 273.71 to 273.78 amended after January 1, 1982 to*

*any district for which certification was requested prior to June 30, 1982."*

Renumber the remaining section

Page 6, line 22, delete "8" and insert "9"

Amend the title as follows

Page 6, line 26, delete "organization"

Page 6, line 27, delete "and relations"

Page 6, line 28, after the second semicolon insert "applying provisions to certain tax increment districts;"

Page 6, line 30, before the period insert "; proposing new law coded in Minnesota Statutes, Chapter 273"

The motion prevailed and the amendment was adopted.

S. F. No. 1588, A bill for an act relating to state and local government organization and relations; creating an advisory council on local government; prescribing its duties; proposing new law coded as Minnesota Statutes, Chapter 15B.

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 99 yeas and 26 nays as follows :

Those who voted in the affirmative were :

Anderson, B.	Ewald	Knickerbocker	O'Connor	Sherman
Anderson, G.	Forsythe	Kostohryz	Ogren	Sieben, M.
Anderson, I.	Greenfield	Laidig	Olsen	Simoneau
Anderson, R.	Gustafson	Lehto	Osthoff	Skoglund
Battaglia	Halberg	Levi	Otis	Stadum
Begich	Hanson	Long	Peterson, D.	Staten
Berkelman	Harens	Luknic	Piepho	Stumpf
Blatz	Hauge	Mann	Pogemiller	Swanson
Brandl	Haukoos	Marsh	Reding	Tomlinson
Brinkman	Heap	McCarron	Reif	Valan
Byrne	Himle	McEachern	Rice	Vanasek
Carlson, L.	Hoberg	Metzen	Rodriguez, C.	Veilenga
Clark, J.	Hokanson	Minne	Rodriguez, F.	Voss
Clark, K.	Jacobs	Munger	Rose	Weaver
Clawson	Johnson, C.	Murphy	Rothenberg	Welch
Drew	Johnson, D.	Nelsen, B.	Samuelson	Wenzel
Eken	Jude	Nelson, K.	Sarna	Wieser
Elioff	Kahn	Niehaus	Schoenfeld	Wynia
Ellingson	Kalis	Norton	Schreiber	Spkr. Sieben, H.
Evans	Kelly	Novak	Shea	

Those who voted in the negative were :

Aasness	Fjoslien	Ludeman	Rees	Wigley
Ainley	Gruenes	McDonald	Schafer	Zubay
Dempsey	Hokr	Mehrkens	Stowell	
Den Ouden	Jennings	Nysether	Sviggum	
Erickson	Kvam	Onnen	Valento	
Esau	Lemen	Peterson, B.	Welker	

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

The Speaker resumed the Chair.

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. 1852, A bill for an act relating to waters; making the water well contractors and exploratory borers advisory council permanent; amending Minnesota Statutes 1980, Section 156A.06, 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. 612, A bill for an act relating to cable communications; changing the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of confirmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings; providing to municipalities the option concerning cable service rates information included in a franchise; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.05, Subdivision 7, and by adding a subdivision; 238.09, Subdivisions 6 and 7, and by adding a subdivision; Section 238.12, Subdivisions 1 and 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Skoglund moved that the House concur in the Senate amendments to H. F. No. 612 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 612, A bill for an act relating to cable communications; changing the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of confirmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings and tracts of multiple dwelling units; providing to municipalities the option concerning cable service rates information included in a franchise; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.05, Subdivision 7, and by adding a subdivision; 238.09, Subdivisions 6 and 7, and by adding a subdivision; 238.12, by adding a subdivision; repealing Minnesota Statutes 1980, Section 238.12, Subdivisions 1 and 2.

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

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 3 nays as follows:

## Those who voted in the affirmative were:

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

## Those who voted in the negative were:

Lemen	Schafer	Welker
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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. 1993, A bill for an act relating to intoxicating liquor; veteran's organization licenses in first class cities; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Osthoff moved that the House concur in the Senate amendments to H. F. No. 1993 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1993, A bill for an act relating to intoxicating liquor; veterans' organization licenses in first class cities; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11.

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

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

Skoglund	Sviggum	Vanasek	Wenzel	Spkr. Sieben, H.
Stadum	Swanson	Vellenga	Wieser	
Staten	Tomlinson	Voss	Wigley	
Stowell	Valan	Weaver	Wynia	
Stumpf	Valento	Welch	Zubay	

Those who voted in the negative were :

Erickson      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. 1894, A bill for an act relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation and energy improvement loans; providing for the allocation of mortgage bonds; amending Minnesota Statutes 1980, Sections 462C.01; 462C.02, Subdivisions 3, 4 and 5, and by adding subdivisions; 462C.03, as amended; 462C.04, Subdivision 2; 462C.05, Subdivisions 2 and 5; 462C.07, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 462C.05, Subdivisions 1 and 3; and 462C.09; repealing Minnesota Statutes 1981 Supplement, Section 462C.07, Subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Vellenga moved that the House concur in the Senate amendments to H. F. No. 1894 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1894, A bill for an act relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation and energy improvement loans; providing for the allocation of mortgage bonds; amending Minnesota Statutes 1980, Sections 462C.01; 462C.02, Subdivisions 3, 4 and 5, and by adding subdivisions; 462C.03, as amended; 462C.04, Subdivision 2; 462C.05, Subdivisions 2 and 5; 462C.07, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 462C.05, Subdivisions 1 and 3; and 462C.09; repealing Minnesota Statutes 1981 Supplement, Section 462C.07, 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 119 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Den Ouden	Jennings	Nysether	Schafer	Welker
Esau	Ludeman			

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. 1278, A bill for an act relating to public employment labor relations; clarifying the definition of "employer"; amending Minnesota Statutes 1980, Section 179.63, Subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Dahlvang moved that the House concur in the Senate amendments to H. F. No. 1278 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1278; A bill for an act relating to public employment labor relations; clarifying the definition of "employer"; amending Minnesota Statutes 1980, Section 179.63, 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 86 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Elioff	Kelly	Otis	Skoglund
Anderson, I.	Ewald	Knickerbocker	Peterson, B.	Staten
Anderson, R.	Fjoslien	Kostohryz	Peterson, D.	Stumpf
Battaglia	Forsythe	Long	Piepho	Swanson
Begich	Greenfield	Luknic	Pogemiller	Tomlinson
Berkelman	Gustafson	Mann	Redalen	Valento
Blatz	Halberg	McCarron	Reif	Vanasek
Brinkman	Hanson	Minne	Rice	Vellenga
Byrne	Harens	Munger	Rodriguez, C.	Voss
Carlson, D.	Hauge	Murphy	Rodriguez, F.	Welch
Carlson, L.	Heap	Nelsen, B.	Rothenberg	Wenzel
Clark, J.	Himle	Nelson, K.	Samuelson	Wieser
Clark, K.	Hoberg	Norton	Sarna	Wigley
Clawson	Hokanson	Novak	Schoenfeld	Spkr. Sieben, H.
Dahlvang	Jacobs	O'Connor	Schreiber	
Dean	Johnson, C.	Ogren	Sherman	
Drew	Johnson, D.	Olsen	Sieben, M.	
Eken	Jude	Osthoff	Simoneau	

Those who voted in the negative were:

Aasness	Gruenes	Kvam	Mehrkens	Sherwood
Ainley	Haukoos	Laidig	Metzen	Stadum
Dempsey	Heinitz	Lemen	Niehaus	Stowell
Den Ouden	Hokr	Levi	Nysether	Sviggum
Erickson	Jennings	Ludeman	Onnen	Welker
Esau	Kaley	McDonald	Rees	Zubay
Evans	Kalis	McEachern	Schafer	

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. 1743, A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 1743 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1743, A bill for an act relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

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	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	Greenfield	Laidig	Onnen	Staten
Begich	Gruenes	Lehto	Osthoff	Stowell
Berkelman	Gustafson	Lemen	Otis	Stumpf
Blatz	Halberg	Levi	Peterson, B.	Svigum
Brandl	Hanson	Long	Peterson, D.	Swanson
Brinkman	Harens	Ludeman	Piepho	Tomlinson
Byrne	Hauge	Luknic	Pogemiller	Valan
Carlson, D.	Haukoos	Mann	Redalen	Valento
Carlson, L.	Heap	Marsh	Rees	Vanasek
Clark, J.	Heinitz	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	Zubay
Elioff	Jude	Nelson, K.	Schreiber	Spkr. Sieben, H.
Ellingson	Kahn	Niehaus	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. 1698, A bill for an act relating to public welfare: delaying the duty of the commissioner of administration to sell

certain land and buildings; amending Laws 1981, Chapter 360, Article I, Section 2, Subdivision 5.

PATRICK E. FLAHAVERN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kaley moved that the House concur in the Senate amendments to H. F. No. 1698 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1698, A bill for an act relating to public welfare; delaying the duty of the commissioner of administration to sell certain land and buildings; amending Laws 1981, Chapter 360, Article I, Section 2, Subdivision 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kalis	Nysether	Skoglund
Ainley	Esau	Kelly	O'Connor	Stadum
Anderson, B.	Evans	Knickerbocker	Ogren	Staten
Anderson, G.	Ewald	Kostohryz	Olsen	Stowell
Anderson, I.	Fjoslien	Kvam	Onnen	Stumpf
Anderson, R.	Forsythe	Laidig	Osthoff	Swiggum
Battaglia	Greenfield	Lehto	Otis	Swanson
Begich	Gruenes	Lemen	Peterson, B.	Tomlinson
Berkelman	Gustafson	Levi	Peterson, D.	Valan
Blatz	Halberg	Long	Piepho	Valento
Brandl	Hanson	Ludeman	Pogemiller	Vanasek
Brinkman	Harens	Luknic	Redalen	Vellenga
Byrne	Hauge	Mann	Rees	Voss
Carlson, D.	Haukoos	Marsh	Reif	Weaver
Carlson, L.	Heap	McDonald	Rice	Welch
Clark, J.	Heinitz	McEachern	Rodriguez, C.	Welker
Clark, K.	Himle	Mehrkens	Rodriguez, F.	Wenzel
Clawson	Hoberg	Metzen	Rose	Wieser
Dahlvang	Hokanson	Minne	Rothenberg	Wigley
Dean	Jacobs	Munger	Sarna	Wynia
Dempsey	Jennings	Murphy	Schafer	Zubay
Den Ouden	Johnson, C.	Nelsen, B.	Schoenfeld	Spkr. Sieben, H.
Drew	Johnson, D.	Nelson, K.	Schreiber	
Eken	Jude	Niehaus	Sherwood	
Elioff	Kahn	Norton	Sieben, M.	
Ellingson	Kaley	Novak	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. 1737, A bill for an act relating to retirement; local police and salaried firefighters relief association; providing minimum disability benefit coverage for police officers and firefighters in certain local relief associations; providing for the recomputation of a disability benefit as a service pension upon the attainment of a certain age; providing service credit for periods of disability in certain instances; requiring the provision of less hazardous duty employment positions for marginally disabled police officers and firefighters; requiring offsets from disability benefits in certain instances; authorizing the establishment and operation of the West St. Paul firefighters relief association; validating prior actions by the West St. Paul firefighters relief association; clarifying and resolving an inconsistency in prior enactments concerning medical and health insurance coverage for certain relief association members; amending Laws 1974, Chapter 382, Sections 4, Subdivision 3, as amended; and 6, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 423A.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Rodriguez, F., moved that the House concur in the Senate amendments to H. F. No. 1737 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1737, A bill for an act relating to employee benefits; permitting political subdivisions to provide additional benefits to those provided under workers' compensation law; local police and salaried firefighters relief associations; providing minimum disability benefit coverage for police officers and firefighters in certain local relief associations; providing for the recomputation of a disability benefit as a service pension upon the attainment of a certain age; providing service credit for periods of disability in certain instances; requiring the provision of less hazardous duty employment positions for marginally disabled police officers and firefighters; requiring offsets from disability benefits in certain instances; authorizing the establishment and operation of the West St. Paul firefighters relief association; validating prior actions by the West St. Paul firefighters relief association; amending Minnesota Statutes 1980, Section 176.021, Subdivision 5; proposing new law coded in Minnesota Statutes, Chapter 423A.

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 122 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kostohryz	Ogren	Simoneau
Ainley	Fjoslien	Laidig	Olsen	Skoglund
Anderson, B.	Forsythe	Lehto	Onnen	Stadum
Anderson, I.	Greenfield	Lemen	Osthoff	Staten
Anderson, R.	Gruenes	Levi	Otis	Stowell
Battaglia	Gustafson	Long	Peterson, B.	Stumpf
Begich	Halberg	Ludeman	Peterson, D.	Sviggum
Berkelman	Hanson	Luknic	Piepho	Swanson
Blatz	Harens	Mann	Pogemiller	Tomlinson
Brandl	Hauge	Marsh	Redalen	Valan
Brinkman	Haukoos	McCarron	Rees	Valento
Byrne	Heap	McDonald	Reif	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	Wenzel
Dahlvang	Jacobs	Murphy	Sarna	Wieser
Dean	Jennings	Nelsen, B.	Schafer	Wigley
Dempsey	Johnson, C.	Nelson, K.	Schoenfeld	Wynia
Drew	Johnson, D.	Niehaus	Schreiber	Zubay
Eken	Jude	Norton	Shea	Spkr. Sieben, H.
Elioff	Kaley	Novak	Sherman	
Ellingson	Kalis	Nysether	Sherwood	
Evans	Kelly	O'Connor	Sieben, M.	

Those who voted in the negative were:

Den Ouden	Erickson	Esau	Kvam	Welker
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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. 1547, A bill for an act relating to intoxicating liquor; town board approval of certain county liquor licenses; amending Minnesota Statutes 1980, Section 340.119, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 340.11, Subdivision 10.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Niehaus moved that the House concur in the Senate amendments to H. F. No. 1547 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1547, A bill for an act relating to intoxicating liquor; town board approval of certain county liquor licenses; amending Minnesota Statutes 1980, Section 340.119, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 340.11, Subdivision 10.

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 2 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness            Erickson

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Peterson, B., moved that the House concur in the Senate amendments to H. F. No. 1469 and that the bill be repassed as amended by the Senate. The motion prevailed.

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



Skoglund	Swiggum	Vanasek	Welker	Zubay
Stadium	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. 685, A bill for an act relating to crimes; providing photographic records of evidence shall be admissible as evidence; providing for the return of stolen property; proposing new law coded in Minnesota Statutes, Chapter 609.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Lehto moved that the House concur in the Senate amendments to H. F. No. 685 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 685, A bill for an act relating to crimes; providing photographic records of evidence shall be admissible as evidence; providing for the return of stolen property; 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

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. 1538.

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. 1538

A bill for an act relating to peace officers; providing for appointment of peace officers, constables and deputy constables in towns; requiring towns to notify the peace officers standards and training board before employing law enforcement officers; amending Minnesota Statutes 1980, Sections 367.03, Subdivisions 1, 2, and 3; 367.22; 367.40, Subdivisions 3 and 4; 367.41; Minnesota Statutes 1981 Supplement, Section 367.42, Subdivision 1; repealing Minnesota Statutes 1981 Supplement, Section 382.28.

March 10, 1982

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. 1538, 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. 1538 be further amended as follows:

Page 1, after line 13, insert:

"Section 1. Minnesota Statutes 1980, Section 214.04, Subdivision 3, is amended to read:

Subd. 3. The executive secretary of each health related and non-health related board shall be the chief administrative officer for the board but he shall not be a member of the board. He shall maintain the records of the board, account for all fees received by it, supervise and direct employees servicing the board, and perform other services as directed by the board. The executive secretaries and other employees of the following boards shall be hired by the board, and the executive secretaries shall be in the unclassified civil service: dentistry; medical examiners; nursing; pharmacy; accountancy; architecture, engineering, land surveying and landscape architecture; barber examiners; cosmetology; electricity; (AND) teaching; *and peace officer standards and training*. The executive secretaries serving the remaining boards shall be hired by those boards, and shall be in the unclassified civil service except for part-time executive secretaries, who are not required to be in the unclassified service. Boards not requiring a full-time executive secretary may employ such services on a part-time basis. To the extent practicable the sharing of part-time executive secretaries by boards being serviced by the same department is encouraged. Persons providing services to those boards not listed in this subdivision, except executive secretaries of the boards and employees of the attorney general, shall be classified civil service employees of the department servicing the board. To the extent practicable the commissioner shall insure that staff services are shared by the boards being serviced by the department. If necessary, a board may hire part-time, temporary employees to administer and grade examinations.

Sec. 2. Minnesota Statutes 1980, Section 326.337, Subdivision 1, is amended to read:

Subdivision 1. It is unlawful for the holder of a license knowingly to commit any of the following acts within or without the state of Minnesota: To incite, encourage, or aid in the incitement or encouragement of any person who has become a party to any strike to do unlawful acts or to incite, stir up, create, or aid in the inciting of discontent or dissatisfaction among the employees of any person, firm, or corporation with the intention of having them strike; to interfere with or prevent lawful and peaceful picketing during strikes; to interfere with, restrain or coerce employees in the exercise of their right to form, join, or assist any labor organization of their own choosing; to interfere with or hinder the lawful or peaceful collective bargaining between employees and employers; to pay, offer or give any money,

gratuity, favor, consideration, or other thing of value, directly or indirectly, to any person for any verbal or written report of the lawful activities of employees in the exercise of their right of self-organization and their right to form, join, or assist labor organizations and to bargain collectively through representatives of their own choosing; to advertise for, recruit, furnish or replace, or offer to furnish or replace, for hire or reward, within or without Minnesota, any help or labor, skilled or unskilled, or to furnish or offer to furnish armed guards, other than armed guards regularly employed for the protection of payrolls, property, or premises, for service upon property which is being operated in anticipation of or during the course or existence of a strike, or furnish armed guards upon the highways, for persons involved in labor disputes, or to furnish or offer to furnish to employers or their agents any arms, munitions, tear gas implements, or any other weapons; to use in any manner the words "police", "constable", "highway patrol," "state patrol," "trooper," "law enforcement", or the name of the local city, county or state on any vehicle, badge, emblem, stationery, advertising of any private detective or protective agent as defined in section 326.338 and no vehicle, emblem, or badge shall be designed or worn as imitative of any such vehicle, emblem, or badge used by a police department, highway patrol, constable, or peace officer, or to send letters or literature to employers offering to eliminate labor unions, or distribute or circulate any list of members of a labor organization, or to advise any person of the membership of an individual in a labor organization for the express purpose of preventing those so listed or named from obtaining or retaining employment. Any person who violates the provisions of this subdivision is guilty of a gross misdemeanor.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 357.09, Subdivision 2, is amended to read:

Subd. 2. When mileage is allowed the sheriff it shall be computed from the place where the court is usually held and shall be at the rate provided to *state employees* pursuant to section (43.327) *43A.18*, plus eight cents per mile notwithstanding any other provisions of law to the contrary."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 2, after "peace officers" insert ", private detectives, and protective agents; providing for unclassified civil service status of employees of board of peace officer standards and training; clarifying the use by certain protective agents and private detectives of the word "patrol" in their names; correcting a statutory reference"

Page 1, line 7, after "Sections" insert "214.04, Subdivision 3; 326.337, Subdivision 1;"

Page 1, line 9, delete "Section" and insert "Sections 357.09, Subdivision 2; and"

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

Senate Conferees: MYRTON O. WEGENER, DAVE RUED and BOB LESSARD.

House Conferees: ARLENE I. LEHTO, ROBERT E. VANASEK and DAVID M. JENNINGS.

Lehto moved that the report of the Conference Committee on S. F. No. 1538 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1538, A bill for an act relating to peace officers; providing for appointment of peace officers, constables and deputy constables in towns; requiring towns to notify the peace officers standards and training board before employing law enforcement officers; amending Minnesota Statutes 1980, Sections 367.03, Subdivisions 1, 2, and 3; 367.22; 367.40, Subdivisions 3 and 4; 367.41; Minnesota Statutes 1981 Supplement, Section 367.42, Subdivision 1; repealing Minnesota Statutes 1981 Supplement, Section 382.28.

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

Welch  
WelkerWenzel  
WieserWigley  
Wynia

Zubay

Spkr. Sieben, H.

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. 1611, A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

PATRICK E. FLAHAVEN, Secretary of the Senate

Forsythe moved that the House refuse to concur in the Senate amendments to H. F. No. 1611, 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. 1894, A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending Minnesota Statutes 1980, Sections 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Waldorf, Dahl and Bernhagen.

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

Nelson, 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. 1894. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 303, A bill for an act proposing an amendment to the Minnesota Constitution, Article X, by adding a section to authorize at the track parimutuel betting on races if authorized by law; proposing an amendment to the Minnesota Constitution by repealing Article XIII, Section 5, the prohibition against lotteries.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Purfeerst, Nelson, Dicklich, Vega and Ramstad.

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

Osthoff 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. 303. 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. 1611:

Forsythe, Dempsey and Jude.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1894:

Nelson, K.; Evans and Wynia.

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.

Anderson, R.; Ellingson and Rodriguez, C., were excused for the remainder of today's session.

Reif was excused between the hours of 9:00 p.m. and 11:00 p.m.

The following conference committee reports were received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1555

A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1, and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125,



Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

March 12, 1982

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. 1555 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. 1555 be further amended as follows:

Delete everything after the enacting clause and insert:

#### "ARTICLE I

#### FOUNDATION AID

Section 1. [120.181] [TEMPORARY PLACEMENTS FOR CARE AND TREATMENT OF NON-HANDICAPPED PUPILS.] *The responsibility for providing instruction and transportation for a non-handicapped pupil who has a short-term or temporary physical or emotional illness or disability, as determined by the standards of the state board, and who is temporarily placed for care and treatment for that illness or disability, shall be determined in the following manner:*

(a) *The school district of residence of the pupil shall be the district in which the pupil's parent or guardian resides or the district designated by the commissioner of education if neither parent nor guardian is living within the state.*

(b) *Prior to the placement of a pupil for care and treatment, the district of residence shall be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the pupil is temporarily placed, if different from*

*the district of residence, shall notify the district of residence of the emergency placement within 15 days of the placement.*

*(c) When a non-handicapped pupil is temporarily placed for care and treatment in a day program and the pupil continues to live within the district of residence during the care and treatment, the district of residence shall provide instruction and necessary transportation for the pupil. The district may provide the instruction at a school within the district of residence, at the pupil's residence, or in the case of a placement outside of the resident district, in the district in which the day treatment program is located by paying tuition to that district.*

*(d) When a non-handicapped pupil is temporarily placed in a residential program for care and treatment, the district in which the pupil is placed shall provide instruction for the pupil and necessary transportation within that district while the pupil is receiving instruction, and in the case of a placement outside of the district of residence, the nonresident district shall bill the district of residence for the actual cost of providing the instruction, excluding transportation costs.*

*(e) The district of residence shall receive foundation aid for the pupil and pay tuition and other instructional costs, excluding transportation costs, to the district providing the instruction. Transportation costs shall be paid by the district providing the transportation and the state shall pay transportation aid to that district. For purposes of computing state transportation aid, pupils governed by this subdivision shall be included in the handicapped transportation category.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.212, Subdivision 1, is amended to read:

Subdivision 1. [COMPONENTS.] Foundation aid for each school district for each school 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; *and*

(h) *Low fund balance aid.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 5, is amended to read:

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 \$1,333 for foundation aid for the 1981-1982 school year. The formula allowance shall be \$1,346 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The formula allowance shall be \$1,475 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 124.2122, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 6, is amended to read:

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 .024 for 1981 payable 1982 levies and for foundation aid for the 1982-1983 school year. *The basic maintenance mill rate shall be .024 for the 1982 payable 1983 levies and for foundation aid for the 1983-1984 school year. A district may levy less than 24 mills. If a district levies at least 95 percent of an amount equal to 23 mills times the adjusted assessed valuation of the district, basic foundation aid shall be computed as though the district had levied 24 mills times the adjusted assessed valuation of the district.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.2124, Subdivision 1, is amended as follows:

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) *Beginning with the aid and levy revenue for the 1983-1984 school year, in any district where the actual number of pupil units increased from the 1979-1980 school year to the 1980-1981 school year, the district's "recomputed 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 the district had qualified for the greater of either the 1980-1981 declining enrollment pupil units or the 1980-1981 growing enrollment pupil units to be 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)) (c) 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)) (d) A district's "basic replacement entitlement" shall equal the sum of (1) *the greater of (i) its fluctuating enrollment replacement component, or (ii) its recomputed fluctuating enrollment replacement component*, and (2) its sparsity replacement component (,) ; divided by its total pupil units in 1980-1981.

((D)) (e) "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)) (f) A district's "replacement allowance" for each school year shall equal its basic replacement entitlement times the replacement inflator for that school year.

((F)) (g) A district's "replacement levy limitation" means its levy limitation computed pursuant to section 275.125, subdivision 6c.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.-2125, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 8, is amended to read:

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. However, the

discretionary allowance for the (1981-1982 SCHOOL YEAR SHALL EQUAL \$64.48, AND THE DISCRETIONARY ALLOWANCE FOR THE) 1982-1983 school year shall (EQUAL \$138.52) *be computed as though the formula allowance were \$1,416.*

Sec. 7. Minnesota Statutes, 1981 Supplement, Section 124.2125, Subdivision 2, is amended to read:

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) *not exceed .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). For the 1982 payable 1983 levy and 1983-1984 aid, and for the levy and aid for succeeding years, the discretionary mill rate shall not exceed .00250 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).*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 124.2126, Subdivision 3, is amended to read:

Subd. 3. [MINIMUM AID.] A qualifying district's minimum aid for each school 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;

(5) *The amount by which property taxes of the district for use in that school year are reduced by the state paid wetlands credit provisions in section 273.115;*

(6) *The amount by which property taxes of the district for use in that school year are reduced by the state paid native prairie credit provisions in section 273.116; and*

(7) *The amount by which property taxes of the district for use in that school year are reduced by the credit for reduced assessment provisions in section 273.139.*

**Sec. 9. [124.21271] [LOW FUND BALANCE FOUNDATION AID.]**

*Subdivision 1. [LOW FUND BALANCE ALLOWANCE; DEFINITION.] "Low fund balance allowance" means an amount of revenue per actual pupil unit equal to the lesser of*

(a) *\$60; or*

(b) *the difference between*

(i) *\$316, and*

(ii) *the district's net unappropriated fund balance in all operating funds per actual pupil unit as of June 30 in the year the levy is certified.*

*The low fund balance allowance shall be used to determine the low fund balance aid for a particular school year, and the low fund balance levy for use in that school year.*

*Subd. 2. [LOW FUND BALANCE REVENUE.] A district's low fund balance revenue for each school shall equal its low fund balance allowance for that school year, times the actual pupil units for the preceding school year.*

*Subd. 3. [LOW FUND BALANCE AID.] A district's low fund balance aid for each school year shall equal its low fund balance revenue for that year, minus its low fund balance levy limitation for the levy for use in that school year.*

**Sec. 10. Minnesota Statutes 1981 Supplement, Section 124.2128, Subdivision 1, is amended to read:**

**Subdivision 1. [UNDERLEVIES.]** *A district's basic foundation, grandfather, replacement (OR), discretionary or low fund balance 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.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 124.-1229, Subdivision 3, is amended to read:

Subd. 3. [NOTIFICATION OF RESIDENT DISTRICT.] (ANY SCHOOL) A district educating (CHILDREN) a *pupil* who (ARE RESIDENTS) is a *resident* of another (SCHOOL) district shall notify the district of residence within 60 days of the date the (CHILD) *pupil* is determined by the district to be a nonresident, but not later than (OCTOBER 1) *August 1* following the end of the school year in which the (CHILD) *pupil* 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) *August 1* of the next school year.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 275.-125, Subdivision 2d, is amended to read:

Subd. 2d. [REFERENDUM LEVY.] (1) The levy authorized by 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. *However, more than one referendum may be held to approve a levy increase to commence in the 1983-1984 school year.* The question on the ballot shall state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked or *reduced* by the voters of the district at a subsequent referendum.

(2) A referendum on the question of revoking or *reducing* the increased levy amount authorized pursuant to clause (1) of this 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. A levy approved by the voters of the district pursuant to clause (1) of this subdivision must be made at least once before it is subject to a referendum on its revocation or *reduction* for subsequent years. Only one such revocation or *reduction* election may be held to revoke or *reduce* a levy for any specific year and for years thereafter.

(3) A petition authorized by (CLAUSES) *clause* (1) (OR (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.

(4) *A petition authorized by clause (2) shall be effective if signed by a number of qualified voters in excess of five percent of the residents of the school district as determined by the most recent census. A revocation or reduction referendum invoked by petition shall be held within three months of submission of the petition to the school board.*

((4)) (5) 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.

((5)) (6) 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. 13. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 6d. [LOW FUND BALANCE LEVY.] (1) For purposes of this subdivision, the term "low fund balance revenue" shall have the meaning given it in section 9 of this article.*

(2) *Each year, a district where the net unappropriated fund balance in all operating funds as of June 30 is less than \$316 per actual pupil unit may levy an amount equal to*

(a) *the product obtained by multiplying*

(i) *the district's low fund balance revenue for the school year to which the levy is attributable, times*

(ii) *the lesser of*

(A) *one or*

(B) *the ratio of the district's adjusted assessed valuation for the preceding year per total pupil unit in the school year to which the levy is attributable, to 75 percent of the equalizing factor for the school year to which the levy is attributable.*

Sec. 14. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 7a, is amended to read:

*Subd. 7a. [DISCRETIONARY LEVY.] (1) For purposes of this subdivision, the terms "discretionary allowance" and "dis-*



cretionary mill rate" shall have the meanings given them in section 124.2125.

(2) (IN 1981 AND) Each year (THEREAFTER), a district which levies the maximum permissible amount pursuant to subdivision 2a and subdivision 6b may levy an additional amount which shall not exceed the lesser of (a) an amount equal to the discretionary mill rate times the district's adjusted assessed valuation for the preceding year or (b) the product obtained by multiplying the applicable discretionary allowance times the actual and AFDC pupil units 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) *the district was previously authorized to levy* 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 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 or increase. At least three weeks published notice of the hearing in 10 point type or 5.0 agate type, 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.

(c) At the hearing, the district shall present its proposed revenue and expenditure budgets for the next two school years, 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 subdivision 7c. At the hearing, 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 30 days after the hearing, the board shall call a referendum on the proposed levy or increase. 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) *excess of three percent of the residents of the school district as determined by the most recent census.*

(d) The referendum shall be held on a date set by the school board, but no later than the September 20 before the levy is certified.

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 District No. .... be approved?  
... No

(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

largest number of EARC mills *the district was* previously (LEVIED BY THE DISTRICT) *authorized to levy* pursuant to this subdivision, applied to the preceding year's adjusted assessed valuation.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 298.28, Subdivision 1, is amended to read:

Subdivision 1. [DISTRIBUTION.] 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 (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in

direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its (PERMITTED) *certified* levy for the prior year, computed pursuant to section 275.125, comprises of the sum of (PERMITTED) *certified* levies for the prior year for all qualifying districts, computed pursuant to section 275.125. For purposes of distributions pursuant to this part, (PERMITTED) *certified* 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 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.

(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 bene-

fit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(9) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(10) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) 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 1981 and each year thereafter, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection 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 district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

**Sec. 16. [BASIC MAINTENANCE UNDERLEVIES.]**

*For the 1982-1983 and 1983-1984 school years, the deduction from basic foundation aid pursuant to Minnesota Statutes 1981 Supplement, Section 124.2128, Subdivision 1, shall be computed as though the basic maintenance mill rate for tax levies attributable to each of those school years were .023.*

**Sec. 17. [STATUTORY OPERATING DEBT EXCEPTION, 1983.]**

*Notwithstanding Minnesota Statutes 1980, Sections 121.914, Subdivision 2, and 121.917, for the purpose of determining school district expenditure limitations for fiscal year 1983, statutory operating debt shall be defined as operating debt that exceeds five percent of the district's expenditure amount for fiscal year 1983 for the funds considered under Minnesota Statutes 1980, Section 121.914, Subdivision 1. A district in which the net negative unappropriated fund balance in the operating funds, exclusive of the statutory operating debt account, as of June 30, 1983 is less than five percent of the district's unappropriated operating fund expenditures for fiscal year 1983 shall not be considered to have exceeded its expenditure limits and shall not be required to submit the special operating plan required by Minnesota Statutes 1980, Section 121.917, Subdivision 4. This section shall not be construed as altering statutory operating debt for fiscal years other than fiscal year 1983, or as altering the computation of the levies authorized in Minnesota Statutes 1980, Section 275.125, Subdivision 9a, or Laws 1976, Chapter 20, Subdivision 4.*

**Sec. 18. [EFFECTIVE DATE.]**

*Sections 1, 11, 12, and 14 are effective the day following final enactment.*

**ARTICLE II  
TRANSPORTATION AID**

**Section 1.** Minnesota Statutes 1980, Section 123.78, Subdivision 1, is amended to read:



Subdivision 1. [GENERAL PROVISIONS.] (THE SCHOOL BOARD OF ANY) A district (WHICH IS NOW OR HEREAFTER) eligible to receive state aid for transportation under (CHAPTERS 123 AND) *chapter* 124, shall provide equal transportation within the district for all school children to any school when transportation is deemed necessary by (ANY) *the school board* (BY REASON) *because* of distance or traffic condition in like manner and form as provided in sections (123.16, SUBDIVISIONS 3 AND 4; 123.18; 123.37, SUBDIVISIONS 3 AND 4;) 123.39 (;) and 124.223, when applicable.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] ((A) THROUGH THE 1981-1982 SCHOOL YEAR, TRANSPORTATION OR BOARD OF RESIDENT PUPILS WHO RESIDE ONE MILE OR MORE FROM THE PUBLIC SCHOOLS WHICH THEY COULD ATTEND, OR TRANSPORTATION TO, FROM, OR BETWEEN THE SCHOOLS THEY ATTEND PURSUANT TO A PROGRAM APPROVED BY THE COMMISSIONER OF EDUCATION, OR WHO RESIDE ONE MILE OR MORE FROM A NONPUBLIC SCHOOL ACTUALLY ATTENDED, BUT ONLY TO THE EXTENT PERMITTED BY SECTIONS 123.76 TO 123.79 WITH RESPECT TO NONPUBLIC SCHOOL PUPILS;)

((B) BEGINNING IN THE 1982-1983 SCHOOL YEAR,) Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; 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 the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a 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;

(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 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) *elementary pupils reside at least one mile from school and secondary pupils reside at least two miles 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, as amended by Laws 1981, Chapters 356, Section 167; 358, Article II, Sections 3 to 14; First Special Session Chapter 2, Section 8; and Third Special Session Chapter 2, Article II, Section 9, is amended to read:

124.225 [TRANSPORTATION AID ENTITLEMENT.]

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) "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) (b) "(TOTAL) Authorized cost for regular transportation" (OR "TOTAL AUTHORIZED EXPENDITURE") means the sum of:

((I) (1) all expenditures for transportation *in the regular category, as defined in clause (e)(1)*, for which aid is authorized in section 124.223, plus

((II) (2) 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) (3) 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, plus

(4) *beginning in fiscal year 1984, an amount equal to one year's depreciation on the district's type three school buses, as defined in section 169.44, subdivision 15, which were purchased after July 1, 1982 for authorized transportation of pupils, with the prior approval of the commissioner, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses.*

**((D)) (c)** *"(TOTAL) Adjusted authorized predicted cost per FTE" means the (TOTAL) authorized cost predicted by a multiple regression formula determined by the department of education, and adjusted pursuant to subdivision 7a.*

**(d)** *"Aid entitlement per FTE" means the adjusted authorized predicted cost per FTE, inflated pursuant to subdivision 7b.*

**(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)) (1)** *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)) (2)** **(SECONDARY VOCATIONAL CENTER)** *During-day transportation is transportation services between schools provided under section 124.223, clause ((3)) (1), and transportation services provided under section 124.223, clauses (3) and (9), and transportation services provided under section 124.223, clause (6), excluding transportation provided for pupils attending shared time special education classes;*

**((III)) (3)** *Handicapped transportation is transportation services for pupils attending shared time special education classes provided under section 124.223, clause (6), and transportation services provided under section 124.223, clause (4), excluding board and lodging and excluding transportation to and from board and lodging facilities;*

**((IV)) (4)** *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) (5) 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) (6) Nonpublic health, guidance and counseling transportation is transportation services provided under section 124.223, clause (10) (;).

(f) "Pupil weighting factor" means the ratio of the actual (REGIONAL) *district* average cost per FTE in a particular transportation category *in the base year* to the actual (REGIONAL) *district* average cost per FTE in the regular transportation category *in the base year*.

(g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(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.

(i) "Percent excess handicapped FTE's transported" means the result of the following computation for the current year:

*one, minus the product of*

(1) *the ratio of the number of FTE pupils transported in the handicapped category in the state to the number of FTE pupils transported in the handicapped category in the district; times*

(2) *the ratio of the number of FTE pupils transported in the regular category in the district to the number of FTE pupils transported in the regular category in the state.*

(j) "Current year" means the school year for which aid will be paid.

(k) "Base year" means the second school year preceding the school year for which aid will be paid.

(l) "Base cost" means the authorized regular transportation cost per FTE in the base year in the regular transportation category, excluding summer school transportation.

(m) "Predicted base cost" means the base cost as predicted by subdivision 3.

Subd. 1a. [WEIGHTING FACTORS.] For each school year, in computing transportation aid, the department of education shall establish *as needed* the pupil weighting factors for each transportation category for each (REGION) *district* 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) *district* had no experience during the second prior school year.

Subd. 3. [FORMULA.] For 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) *The department of education shall conduct 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 SECOND PRECEDING SCHOOL YEAR AND THE TOTAL AUTHORIZED PREDICTED COST PER WEIGHTED FTE FOR THE SECOND PRECEDING SCHOOL YEAR) predict the base cost for each district. (THE) A formula (DETERMINED FOR EACH REGION) shall be derived based upon the regression analysis, but excluding the factors described in subdivision 4a, clauses (8), (9), and (10), except that in the 1982-1983 school year, these clauses shall not be excluded. This formula shall be used to determine a (TOTAL AUTHORIZED) predicted base cost (PER WEIGHTED FTE FOR THE 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) 7a and (7A) 7b.*

Subd. 4a. [FORMULA TERMS.] To predict the (TOTAL AUTHORIZED) *base cost (PER WEIGHTED FTE) for each district pursuant to subdivision 3, (EACH REGIONAL) the*

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;

(2) *The reciprocal of 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)) (3) *The logarithm of 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)) (4) The percentage of the district's square mile area which is classified by the commissioner of energy, planning and development as water covered (OR), marshland, or *extractive*;

((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 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 NONPUBLIC 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*.)

(5) *The district's administrative overhead for transportation per authorized FTE transported in the regular transportation category;*

(6) *The number of schools to which pupils are transported in the regular transportation category, either within or outside the district, divided by the number of authorized FTE's transported in the regular transportation category;*



(7) *Whether the district is non-rural, based upon criteria established by the department of education;*

(8) *Whether the district contracts for bus service, or transports pupils only on district-owned buses;*

(9) *The percentage of all regular transportation category bus routes using buses that are not owned by the district, if that percentage is not 100 percent;*

(10) *Whether the district operates a special bus to transport pupils to home from school who are involved in after-school activities.*

(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 26 PERCENT. THE TOTAL AUTHORIZED PREDICTED COST PER WEIGHTED FTE DETERMINED FOR A DISTRICT UNDER SUBDIVISION 3 FOR 1980-1981 SHALL BE INCREASED BY 22 PERCENT.)

Subd. 7a. [BASE YEAR SOFTENING FORMULA.] (1) Each district's (ADJUSTED TOTAL AUTHORIZED) predicted base cost (PER WEIGHTED FTE) determined for each school year according to subdivision (6) 3 shall be (COMPARED TO) averaged with the (TOTAL ACTUAL EXPENDITURE PER WEIGHTED FTE FOR AUTHORIZED TRANSPORTATION) base cost for that district for that year to determine the district's (AID ENTITLEMENT) adjusted authorized predicted cost 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 PER-

CENT 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.) *Notwithstanding clause (1), for fiscal year 1983, the predicted base cost shall be adjusted as provided in this clause to determine adjusted authorized predicted cost per FTE for the base school year.*

(a) *If the predicted base cost exceeds the base cost, the predicted base cost shall be decreased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference; and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per FTE.*

(b) *If the predicted base cost is less than the base cost, the predicted base cost shall be increased by 50 percent of the first \$40 of difference between the base cost and the predicted base cost; 70 percent of the next \$40 of difference; and 90 percent of any difference which exceeds \$80, to determine the adjusted authorized predicted cost per FTE.*

Subd. 7b. [INFLATION FACTORS.] *The adjusted authorized predicted cost per FTE determined for a district under subdivision 7a for the base year shall be increased by 22 percent to determine the district's aid entitlement per FTE for the 1982-1983 school year.*

Subd. 8a. [AID.] *A district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its excess handicapped transportation aid pursuant to subdivision 8c, its handicapped board and lodging aid pursuant to subdivision 8d, its to and from board and lodging aid pursuant to subdivision 8e, its nonpublic support services transportation aid pursuant to subdivision 8f, its during-day transportation aid pursuant to subdivision 8g, and its closed-school transportation aid pursuant to subdivision 8h, minus the amount raised by two mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. A district may levy less than two mills. Transportation aid shall be computed as if the district had levied two mills. If the total appropriation for transportation aid in any fiscal year after 1982 is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's aid in proportion to the number of resident pupils in average daily membership in the district to the state total average daily membership, and shall reduce the aid entitlement of off-formula districts in the same proportion. Aid for the 1982-1983 and 1983-1984 school years shall be reduced by the following amount: the product of*

(a) *the number of nonhandicapped secondary pupils transported in the base year who live between one and two miles from the public school which they could attend or the nonpublic school actually attended, times*

(b) *1.5, divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the base year, times*

(c) *the district's aid entitlement per FTE determined according to subdivision 7b, times the ratio of average daily membership used in subdivision 8b.*

Subd. (8A) 8b. [BASIC AID COMPUTATION.] (BEGINNING WITH THE 1982-1983 SCHOOL YEAR) *For the 1982-1983 and 1983-1984 school years, a district's basic transportation aid pursuant to this section for (EACH) the school year shall equal the district's aid entitlement per (WEIGHTED) FTE determined according to subdivision (7A) 7b times the total number of authorized weighted FTE's transported in the regular and handicapped transportation categories in the district in (THAT SCHOOL) the base year (, MINUS THE AMOUNT RAISED BY TWO MILLS TIMES THE ADJUSTED ASSESSED VALUATION WHICH IS USED TO COMPUTE THE TRANSPORTATION LEVY LIMITATION FOR THE LEVY ATTRIBUTABLE TO THAT SCHOOL YEAR) times the ratio of average daily membership in the district in the current year to the average daily membership in the district in the base year.*

*For the 1984-1985 school year and thereafter, a district's basic transportation aid pursuant to this section for each school year shall equal the district's aid entitlement per FTE determined according to subdivision 7b times the total number of authorized FTE's transported in the regular and handicapped categories in the district in the current school year.*

Subd. (8B) 8c. [EXCESS HANDICAPPED AID.] (a) (IN ADDITION TO THE AMOUNT AUTHORIZED IN SUBDIVISION 8A,) *For 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 (:), in the current school year,*

**((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) *the ratio of FTE's transported in the handicapped category to the total number of FTE's transported in the regular transportation category exceeds the same ratio for the state as a whole.*

(b) This aid shall equal (80 PERCENT OF THE DIFFERENCE BETWEEN):

((1) THE DISTRICT'S ACTUAL AUTHORIZED EXPENDITURES FOR TRANSPORTING HANDICAPPED AND BOARD AND LODGING FTE'S AND)

((2) 140 PERCENT OF THE DISTRICT'S AID ENTITLEMENT FOR TRANSPORTATION OF HANDICAPPED AND BOARD AND LODGING 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.)

*the product of the percent excess handicapped FTE's transported, times the difference between*

(1) *the district's actual cost for transportation of all pupils in the handicapped category in the current year, and*

(2) *the product of*

(i) *the district's aid entitlement per FTE determined according to subdivision 7b, times*

(ii) *the number of FTE's transported in the handicapped category in the district in the current year.*

*Provided that for the 1982-1983 and 1983-1984 school years, the number in (2)(ii) above shall be replaced by the following computation: the product of the number of FTE's transported in the handicapped category in the district in the base year, times its pupil weighting factor for the handicapped category, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the base year.*

*Subd. 8d. [HANDICAPPED BOARD AND LODGING AID.] For board and lodging of handicapped pupils, each district shall receive aid equal to the product of the number of FTE pupils boarded and lodged in the current year in the district in this transportation category, times the average of*

*(a) the state average board and lodging cost per FTE pupil boarded and lodged in the base year, times the inflation factor for that year prescribed in subdivision 7b; and*

*(b) the district's actual cost per FTE pupil boarded and lodged in the current year.*

*Subd. 8e. [TO AND FROM BOARD AND LODGING.] For transportation of handicapped pupils to and from board and lodging facilities, the state shall pay aid to each district for each year equal to the lesser of*

*(a) the sum of the distance in miles from the home of each pupil transported in this category to the board and lodging facility, times \$6, times 24 cents; or*

*(b) the average of the amount in (a) and the district's actual cost for all transportation in this category in the current year.*

*Subd. 8f. [NONPUBLIC SUPPORT SERVICES AID.] For the 1982-1983 and 1983-1984 school years, a district's nonpublic support services transportation aid shall equal the district's aid entitlement per FTE determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE pupils transported in the nonpublic support services category in the district in the base year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the base year. For the 1984-1985 school year and thereafter, a district's nonpublic support services transportation aid shall equal the district's aid entitlement per FTE determined according to subdivision 7b, times its pupil weighting factor for the nonpublic support services transportation category, times the number of FTE's transported in that category in the current year.*

*Subd. 8g. [DURING-DAY TRANSPORTATION AID.] For the 1982-1983 and 1983-1984 school years, a district's during-day transportation aid shall equal the district's aid entitlement per FTE determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the base year, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the base year. For the 1984-1985 school year and thereafter, a district's during-day trans-*

*portation aid shall equal the district's aid entitlement per FTE determined according to subdivision 7b, times its pupil weighting factor for the during-day transportation category, times the number of FTE's transported in the during-day transportation category in the current year.*

**Subd. 8h. [CLOSED-SCHOOL TRANSPORTATION AID.]** *For the 1982-1983 and 1983-1984 school years, a district's closed-school transportation aid shall equal the district's aid entitlement per FTE determined according to subdivision 7b, times the number of authorized FTE's transported in the regular category in the current school year who were not transported in the base year and would not have been transported in the current year but for school closings or altered school attendance boundaries. The total amount of transportation aid computed pursuant to this subdivision in each year shall not exceed \$2,000,000. If this amount is insufficient to pay each qualifying district its full amount of aid pursuant to this subdivision, this amount shall be prorated among all qualifying districts in proportion to each district's number of FTE's for whom aid is claimed under this subdivision.*

**Subd. 9. [DISTRICT REPORTS.]** Each district shall report data 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) as required by the department to implement the transportation aid formula. (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 EACH 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.) *If a district's final transportation aid payment is adjusted after the final aid payment has been made to all districts, the adjustment shall be made by increasing or decreasing the district's aid for the next fiscal year.*

**Subd. 10.** Any school district which owns school buses or mobile units shall transfer annually from the unappropriated

fund balance account in its transportation fund to the appropriated fund balance account for bus purchases in its transportation fund at least an amount equal to 12-1/2 percent of the original cost of each *type one or type two* bus or mobile unit until the original cost of each *type one or type two* bus or mobile unit is fully amortized, plus 20 percent of the original cost of each *type three* bus included in the district's authorized cost under the provisions of subdivision 1, clause (b)(4), until the original cost of each *type three* bus is fully amortized, plus 33-1/3 percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized; provided, if the district's transportation aid is reduced pursuant to subdivision 8a because the appropriation for that year is insufficient, this amount shall be reduced in proportion to the reduction pursuant to subdivision 8a as a percentage of the sum of

(1) *the district's total transportation aid without the reduction pursuant to subdivision 8a, plus*

(2) *an amount equal to two mills times the adjusted assessed valuation of the district. Any school district may transfer any amount from the unappropriated fund balance account in its transportation fund to any other operating fund or to the appropriated fund balance account for bus purchases in its transportation fund.*

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.

Subd. 12. [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. 4. Minnesota Statutes 1981 Supplement, 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, 124.212, 124.20 (AND), 124.2121 to 124.2125, 124.225, and section 7 of Article III when used in this section shall have the meanings ascribed to them in those sections.

Sec. 5. Minnesota Statutes 1980, Section 275.125, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 10, is amended to read:

Subd. 5. [TRANSPORTATION LEVY.] For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of two mills times the adjusted assessed valuation of the taxable property of the district for the preceding year. A district may also levy under this subdivision for the amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year when the levy is recognized as revenue. *A district which contracts for pupil transportation services may also levy an amount equal to \$18 times the number of FTE pupils transported on contracted school buses in the preceding school year in the regular transportation category, which shall be placed in the transportation fund and used for any lawful purpose. A district may levy an amount equal to the estimated cost, in the school year beginning in the year in which the levy is certified, of transporting secondary pupils to and from school who live more than one mile but less than two miles from the public school which they could attend or from a nonpublic school actually attended.* A district may also levy for transportation costs or other related services which are (APPROVED BY THE COMMISSIONER AS) necessary because of extraordinary traffic hazards for the (CURRENT FISCAL) next school year. *Levies authorized by this subdivision shall be computed according to procedures established by the commissioner.*

Sec. 6. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 5b. [TRANSPORTATION LEVY OFF-FORMULA ADJUSTMENT.] *In any fiscal year in which the transportation levy in a district attributable to that fiscal year of two mills times the adjusted assessed valuation of the district exceeds the transportation aid computation under section 124.225, subdivisions 8b, 8c, 8d, 8e, 8f, 8g, and 8h, the district's transportation levy limitation shall be adjusted as provided in this subdivision. In the year following that fiscal year, the district's transportation levy shall be reduced by an amount equal to the difference between (1) two mills times the adjusted assessed valuation of the district, and (2) the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8c, 8d, 8e, 8f, 8g, and 8h, less the amount of any aid reduction due to an insufficient appropriation as provided in section 124.225, subdivision 8a. For the levies certified in 1983 and 1984, the following additional amount shall be subtracted:*



*the product of*

*(a) the number of nonhandicapped secondary pupils transported in the base year who live between one and two miles from the public school which they could attend or the nonpublic school actually attended, times*

*(b) 1.5, divided by the average distance to school for all FTE's transported in the district in the regular transportation category in the base year, times*

*(c) the district's aid entitlement per FTE determined according to section 124.225, subdivision 7b, times the ratio of average daily membership in the district in the current year to average daily membership in the district in the base year.*

### **Sec. 7. [ADDITIONAL TRANSPORTATION LEVY, 1982.]**

*In 1982 only, a district may levy for transportation costs or other related services which are necessary because of extraordinary traffic hazards for the 1982-1983 school year. Levies authorized by this section shall be computed according to procedures established by the commissioner.*

**Sec. 8.** Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3, is amended to read:

**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) *the 1981-1982 school year* for any purposes indicated is insufficient, the aid for that year shall be prorated among all qualifying districts in proportion to the sum of aid earned by each district, plus an amount equal to the amount raised by one mill times the 1979 adjusted assessed valuation of the district. The state shall not be obligated for any amounts in excess of the total appropriations in (THIS SECTION) *Laws 1981, Chapter 358, Article II, Section 15.*

### **Sec. 9. [REPEALER.]**

*Minnesota Statutes 1980, Section 121.96 is repealed.*

### **Sec. 10. [EFFECTIVE DATE.]**

*Section 8 and the amendments to Minnesota Statutes 1981 Supplement, Section 124.225, Subdivision 9, in section 3, are effective the day following enactment.*

## ARTICLE III

## SPECIAL EDUCATION

Section 1. Minnesota Statutes 1980, Section 120.17, Subdivision 4a, is amended to read:

Subd. 4a. [ATTENDANCE IN ANOTHER DISTRICT.] 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 because he attends a public school in another school district pursuant to section 123.39, subdivision 5, if his attendance is not subject to section (120.065) *120.075*, *120.0751*, or (123.39, SUBDIVISION 5A) *120.0752*. If the pupil attends a public school located in a contiguous district and the district of attendance does not provide special instruction and services, the district of residence shall provide necessary transportation for the pupil between the boundary of the district of residence and the educational facility where special instruction and services are provided within the district of residence. The district of residence may provide necessary transportation for the pupil between its boundary and the school attended in the contiguous district, but shall not pay the cost of transportation provided outside the boundary of the district of residence.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 120.17, Subdivision 5a, is amended to read:

Subd. 5a. [SUMMER PROGRAMS.] A district may provide summer programs for handicapped children living within the district 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 special education aid for the summer program. For the purposes of computing the summer school revenue allowance as provided in section (124.20) *7 of this article*, pupils enrolled in these programs shall be 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. 3. Minnesota Statutes 1981 Supplement, 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 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.

(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 (TRANSPORTATION AND) an appropriate educational program for the child *and necessary transportation within the district while the child is attending the educational program*; 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.

(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. Transportation costs shall be paid by the district responsible for providing the transportation and the state shall pay transportation aid to that district.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 121.904, Subdivision 7, is amended to read:

Subd. 7. [SUMMER SCHOOL REVENUE.] 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 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) *7 of this article*.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.01, Subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] For purposes of this chapter, the words defined in section 120.02 have the same meaning and the terms defined in sections 124.20, (AND) 124.2121 to 124.2125 *and section 7 of this article* have the meanings attributed to them in those sections.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 124.17, Subdivision 2, is amended to read:

Subd. 2. [AVERAGE DAILY MEMBERSHIP.] 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. 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 the schools are in session. *Days of summer school or inter-session classes of flexible school year programs shall only be included in the computation of membership for handicapped pupils appropriately served at levels 4, 5, or 6 of the continuum of placement model described in 5 MCAR 1.0120 B.11.*

Sec. 7. [124.201] [FOUNDATION AID FOR SPECIAL EDUCATION SUMMER SCHOOL.]

Subdivision 1. [PROGRAMS.] *Foundation aid for handicapped pupils enrolled in (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 under the provisions of this section.*

*Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for handicapped pupils enrolled in 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. Only pupils who are handicapped and who are appropriately served at levels 4, 5, or 6 of the continuum of placement model described in 5 MCAR 1.0120 B.11. shall be included in the computation of summer school pupil units.*

*(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 124.2122 for the preceding regular school year.*

*(3) "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 26 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 26 of this article in the calendar year when the summer school program is offered.*

**Sec. 8. Minnesota Statutes 1981 Supplement, Section 124.273, Subdivision 1, is amended to read:**

**Subdivision 1. [1981-1982 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)) Subd. 1a. [1982-1983 TEACHERS SALARIES.]**  
**(BEGINNING IN)** For the 1982-1983 school year (, AND

EACH YEAR THEREAFTER,) the department shall pay a school district (65) 60 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) 60 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.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 124.273, is amended by adding a subdivision to read:

*Subd. 1b. [1983-1984 TEACHERS SALARIES.] For the 1983-1984 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.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 124.-273, Subdivision 2, is amended to read:

*Subd. 2. [1981-1982 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)) Subd. 2a. [1982-1983 PROHIBITION.] (BEGINNING IN) For the 1982-1983 school year (, AND EACH YEAR THEREAFTER,) the department of education shall not pay a school district an amount exceeding (65) 60 percent of the salaries paid to essential instructional personnel employed by the district in its educational program for pupils of limited English proficiency.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 124.-273, is amended by adding a subdivision to read:

*Subd. 2b. [1983-1984 PROHIBITION.] Beginning in the 1983-1984 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.*

Sec. 12. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1, is amended to read:

Subdivision 1. [1981-1982 TEACHERS SALARIES.] ((A)) For the 1981-1982 (AND 1982-1983) school (YEARS) *year*, the state shall pay to any district for the employment in its educational program for handicapped children 68.8 percent of the salary of essential personnel for the normal school year for each full time, *part time or limited 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.

*Subd. 1a.* [1982-1983 TEACHERS SALARIES.] *For the 1982-83 school year, the state shall pay to any district for the employment in its educational program for handicapped children 61 percent of the salary of essential personnel for the normal school year for each full time, part time or limited time person employed, whether the essential personnel are employed by a district alone or jointly with another district.*

((B)) *Subd. 1b.* [1983-1984 TEACHERS SALARIES.] 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. 13. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1a, is amended to read:

Subd. 1a. [FOUNDATION AID FORMULA ALLOWANCE.] For purposes of this section, "foundation aid formula allowance" shall have the meaning attributed to it in section 124.2122, subdivision 1, and "summer school revenue allowance" shall have the meaning attributed to it in section (124.20) 7 of this article. 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. 14. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 1b, is amended to read:

Subd. 1b. [CONTRACT SERVICES.] (1) *Except for the 1982-1983 school year, 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 volun-*

tary 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) *Except for the 1982-1983 school year, 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 summer school revenue allowance of the district attributable to that pupil.*

Sec. 15. Minnesota Statutes 1980, Section 124.32, is amended by adding a subdivision to read:

*Subd. 1c. [1982-1983 CONTRACT SERVICES.] (1) For the 1982-1983 school year 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 53.3 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 the 1982-1983 school year 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 53.3 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.*

Sec. 16. Minnesota Statutes 1980, Section 124.32, Subdivision 2, is amended to read:

*Subd. 2. [SUPPLY AND EQUIPMENT AID.] Except for the 1982-1983 school year, the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to one-half of the sum actually expended by the district but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction.*

Sec. 17. Minnesota Statutes 1980, Section 124.32, is amended by adding a subdivision to read:

*Subd. 2a. [1982-1983 SUPPLY AND EQUIPMENT AID.] For the 1982-1983 school year, the state shall pay each district for supplies and equipment purchased or rented for use in the*



*instruction of handicapped children an amount equal to 44.4 percent of the sum actually expended by the district but not to exceed an average of \$44.44 in any one school year for each handicapped child receiving instruction.*

Sec. 18. Minnesota Statutes 1981 Supplement, Section 124.32, Subdivision 5, is amended to read:

Subd. 5. [RESIDENTIAL AID.] 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. *Except for the 1982-1983 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, for each handicapped child placed in a residential facility. Except for 1983 summer school programs, the aid for summer school programs 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. 19. Minnesota Statutes 1980, Section 124.32, is amended by adding a subdivision to read:

*Subd. 5a. [1982-1983 RESIDENTIAL AID.] The aid for the 1982-1983 school year shall be paid according to subdivision 5, except that for the regular 1982-1983 school year the aid shall be an amount not to exceed 35.7 percent of the difference*

*between the instructional costs charged to the resident district and the foundation aid formula allowance, for each handicapped child placed in a residential facility. For summer school programs in 1983, the aid for each handicapped child placed in a residential facility shall be an amount not to exceed 35.7 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.*

Sec. 20. Minnesota Statutes 1980, Section 124.32, Subdivision 7, is amended to read:

Subd. 7. [PROGRAM AND AID APPROVAL.] Before (MAY 1) *June 1* of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will receive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calculation of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, the amount which the program will receive from grants from federal funds, or special grants from other state sources, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application (IN ORDER) to determine whether the program and the personnel to be employed in the program are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel he determines to be unnecessary or unessential on the basis of this review. The commissioner may also withhold all or any portion of the aid for programs which receive grants from federal funds, or special grants from other state sources. (ON OR BEFORE JULY 1 OF EACH YEAR) *By August 31, when the first aid payment is made,* the commissioner shall approve, disapprove or modify each application, and notify each applying district of (HIS) *the* action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district. Notwithstanding the provisions of section 124.15, the commissioner may modify or withdraw (HIS) *the* program or aid approval and withhold aid pursuant to this section without proceeding according to section 124.15 at any time (WHEN HE) *the commissioner* determines that the program does not comply with (THE) rules

(AND STANDARDS) of the state board of that any facts concerning the program or its budget differ from the facts (PRESENTED) in the district's approved application.

Sec. 21. Minnesota Statutes 1980, Section 124.32, Subdivision 10, is amended to read:

Subd. 10. [SUMMER SCHOOL.] The state shall pay aid for summer school programs for handicapped children on the basis of the sections of Minnesota Statutes providing aid for handicapped children for the preceding school year. (ON OR BEFORE) *By* March 15 of each year, districts shall submit separate applications for program and budget approval for summer school programs. The review of these applications shall be as provided in subdivision 7. *By* May 1 of each year, the commissioner shall approve, disapprove or modify the applications and notify the districts of (HIS) *the* action and of the estimated amount of aid for the summer school programs. Aid for these programs shall be paid (ON OR BEFORE THE OCTOBER 1) *by November 15* after the summer when the programs are conducted.

Sec. 22. Minnesota Statutes 1980, Section 126.262, Subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] For purposes of sections *124.273 and 126.261 to 126.269*, the terms defined in this section shall have the meanings given them.

Sec. 23. Minnesota Statutes 1980, Section 126.264, Subdivision 3, is amended to read:

Subd. 3. [PARENTAL INVOLVEMENT.] A district which receives moneys pursuant to section (126.263) *124.273* shall encourage involvement of parents of pupils enrolled in the educational program for limited English proficient students in this program. The district shall solicit the views of parents about the program and its effects upon their children.

Sec. 24. Minnesota Statutes 1980, Section 126.265, is amended to read:

126.265 [GENERAL REQUIREMENTS FOR PROGRAMS.]

A district which receives aid pursuant to section (126.263) *124.273* shall comply with the following program requirements:

(a) To the extent possible, the district shall avoid isolating children of limited English proficiency for a substantial part of the school day; and

(b) In predominantly nonverbal subjects, such as art, music, and physical education, pupils of limited English proficiency shall be permitted to participate fully and on an equal basis with their contemporaries in public school classes provided for these subjects. To the extent possible, the school district shall assure to pupils enrolled in a program for limited English proficient students an equal and meaningful opportunity to participate fully with other pupils in all extracurricular activities.

Sec. 25. Minnesota Statutes 1980, Section 126.267, is amended to read:

**126.267 [TECHNICAL ASSISTANCE.]**

The state board of education shall provide technical assistance to school districts receiving aid pursuant to section (126.263) *124.273* and to post-secondary institutions for preservice and inservice training for bilingual education teachers and English as a second language teachers employed in educational programs for limited English proficient students, teaching methods, curriculum development, testing and testing mechanisms, and the development of instructional materials for these educational programs.

Sec. 26. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 2h. [HANDICAPPED SUMMER SCHOOL LEVY.]*  
*A district may levy for summer school programs for handicapped pupils an amount equal to the following product:*

*(1) The district's summer school revenue allowance as defined in section 7, clause (2) of this article 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 total pupil units in the district in the preceding regular school year, to*

*(ii) the equalizing factor for the preceding regular school year.*

Sec. 27. [SUPERVISION.]

*For the 1982-1983 school year, the rules on supervisory personnel of 5 MCAR 1.0122 D.,D.1.,D.2.,D.3., and D.4 are suspended.*

*By February 1, 1983, the department of education shall report to the education committee of the legislature regarding the need to reinstate the rules or its recommendations for alternative rules for supervisory personnel.*

**Sec. 28. [STUDENT TO STAFF RATIOS; 1982-1983 SCHOOL YEAR.]**

*For the 1982-1983 school year, a school district may increase the student to staff ratios established pursuant to 5 MCAR 1.0122 C. by an amount not to exceed 20 percent. By February 1, 1983, the department shall report to the education committees of the legislature regarding recommendations on promulgating new student to staff rules which provide greater flexibility to school districts and which have cost containment features, including incentives for cooperation among school districts.*

**Sec. 29. [SPECIAL EDUCATION TEMPORARY GUIDELINES.]**

*The state board of education shall develop and test guidelines for districts to use in defining and serving the following groups of students: (a) students with learning disabilities, (b) students who are emotionally disturbed, and (c) students with special learning behavior problems. The department shall consider the feasibility of establishing entrance and exit criteria when developing and testing these guidelines. During the 1982-83 school year the department shall test the guidelines in a representative sample of districts statewide and report to the education committees of the legislature by February 1, 1984. The department shall report on the operation and fiscal impact of the guidelines.*

*The guidelines are only for the purposes of testing and determining proper policy for the department and do not represent a determination by the legislature or the department that the guidelines are permanent or binding. The guidelines shall not represent competent evidence in any legal proceeding arising in a state or federal court of law.*

**Sec. 30. [STUDENT ASSESSMENT CONFERENCE.]**

*Beginning with the 1982-1983 school year, the assessment requirement established pursuant to 5 MCAR 1.0124 B.1.b. and 1.0126B shall be reduced to one assessment every three years.*

**Sec. 31. [PERIODIC REVIEW.]**

*Beginning with the 1982-1983 school year, the periodic review requirement established pursuant to 5 MCAR 1.0126 A.2. shall be reduced to one review each year.*

**Sec. 32. [APPROPRIATION REDUCTION; SPECIAL EDUCATION SUMMER SCHOOL.]**

*The general fund appropriation for fiscal year 1983 for summer school special education aid in Laws 1981, Chapter 358, Article III, Section 21, Subdivision 3, as amended by Laws 1981, Third Special Session Chapter 2, Article II, Section 2, is further reduced by \$631,000. The remaining amount of the appropriation for summer school special education aid for 1983 shall not be used to reimburse school districts for summer school special education programs for pupils who are appropriately served at levels 2 or 3 of the continuum of placement model described in 5 MCAR 1.0120 B.11.*

**Sec. 33. [APPROPRIATION.]**

*There is appropriated from the general fund to the department of education for the year ending June 30, 1983, the sum of \$1,047,000. This amount is for foundation aid for summer school programs for handicapped pupils. If this amount is not sufficient to meet all obligations, the department of education shall proportionately reduce the summer school revenue allowance and allocate the aid accordingly.*

**Sec. 34. [EFFECTIVE DATE.]**

*Sections 2, 3, 4, 5, 6, 7, 13, 20 and 29 are effective the day following final enactment.*

## ARTICLE IV

### MISCELLANEOUS

Section 1. Minnesota Statutes 1980, Section 120.68, is amended to read:

**120.68 [FOUR DAY SCHOOL WEEK.]**

The state board of education, pursuant to sections 120.59 to 120.67, shall promulgate rules pursuant to chapter 15 permitting districts requesting to operate a four day week to qualify for a flexible school year program. (THE RULES SHALL NOT APPLY TO A SCHOOL DISTRICT LOCATED ENTIRELY WITHIN THE SEVEN COUNTY METROPOLITAN AREA.)

Sec. 2. [120.34] [PERMANENT SCHOOL FUND ADVISORY COMMITTEE.]

*A state permanent school fund advisory committee is established to advise the department of natural resources on the management of permanent school fund land, which is held in trust for the school districts of the state. The advisory committee shall consist of the following persons or their designees: the chairpersons of the education committees of the legislature, the chairpersons of the senate committee on finance and house committee on appropriations, the commissioner of education, one superintendent from a non-metropolitan district, and one superintendent from a metropolitan area district. The school district superintendents shall be appointed by the commissioner of education.*

*The advisory committee shall review the policies of the department of natural resources on management of school trust fund lands and shall recommend necessary changes in policy and implementation in order to ensure provident utilization of the permanent school fund lands.*

**Sec. 3. [DEPARTMENT OF NATURAL RESOURCES;  
LAND MANAGEMENT POLICY.]**

*By February 1, 1983, the department of natural resources shall submit a report to the education committees of the legislature on its policy for the management of permanent school fund land.*

**Sec. 4. Minnesota Statutes 1980, Section 121.11, Subdivision 12, is amended to read:**

**Subd. 12. [ADMINISTRATIVE (REGULATIONS) RULES.]** The state board shall (HAVE POWER FROM TIME TO TIME TO MAKE) *adopt and enforce (SUCH) rules (AND REGULATIONS), consistent with this code, (AS MAY BE) appropriate for the administration and enforcement thereof. Notwithstanding the provisions of section 15.0412, subdivision 1a, the state board may grant a variance to its rules upon application by a school district for purposes of implementing experimental programs in learning or school management which attempt to make better use of community resources or available technology.*

**Sec. 5. Minnesota Statutes 1980, Section 121.908, Subdivision 3, is amended to read:**

**Subd. 3.** Prior to June 30 of the calendar year following the submission of the unaudited financial statement, the school district shall provide to the commissioner and state auditor an audited financial statement prepared in a form which will allow comparison with and correction of *material differences in the unaudited statement.*

**Sec. 6. Minnesota Statutes 1980, Section 123.32, Subdivision 1, is amended to read:**

Subdivision 1. [DATE.] Unless a different date is permitted under the provisions of subdivision 22 or section 7 of this article, the annual election in independent districts shall be held on the third Tuesday in May.

Sec. 7. Minnesota Statutes 1980, Section 123.32, is amended by adding a subdivision to read:

*Subd. 28. [ALTERNATIVE DATE.] The board of any school district may by resolution provide for the holding of the annual election on the first Tuesday after the first Monday in November of any year. If the annual election is held in November, the terms of office of all board members shall be lengthened to expire on January 1.*

Sec. 8. Minnesota Statutes 1980, Section 123.37, Subdivision 1b, is amended to read:

Subd. 1b. [TRANSPORTATION; FUEL.] Notwithstanding the provisions of subdivision 1 or section 471.345, a contract for the transportation of school children, or a contract for the purchase, by June 30, 1983, of petroleum heating fuel or fuel for district owned vehicles may be made by direct negotiation, by obtaining two or more written quotations for the service when possible, or upon sealed bids. At least 30 days before awarding a directly negotiated contract, the school district shall, by published notice, request quotations for the service to be provided. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. If a contract is made by direct negotiation, negotiations shall be open to the public. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1 except as otherwise provided in this subdivision.

Notwithstanding the provisions of subdivision 1 or section 574.26, a performance bond shall be required of a contractor on a contract for the transportation of school children only when and in the amount deemed necessary by and at the discretion of the school board.

Sec. 9. Minnesota Statutes 1980, Section 124.19, Subdivision 1, is amended to read:

Subdivision 1. [INSTRUCTIONAL TIME.] Every district which receives special state aid shall maintain school *in session* or provide instruction in other districts, in state university laboratory school or in the university laboratory school, for at least (A MINIMUM TERM AS DEFINED BY THE STATE BOARD. THE NORMAL SCHOOL YEAR WHEN SCHOOL IS IN SESSION SHALL BE NOT LESS THAN) 175 days, *not including summer school*, or (THEIR) the equivalent is a district operating a flexible school year program. A district which holds school for (THAT PERIOD) *the required minimum num-*



*ber of days* and is otherwise qualified is entitled to special state aid as *provided* by law (PROVIDED). If school is *not* held (A LESS PERIOD SUCH SPECIAL) *for the required minimum number of days, special* state aid shall be reduced by the ratio that the difference between 175 days and the number of days school is held bears to 175 days, multiplied by 60 percent of the product of the (DISTRICT'S) foundation aid formula allowance times its pupil units for that year (; BUT). *However,* districts maintaining (LESS) *school for fewer* than the required minimum number of days (OF SCHOOL IN SESSION) do not lose special state aid, if the circumstances causing (SUCH) loss of school (TIME) *days* below the required minimum number of days (WERE) *are* beyond the control of the board and (PROVIDED), *if* proper evidence (HAS BEEN) *is* submitted and a good faith attempt made to make up time lost (ON ACCOUNT OF) *due* to these circumstances. *The loss of school days resulting from a lawful employee strike shall not be considered a circumstance beyond the control of the board.* Days devoted to teachers' institutes or other meetings authorized or called by the commissioner may not be included as part of the required minimum number of days of school (IN SESSION). (EFFECTIVE THE 1979-1980 SCHOOL YEAR,) Not more than five days may be devoted to parent-teacher conferences or teachers' workshops as part of the required minimum number of days (SCHOOL IS IN SESSION), except that, for kindergarten classes, not more than ten days may be devoted to parent-teacher conferences or teachers' workshops as part of the required minimum number of days (SCHOOL IS IN SESSION).

Sec. 10. Minnesota Statutes 1980, Section 124.19, is amended by adding a subdivision to read:

*Subd. 5. [SCHEDULE ADJUSTMENTS.] (a) It is the intention of the legislature to encourage efficient and effective use of staff and facilities by school districts. School districts are encouraged to consider both cost and energy saving measures.*

*(b) Notwithstanding the provisions of subdivision 1 or 4, any district, including a district operating a program pursuant to sections 120.59 to 120.68 or 121.502 to 121.507, may adjust the annual school schedule throughout the calendar year so long as the number of instructional hours in the year is not less than the number specified in the rules of the state board.*

Sec. 11. Minnesota Statutes 1981 Supplement, 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 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. *If the number of applications approved by the commissioner by March 15 is less than 500 and is within the limits of the appropriation, additional applications submitted to the school board after February 1 may be considered for approval by the school board and commissioner according to the order of receipt.*

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. 12 Minnesota Statutes 1981 Supplement, Section 136A.-81, Subdivision 1, is amended to read:

Subdivision 1. [FEES AND TUITION.] Except for an administration fee of \$6 a credit hour, to be collected only when a course is taken for credit, a senior citizen who is a legal resident of Minnesota is entitled without payment of tuition or activity fees to attend courses offered for credit (OR), audit any courses offered for credit, *or enroll in any noncredit adult vocational education courses* in any state supported institution of higher education in Minnesota when space is available after all tuition-paying students have been accommodated. *For the purposes of sections 136A.80 and 136A.81, the term "noncredit adult vocational education courses" shall not include those adult vocational education courses designed and offered specifically and exclusively for senior citizens.* Senior citizens enrolled under the provisions of sections 136A.80 and 136A.81 shall not be included by such institutions in their computation of full time equivalent students when requesting staff or appropriations. The enrollee shall pay laboratory or material fees.

Sec. 13. Minnesota Statutes 1981 Supplement, 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) *rules promulgated by the state board of education for courses offered through the public schools, or rules promulgated by the commissioner of public safety for courses offered by a private or commercial school or institute.* 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. 14. Minnesota Statutes 1981 Supplement, 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) *state board of education for courses offered through the public schools*, 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 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 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.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 354.66, Subdivision 6, is amended to read:

Subd. 6. [INSURANCE.] A board of an employing district entering into an agreement authorized by this section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section, *provided, however, that the requirements of this sentence may be modified by a collective bargaining agreement between a board and an exclusive representative pursuant to chapter 179.* Notwithstanding the provisions of section 43.47, subdivision 16, teachers as defined in section 136.88 employed on a less than 75 percent time basis pursuant to this section shall be eligible for state paid insurance benefits as if the teachers were employed full time.

Sec. 16. Minnesota Statutes 1980, Section 475.61, Subdivision 1, is amended to read:

Subdivision 1. [DEBT SERVICE RESOLUTION.] The governing body of any municipality issuing general obligations shall, prior to delivery of the obligations, levy by resolution a direct general ad valorem tax upon all taxable property in the municipality to be spread upon the tax rolls for each year of the term of the obligations. The tax levies for all years *for municipalities other than school districts* shall be specified and such that if collected in full they, together with estimated collections of special assessments and other revenues pledged for the pay-

ment of said obligations, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the obligations. *The tax levies for school districts shall be specified and such that if collected in full they, together with estimated collection of other revenues pledged for the payment of the obligations, will produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations; except that, with the permission of the commissioner of education, a school board may specify a tax levy in a higher amount if necessary because of anticipated tax delinquency.* Such resolution shall irrevocably appropriate the taxes so levied and any special assessments or other revenues so pledged to the municipality's debt service fund or a special debt service fund or account created for the payment of one or more issues of obligations. The governing body may, in its discretion, at any time after the obligations have been authorized, adopt a resolution levying only a portion of such taxes, to be filed, assessed, extended, collected, and remitted as hereinafter provided, and the amount or amounts therein levied shall be credited against the tax required to be levied prior to delivery of the obligations.

Sec. 17. Minnesota Statutes 1980, Section 475.61, Subdivision 3, is amended to read:

Subd. 3. [IRREVOCABILITY.] Tax levies so made and filed shall be irrevocable, except (THAT) *as provided in this subdivision.*

*In each year when there is on hand any excess amount in the debt service fund of a school district at the time the district makes its property tax levies, the amount shall be certified by the school board to the county auditor and the auditor shall reduce the amount otherwise to be included in the rolls next prepared by the amount certified. An amount shall be presumed to be excess if it, together with the levy required by subdivision 1, will exceed 106 percent in excess of the amount needed to meet when due the principal and interest payments on the obligations due before the second following July 1. This subdivision shall not limit a school board's authority to specify a tax levy in a higher amount if necessary because of anticipated tax delinquency.*

If the governing body, including the governing body of a school district, in any year makes an irrevocable appropriation to the debt service fund of moneys actually on hand or if there is on hand any excess amount in the debt service fund, the recording officer may certify to the county auditor the fact and amount thereof and the auditor shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared.

Sec. 18. Minnesota Statutes 1980, Section 475.61, Subdivision 4, is amended to read:

Subd. 4. [SURPLUS FUNDS.] All such taxes shall be collected and remitted to the municipality by the county treasurer as other taxes are collected and remitted, and shall be used only for payment of the obligations on account of which levied or to repay advances from other funds used for such payments, except that any surplus remaining in the debt service fund when the obligations and interest thereon are paid may be appropriated to any other general purpose by the municipality. However, the amount of any surplus remaining in the debt service fund of a school district when the obligations and interest thereon are paid shall be used to reduce the maintenance levy authorized pursuant to section 275.125, subdivision 2a *except that from the effective date of this section of this article to June 30, 1983, a school district which has discontinued its levy for debt service may transfer to its general fund the amount of any surplus remaining in its debt service fund when the obligations and interest thereon are paid or when an escrow account for defeasance of the entire amount of the obligations and interest thereon has been established.*

Sec. 19. Laws 1981, Chapter 358, Article VII, Section 29, as amended by Laws 1981, Third Special Session Chapter 1, Article I, Section 10, is amended to read:

Sec. 29. [EXEMPTION FROM PUBLIC SALE.]

Notwithstanding Minnesota Statutes, Section 124.76, from June 1, 1981 until June 30, 1983, 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) twelve months after their date of issue. The interest rate on these certificates may be determined by direct negotiation.

Sec. 20. Laws 1981, Third Special Session Chapter 2, Article II, Section 15 is amended to read:

Sec. 15. [REPAYMENT BY END OF FISCAL YEAR.]

Notwithstanding any law to the contrary, by June 30, 1982, the commissioner of finance shall draw warrants in favor of school districts, public library systems, multi-type library systems, educational cooperative service units or regional management information systems for any of the state aids, payments, reimbursements and fund transfers that were suspended by the commissioner of education pursuant to section 13. *In the event moneys become available for partial repayment of suspended aid payments, reimbursements, and fund transfers before June 30, 1982, the commissioner of education may consider the cash flow needs of the individual recipients in determining which suspended amounts shall be repaid before June 30, 1982.*

Sec. 21. [TRANSFER FROM CAPITAL EXPENDITURE FUND.]

*Notwithstanding the provisions of section 275.125, subdivision 11a or 11b, or any other law to the contrary, a school district may permanently transfer an amount not to exceed \$50 per actual pupil unit from the capital expenditure fund to the general fund of the district. The transfer shall be made before June 30, 1983.*

**Sec. 22. [UNREQUESTED LEAVE OF ABSENCE.]**

*By March 1, 1983, the department of education shall evaluate existing law and state board rules governing supervisory and administrative personnel and shall assess whether these laws and rules have resulted in disproportionately small numbers of supervisory and administrative personnel being placed on unrequested leaves of absence, as compared with instructional personnel. The department may recommend changes in law or rule as necessary to ensure an equitable balance in placing district personnel on unrequested leaves of absence, which may include consolidation of administrative positions.*

**Sec. 23. [DRIVER EDUCATION RULES.]**

*By July 1, 1982, the state board of education shall adopt temporary rules pursuant to Minnesota Statutes, Section 15.0412, Subdivision 5, establishing criteria for approval of driver education courses offered through the public schools. Notwithstanding any law to the contrary, the temporary rules shall be effective until July 1, 1983 or until the state board adopts permanent rules, whichever is earlier.*

**Sec. 24. [REPEALER.]**

*Minnesota Statutes 1980, Section 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8, are repealed.*

**Sec. 25. [EFFECTIVE DATE.]**

*Sections 1, 5, 6, 7, 8, 9, 10, 11, 12, 19, 20, 22, 23, and 24 are effective immediately.*

## ARTICLE V

### VOCATIONAL EDUCATION

**Section 1.** Minnesota Statutes 1981 Supplement, Section 121.912, Subdivision 1, is amended to read:

**Subdivision 1. [LIMITATIONS.]** No school district shall permanently transfer money from an operating fund to a non-operating 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. 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. 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. THE STATE BOARD SHALL NOT APPROVE THE PERMANENT TRANSFER FOR ANY OTHER PURPOSE OF ANY AMOUNT WHICH EXCEEDS \$150,000.)

Sec. 2. Minnesota Statutes 1980, Section 123.351, is amended by adding a subdivision to read:

*Subd. 8a. [DISSOLUTION.] The boards of each participating district may agree to dissolve a center effective at the end of any school year or at an earlier time as they may mutually agree. A dissolution shall be accomplished in accordance with any applicable provisions of the agreement establishing the center. Upon receipt of the dissolution resolutions from the boards of the participating districts, the center board shall file a certified copy with the county auditors of the counties affected. The dissolution shall not affect the continuing liability of the previously participating districts for bonded indebtedness incurred prior to the dissolution, or for other continuing obligations, including unemployment compensation.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 124.5621, Subdivision 12, is amended to read:

*Subd. 12. [INSTRUCTIONAL AID FORMULA.] (IN EACH FISCAL) Except for the 1982-1983 school year, 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) 119 percent, multiplied by

(d) The student growth or decline factor for that AVTI.

Sec. 4. Minnesota Statutes 1980, Section 124.5621, is amended by adding a subdivision to read:

*Subd. 12a.* [1982-1983 INSTRUCTIONAL AID FORMULA.]

*For the 1982-1983 school year, 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) 109.5 percent, multiplied by*

*(d) The student growth or decline factor for that AVTI.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 3, is amended to read:

*Subd. 3. [EQUIPMENT AID.] "Post-secondary vocational equipment 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, as necessary for the conduct of post-secondary vocational-technical training, 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 (,); *and*

(d) *renting or leasing buildings for school purposes* (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. 6. Minnesota Statutes 1981 Supplement, Section 124.5624, Subdivision 4, is amended to read:

Subd. 4. [BUDGETS; EQUIPMENT AID ALLOCATION.] Each AVTI shall submit a budget before (JANUARY 1, 1982, 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: acquisition of equipment or machinery, betterment of equipment or machinery (AND RENTS AND LEASES), *leasing fees, and renting or leasing buildings for school purposes*, 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 vocational support services aid, supply aid, or repair and betterment aid. The department of education shall recommend an allocation of equipment aid in each applicable component activity of the AVTI's operations for each of the expenditure categories and a total allocation of 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 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.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 3, is amended to read:

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.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 4, is amended to read:

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.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 124.5627, Subdivision 5, is amended to read:

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. 10. Minnesota Statutes 1980, Section 124.572, Subdivision 2, is amended to read:

Subd. 2. [ADULT VOCATIONAL AID.] *Except for the 1982-1983 school year*, the state shall pay to any district or cooperative vocational center 75 percent of the salaries paid to essential, licensed personnel or personnel exempt from licensure pursuant to section 125.031 in that school year for services rendered in that district's or center's adult vocational education programs. In addition, the state shall pay 50 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The commissioner may withhold all or any portion of this aid for an adult vocational education program which receives moneys from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to moneys from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Sec. 11. Minnesota Statutes 1980, Section 124.572, is amended by adding a subdivision to read:

*Subd. 2a. [1982-1983 ADULT VOCATIONAL AID.] The aid for the 1982-1983 school year shall be paid according to subdivision 2, except that the state shall pay 69 percent of salaries and 46.25 percent of necessary travel.*

Sec. 12. Minnesota Statutes 1981 Supplement, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. [SALARIES, EQUIPMENT AND TRAVEL.] (IN THE 1981-1982 SCHOOL YEAR AND EACH YEAR THEREAFTER) *Except for the 1982-1983 school year*, the state shall pay to any district or cooperative center 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) *Except for the 1982-1983 school year*, the state shall pay 45 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers (,) and 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). *For the 1981-1982 school year, the state shall pay 45 per-*

cent of the costs of necessary equipment for these programs. No secondary vocational equipment aid shall be paid (BEGINNING WITH) for the 1982-1983 school year and thereafter. 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. 13. Minnesota Statutes 1980, Section 124.573, is amended by adding a subdivision to read:

*Subd. 2a. [1982-1983 SALARIES AND TRAVEL.] For the 1982-1983 school year, the state shall pay to any district or cooperative center 41.6 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 41.6 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers, and 41.6 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. The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source. 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. 14. Minnesota Statutes 1981 Supplement, 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. Except for the 1982-1983 school year, 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 con-*

tracts shall be distributed on the same basis as aids for salaries and travel.

Sec. 15. Minnesota Statutes 1980, Section 124.573, is amended by adding a subdivision to read:

*Subd. 3b. [1982-1983 AID FOR CONTRACTED SERVICES.] For the 1982-1983 school year, the state shall pay 37 percent of the amount of a contract entered into pursuant to subdivision 3a.*

Sec. 16. Minnesota Statutes 1981 Supplement, Section 124.574, Subdivision 2, is amended to read:

*Subd. 2. [1981-1982 SALARIES.] ((A)) For the 1981-1982 (AND 1982-1983) school (YEARS) year, the state shall pay to any district or cooperative center 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.*

*Subd. 2a. [1982-1983 SALARIES.] For the 1982-1983 school year, the state shall pay to any district or cooperative center 60 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 program for handicapped children.*

*((B)) Subd. 2b. [(1983-1984 AND THEREAFTER) SALARIES.] (BEGINNING IN) For 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. 17. Minnesota Statutes 1980, Section 124.574, Subdivision 3, is amended to read:

*Subd. 3. [EQUIPMENT, TRAVEL AND SUPPLIES.] In addition to the provisions of subdivision 2, the state shall pay for each school year, except for the 1982-1983 school year:*

(a) 50 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;

(b) 50 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; and

(c) 50 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of \$50 in any one school year for each handicapped child receiving these services.

Sec. 18. Minnesota Statutes 1980, Section 124.574, is amended by adding a subdivision to read:

*Subd. 3a. [1982-1983 EQUIPMENT, TRAVEL, AND SUPPLIES.] The aid for the 1982-1983 school year shall be paid according to the provisions of subdivision 3, except that the state shall pay (a) 46.25 percent of the cost of necessary equipment; (b) 46.25 percent of the cost of necessary travel between instructional sites; and (c) 46.25 percent of the cost of necessary supplies, but not to exceed an average of \$46.25 in any one school year for each handicapped child receiving these services.*

Sec. 19. [EFFECTIVE DATE.]

*Sections 2, 5, 6, 7, 8 and 9 are effective the day following final enactment. Section 1 is effective August 1, 1982.*

## ARTICLE VI

### OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes 1980, Section 121.88, is amended by adding a subdivision to read:

*Subd. 5. [SUMMER SCHOOL PROGRAMS.] Notwithstanding any law to the contrary, during the summer a school district may offer community education programs to elementary and secondary pupils. The district may use community education revenue received pursuant to sections 124.271 and 275.125, subdivision 8 and charge fees for the cost of the programs.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 122.-542, Subdivision 3, is amended to read:

**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. *However, the council on quality education may use a portion of the moneys appropriated for this grant to provide in-service training to other school districts for the purpose of replicating the demonstration model.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 122.542, Subdivision 4, is amended to read:

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. *However, the council on quality education may use a portion of the moneys appropriated for this grant to provide in-service training to other school districts for the purpose of replicating the demonstration model.*

Sec. 4. Minnesota Statutes 1980, Section 123.35, is amended by adding a subdivision to read:

*Subd. 9a. [SUMMER SCHOOL CLASSES.] The board may establish and maintain summer school programs and inter-session classes of flexible school year programs.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 123.702, Subdivision 1a, is amended to read:

*Subd. 1a. [COMPONENTS.] (THE) A screening (PROGRAMS) program shall include at least the following components to the extent the school board determines they are financially feasible: developmental assessments, hearing and vision screening, (THE) review of health history and immunization status (AND NUTRITIONAL AND PHYSICAL ASSESSMENTS. THE SCHOOL BOARD MAY ALSO PROVIDE ADDITIONAL COMPONENTS, INCLUDING LABORATORY TESTS OR DENTAL ASSESSMENTS, IN THE SCREENING PROGRAM,) and assessments of height, weight and blood pressure. 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. A school board may offer additional components such as nutritional, physical and dental assessments and laboratory tests. State aid shall not be paid for additional components.*

Sec. 6. Minnesota Statutes 1981 Supplement, 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 \$28 per child screened in fiscal year 1982 and (\$29) \$15 per child screened in fiscal year 1983. Any district may request and receive an ad-

vance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] (a) (IN) *For the 1981-1982 school year and each year thereafter, except for the 1982-1983 school year, 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 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.*

*For the 1982-1983 school year the state shall pay a school district the difference by which an amount equal to \$89 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, \$94 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. To qualify for aid pursuant to this 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) \$89 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) \$94 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. 8. Minnesota Statutes 1981 Supplement, Section 124.245, Subdivision 1a, is amended to read:

Subd. 1a. [1982-1983 SPECIAL PURPOSE COMPUTATION.] (IN) *For 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) \$24.50 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 275.125, subdivision 11b 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 275.125, subdivision 11b may be used.*

Sec. 9. Minnesota Statutes 1980, Section 124.245, is amended by adding a subdivision to read:

Subd. 1b. [SPECIAL PURPOSE COMPUTATION.] *For the 1983-1984 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. To qualify for aid pursuant to this subdivision in any school year, a district must levy the maximum permissible amount pursuant to section 275.125, subdivision 11b 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 275.125, subdivision 11b may be used.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 124.246, Subdivision 2, is amended to read:

Subd. 2. [AID.] *Except for the 1982-1983 school year, 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.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 124.246, is amended by adding a subdivision to read:

Subd. 2a. [1982-1983 AID.] *For the 1982-1983 school year an eligible district shall receive 92.5 cents 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 \$925.*

Sec. 12. Minnesota Statutes 1981 Supplement, Section 124.247, Subdivision 3, is amended to read:

Subd. 3. [AID.] A district which establishes a program for gifted and talented students shall receive for the purpose of this program an amount equal to \$16.25, in the 1981-1982 school year, and (\$17.50) \$16.18 in the 1982-1983 school year, times the number of gifted and talented students in the district. No more than 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. 13. Minnesota Statutes 1981 Supplement, Section 124.251, is amended to read:

**124.251 [STATE AID; IMPROVED LEARNING PROGRAMS.]**

A district which establishes, pursuant to sections 121.501 to 121.507, 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. 14. Minnesota Statutes 1981 Supplement, Section 124.26, Subdivision 1, is amended to read:

Subdivision 1. [COMPENSATION.] 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. *Except for the 1982-1983 school year, the portion of (SUCH) the compensation from state appropriation shall be 90 percent of the compensation paid each teacher for (HIS) services in (SUCH) the 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. 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. 15. Minnesota Statutes 1980, Section 124.26, is amended by adding a subdivision to read:

*Subd. 1b. [1982-1983 COMPENSATION.] For the 1982-1983 school year the portion of the compensation from state appropriation shall be 83.25 percent of the compensation paid each teacher for services in the programs up to \$7,400 per year based on the costs in that current year.*

Sec. 16. Minnesota Statutes 1981 Supplement, Section 124.-271, Subdivision 2, is amended to read:

*Subd. 2. [AID.] In fiscal (YEARS) year 1982 (AND 1983) the state shall pay the greater of 65 cents per capita or \$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. In fiscal year 1983, the state shall pay the greater of 60 cents per capita or \$5,642 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. 17. Minnesota Statutes 1981 Supplement, Section 124.-38, Subdivision 7, is amended to read:

Subd.7. [MAXIMUM EFFORT DEBT SERVICE LEVY.] "Maximum effort debt service levy" means the lesser of:

(1) A levy in 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;

(d) In any school district (GRANTED) *for which* a capital loan (BETWEEN JULY 1, 1977 AND JUNE 2, 1981) *was approved prior to August 1, 1981*, 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. 18. Minnesota Statutes 1980, Section 134.34, is amended by adding a subdivision to read:

*Subd. 5. [MAINTENANCE OF EFFORT; EXCEPTION.] Notwithstanding subdivision 4, a regional library system support grant may be made in fiscal year 1983 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1981 if the amount provided by the city or county in 1982 is not less than the amount provided by it in 1980. A regional library system support grant may be made in fiscal year 1984 to a regional public library system for a participating city or county which decreases the dollar amount provided by it for operating purposes of public library service below the amount provided by it for 1982, if the amount provided by the city or county in 1983 is not less than the amount provided by it in 1981. This subdivision shall not affect the eligibility of cities or counties to declare all or part of their library levies as special levies under the provisions of section 275.50, subdivision 5, clause (c).*

Sec. 19. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 2g. [SUMMER SCHOOL LEVY.] Beginning with the 1982 payable 1983 levy, a district may levy for summer school an amount not to exceed \$20 per actual pupil unit for the regular school year prior to the summer program. The levy shall be used for summer school programs offered in the year following the year the levy is certified.*

Sec. 20. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

*Subd. 2h. [LEVY FOR 1982 SUMMER SCHOOL.] In addition to the levy authorized in section 19 of this article, in 1982 a district may certify a levy, for 1982 summer school programs, in an amount not to exceed \$20 per actual pupil unit for the regular school year prior to the summer program.*

Sec. 21. Minnesota Statutes 1980, Section 275.125, Subdivision 4, is amended to read:

*Subd. 4. [MISCELLANEOUS LEVIES.] A school district may levy the amounts necessary to make payments for bonds issued and for interest thereon, including the bonds and interest thereon, issued as authorized by section 275.125, subdivision 3, clause (7) (C), as it read in Minnesota Statutes 1974; the amounts necessary for repayment of debt service loans and capital loans; the amounts necessary to pay the district's obligations under section 6.62; the amount authorized for liabilities of dissolved districts pursuant to section 122.45; the amounts necessary to pay the district's obligations under section 268.06,*



subdivision 25; *the amounts necessary to pay for job placement services offered to employees who may become eligible for benefits pursuant to section 268.08*; the amounts necessary to pay the district's obligations under section 127.05; the amounts authorized by section 122.531; and the amounts necessary to pay the district's obligations under section 122.533.

Sec. 22. Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 11a, is amended to read:

Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) Each year 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. 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.

(b) The proceeds of the tax may be used (ONLY) to acquire land, to equip and re-equip buildings and permanent attached fixtures, *to rent or lease buildings for school purposes*; 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) *such as* 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) *to reduce* or (ELIMINATING) *eliminate* barriers to or (INCREASING) *increase* 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. *The proceeds of the tax may also be used to pay fees for capital outlay expenditures assessed and certified to each participating school district by the educational cooperative service unit board of directors.*

(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) for the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

(d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(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 subdivision 11b, 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. 23. Minnesota Statutes 1980, Section 275.48, is amended to read:

**275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.]**

(WHENEVER) *When* by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the assessed valuation of (ANY) a city, township or school district for (ANY) a taxable year is reduced after the taxes for (SUCH) *the* year have been spread by the county auditor, and (WHENEVER) *when* the mill rate (AS) determined by the county auditor based (UPON) *on* the original assessed valuation is applied (UPON SUCH) *on the* reduced (VALUATIONS) *valuation* and does not produce the full amount of taxes (AS) actually levied and certified for (SUCH) *that* taxable year (UPON) *on* the original assessed (VALUATIONS) *valuation*, (SUCH) *the* city, township or school district may include *an additional amount* in its tax levy made following final determination and notice of (SUCH) *the* reduction in assessed valuation (, AN). *The amount shall equal* (TO) the difference between the total amount of taxes actually levied and certified for (SUCH) *that* taxable year upon the original assessed valuation, not exceeding the maximum amount

which could be raised (UPON SUCH) *on the* assessed valuation as reduced, within existing mill limitations, if any, and the amount of taxes collected for (SUCH) *that* taxable year (UPON SUCH) *on the* reduced (VALUATIONS) *valuation*. The total tax levy authorized for a school district by this section shall be reduced by the total amount of any abatement adjustments received by the district pursuant to section 124.214, subdivision 2, in the same calendar year in which the levy is certified. (PRIOR TO SEPTEMBER 15 OF EACH YEAR, THE COMMISSIONER OF EDUCATION SHALL CERTIFY TO EACH COUNTY AUDITOR THE AMOUNT OF ANY ABATEMENT ADJUSTMENTS PAID IN THAT YEAR TO EACH SCHOOL DISTRICT IN THAT COUNTY). *As part of the certification required by section 275.125, subdivision 10, the commissioner of education shall certify the amount of the abatement levy limitation adjustment for each school district headquartered in that county.*

*Except for school districts, the amount of taxes so included shall be levied separately and shall be levied in addition to all limitations imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind.*

Sec. 24. Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 8, is amended to read:

Subd. 8. [SCHOOL LUNCH AID.] For school lunch aid pursuant to section 124.646 there is appropriated:

(\$3,838,200) \$3,859,200 . . . . . 1982,

(\$4,085,500) \$4,064,500 . . . . . 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) *Laws 1981, Chapter 358, Article VI, Section 46*, for food storage and transportation costs for U.S.D.A. donated commodities.

Sec. 25. Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 9, is amended to read:

Subd. 9. [FOOD STORAGE AND TRANSPORTATION.] For food storage and transportation costs for U.S.D.A. donated commodities there is appropriated:

\$765,300 . . . . . 1982,

\$880,100 . . . . . 1983.

*Any unexpended balance remaining from the appropriations in Laws 1981, Chapter 358, Article VI, Section 46, Subdivisions*

8 and 9 for fiscal year 1982 because of decreased participation in the national school lunch program shall be prorated among the participating schools based on the number of fully paid student lunches served during the 1981-1982 school year.

Any unexpended balance remaining from the appropriations in Laws 1981, Chapter 358, Article VI, Section 46, Subdivisions 8 and 9 for fiscal year 1983 because of decreased participation in the national school lunch program shall be prorated, to the extent necessary to meet the state revenue matching requirement, among the participating schools based on the number of fully paid student lunches served during the 1982-1983 school year. If the total amount of the appropriations in Laws 1981, Chapter 358, Article VI, Section 46, Subdivisions 8 and 9 for fiscal year 1983 exceeds the state revenue matching requirement amount, any unexpended balance in excess of that amount shall cancel and revert to the general fund.

Sec. 26. Laws 1981, Third Special Session Chapter 2, Article II, Section 1, is amended to read:

Section 1. [EDUCATION AID REDUCTIONS; SUMMARY.]

The sums set forth in the columns designated "APPROPRIATION REDUCTIONS" are reduced from the general fund appropriations to the department of education. The figures "1982" and "1983" when used in (SECTION 2 OF THIS ARTICLE) Laws 1981, Third Special Session Chapter 2, Article II, Section 2, mean that the appropriation reductions listed are from the appropriations for the fiscal years ending June 30, 1982 or June 30, 1983, respectively.

SUMMARY OF REDUCTIONS

	1982	1983
EDUCATION AIDS .....	(( - 0 - ))	(\$160,900,000)
	(\$22,500)	(\$160,877,500)

APPROPRIATION REDUCTIONS

	1982	1983
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Sec. 27. Laws 1981, Third Special Session Chapter 2, Article II, Section 2, is amended to read:

Sec. 2. [APPROPRIATION REDUCTIONS.]

The general fund appropriations in Laws 1981, Chapter 358, as amended by Laws 1981, First Special Session, Chapter 2, are

	1982	1983
	\$	\$

reduced by the listed amounts. The appropriation reductions in this section are from the portion of the appropriation provided for the current year and not from the portion of the appropriation provided for the prior year.

(a) Foundation Aid ..... (- 0 -) (68,481,500)

The appropriation reduction in paragraph (a) represents four and nine-tenths percent of the formula allowance for foundation aid for fiscal year 1983 payable in fiscal year 1983, plus a reduction due to the one mill levy increase authorized by this article.

(b) Summer School ..... (- 0 -) (12,066,400)

(c) Transportation Aid ..... (- 0 -) ((84,655,400))

(32,930,400)

The appropriation reduction in paragraph (c) represents: (1) *the product of: (i) the sum of the appropriation provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, Article II, Section 15, Subdivision 2, as amended by Laws 1981, First Special Session, Chapter 2, Section 9, Subdivision 2; plus ((2)) the proceeds of the (TWO-MILL) one-mill levy authorized by (THIS ARTICLE) Minnesota Statutes 1980, Section 275.125, Subdivision 5; times ((3)) (ii) seven and one-half percent; (2) plus a reduction due to the one-mill levy increase authorized by Laws 1981, Third Special Session Chapter 2, Article II, Section 12.*

(d) Special Education Aid ..... (- 0 -) (7,076,000)

The appropriation reductions in paragraphs (d) to (k) represent seven and one-half percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358, as amended by Laws 1981, First Special Session, Chapter 2.

	1982	1983
	\$	\$
(e) Summer School Special Education Aid .....	(- 0 -)	(366,500)
(f) Handicapped Pupils Placed in Residential Facilities .....	(- 0 -)	(47,300)
(g) Limited English Proficiency Pupils Program Aid .....	(- 0 -)	(251,600)
(h) American Indian Language and Culture Program .....	(- 0 -)	(33,500)
(i) Hearing Impaired Support Services Aid .....	(- 0 -)	(3,000)
(j) Adult Education Aid .....	(- 0 -)	(84,600)
(k) Community Education Aid ...	(- 0 -)	(240,000)
(l) Post-Secondary Vocational Instructional Aids .....	(- 0 -)	(3,949,900)

The appropriation reductions in paragraphs (l) to (p) represent eight percent of the appropriations provided for fiscal year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.

(m) Post-Secondary Vocational Supply Aid .....	(- 0 -)	(1,186,300)
(n) Post-Secondary Vocational Support Services Aid .....	(- 0 -)	(1,215,300)
(o) Post-Secondary Vocational Equipment Aid .....	(- 0 -)	(729,600)
(p) Post-Secondary Vocational Repair and Betterment Aid .....	(- 0 -)	(95,200)
(q) Adult Vocation Education Aid .....	(- 0 -)	(481,400)

The appropriation reductions in paragraphs (q) to (ll) represent a reduction of seven and one-half percent of the appropriations provided for fiscal

	1982	1983
	\$	\$
year 1983 payable in fiscal year 1983 in Laws 1981, Chapter 358.		
(r) Adult Vocational Programs in Energy Management for Building Operators .....	(- 0 -)	(3,300)
(s) Veteran Farmers Cooperative Training Programs .....	(- 0 -)	(44,200)
(t) Secondary Vocational Education Aid .....	(- 0 -)	(1,348,300)
(u) Secondary Vocational Programs for Handicapped Children .....	(- 0 -)	(159,700)
(v) Health and Developmental Screening Programs .....	(- 0 -)	(80,600)
(w) Abatement Aid .....	(- 0 -)	(224,100)
(x) Capital Expenditure Equalization Aid .....	(- 0 -)	(28,200)
(y) Special Purpose Capital Expenditure Equalization Aid .....	(- 0 -)	(4,400)
(z) Educational Cooperative Service Units .....	(- 0 -)	(57,700)
(aa) Gifted and Talented Students	(- 0 -)	(40,800)
(bb) Alternative Grants .....	(- 0 -)	(11,300)
(cc) Council on Quality Education Venture Fund Grants .....	(- 0 -)	(38,300)
(dd) Early Childhood and Family Education Programs .....	(- 0 -)	(95,600)
(ee) Basic Support Grants for Library Services .....	(- 0 -)	(273,000)
(ff) Multi-County Library Systems	(- 0 -)	(11,600)
(gg) Nonpublic Educational Aids	(- 0 -)	(288,600)
(hh) Indian Education Programs	(- 0 -)	(11,300)

	1982	1983
	\$	\$
(ii) Chemical Use Programs . . . . .	(- 0 -)	(62,000)
(jj) Extended Leaves of Absence . . . . .	(- 0 -)	(118,100)
(kk) Part-time Teaching . . . . .	(- 0 -)	(5,700)
(ll) Early Retirement Incentives . . . . .	(- 0 -)	(135,400)
<i>(mm) Improved Learning Program</i> . . . . .	(22,500)	(- 0 -)
<i>The appropriation reduction in paragraph (mm) represents a reduction of seven and one-half percent of the appropriation provided for fiscal year 1982 in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 19.</i>		
((MM)) <i>(nn) General Reduction</i> . . . . .	(- 0 -)	((26,894,300))
		(28,596,800)

The commissioner of education shall apportion the reduction in paragraph ((MM)) (nn) among school districts, public library systems, multi-type library systems, and educational cooperative service units (, AND REGIONAL MANAGEMENT INFORMATION SYSTEMS) in the same manner in which he apportioned the education aid reductions made in fiscal year 1981 pursuant to Minnesota Statutes 1980, Sections 16A.15, Subdivision 1, and 124.77, because funds in the state treasury were insufficient.

Sec. 28. Laws 1981, Third Special Session Chapter 2, Article II, Section 20, is amended to read:

Sec. 20. [EFFECTIVE DATE.]

Sections 1 to 9 and 11 to 19 are effective the day following final enactment. Section 10 is effective (FOR LEVIES CERTIFIED IN 1982 PAYABLE 1983) on July 1, 1982.

Sec. 29. Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 16 is amended to read:



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.

*If the appropriation for fiscal year 1982 is insufficient, the appropriation for fiscal year 1983 is available to pay claims made in fiscal year 1982 for nonpublic aids.*

**Sec. 30. [APPROPRIATION REDUCTION; PRE-SCHOOL SCREENING.]**

*The general fund appropriation for fiscal year 1983 for health and developmental screening programs in Laws 1981, Chapter 358, Article VI, Section 46, Subdivision 2, as reduced by Laws 1981, Third Special Session Chapter 2, Article II, Section 2, is further reduced by \$416,000.*

**Sec. 31. [APPROPRIATION.]**

*There is appropriated from the general fund to Independent School District No. 309, Pine Point School, the sum of \$25,000 for fiscal year 1983. The money shall be used for repair of the Pine Point Experimental School.*

**Sec. 32. [REPEALER.]**

*Minnesota Statutes 1980, Section 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14, are repealed.*

**Sec. 33. [EFFECTIVE DATE.]**

*Sections 1, 2, 3, 4, 13, 18, 24, 25, 26, 27, 28, and 29 are effective the day following final enactment.*

## ARTICLE VII

### PROPERTY TAX SHIFT

**Section 1.** Minnesota Statutes 1980, Section 121.904, Subdivision 2, is amended to read:

**Subd. 2. [APPLICABILITY TO PERIOD AND FUND.]**  
*Except as provided in this section, revenues shall be recorded in a manner which clearly indicates that they are applicable to a specific accounting period and fund.*

**Sec. 2.** Minnesota Statutes 1980, Section 121.904, Subdivision 4, is amended to read:

Subd. 4. [RECOGNIZED AS RECEIVABLE.] All current levies of local taxes, including portions assumed by the state, shall be recognized as receivable at the beginning of the calendar year during which collection normally takes place. (SUCH RECEIVABLES SHALL BE RESERVED FOR USE IN THE SUBSEQUENT FISCAL YEAR. PAYMENTS OF CURRENT TAXES INCLUDING BUT NOT LIMITED TO MARCH PERSONAL PROPERTY TAX SETTLEMENTS, RECEIVED PRIOR TO JULY 1, SHALL BE RECORDED AS REVENUE TO BE EARNED AS OF JULY 1 WITH APPROPRIATE ADJUSTMENTS TO THE RECEIVABLES AND THE RESERVES FOR SUCH TAXES. ALL CURRENT TAXES RECEIVED PRIOR TO JULY 1 PLUS THE BALANCE OF THE RESERVES SHALL BE RECOGNIZED AS REVENUE ON JULY 1.)

Sec. 3. Minnesota Statutes 1980, Section 121.904, Subdivision 4a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, is amended to read:

Subd. 4a. [LEVY RECOGNITION (; PAYABLE 1983).]  
(1) FOR TAXES ASSESSED IN 1982, PAYABLE IN 1983, ALL CURRENT LEVIES OF LOCAL TAXES, INCLUDING PORTIONS ASSUMED BY THE STATE, SHALL BE RECOGNIZED AS PROVIDED IN THIS SUBDIVISION.)

(2) ONE-THIRD OF THE MARCH AND MAY PROPERTY TAX SETTLEMENTS SHALL BE RECOGNIZED AS RECEIVABLE AND RECORDED AS REVENUE IN THE SAME FISCAL YEAR DURING WHICH COLLECTION NORMALLY TAKES PLACE. THESE RECEIVABLES SHALL BE FOR USE IN THE CURRENT FISCAL YEAR.)

(3) TWO-THIRDS OF THE MARCH AND MAY PROPERTY TAX SETTLEMENTS SHALL BE RECOGNIZED AS RECEIVABLE AND SHALL BE RESERVED FOR USE IN THE FISCAL YEAR IMMEDIATELY FOLLOWING THE FISCAL YEAR DURING WHICH COLLECTION NORMALLY TAKES PLACE.)

(4) ALL OF THE OCTOBER PROPERTY TAX SETTLEMENTS SHALL BE RECOGNIZED AS RECEIVABLE AND RECORDED AS REVENUE IN THE SAME FISCAL YEAR DURING WHICH COLLECTION NORMALLY TAKES PLACE. THESE RECEIVABLES SHALL BE FOR USE IN THE CURRENT FISCAL YEAR.)

(a) "School district tax settlement revenue" means the current, delinquent, and mobile home property tax receipts collected by the county and distributed to the school district, including distributions made pursuant to section 279.37, subdivision 7, and

*excluding the amount levied pursuant to section 275.125, subdivision 9a, and Laws 1976, Chapter 20, Section 4.*

*(b) In June of each year, the school district shall recognize as revenue, in the fund for which the levy was made, the lesser of:*

*(1) the June and July school district tax settlement revenue received in that calendar year; or*

*(2) the sum of the state aids and credits enumerated in section 9 of this article which are for the fiscal year payable in that fiscal year; or*

*(3) one-sixth of the amount of the spread levy in the current calendar year which remains after subtracting, by fund, the amounts levied for the following purposes:*

*(i) reducing or eliminating projected deficits in the appropriated fund balance accounts for unemployment insurance and bus purchases;*

*(ii) statutory operating debt pursuant to section 275.125, subdivision 9a, and Laws 1976, Chapter 20, Section 4; and*

*(iii) retirement and severance pay pursuant to section 275.125, subdivision 6a, and Laws 1975, Chapter 261, Section 4.*

*(c) In July of each year, the school district shall recognize as revenue that portion of the school district tax settlement revenue received in that calendar year and not recognized as revenue for the previous fiscal year pursuant to clause (b).*

*(d) All other school district tax settlement revenue shall be recognized as revenue in the fiscal year of the settlement. Portions of the school district levy assumed by the state, including prior year adjustments and the amount to fund the school portion of the reimbursement made pursuant to section 273.425, shall be recognized as revenue in the fiscal year beginning in the calendar year for which the levy is payable.*

**Sec. 4.** Minnesota Statutes 1980, Section 124.14, is amended by adding a subdivision to read:

*Subd. 6. [ADJUSTMENT APPROPRIATION.] There is annually appropriated from the general fund to the department of education any additional amounts necessary for the adjustments made pursuant to section 8 of this article.*

**Sec. 5.** Minnesota Statutes 1981 Supplement, Section 124.2121, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 4, is amended to read:

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 (AS RECOGNIZED PURSUANT TO SECTION 121.904) 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. 6. Minnesota Statutes 1980, Section 275.125, is amended by adding a subdivision to read:

Subd. 21. [REPORTING.] For each tax settlement, the county auditor shall report to each school district by fund, the school district tax settlement revenue defined in section 3 of this article, clause (a), and the amount levied pursuant to subdivision 9a on the form specified in section 276.10. The county auditor shall send to the school district a copy of the spread levy report specified in section 275.124.

Sec. 7. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF REDUCTION.] State (AID) aids and credits enumerated in section 9 of this article due any school district in fiscal year 1983 for the 1982-1983 school year (UNDER THE PROVISIONS ENUMERATED IN SUBDIVISION 3) shall be reduced in the order listed by the following amount: (1) the amount the district (LEVIED FOR TAXES ASSESSED IN 1982, PAYABLE IN 1983, WHICH IS TO BE RECOGNIZED) recognizes as revenue (IN) for fiscal year 1983 pursuant to section (1) 3 of this article, clause (b), minus (2) the amount the district received pursuant to Minnesota Statutes 1981 Supplement, Section 275.125, Subdivision 2d. The school district shall be notified of the amount, by fund, of the reductions to each aid payment made according to this section. (THE DISTRICT LEVY AGAINST WHICH THE REDUCTION IS APPLIED SHALL NOT INCLUDE ANY LEVY PORTIONS THAT ARE ASSUMED BY THE STATE. FOR PURPOSES OF COMPUTING THIS STATE AID REDUCTION, THE AMOUNT LEVIED BY THE DISTRICT SHALL NOT INCLUDE THE AMOUNTS LEVIED TO MAKE PAYMENTS FOR BONDS ISSUED AND FOR INTEREST THEREON; THE AMOUNTS LEVIED FOR REPAYMENT OF DEBT SERVICE LOANS AND CAPITAL LOANS; THE AMOUNTS LEVIED TO PAY THE DISTRICT'S OBLIGATIONS UNDER SECTION 268.06, SUBDIVISION 25; AND AMOUNTS LEVIED PURSUANT TO SECTION 275.125, SUBDIVISIONS 2D, 6A, 9A, 14A, AND 20.)

Sec. 8. Laws 1981, Third Special Session, Chapter 2, Article IV, Section 3, is amended by adding a subdivision to read:

*Subd. 2a. [AMOUNT OF ADJUSTMENT.] Beginning with fiscal year 1984 and each year thereafter, state aids and credits enumerated in section 9 of this article payable to any school district in a particular fiscal year for that fiscal year shall be adjusted, in the order listed, by an amount equal to (1) the amount the district recognized as revenue for the prior fiscal year pursuant to section 8 of this article, clause (b); minus (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 8 of this article, clause (b). Any loan amount authorized from the cash flow loan fund or payment from the permanent school fund shall not be adjusted pursuant to this section. The school district shall be notified of the amount of the adjustment made to each payment pursuant to this section.*

Sec. 9. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 3, is amended to read:

*Subd. 3. [SUBTRACTION FROM AIDS.] The amount specified in subdivision 2 shall be subtracted from the following state (AID PAYMENTS) aids and credits in the order listed in fiscal year 1983. The amount specified in section 8 of this article shall be used to adjust the following state aids and credits in the order listed:*

- (a) Foundation aid as authorized in section 124.212, subdivision 1;
- (b) Secondary vocational aid authorized in section 124.573;
- (c) Special education aid authorized in section 124.32;
- (d) Secondary vocational aid for handicapped children authorized in section 124.574;
- (e) Gifted and talented aid authorized in section 124.247;
- (f) Aid for pupils of limited English proficiency authorized in section 124.273;
- (g) Aid for improved learning programs authorized in section 124.251;
- (h) Aid for chemical use programs authorized in section 124.246;
- (i) Transportation aid authorized in section 124.225;
- (j) School lunch aid authorized in section 124.646;
- (k) Community education programs aid authorized in section 124.271;

- (l) Adult education aid authorized in section 124.26;
- (m) Capital expenditure equalization aid authorized in section 124.245;
- (n) Homestead credit (PAYMENTS) authorized in section 273.13, subdivisions 6, 7, and 14a;
- (o) (TACONITE HOMESTEAD CREDIT PAYMENTS AUTHORIZED IN SECTION 273.135;) *Reduced assessment credit authorized in section 273.139;*
- (p) Wetlands credit authorized in section 273.115;
- (q) Native prairie credit authorized in section 273.116; and
- (r) Attached machinery aid authorized in section 273.138, subdivision 3.

The commissioner of education shall schedule the timing of the reductions from state (AID PAYMENTS) *aids and credits* specified in subdivision 2, *and the adjustments to state aids and credits specified in section 8 of this article, as close to the end of the fiscal year as possible and* in such a manner that will minimize the impact of this article on the cash flow needs of the school districts.

Sec. 10. Laws 1981, Third Special Session Chapter 2, Article IV, Section 3, Subdivision 4, is amended to read:

Subd. 4. [ACCOUNTING.] (NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE AMOUNT OF THE LEVY SUBTRACTED FROM STATE AID PAYMENTS SHALL BE RECOGNIZED AND REPORTED ON THE SCHOOL DISTRICT BOOKS OF ACCOUNT IN THE SAME WAY THAT THE STATE AID PAYMENTS WOULD HAVE BEEN RECOGNIZED AND REPORTED.) *Each district shall establish an account which shall be designated "property tax recognition account". This account shall reflect the adjustments made pursuant to section 8 of this article according to the fiscal year specified.*

Sec. 11. Laws 1981, Third Special Session Chapter 2, Article IV, Section 5, Subdivision 3, is amended to read:

Subd. 3. [APPROPRIATION.] There is appropriated from the general fund to the department of education for the cash flow loan fund the sum of (\$15,000,000) *\$35,000,000*. This sum shall be transferred to the cash flow loan fund as needed.

Sec. 12. Laws 1981, Third Special Session Chapter 2, Article IV, Section 5, is amended by adding a subdivision to read:

*Subd. 4. [CANCELLATION.] The cash flow loan fund shall expire on June 29, 1983, and the entire balance in the fund, including any loan amounts that have been repaid by school districts, shall revert to the general fund on that date. Any delinquent loan payments received after June 29, 1983, shall be placed in the general fund.*

**Sec. 13. [REPEALER.]**

*Minnesota Statutes 1980, Sections 121.904, Subdivision 4b, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 2; and 275.125, Subdivision 1a, as added by Laws 1981, Third Special Session Chapter 2, Article IV, Section 7, are repealed."*

Delete the title 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; governing the recognition of school district property tax revenues; granting certain powers and duties to school boards, school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 120.68; 121.11, Subdivision 12; 121.88, by adding a subdivision; 121.904, Subdivisions 2, 4, and 4a, as added; 121.908, Subdivision 3; 123.32, Subdivision 1, and by adding a subdivision; 123.35, by adding a subdivision; 123.-351, by adding a subdivision; 123.37, Subdivision 1b; 123.78, Subdivision 1; 124.14, by adding a subdivision; 124.19, Subdivision 1, and by adding a subdivision; 124.225, as amended; 124.-245, by adding a subdivision; 124.26, by adding a subdivision; 124.32, Subdivisions 2, 7, and 10, and by adding subdivisions; 124.5621, by adding a subdivision; 124.572, Subdivision 2, and by adding a subdivision; 124.573, by adding subdivisions; 124.-574, Subdivision 3, and by adding a subdivision; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivisions 4 and 5, as amended, and by adding subdivisions; 275.48; 475.61, Subdivisions 1, 3, and 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivision 7; 121.912, Subdivision 1; 122.542, Subdivisions 3 and 4; 123.702, Subdivision 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.212, Subdivision 1; 124.2121, Subdivision 5, as amended; 124.2122, Subdivision 1, as amended, and Subdivision 2, as amended; 124.-2124, Subdivision 1; 124.2125, Subdivision 1, as amended, and Subdivision 2; 124.2126, Subdivision 3; 124.2128, Subdivision 1; 124.2129, Subdivision 3; 124.223; 124.245, Subdivisions 1 and 1a; 124.246, Subdivision 2, and by adding a subdivision; 124.247, Subdivision 3; 124.251; 124.26, Subdivision 1; 124.271, Subdivision 2; 124.273, Subdivisions 1, 2, and by adding subdivisions; 124.32, Subdivisions 1, 1a, 1b, and 5; 124.38, Subdivision 7; 124.-

5621, Subdivision 12; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 124.573, Subdivisions 2 and 3a; 124.574, Subdivision 2; 125.611, Subdivision 5; 136A.81, Subdivision 1; 169.974, Subdivision 2; 171.04; 275.125, Subdivisions 1, 2d, 7a, and 11a; 298.28, Subdivision 1; 354.66, Subdivision 6; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3, Article VI, Section 46, Subdivisions 8, 9, and 16, Article VII, Section 29, as amended, Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20, Article IV, Section 3, Subdivisions 2, 3, 4, and by adding a subdivision, Article IV, Section 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivision 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14; and 128.05; 275.125, Subdivision 1a, as added; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8."

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

House Conferees: BOB MCEACHERN, BRUCE ANDERSON, JOHN D. TOMLINSON, DAVID M. JENNINGS and CONNIE LEVI.

Senate Conferees: NEIL DIETERICH, GENE MERRIAM, JEROME M. HUGHES, KEITH LANGSETH and DAVE RUED.

McEachern moved that the report of the Conference Committee on H. F. No. 1555 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1555, A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues and the computation of levies; granting certain powers and duties to school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; repealing certain administrative rules; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 121.11, Subdivision 12; 121.908, Subdivision 3; 121.912, Subdivisions 2 and 3; 122.90, Subdivision 1; 123.37, Subdivision 1b; 123.741, Subdivision 1; 123.78, Subdivision 1; 124.19, Subdivision 1, and by adding a subdivision; 124.213, Subdivision 2; 124.32, Subdivisions 7 and 10; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivision 1a, as added; 275.125, Subdivisions 2a, 2d, 2e, 5, as amended, 6b, 6c, 7a, 7c, 9, 19, 20, and by adding subdivisions; 275.48; 298.28, Subdivision 1; 475.61, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivisions 4 and 7; 122.531, Subdivision 6; 122.542, Subdivisions 3 and 4; 123.35, by adding a subdivision; 123.702, Subdivisions 1 and 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.2121, Subdivisions 2, 4, and 5, as amended; 124.2122, Subdivisions 1,



and 2, as amended; 124.2123, Subdivisions 1, 3, and by adding a subdivision; 124.2124, Subdivisions 1, as amended, and 3; 124.2125, Subdivision 1, as amended; 124.2126, Subdivision 3; 124.2128, Subdivisions 1 and 5; 124.2129, Subdivision 3, and by adding a subdivision; 124.213, Subdivision 2; 124.223; 124.225, as amended; 124.245, Subdivisions 1 and 1a; 124.251; 124.271, Subdivision 2a; 124.32, Subdivisions 1, 1a, and 5; 124.38, Subdivision 7; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 125.611, Subdivision 5; 136A.81, Subdivision 1; 275.125, Subdivisions 8 and 11b; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3; Article VII, Section 29, as amended; Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20; Article IV, Sections 3, Subdivisions 2 and 3; 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivisions 4a and 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14; 128.05; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 1804

A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

March 11, 1982

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. 1804, 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. 1804 be further amended as follows:

Page 1, delete lines 8 to 10, and insert:

*"A town board may, by resolution, exempt adjoining owners or occupants from this chapter when the land of the adjoining owners or occupants considered together is less than 20 acres."*

Page 1, line 12, delete "governing body" and insert "town board"

Page 1, line 14, delete "chapter 344" and insert "this chapter"

Page 1, line 16, delete "governing body" and insert "town board"

Page 1, line 18, delete "governing body" and insert "town board"

Page 1, line 18, delete "such" and insert "the adoption of"

Page 1, line 19, delete "voters" and insert "electors"

Page 1, line 19, delete "a" and insert "an annual or special"

Page 1, line 20, after "meeting" delete everything before the period

Page 1, line 21, delete "Chapter 344 governs" and insert "This chapter applies to"

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

House Conferees: CARL M. JOHNSON, MARY MURPHY and GARY W. LAIDIG.

Senate Conferees: EARL W. RENNEKE, GERALD L. WILLET and MARION (MIKE) MENNING.

Johnson, C., moved that the report of the Conference Committee on H. F. No. 1804 be adopted and that the bill be re-passed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1804, A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

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 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was re-passed, as amended by Conference, and its title agreed to.

#### CONFERENCE COMMITTEE REPORT ON 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.

March 12, 1982

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. 253, 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. 253 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 92.06, Subdivision 1, is amended to read:

Subdivision 1. [TERMS] The terms of payment on the sale of all state public lands shall be as follows: The purchaser shall pay in cash at the time of sale the appraised value of all timber. At least 15 percent of the purchase price of the land exclusive of timber shall be paid in cash at the time of sale and the balance in not to exceed 20 equal annual instalments, payable on June 1 each year following that in which the purchase was made, with interest (AT FOUR PERCENT PER ANNUM) *at a rate equal to the rate in effect at the time under section 549.09* on the balances remaining (FROM TIME TO TIME) unpaid, payable with the instalments or principal. Any instalment of principal or interest may be paid in advance, but part payment of an instalment shall not be accepted (, AND). For the purpose of computing interest any instalment of principal not paid on June 1 shall be credited as of *the following* June 1 (NEXT FOLLOWING).

Sec. 2. Minnesota Statutes 1980, Section 94.11, is amended to read:

94.11 [TERMS OF PAYMENT.]

(THE TERMS OF PAYMENT FOR ALL LOTS OR TRACTS SO SOLD SHALL BE) Not less than ten percent of the purchase price (THEREOF) *shall be paid* at the time of sale with the balance payable as (HEREINAFTER PROVIDED.) *follows*: If the purchase price of any lot or parcel is \$5,000 or less, the balance shall be paid within 90 days of the date of sale. If the purchase price of any lot or parcel is in excess of \$5,000, the balance shall be paid in (NOT LESS THAN) equal annual in-

stallments for not (TO EXCEED) *more than* five years, at the option of the purchaser, with principal and interest payable annually in advance at (THE RATE OF NOT LESS THAN SIX PERCENT PER ANNUM) *a rate equal to the rate in effect at the time under section 549.09* on the unpaid balance, payable to the state treasury on or before June first each year. *Any installment of principal or interest may be prepaid.*

Sec. 3. Minnesota Statutes 1980, Section 282.15, is amended to read:

282.15 [SALES OF FORFEITED LANDS.]

(SUCH) *The* sale shall be conducted by the auditor of the county (WHEREIN SUCH) *in which the* parcels lie (AND). *The parcels* shall be sold to the highest bidder but not for less than the appraised value. (SUCH) *The* sales shall be for cash or on the following terms: The appraised value of all merchantable timber on (SUCH) agricultural lands shall be paid for in full at the date of sale. At least 15 percent of the purchase price of the land shall be paid in cash at the time of purchase (, AND). The balance *shall be paid* in not (TO EXCEED) *more than* 20 equal annual instalments, with interest at (THE RATE OF EIGHT PERCENT PER ANNUM) *a rate equal to the rate in effect at the time under section 549.09* on the unpaid balance each year (,). Both principal and interest (TO BECOME) *are* due and payable on December 31 each year following that in which the purchase was made. The purchaser may pay any number of instalments of principal and interest on or before their due date. When the sale is on terms other than for cash in full, the purchaser shall receive from the county auditor a contract for deed, in (SUCH) *a* form (AS SHALL BE) prescribed by the attorney general. The county auditor shall make a report to the commissioner of natural resources not more than 30 days after each public sale (,) showing the lands sold at (SUCH) *the* sales, and submit a copy of each contract of sale.

All lands sold pursuant to (THE PROVISIONS HEREOF) *this section* shall, on the second day of January following the date of (SUCH) *the* sale, be restored to the tax rolls and become subject to taxation in the same manner as (THE SAME) *they* were assessed and taxed before becoming the absolute property of the state.

Sec. 4. Minnesota Statutes 1980, Section 282.222, Subdivision 4, is amended to read:

Subd. 4. [TERMS OF SALE.] All sales under sections 282.221 to 282.226 shall be for cash or on the following terms: at least 15 percent of the purchase price shall be paid in cash at the time of the sale, and the balance (THEREOF) shall be paid in equal annual instalments over a period of 20 years, with inter-

est at (THE RATE OF EIGHT PERCENT PER ANNUM) a rate equal to the rate in effect at the time under section 549.09, payable annually, on the portion (FROM TIME TO TIME) remaining unpaid, with privilege of prepayment of any instalment on any interest date. Sales on terms shall be evidenced by a certificate issued by the county auditor in (SUCH) a form (AS) prescribed by the attorney general (SHALL PRESCRIBE,). The county auditor shall submit a copy of (WHICH SHALL BE SUBMITTED) the certificate to the commissioner of natural resources (FORTHWITH) within 30 days. The appraised value of all merchantable timber on such agricultural lands shall be paid for in cash in full at the time of sale. The county auditor shall report all sales to the commissioner of natural resources (FORTHWITH) within 30 days. Failure of the purchaser to make any payment of any instalment or of any interest required under any contract within six months from the date on which (SUCH) the payment (SHALL BECOME) is due, or to pay (BEFORE THEY BECOME DELINQUENT) all taxes that may be levied upon the land (SO) purchased before they become delinquent, shall constitute a default (, AND THEREUPON). Upon default the contract shall be deemed canceled and all right, title, and interest of the purchaser, his heirs, representatives, or assigns in the premises shall automatically terminate (WITHOUT WHATSOEVER). A record of (SUCH) the default shall be made in the state land records kept by or under the direction of the commissioner of natural resources (, AND). A certificate of (SUCH) the default may be made by or under the direction of the commissioner and filed with the county treasurer or recorded in the office of the county recorder of the county in which the premises are situated. Any (SUCH) record or certificate shall be prima facie evidence of the facts (THEREIN) stated (, BUT) in it. The making of (SUCH) the record or certificate (SHALL NOT BE) is not essential to the taking effect of (SUCH) the cancellation and termination (, AND THEREUPON). Upon cancellation and termination, the land described in the contract shall be subject to disposition as provided in this section (, UPON FIRST) after having been reclassified and reappraised as provided by section 282.221. The county auditor shall report any (SUCH) default to the commissioner of natural resources on or before June 30th of each year.

Sec. 5. [REPEALER.]

*Minnesota Statutes 1980, Section 282.35, is repealed."*

Delete the title and insert:

"A bill for an act relating to state bonds and tax-forfeited land sales; changing the interest rate on unpaid sale balances; repealing an obsolete provision; amending Minnesota Statutes 1980, Sections 92.06, Subdivision 1; 94.11; 282.15; 282.222, Subdivision 4; and repealing Minnesota Statutes 1980, Section 282.35."

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

House Conferees: BILL PETERSON, JOHN J. SARNA and GEORGE C. DAHLVANG.

Senate Conferees: ROBERT J. TENNESSEN, RANDOLPH W. PETERSON and DUANE D. BENSON.

Peterson, B., moved that the report of the Conference Committee on H. F. No. 253 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 113 yeas and 7 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Ogren	Schafer	Staten	Welker
Ludeman	Redalen			

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

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 303:

Reding, Kostohryz, Halberg, McDonald and Osthoff.

There being no objection the order of business reverted to Messages from the Senate.

## MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

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

H. F. No. 1523, A bill for an act relating to driver licensing; allowing certain reports to be made to the commissioner of public safety; proposing new law coded in Minnesota Statutes, Chapter 171.

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. 1176, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

The Senate has appointed as such committee Messrs. Merriam; Davies; Pehler; Peterson, R. W., 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 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. 1550, A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

The Senate has appointed as such committee Messrs. Lessard, Kroening 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 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. 2190, A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block grant funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article I, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12.

The Senate has appointed as such committee Messrs. Willet, Sikorski, Luther, Penny and Engler.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

**Mr. Speaker:**

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on

the amendments adopted by the Senate to the following House File:

H. F. No. 1885, A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

The Senate has appointed as such committee Messrs. Sikorski, Solon and Benson.

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. 1572, A bill for an act relating to health; establishing the right to complete information on all alternative treatments for patients with breast cancer; amending Minnesota Statutes 1980, Section 144.651.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Byrne moved that the House concur in the Senate amendments to H. F. No. 1572 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1572, A bill for an act relating to health; establishing the right to complete information on all alternative treatments for patients with breast cancer; amending Minnesota Statutes 1980, Section 144.651.

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	Anderson, G.	Begich	Brandl	Carlson, D.
Ainley	Anderson, I.	Berkelman	Brinkman	Carlson, L.
Anderson, B.	Battaglia	Blatz	Byrne	Clark, J.

Clark, K.	Heinitz	Mann	Peterson, B.	Stumpf
Clawson	Himle	Marsh	Peterson, D.	Sviggum
Dahlvang	Hoberg	McCarron	Piepho	Swanson
Dean	Hokanson	McDonald	Pogemiller	Tomiinson
Dempsey	Hokr	McEachern	Redalen	Valan
Den Ouden	Jacobs	Mehrkens	Rees	Valento
Drew	Johnson, C.	Metzen	Reif	Vanasek
Eken	Johnson, D.	Minne	Rice	Vellenga
Elioff	Jude	Munger	Rose	Voss
Erickson	Kahn	Murphy	Samuelson	Weaver
Esau	Kaley	Nelsen, B.	Sarna	Welch
Evans	Kalis	Nelson, K.	Schafer	Welker
Ewald	Kelly	Niehaus	Schoenfeld	Wenzel
Fjoslien	Knickerbocker	Norton	Schreiber	Wieser
Forsythe	Kostohryz	Novak	Sherman	Wigley
Greenfield	Kvam	Nysether	Sherwood	Wynia
Gruenes	Laidig	O'Connor	Sieben, M.	Zubay
Hanson	Lehto	Ogren	Simoneau	Spkr. Sieben, H.
Harens	Levi	Olsen	Skoglund	
Hauge	Long	Onnen	Stadum	
Haukoos	Ludeman	Osthoff	Staten	
Heap	Luknic	Otis	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. 1760, A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; amending Minnesota Statutes 1980, Sections 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; 626A.05, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Statutes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

PATRICK E. FLAHAVEN, Secretary of the Senate

Pogemiller moved that the House refuse to concur in the Senate amendments to H. F. No. 1760, 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. 1948, A bill for an act relating to the Hennepin County park reserve district and the city of Anoka; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Luther, Merriam and Peterson, R. W.

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

Kelly 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. 1948. 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. 1760:

Pogemiller, Lehto and Johnson, D.

#### SPECIAL ORDERS

S. F. No. 1837, A bill for an act relating to health; establishing a permanent council on health promotion and wellness; proposing new law coded in Minnesota Statutes, Chapter 145.

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 16 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, L.	Fjoslien	Jacobs	Levi
Anderson, B.	Clark, J.	Forsythe	Johnson, C.	Long
Anderson, G.	Clark, K.	Greenfield	Johnson, D.	Luknic
Anderson, I.	Clawson	Gruenes	Jude	Mann
Battaglia	Dahlvang	Hanson	Kahn	Marsh
Begich	Dean	Hauge	Kaley	McCarron
Berkelman	Drew	Heap	Kalis	McEachern
Blatz	Eken	Heinitz	Kelly	Metzen
Brandl	Elioff	Himle	Knickerbocker	Minne
Brinkman	Erickson	Hoberg	Kostohryz	Munger
Byrne	Evans	Hokanson	Laidig	Murphy
Carlson, D.	Ewald	Hokr	Lehto	Nelsen, B.

Nelson, K.	Otis	Samuelson	Skoglund	Vellenga
Niehaus	Peterson, B.	Sarna	Stadum	Voss
Norton	Peterson, D.	Schoenfeld	Staten	Welch
Novak	Piepho	Schreiber	Stowell	Wenzel
O'Connor	Pogemiller	Shea	Stumpf	Wynia
Ogren	Redalen	Sherman	Swanson	Spkr. Sieben, H.
Olsen	Rice	Sherwood	Tomlinson	
Onnen	Rodriguez, F.	Sieben, M.	Valan	
Osthoff	Rose	Simoneau	Vanasek	

Those who voted in the negative were:

Ainley	Haukoos	Schafer	Welker	Wigley
Dempsey	Ludeman	Sviggum	Wieser	Zubay
Den Ouden	Mehrkens	Valento		
Esau	Rees	Weaver		

The bill was passed and its title agreed to.

The Speaker called Vanasek to the Chair.

S. F. No. 1713 was reported to the House.

Swanson moved to amend S. F. No. 1713, the first engrossment, as follows:

Page 2, delete lines 21 to 34

A roll call was requested and properly seconded.

Voss moved to lay the Swanson amendment on the table. The motion prevailed.

Stumpf moved to amend S. F. No. 1713, the first engrossment, as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1980, Section 169.72, Subdivision 1, is amended to read:

Subdivision 1. Every solid rubber tire on a vehicle shall have rubber on its entire traction surface at least one inch thick above the edge of the flange of the entire periphery.

No person shall operate or move on any highway any motor vehicle, trailer, or semitrailer, having any metal tire in contact with the roadway, except in case of emergency.

Except as provided in this section no tire on a vehicle moved on a highway shall have on its periphery any block, stud, flange, cleat, or spike or any other protuberances of any material other than rubber which projects beyond the tread of the traction surface of the tire. It shall be permissible to use any of the

following on highways: Farm machinery with tires having protuberances which will not injure the highway (, AND); tire chains of reasonable proportions upon any vehicle when required for safety because of snow, ice, or other conditions tending to cause a vehicle to skid; and between the dates of October 15 of one year and May 1 of the following year, ambulances equipped with pneumatic tires with metal type studs not exceeding 5/16 of an inch in diameter inclusive of the stud casing with an average protrusion beyond the tread surface of not more than 7/64 of an inch, and in which the number of studs in the tire shall not exceed two percent of the total tire area in contact with the roadway. For the purposes of this subdivision, ambulance has the meaning given it in section 144.801, subdivision 2.

The commissioner and local authorities in their respective jurisdictions may, in their discretion, issue special permits authorizing the operation upon a highway of traction engines or tractors having movable tracks with transverse corrugations upon the periphery of such movable tracks or farm tractors or other farm machinery, the operation of which upon a highway would otherwise be prohibited under this chapter."

Renumber the following sections.

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

S. F. No. 1713 was read for the third time.

#### MOTION FOR RECONSIDERATION

Voss moved that the action whereby S. F. No. 1713 was given its third reading be now reconsidered.

Nelsen, B., moved to lay the Voss motion on the table. The motion prevailed.

S. F. No. 1713, A bill for an act relating to transportation; providing for the coordination and regulation of special transportation services; amending Minnesota Statutes 1980, Sections 174.29 and 174.30.

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 112 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Battaglia	Byrne	Clawson	Drew
Ainley	Begich	Carlson, D.	Dahlvang	Eken
Anderson, B.	Berkelman	Carlson, L.	Dean	Elioff
Anderson, G.	Blatz	Clark, J.	Dempsey	Erickson
Anderson, I.	Brandt	Clark, K.	Den Ouden	Esau

Ewald	Kahn	Minne	Pogemiller	Sviggum
Fjoslien	Kaley	Munger	Redalen	Tomlinson
Forsythe	Kalis	Murphy	Rees	Valan
Greenfield	Kelly	Nelsen, B.	Rodriguez, F.	Valento
Gruenes	Knickerbocker	Nelson, K.	Samuelson	Vanasek
Gustafson	Laidig	Niehaus	Sarna	Vellenga
Hanson	Lehto	Norton	Schafer	Weaver
Hauge	Lemen	Novak	Schoenfeld	Welch
Haukoos	Levi	Nysether	Schreiber	Welker
Heap	Long	O'Connor	Sherman	Wenzel
Heinitz	Ludeman	Ogren	Sherwood	Wieser
Himle	Luknic	Olsen	Sieben, M.	Wigley
Hoberg	Mann	Onnen	Simoneau	Wynia
Hokanson	Marsh	Osthoff	Skoglund	Zubay
Hokr	McCarron	Otis	Stadium	Spkr. Sieben, H.
Johnson, C.	McDonald	Peterson, B.	Staten	
Johnson, D.	McEachern	Peterson, D.	Stowell	
Jude	Metzen	Piepho	Stumpf	

Those who voted in the negative were:

Swanson            Voss

The bill was passed and its title agreed to.

S. F. No. 1793 was reported to the House.

Voss moved that S. F. No. 1793 be continued on Special Orders. The motion prevailed.

S. F. No. 276, A bill for an act relating to health; establishing an advisory task force on the use of state facilities in lieu of reimbursing private facilities for some purposes; 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 76 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ewald	Kalis	Novak	Staten
Anderson, I.	Fjoslien	Kelly	O'Connor	Stumpf
Battaglia	Forsythe	Knickerbocker	Ogren	Swanson
Begich	Greenfield	Laidig	Olsen	Tomlinson
Berkelman	Gruenes	Lehto	Osthoff	Vanasek
Brandl	Halberg	Levi	Otis	Vellenga
Byrne	Hanson	Long	Peterson, D.	Voss
Carlson, D.	Hauge	Mann	Pogemiller	Weaver
Carlson, L.	Heap	McCarron	Rodriguez, F.	Welch
Clark, J.	Heinitz	McEachern	Samuelson	Wenzel
Clark, K.	Hokanson	Metzen	Sarna	Wynia
Clawson	Johnson, C.	Minne	Schoenfeld	Spkr. Sieben, H.
Dahlvang	Johnson, D.	Munger	Shea	
Dean	Jude	Murphy	Sieben, M.	
Eken	Kahn	Nelson, K.	Simoneau	
Elioff	Kaley	Norton	Skoglund	

Those who voted in the negative were:

Aasness	Haukoos	Marsh	Schafer	Valento
Ainley	Hoberg	Niehaus	Schreiber	Welker
Blatz	Hokr	Nysether	Sherwood	Wieser
Dempsey	Jennings	Onnen	Stadum	Wigley
Den Ouden	Kvam	Piepho	Stowell	Zubay
Drew	Lemen	Redalen	Sviggum	
Erickson	Ludeman	Rees	Valan	

The bill was passed and its title agreed to.

#### MOTIONS FOR RECONSIDERATION

Onnen moved that the vote whereby S. F. No. 1713 was passed earlier today be now reconsidered. The motion prevailed.

Onnen moved that the action whereby S. F. No. 1713 was given its third reading be now reconsidered. The motion prevailed.

S. F. No. 1713 was again reported to the House.

Swanson moved to amend S. F. No. 1713, the first engrossment, as follows:

Page 2, delete lines 21 to 34

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 96 nays as follows:

Those who voted in the affirmative were:

Carlson, L.	Clark, K.	Peterson, D.	Swanson	Vellenga
Clark, J.	Minne	Rodriguez, F.		

Those who voted in the negative were:

Aasness	Esau	Jude	Metzen	Rees
Ainley	Evans	Kahn	Munger	Samuelson
Anderson, B.	Fjoslien	Kaley	Murphy	Sarna
Anderson, I.	Forsythe	Kalis	Nelsen, B.	Schafer
Battaglia	Gruenes	Knickerbocker	Niehaus	Schoenfeld
Begich	Halberg	Kvam	Norton	Schreiber
Blatz	Hanson	Laidig	Novak	Shea
Brinkman	Hauge	Lehto	Nysether	Sherman
Carlson, D.	Haukoos	Lemen	O'Connor	Sherwood
Dahlvang	Heap	Levi	Ogren	Skoglund
Dean	Heinitz	Ludeman	Olsen	Stadum
Dempsey	Himle	Mann	Onnen	Staten
Den Ouden	Hoberg	Marsh	Osthoff	Stowell
Drew	Hokr	McCarron	Otis	Stumpf
Eken	Jennings	McDonald	Peterson, B.	Sviggum
Elioff	Johnson, C.	McEachern	Piepho	Tomlinson
Erickson	Johnson, D.	Mehrkens	Redalen	Valan



Valento	Welch	Wieser	Zubay	Spkr. Sieben, H.
Voss	Welker	Wigley		
Weaver	Wenzel	Wynia		

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

S. F. No. 1713, A bill for an act relating to transportation; providing for the coordination and regulation of special transportation services; amending Minnesota Statutes 1980, Sections 174.29 and 174.30.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Ewald	Kostohryz	Ogren	Skoglund
Ainley	Fjoslien	Kvam	Olsen	Stadum
Anderson, B.	Forsythe	Laidig	Onnen	Staten
Anderson, G.	Greenfield	Lehto	Osthoff	Stowell
Anderson, I.	Gruenes	Lemen	Otis	Stumpf
Battaglia	Halberg	Levi	Peterson, B.	Sviggum
Begich	Hanson	Ludeman	Peterson, D.	Swanson
Berkelman	Hauge	Luknic	Piepho	Tomlinson
Blatz	Haukoos	Mann	Pogemiller	Valan
Brandl	Heap	Marsh	Redalen	Valento
Brinkman	Heinitz	McCarron	Reding	Vanasek
Byrne	Himle	McDonald	Rees	Vellenga
Carlson, L.	Hoberg	McEachern	Rice	Voss
Clark, J.	Hokanson	Mehrkens	Rodriguez, F.	Weaver
Clark, K.	Hokr	Metzen	Rose	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	Shea	Zubay
Eken	Kaley	Norton	Sherman	Spkr. Sieben, H.
Erickson	Kalis	Novak	Sherwood	
Esau	Kelly	Nysether	Sieben, M.	
Evans	Knickerbocker	O'Connor	Simoneau	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

S. F. No. 2126 was reported to the House.

Eken moved that S. F. No. 2126 be continued on Special Orders. The motion prevailed.

S. F. No. 1706 was reported to the House.

There being no objection, S. F. No. 1706 was continued on Special Orders.

S. F. No. 1818, A bill for an act relating to financial institutions; providing for maximum interest rates on the unpaid balance of loans made by a bank, savings bank, savings association, or credit union; making a temporary, superseding interest rate provision permanent; amending Minnesota Statutes 1980, Sections 48.153, Subdivisions 1a and 3a; 52.14, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 48.195; repealing Minnesota Statutes 1980, Sections 48.153, Subdivisions 1 and 3; and 52.14, 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 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2271 was reported to the House.

Rees moved to amend H. F. No. 2271, as follows:

Page 1, line 22, delete "and,"

Page 1, delete line 23

Page 1, line 24, delete "either by the airlines or localities;"

The motion prevailed and the amendment was adopted.

H. F. No. 2271, A resolution memorializing the President of the United States and the Administrator of the Federal Aviation Administration against any attempt to prohibit local governments from restricting aircraft noise.

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:

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

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

S. F. No. 1957 was reported to the House.

McDonald pursuant to rule 4.5 gave notice of intention to debate a resolution and S. F. No. 1957 was laid over one day.

S. F. No. 1706 continued earlier today was again reported to the House.

Wynia moved to amend S. F. No. 1706, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 60C.03, Subdivision 8, is amended 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 (AUGUST 1, 1981) *April 30, 1979* by a court of competent jurisdiction, in the insurer's state of domicile or of this state, under the provisions of 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 1981 Supplement, 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) *the* insurer becomes an insolvent insurer after (AUGUST 1, 1981) *April 30, 1979*;

(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) 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. [61A.275] [SEPARATE ACCOUNTS; PENSION PLANS.]

*Subdivision 1. [ESTABLISHMENT.] Any domestic life insurance company, by adoption of a resolution by its governing body, may establish one or more separate accounts and may allocate thereto, in accordance with the terms of a written agreement, any amounts which are paid to or held by the company in connection with a pension, retirement, or profit-sharing plan described under section 401, 414(d), or 457 of the Internal Revenue Code of 1954, as amended through December 31, 1981. In connection with the separate accounts, the company may issue, subject to the terms of the written agreement, group policies or contracts with benefits payable in fixed or variable amounts.*

*The assets held in a separate account pursuant to this section shall be owned by the company. The company shall not be, nor hold itself out to be, a trustee with respect to the assets.*

*Subd. 2. [ALLOCATIONS, CREDITS, OR CHARGES.] The income, if any, and gains or losses realized or unrealized on each separate account may be credited to or charged against the amount allocated to that separate account in accordance with the written agreement, without regard to the other income, gains, or losses of the company.*

*Subd. 3. [TRANSFER OF ASSETS.] No sale, exchange, or other transfer of assets may be made by a company between any of its separate accounts or between any other investment account and one or more of its separate accounts unless:*

*(1) in case of a transfer into a separate account, the transfer is made solely to establish the account or to support the contractual obligations of the company with respect to the separate account to which the transfer is made; or*

*(2) in case of a transfer from a separate account, the transfer would not cause the remaining assets of the account to become less than the reserves and other contract liabilities with respect to that separate account. A transfer, whether into or from a separate account, shall be made by a transfer of cash, or by a transfer of securities having a readily determinable market value, if the transfer of securities is approved by the commissioner. The commissioner may approve other transfers among separate accounts if, in his or her opinion, the transfers would not be inequitable.*

*Except as the commissioner may otherwise approve, where a company transfers assets into a separate account for the purpose of establishing the account, the transfer shall be in the form of cash and shall be made only from its surplus. Not more than five percent of its surplus may be so invested in its separate accounts.*

*Subd. 4. [APPLICATION OF INVESTMENT LAW.] Notwithstanding any inconsistent provision in the company's charter*

or other law, the amounts allocated to separate accounts and accumulations thereon may be invested and reinvested in any class of loans and investments. The loans and investments shall not be included in applying any of the limitations provided in section 61A.28. However, unless otherwise approved by the commissioner, a portion of the assets of each separate account equal to the company's reserve liability with regard to the guaranteed benefits and funds, if any, shall be invested in accordance with the requirements otherwise applicable to the company's general assets.

**Subd. 5. [VALUATION OF ASSETS.]** Unless otherwise approved by the commissioner, assets allocated to a separate account shall be valued at their market value on the date of valuation, or if there is no readily available market, then as provided under the terms of the contract or the requirements or other written agreement applicable to the separate account. However, unless otherwise approved by the commissioner, a portion of the assets of each separate account equal to the company's reserve liability with regard to the guaranteed benefits and funds, if any, shall be valued in accordance with the requirements otherwise applicable to the company's general assets.

**Subd. 6. [OTHER LAWS.]** No separate account established pursuant to this section shall be subject to the provisions of sections 61A.13 to 61A.21, nor shall any of the provisions of this section be construed to have any application to separate accounts established pursuant to sections 61A.13 to 61A.21.

**Sec. 4.** Minnesota Statutes 1981 Supplement, Section 61A.-282, Subdivision 2, is amended to read:

**Subd. 2. [LENDING OF SECURITIES.]** A company may loan securities held by it under this chapter to a broker-dealer registered under the Securities and Exchange Act of 1934 or to a bank which is a member of the Federal Reserve System. The market value of loaned securities outstanding at any one time, excluding securities held in a separate account established pursuant to section 61A.14, subdivision 1 or section 3, shall not exceed 50 percent of the company's capital and surplus as of the December 31 immediately preceding. Each loan must be evidenced by a written agreement which provides:

(a) that the loan will be fully collateralized by cash or obligations issued or guaranteed by the United States or an agency or an instrumentality thereof, and that the collateral will be adjusted each business day during the term of the loan to maintain the required collateral in the event of market value changes in the loaned securities or collateral;

(b) that the loan may be terminated by the company at any time, and that the borrower must return the loaned securities or their equivalent within five business days after termination;

(c) that the company has the right to retain the collateral or to use the collateral to purchase securities equivalent to the loaned securities if the borrower defaults under the terms of the agreement; and

(d) that the borrower remains liable for any losses and expenses, not covered by the collateral, which are incurred by the company due to default.

**Sec. 5. [EFFECTIVE DATE.]**

*Sections 1 to 4 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to insurance; modifying the definitions of insolvent insurer and a covered claim for purposes of the insurance guaranty association act; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Sections 60C.03, Subdivision 8; 60C.09, Subdivision 1; and 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A."

The motion prevailed and the amendment was adopted.

Gruenes and Vellenga moved to amend S. F. No. 1706, as amended, as follows:

Page 5, after line 17, insert:

"Sec. 5. Minnesota Statutes 1980, Section 62A.145, is amended to read:

**62A.145 [SURVIVORS (OF DECEASED EMPLOYEE); (DEFINITIONS) DEFINITION.]**

(SUBDIVISION 1.) For the purposes of (THIS SECTION AND) section 62A.146, (THE TERMS DEFINED IN THIS SECTION SHALL HAVE THE MEANINGS HERE GIVEN THEM.)

(SUBD. 2. "COVERED EMPLOYEE" MEANS ANY PERSON WHO, AT THE TIME OF HIS DEATH, WAS EMPLOYED BY ANY EMPLOYER PROVIDING, OFFERING OR CONTRIBUTING TO GROUP INSURANCE COVERAGE FOR THAT EMPLOYEE WHO WAS SO ENROLLED FOR THE COVERAGE.)

(SUBD. 3. "GROUP INSURANCE" MEANS ANY POLICY OR CONTRACT OF ACCIDENT AND HEALTH PROTEC-

TION, REGARDLESS OF BY WHOM UNDERWRITTEN, PAID FOR IN FULL OR IN PART BY AN EMPLOYER, WHICH PROVIDES BENEFITS, INCLUDING CASH PAYMENTS FOR REIMBURSEMENT OF EXPENSES AND THE PROVISION OF USUAL AND NEEDED HEALTH CARE AND MEDICAL SERVICES AS THE RESULT OF ANY INJURY, SICKNESS, DISABILITY OR DISEASE SUFFERED BY A GROUP OF EMPLOYEES, OR ANY ONE OF THEM, AND THE DEPENDENTS OF SUCH EMPLOYEES.)

(SUBD. 4. "EMPLOYER" MEANS ANY NATURAL PERSON, COMPANY, CORPORATION, PARTNERSHIP, ASSOCIATION OR FIRM WHICH EMPLOYS ANY EMPLOYEE.)

(SUBD. 5.) "survivor" means (ANY) a person who would be entitled to and be dependent upon economic support by an (EMPLOYEE) insured, subscriber or enrollee if (THAT EMPLOYEE) he were alive; including (ANY) a spouse (AND/OR) , child or children as defined by the (GROUP INSURANCE) policy or plan of accident and health protection.

Sec. 6. Minnesota Statutes 1980, Section 62A.146, is amended to read:

**62A.146 [(GROUP INSURANCE;) CONTINUATION OF BENEFITS TO SURVIVORS.]**

(EVERY EMPLOYER PROVIDING A POLICY OR PLAN OF ACCIDENT AND HEALTH PROTECTION AND BENEFITS FOR HIS EMPLOYEES, OR ANY OF THEM, AND THE DEPENDENTS OF SUCH EMPLOYEES) *No policy or plan of accident and health protection issued by an insurer, nonprofit health service plan corporation, or health maintenance organization, providing coverage of hospital or medical expense on either an expense incurred basis or other than an expense incurred basis which in addition to coverage of the insured, subscriber, or enrollee, also provides coverage to his dependents, shall (NOT), except upon the written consent of the survivor or survivors of (ANY) the deceased (COVERED EMPLOYEE) insured, subscriber or enrollee, terminate, suspend or otherwise restrict the participation in or the receipt of benefits otherwise payable under (SUCH) the policy or plan (OF GROUP INSURANCE) to (SUCH) the survivor or survivors (WITHIN ONE YEAR OF THE COVERED EMPLOYEE'S DEATH) until the earlier of the following dates:*

- (a) *The date of remarriage of the surviving spouse; or*
- (b) *The date coverage would have terminated under the policy or plan had the insured, subscriber, or enrollee lived.*



(PROVIDED, HOWEVER, THAT ANY) *The survivor or survivors, in order to have the coverage and benefits extended (FOR SUCH ONE YEAR PERIOD, AS HEREIN PROVIDED), may be required to pay the entire cost of (SUCH) the protection. Failure of the survivor to make premium or fee payments (IN ADVANCE TO THE EMPLOYER) within 30 days after notice of the requirement to pay the premiums or fees shall be a basis (IN ITSELF) for the termination of the coverage without (THE) written consent (HERETOFORE REQUIRED FOR SUCH TERMINATION, BUT). In event of termination by reason of the survivor's failure to make required premium (PAYMENTS, IF ANY) or fee contributions, written notice of (SUCH) cancellation must be (SENT BY THE POLICYHOLDER BY MAIL) mailed to (SAID) the survivor's last known address at least 15 days (PRIOR TO SUCH) before the cancellation. If the coverage is provided under a group policy or plan, any required premium or fee contributions for the coverage shall be paid by the survivor to the group policyholder or contract holder for remittance to the insurer, nonprofit health service plan corporation, or health maintenance organization.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivision 2a, is amended to read:

Subd. 2a. [CONTINUATION PRIVILEGE.] Every (GROUP) policy described in subdivision 1 shall contain a provision which permits continuation of coverage under the policy for the insured's former spouse and *dependent* children upon entry of a valid decree of dissolution of marriage, if the decree requires the insured to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:

(a) The date of remarriage of either the insured or the insured's former spouse; or

(b) The date coverage would otherwise terminate under the (GROUP) policy.

*If the coverage is provided under a group policy, any required premium contributions for the coverage shall be paid by the insured to the group policyholder for remittance to the insurer.*

Sec. 8. Minnesota Statutes 1981 Supplement, Section 62A.21, Subdivision 2b, is amended to read:

Subd. 2b. [CONVERSION PRIVILEGE.] Every (GROUP) policy described in subdivision 1 shall contain a provision allowing a former spouse *and dependent children* of an insured, without providing evidence of insurability, to obtain from the insurer at the expiration of any continuation of coverage required under subdivision 2a or *section 62A.146*, or upon termi-

nation of coverage by reason of an entry of a valid decree of dissolution which does not require the insured to provide continued coverage for the former spouse *and dependent children*, conversion coverage providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 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, provided application is made to the insurer within 30 days following *notice of* the expiration of the continued coverage and upon payment of the appropriate premium. A policy providing reduced benefits at a reduced premium rate may be accepted by the former spouse *and dependent children* 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.

Sec. 9. Minnesota Statutes 1980, Section 62C.142, is amended to read:

**62C.142 [CONTINUATION AND CONVERSION (PRIVILEGE) PRIVILEGES FOR FORMER (SPOUSE) SPOUSES AND CHILDREN.]**

Subdivision 1. [TERMINATION OF COVERAGE.] No subscriber contract of a nonprofit health service plan corporation which, in addition to covering the subscriber, also covers the subscriber's spouse shall contain a provision for termination of coverage for a spouse covered under the subscriber contract solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.

Subd. 2. [CONVERSION PRIVILEGE.] Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision (TO THE EFFECT THAT UPON THE ENTRY OF A VALID DECREE OF DISSOLUTION OF MARRIAGE BETWEEN THE COVERED PARTIES THE SPOUSE SHALL BE ENTITLED TO HAVE ISSUED TO HIM OR HER) *allowing a former spouse and dependent children of a subscriber, without providing evidence of insurability, (UPON APPLICATION MADE TO THE CORPORATION WITHIN 30 DAYS FOLLOWING THE ENTRY OF THE DECREE AND UPON THE PAYMENT OF THE*

APPROPRIATE FEE, AN INDIVIDUAL SUBSCRIBER CONTRACT. THE CONTRACT SHALL PROVIDE THE COVERAGE THEN BEING ISSUED BY THE CORPORATION WHICH IS MOST NEARLY SIMILAR TO, BUT NOT GREATER THAN, THE TERMINATED COVERAGE. ANY PROBATIONARY OR WAITING PERIOD SET FORTH IN THE CONVERSION CONTRACT SHALL BE CONSIDERED AS BEING MET TO THE EXTENT COVERAGE WAS IN FORCE UNDER THE PRIOR CONTRACT) to obtain from the corporation at the expiration of any continuation of coverage required under subdivision 2a or section 62A.146, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the insured to provide continued coverage for the former spouse, an individual subscriber contract providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 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, provided application is made to the corporation within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate fee. A subscriber contract providing reduced benefits at a reduced fee may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual subscriber contract 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 subscriber contract shall apply to the former spouse's original age at entry, and shall apply equally to all similar contracts issued by the corporation.

Subd. 2a. [CONTINUATION PRIVILEGE.] Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, shall contain a provision which permits continuation of coverage under the contract for the subscriber's former spouse and children upon entry of a valid decree of dissolution of marriage, if the decree requires the subscriber to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:

(a) The date of remarriage of either the subscriber or the subscriber's former spouse; or

(b) The date coverage would otherwise terminate under the subscriber contract.

Subd. 3. [APPLICATION.] (THIS SECTION) Subdivision 1 applies to every subscriber contract which is delivered,

issued for delivery, renewed or amended on or after (THE EFFECTIVE DATE OF THIS SECTION) *July 19, 1977.*

*Subdivisions 2 and 2a apply to every subscriber contract which is delivered, issued for delivery, renewed, or amended on or after August 1, 1982.*

Sec. 10. Minnesota Statutes 1980, Section 62D.101, is amended to read:

**62D.101 [CONTINUATION AND CONVERSION PRIVILEGES FOR FORMER SPOUSES AND CHILDREN.]**

Subdivision 1. [TERMINATION OF COVERAGE.] No health maintenance contract which, in addition to covering an enrollee, also covers the enrollee's spouse shall contain a provision for termination of coverage for a spouse covered under the health maintenance contract solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.

Subd. 2. [CONVERSION PRIVILEGE.] Every health maintenance contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision (TO THE EFFECT THAT UPON THE ENTRY OF A VALID DECREE OF DISSOLUTION OF MARRIAGE BETWEEN THE COVERED PARTIES THE SPOUSE SHALL BE ENTITLED TO HAVE ISSUED TO HIM OR HER) *allowing a former spouse and dependent children of an enrollee, without providing evidence of insurability, (UPON APPLICATION MADE TO THE HEALTH MAINTENANCE ORGANIZATION WITHIN 30 DAYS FOLLOWING THE ENTRY OF THE DECREE, AND UPON THE PAYMENT OF THE APPROPRIATE FEE, AN INDIVIDUAL HEALTH MAINTENANCE CONTRACT. THE CONTRACT SHALL PROVIDE THE COVERAGE THEN BEING ISSUED BY THE ORGANIZATION WHICH IS MOST NEARLY SIMILAR TO, BUT NOT GREATER THAN, THE TERMINATED COVERAGE. ANY PROBATIONARY OR WAITING PERIOD SET FORTH IN THE CONVERSION CONTRACT SHALL BE CONSIDERED AS BEING MET TO THE EXTENT COVERAGE WAS IN FORCE UNDER THE PRIOR CONTRACT) to obtain from the health maintenance organization at the expiration of any continuation of coverage required under subdivision 2a or section 62A.146, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the health maintenance organization to provide continued coverage for the former spouse, an individual health maintenance contract providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 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, provided application is made to the health maintenance organization within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate fee. A contract providing reduced benefits at a reduced fee may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual health maintenance contract 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 contract shall apply to the former spouse's original age at entry, and shall apply equally to all similar contracts issued by the health maintenance organization.

*Subd. 2a. [CONTINUATION PRIVILEGE.] Every health maintenance contract, other than a contract whose continuance is contingent upon continued employment or membership, shall contain a provision which permits continuation of coverage under the contract for the enrollee's former spouse and children upon entry of a valid decree of dissolution of marriage, if the decree requires the enrollee to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:*

*(a) The date of remarriage of either the enrollee or the enrollee's former spouse; or*

*(b) The date coverage would otherwise terminate under the health maintenance contract.*

*Subd. 3. [APPLICATION.] (THIS SECTION) Subdivision 1 applies to every health maintenance contract which is delivered, issued for delivery, renewed or amended on or after (THE EFFECTIVE DATE OF THIS SECTION) July 19, 1977.*

*Subdivisions 2 and 2a apply to every health maintenance contract which is delivered, issued for delivery, renewed, or amended on or after August 1, 1982."*

Renumber the remaining section

Amend the title as follows:

Page 5, line 26, after "plans," insert "broadening continuation and conversion privileges of survivors and former spouses; amending Minnesota Statutes 1980, Sections 62A.145; 62A.146; 62C.142; and 62D.101;"

Page 5, line 29, after the semicolon insert "62A.21, Subdivisions 2a and 2b;"

The motion prevailed and the amendment was adopted.

S. F. No. 1706, A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

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

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

#### MOTIONS FOR RECONSIDERATION

Vanasek moved that the vote whereby S. F. No. 1207 was not passed earlier today be now reconsidered. The motion prevailed.

Vanasek moved that the action whereby S. F. No. 1207 was given its third reading be now reconsidered. The motion prevailed.

S. F. No. 1207 was again reported to the House.

Wynia moved to amend S. F. No. 1207, the first engrossment, as follows:

Page 3, delete lines 7 to 16, Sections 4 and 5 from the bill

Renumber the remaining section

Amend the title as follows:

Page 1, line 5, delete "authorizing the issuance of two additional"

Page 1, line 6, delete "wine licenses outside the liquor patrol limit of the"

Page 1, line 7, delete "city of St. Paul;"

The motion prevailed and the amendment was adopted.

S. F. No. 1207, A bill for an act relating to intoxicating liquor; providing an exemption from the multiple interest limitation on off-sale licenses for pre-existing franchise agreements; authorizing the issuance of two additional wine licenses outside the liquor patrol limit of the city of St. Paul; amending Minnesota Statutes 1980, Section 340.13, 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 68 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Eken	Lehto	Ogren	Stowell
Anderson, I.	Elioff	Levi	Osthoff	Swanson
Battaglia	Halberg	Long	Otis	Valan
Begich	Hanson	Mann	Peterson, B.	Valento
Berkelman	Heap	Marsh	Peterson, D.	Vanasek
Blatz	Hoberg	McCarron	Pogemiller	Vellenga
Brandl	Hokanson	Mehrkens	Rice	Voss
Byrne	Jacobs	Metzen	Rodriguez, F.	Wenzel
Carlson, L.	Jennings	Minne	Rose	Wieser
Clark, J.	Johnson, C.	Munger	Samuelson	Wynia
Clark, K.	Jude	Nelson, K.	Sarna	Zubay
Dahlvang	Kahn	Norton	Sieben, M.	Spkr. Sieben, H.
Dempsey	Kaley	Novak	Simoneau	
Drew	Kostohryz	O'Connor	Staten	

Those who voted in the negative were:

Aasness	Erickson	Gustafson	Kvam	Onnen
Ainley	Esau	Hauge	Lemen	Piepho
Anderson, B.	Evans	Haukoos	Ludeman	Redalen
Brinkman	Ewald	Heinitz	McDonald	Rees
Carlson, D.	Fjoslien	Himle	Nelsen, B.	Schafer
Clawson	Forsythe	Hokr	Niehaus	Schoenfeld
Dean	Greenfield	Kelly	Nysether	Schreiber
Den Ouden	Gruenes	Knickerbocker	Olsen	Sherman

Sherwood  
Skoglund

Stadum  
Sviggum

Tomlinson  
Weaver

Welch  
Welker

Wigley

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

Eken moved that the remaining bills on Special Orders be continued. The motion prevailed.

GENERAL ORDERS

Eken moved that the bills on General Orders be continued. The motion prevailed.

The following conference committee report was received :

CONFERENCE COMMITTEE REPORT ON H. F. NO. 2136

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; fixing the boundaries of state parks and trails; appropriating money; amending Minnesota Statutes 1980, Sections 16.826; 85.015, Subdivisions 8 and 13; 86.72, Subdivision 1; 121.21, Subdivision 4a; proposing new law coded in Minnesota Statutes, Chapter 84.

March 12, 1982

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. 2136, 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. 2136 be further amended as follows :

Page 1, delete lines 21 to 28

Page 2, delete lines 1 to 36, and insert :

“SUMMARY

ADMINISTRATION .....	\$1,048,000
NATURAL RESOURCES .....	162,000
MILITARY AFFAIRS .....	350,000



VETERANS AFFAIRS .....	63,000
EDUCATION .....	752,300
STATE UNIVERSITIES .....	924,000
UNIVERSITY OF MINNESOTA .....	1,235,000
TRANSPORTATION .....	2,255,600
PUBLIC SAFETY .....	100,000
CORRECTIONS .....	300,000
BOND SALE EXPENSES .....	5,700
TOTAL .....	\$7,195,600
Game and Fish Fund .....	100,000
Trunk Highway Fund .....	2,355,600
Building Fund .....	4,740,000

#### APPROPRIATIONS

\$            \$

#### Sec. 2. [ADMINISTRATION.]

Subdivision 1. To the commissioner of administration for the purposes specified in this section .....

1,048,000

Subd. 2. Fire and Life Safety—  
Capitol building .....

700,000

Subd. 3. Replace roofs—  
Capitol complex .....

130,000

Subd. 4. Reset steps and repair  
upper landing—Capitol building .....

108,000

Subd. 5. Emergency alarm and  
lighting systems—Capitol complex .....

110,000

#### Sec. 3. [NATURAL RESOURCES.]

Subdivision 1. To the commissioner of natural resources or the commissioner of ad-

\$ \$

ministration for the purposes specified in this section ..... 162,000

Subd. 2. To the commissioner of administration for the Hibbing minerals office roof replacement ..... 62,000

Subd. 3. To the commissioner of natural resources for conversion to a wood pellet heating system at the French River hatchery 100,000

The appropriation in this subdivision is from the game"

Page 4, delete lines 23 to 37, and insert:

"Sec. 9. [TRANSPORTATION.]

Subdivision 1. To the commissioner of transportation for the purposes more specifically described in the following subdivisions of this section ..... 2,255,600

Subd. 2. International Falls equipment storage ..... 275,000

Building and site acquisition costs shall not exceed \$150,000.

Subd. 3. Chemical storage sheds ..... 35,600

Subd. 4. Energy savings modifications . 420,000

Subd. 5. Construct north Minneapolis equipment storage facility to replace Hawthorne Avenue facility ..... 900,000

Subd. 6. Sleepy Eye equipment storage . 310,000

Subd. 7. Dodge Center equipment storage 315,000"

Page 4, line 38, delete "6" and insert "8"

Page 5, after line 26, insert:

"Sec. 10. [PUBLIC SAFETY.] ..... 100,000

To the commissioner of public safety to establish and equip a decentralized animated audio-visual traffic accident reconstruction

§

§

system. This money shall be used in conjunction with federal grants or private contributions. This appropriation is from the trunk highway fund.”

Page 5, line 30, delete “500,000” and insert “300,000”

Page 5, line 36, delete the comma

Page 5, line 38, delete “and/or” and insert “, or”

Page 5, line 40, before the period insert “, or both”

Page 5, line 56, delete “6,000” and insert “5,700”

Page 6, line 5, delete “\$5,350,000” and insert “\$4,740,000”

Page 7, after line 25, insert:

“Sec. 16. [REPLACEMENT BUILDING, ST. CLOUD STATE UNIVERSITY.]

*The state university board is authorized to replace the existing building at the highway safety center at St. Cloud state university. Funding for the building shall be exclusively from earned revenue and shall not exceed \$28,000. For purposes of this section, “earned revenue” includes user fees.”*

Pages 7 and 8, delete section 17

Page 12, delete lines 6 to 21 and insert:

“Sec. 26. Minnesota Statutes 1980, Section 16A.63, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article VII, Section 1, is amended to read:

Subd. 2. [TEMPORARY FINANCING.] In anticipation of the receipt of proceeds of state bonds (TO BE CREDITED TO THE MINNESOTA STATE BUILDING FUND), the commissioner of finance may transfer amounts not in excess of the anticipated proceeds from the general fund to the Minnesota state building fund or other state fund to which the proceeds are appropriated. Upon receipt of the state bond proceeds in anticipation of which a general fund transfer has been made, the commissioner of finance shall transfer to the general fund from the (MINNESOTA STATE BUILDING) fund to (THE GENERAL FUND) which the proceeds were appropriated an amount equal to the sum originally transferred from the general fund. There (IS) are annually appropriated to the commissioner of

finance from the general fund and from the (MINNESOTA STATE BUILDING FUND) proceeds of the bonds sums sufficient to effect the transfers authorized by this subdivision.

Sec. 27. Minnesota Statutes 1980, Section 16A.64, Subdivision 4, is amended to read:

Subd. 4. All expenses incidental to the sale, printing, execution, and delivery of bonds pursuant to this section, including, but not limited to, actual and necessary travel and subsistence expenses of state officers and employees for such purposes, shall be paid from the Minnesota state building fund, and the amounts necessary therefor are appropriated from said fund; provided that if any amount is specifically appropriated for this purpose in an act authorizing the issuance of bonds pursuant to this section, such expenses shall be (LIMITED TO) *first paid to the extent possible from the amount so appropriated.*

Sec. 28. Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 8, is amended to read:

Subd. 8. [APPROPRIATION FOR PAYMENT AND COSTS.] The principal of and interest and premium, if any, on all certificates of indebtedness issued hereunder, and all expenses incidental to the sale, guaranty of sale, placement, printing, execution, authorization, registration, and delivery thereof, including but not limited to actual and necessary travel and subsistence expenses of state officers and employees, *and costs arising from lines of credit obtained with respect to outstanding debt* shall be paid from the general fund and shall be included in the computation of current cash flow requirements and of amounts available for allotment pursuant to appropriations, and the amounts necessary for these purposes are appropriated from the general fund. These appropriations are irrevocable and shall not be canceled. *The commissioner of finance may enter into a covenant, on behalf of the state, for the security of the holders of certificates of indebtedness, for the segregation of cash and cash equivalent assets in a special account within the general fund for the payment of interest, principal, and premium, if any, in the amounts and at the times in advance of the due dates that the commissioner determines to be advisable for the state in marketing the certificates of indebtedness and to take action required under section 16A.15, subdivision 1, to enable the performance of the covenant."*

Page 16, after line 25, insert:

"Sec. 34. Minnesota Statutes 1980, Section 180.03, Subdivision 2, is amended to read:

Subd. 2. Every person, firm or corporation that is or has been engaged in the business of mining or removing iron ore, taconite, semitaconite or other minerals except sand, crushed

rock and gravel by the open pit method in any county which has appointed an inspector of mines pursuant to section 180.01 shall erect two inch by four inch mesh fencing along the outside perimeter of the excavation, open pit, or shaft of any mine in which mining operations have ceased for a period of six consecutive months or longer. The top and bottom wire shall not be less than 9 gauge and the filler wire shall not be less than 11 gauge. The fencing shall be not less than five feet in height with two strands of barbed wire six inches apart affixed to the top of the fence. The fence posts shall be no more than ten feet apart. In the case of open pit mines in which mining operations cease after November 1, 1979, and before March 1, 1980, the fencing shall be erected as soon as possible after March 1, 1980. Where mining operations cease on or after March 1, 1980, the fencing shall be erected forthwith. In the case of open pit mines in which mining operations had ceased for a period of six consecutive months or longer before November 1, 1979, and not resumed, the fencing shall be erected within (THREE) *four* years after November 1, 1979. Any fencing required by an inspector of mines pursuant to subdivision 3 or other applicable law shall meet the standards of this section as a minimum. This subdivision does not apply to any excavation, open pit, or shaft, or any portion thereof, exempted from its application by the commissioner of natural resources pursuant to laws relating to mineland reclamation or exempted from its application by the county mine inspector pursuant to subdivision 4."

Page 16, line 27, delete "*Sections 1 to 30 are*" and insert "*This act is*"

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 6, after the semicolon insert "authorizing inter-fund borrowing in anticipation of bond proceeds; providing for bond sale expenses; authorizing covenants to secure certificates of indebtedness;"

Page 1, line 7, after the first semicolon insert "postponing the deadline for fencing certain open pit mines;"

Page 1, line 8, after the semicolon insert "16A.63, Subdivision 2, as amended; 16A.64, Subdivision 4;"

Page 1, line 9, after the last semicolon insert "180.03, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 8."

Page 1, delete lines 10 and 11

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

House Conferees: MICHAEL R. SIEBEN, PHYLLIS L. KAHN, GLEN H. ANDERSON, LYNDON R. CARLSON and BRUCE G. NELSON.

Senate Conferees: GERALD L. WILLET, WILLIAM P. LUTHER, STEVE ENGLER and TOM A. NELSON.

Sieben, M., moved that the report of the Conference Committee on H. F. No. 2136 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2136, 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; fixing the boundaries of state parks and trails; appropriating money; amending Minnesota Statutes 1980, Sections 16.826; 85.015, Subdivisions 8 and 13; 86.72, Subdivision 1; 121.21, Subdivision 4a; proposing new law coded in Minnesota Statutes, Chapter 84.

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 23 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Kaley	Novak	Sieben, M.
Anderson, B.	Erickson	Kalis	O'Connor	Simoneau
Anderson, G.	Evans	Kelly	Ogren	Skoglund
Anderson, I.	Ewald	Kostohryz	Onnen	Stadum
Battaglia	Forsythe	Laidig	Osthoff	Staten
Begich	Greenfield	Lehto	Otis	Stowell
Berkelman	Gruenes	Levi	Peterson, B.	Stumpf
Blatz	Gustafson	Luknic	Peterson, D.	Swanson
Brandl	Halberg	Mann	Piepho	Tomlinson
Brinkman	Hanson	Marsh	Pogemiller	Valan
Byrne	Hauge	McCarron	Reding	Valento
Carlson, D.	Haukoos	McEachern	Reif	Vanasek
Carlson, L.	Himle	Mehrkens	Rice	Vellenga
Clark, J.	Hoberg	Metzen	Rodriguez, F.	Voss
Clark, K.	Hokanson	Minne	Rose	Weaver
Clawson	Jacobs	Munger	Samuelson	Welch
Dahlvang	Johnson, C.	Murphy	Sarna	Wenzel
Dempsey	Johnson, D.	Nelsen, B.	Schoenfeld	Wynia
Drew	Jude	Nelson, K.	Sherman	Zubay
Eken	Kahn	Norton	Sherwood	Spkr. Sieben, H.

Those who voted in the negative were:

Ainley	Jennings	McDonald	Rees	Welker
Den Ouden	Knickerbocker	Niehaus	Schafer	Wieser
Fjoslien	Kvam	Nysether	Schreiber	Wigley
Heinitz	Lemen	Olsen	Shea	
Hokr	Ludeman	Redalen	Svigum	

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 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. 2058, A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

PATRICK E. FLAHAVEN, Secretary of the Senate

Hokanson moved that the House refuse to concur in the Senate amendments to H. F. No. 2058, 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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Byrne moved that the House refuse to concur in the Senate amendments to H. F. No. 534, 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. 1576, A bill for an act relating to commerce; regulated loans; applying the statutory provisions relating to conventional loan defaults to regulated loans; clarifying the method for the computation of interest; allowing the combination of loans of different maturities and interest rates; prohibiting attorney's fees except in connection with mortgage foreclosures; placing certain restrictions on the procurement of insurance in connection with a loan; providing miscellaneous technical and clarifying amendments; and eliminating a duplicative provision; amending Minnesota Statutes 1980, Section 53.04, Subdivision 5; and Minnesota Statutes 1981 Supplement, Sections 53.01; 53.04, Subdivision 3a; 56.12; 56.131, Subdivisions 1, 3, and 5; 56.155; 334.02; and 334.03; proposing new law coded in Minnesota Statutes, Chapter 56.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Berkelman moved that the House concur in the Senate amendments to H. F. No. 1576 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1576, A bill for an act relating to commerce; regulated loans; applying the statutory provisions relating to conventional loan defaults to regulated loans; clarifying the method for the computation of interest; allowing the combination of loans of different maturities and interest rates; prohibiting attorney's fees except in connection with mortgage foreclosures; placing certain restrictions on the procurement of insurance in connection with a loan; providing miscellaneous technical and clarifying amendments; amending Minnesota Statutes 1980, Section 53.04, Subdivision 5; and Minnesota Statutes 1981 Supplement, Sections 53.01; 53.04, Subdivision 3a; 56.12; 56.131, Subdivisions 1 and 5; 56.155; 334.02; and 334.03; proposing new law coded in Minnesota Statutes, Chapter 56.

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



The question was taken on the repassage of the bill and the roll was called. There were 118 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Begich

The bill was repassed, as amended by the Senate, 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. 534:

Clawson, Byrne and Dean.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2058:

Hokanson, Hokr and Samuelson.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Saturday, March 13, 1982. 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, March 13, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## EIGHTY-NINTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, MARCH 13, 1982

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 Father Roman Schaefer, Church of St. Adalbert, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Frerichs and Searles were excused.

Ellingson was excused until 12:15 p.m. Rodriguez, C., and Shea were excused until 12:30 p.m. Wenzel was excused until 12:40 p.m. Samuelson and Voss were excused until 1:00 p.m. Anderson, R., was excused until 7:00 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. No. 2271 and S. F. Nos. 1637 and 1988 have been placed in the members' files.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced :

Peterson, B. ; Jennings ; Lemen ; Olsen and Valento introduced :

H. F. No. 2296, A bill for an act proposing an amendment to the Minnesota Constitution, Article XI, adding a section ; providing constitutional limits on state spending.

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, Peterson, B., moved that the rule therein be suspended and an urgency be declared so that H. F. No. 2296 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

Simoneau moved to lay the Peterson, B., motion on the table.

#### POINT OF ORDER

Peterson, B., raised a point of order pursuant to section 331 of "Mason's Manual of Legislative Procedure" that the Simoneau motion was out of order.

The Speaker ruled the point of order well taken and the Simoneau motion out of order.

#### CALL OF THE HOUSE

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

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

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.

The question recurred on the Peterson, B., motion and the roll was called.

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

There were 60 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Kaley	Nysether	Sherman
Ainley	Forsythe	Kvam	Oisen	Sherwood
Blatz	Gruenes	Laidig	Onnen	Stadum
Carlson, D.	Halberg	Lemen	Peterson, B.	Stowell
Dean	Haukoos	Levi	Piepho	Sviggum
Dempsey	Heap	Ludeman	Redalen	Valan
Den Ouden	Heinitz	Luknic	Rees	Valento
Drew	Himle	Marsh	Reif	Weaver
Erickson	Hoberg	McDonald	Rose	Welker
Esau	Hokr	Mehrkens	Rothenberg	Wieser
Evans	Jennings	Nelsen, B.	Schafer	Wigley
Ewald	Johnson, D.	Niehaus	Schreiber	Zubay

Those who voted in the negative were:

Anderson, B.	Brinkman	Dahlvang	Harens	Kahn
Anderson, G.	Byrne	Eken	Hauge	Kalis
Anderson, I.	Carlson, L.	Elioff	Hokanson	Kelly
Battaglia	Clark, J.	Greenfield	Jacobs	Kostohryz
Begich	Clark, K.	Gustafson	Johnson, C.	Lehto
Berkelman	Clawson	Hanson	Jude	Long

Mann	Nelson, K.	Reding	Skoglund	Welch
McCarron	Norton	Rice	Staten	Wynia
McEachern	Ogren	Rodriguez, F.	Stumpf	Spkr. Sieben, H.
Metzen	Osthoff	Sarna	Swanson	
Minne	Otis	Schoenfeld	Tomlinson	
Munger	Peterson, D.	Sieben, M.	Vanasek	
Murphy	Pogemiller	Simoneau	Vellenga	

The motion did not prevail.

H. F. No. 2296 was referred to the Committee on Taxes.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Onnen, Schreiber, Kvam, Valento and Redalen introduced:

H. A. No. 72, A proposal to study adopting a system of taxation based on federal income tax liability.

The advisory was referred to the Committee on Taxes.

#### CALL OF THE HOUSE LIFTED

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

The following conference committee reports were received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1550

A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

March 12, 1982

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. 1550, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recedes from its amendments.

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

House Conferees: IRVIN N. ANDERSON, BERNARD J. BRINKMAN and JIM EVANS.

Senate Conferees: BOB LESSARD, CARL W. KROENING and DUANE D. BENSON.

Anderson, I., moved that the report of the Conference Committee on H. F. No. 1550 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1550, 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 by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 114 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1712

A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice



and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, Subdivision 2.

March 12, 1982

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. 1712, 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. 1712 be further amended as follows:

Page 1, after line 17, insert:

"Section 1. Minnesota Statutes 1980, Section 245.70, is amended to read:

245.70 [(MENTALLY ILL AND MENTALLY RETARDED) *MENTAL HEALTH*; FEDERAL AID.]

*Subdivision 1.* [MENTALLY RETARDED AND MENTALLY ILL.] The commissioner of public welfare is (HEREBY) designated the state agency to establish and administer a state-wide plan for the construction, equipment, maintenance, and operation of any facilities for the care, treatment, diagnosis, or rehabilitation, of the mentally retarded or mentally ill which are or may be required as a condition for eligibility for benefits under any federal law and in particular under the Federal Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (P.L. 88-164). The commissioner of public welfare is authorized and directed to receive, administer, and expend any funds that may be available under any federal law or from any other source, public or private, for such purposes.

*Subd. 2.* [MENTAL HEALTH BLOCK GRANTS.] *The commissioner of public welfare is designated the state authority to establish and administer the state plan for the federal mental health funds available under the alcohol, drug abuse, and mental health services block grant, United States Code, Title 42, Sections 300X to 300X-9. The commissioner shall receive and administer the available federal mental health funds.*

Sec. 2. Minnesota Statutes 1980, Section 245.71, is amended to read:

245.71 [CONDITIONS TO FEDERAL AID FOR MENTALLY ILL AND MENTALLY RETARDED.]

The commissioner of public welfare is authorized and empowered to comply with all conditions and requirements necessary to receive federal aid or *block grants* with respect to the establishment, construction, maintenance, equipment or operation, for all the people of this state, of adequate facilities and services as specified in section 245.70, including the authority:

(a) To designate or establish a state advisory council, with representation as required as a condition of eligibility for benefits under any federal law, to consult with him in carrying out the purposes of this act;

(b) To provide an inventory of existing facilities or a particular category thereof, and to survey the need for additional facilities;

(c) To develop and administer a construction program or programs which, in conjunction with existing facilities will afford adequate facilities to serve the people of this state;

(d) To provide for priority of projects or facilities;

(e) To provide to applicants an opportunity for a hearing before him;

(f) To prescribe and require compliance with such standards of maintenance and operation applicable to such facilities as are reasonably necessary to protect the public health, welfare, and safety;

(g) To promulgate *temporary and permanent rules (AND REGULATIONS AS TO) prescribing methods of administration, reporting, (AND PERSONNEL STANDARDS) financial and program audits, and any other requirements of federal law which are necessary conditions of qualifying for available federal funds.*

Sec. 3. [245.711] [COMPREHENSIVE PROGRAMS; COORDINATION OF LOCAL PROGRAMS.]

*Subdivision 1. [COUNTY DUTIES.] The county board shall coordinate all services for mentally ill individuals conducted by local agencies under contract to the county boards and review all proposed agreements, contracts, grants, plans, and programs in relation to services for mentally ill individuals prepared by*

*any local agencies for funding from any local, state, or federal governmental sources.*

*Subd. 2. [GRANTS BY COUNTIES.] The county boards may make grants for comprehensive programs for prevention, care, and treatment of mentally ill individuals, Grants may be made for the cost of these comprehensive programs and services whether provided directly by county boards, by individuals pursuant to contract, or by other public and private agencies and organizations, both profit and nonprofit. Nothing in this section shall prevent the commissioner from entering into contracts with, and making grants to, other state agencies for the purpose of providing specific services and programs. With approval of the county board, the commissioner may make grants or contracts for research or demonstration projects specific to needs within that county.*

**Sec. 4. [245.712] [COUNTY USE OF FEDERAL BLOCK GRANT FUNDS FOR MENTAL HEALTH SERVICES.]**

*Subdivision 1. [ALLOWABLE SERVICES.] Funds awarded to the state for mental health services by federal block grants shall be used for grants to counties to directly provide, or contract with qualified community mental health centers for the provision of, the following services:*

*(a) Services for chronically mentally ill individuals, which include identification of chronically mentally ill individuals and assistance to them in gaining access to essential services through the assignment of case managers;*

*(b) Identification and assessment of severely mentally disturbed children and adolescents and provision of appropriate services to them;*

*(c) Identification and assessment of mentally ill elderly individuals and provision of appropriate services to them;*

*(d) Services for identifiable populations which are currently underserved in the state; and*

*(e) Coordination of mental health and health care services provided within health care centers including planning, administration, and educational activities.*

*Subd. 2. [PROHIBITED SERVICES.] Funds allocated to the state for mental health services by the federal block grant may not be used to:*

*(a) Provide inpatient services;*

*(b) Make cash payments to intended recipients of health services;*

(c) Purchase or improve land, or to purchase, construct or permanently improve any building or other facility, except for minor remodeling, or to purchase major medical equipment;

(d) Satisfy any requirement for expenditure of nonfederal funds as a condition for receiving federal funds; or

(e) Provide financial assistance to any entity other than a public or nonprofit private entity.

Sec. 5. [245.713] [FORMULA.]

*Subdivision 1. [ALLOCATION.] Funds available for grants to qualified community mental health centers shall be allocated to each county according to the formula for the allocation of federal social service funds described in section 256E.07, subdivision 1, clauses (a) and (b).*

*Subd. 2. [TOTAL FUNDS AVAILABLE; REDUCTIONS.] The amount of funds available for allocation to counties for use by qualified community mental health centers shall be the total amount of funds granted to the state by the federal government under United States Code, Title 42, Sections 300X to 300X-9 each federal fiscal year for mental health services reduced by:*

(a) Any amount set aside by the commissioner of public welfare for Indian tribal organizations within the state, which funds shall not duplicate any direct federal funding of Indian tribal organizations and which funds shall not exceed five percent of the total block grant allocation to the state for mental health services; and,

(b) Any amount calculated into the base of the block grant that is made available by the commissioner for qualified community mental health centers that were receiving grants for operations or other continuing grant obligations defined in United States Code, Title 42, Sections 300X to 300X-9 immediately prior to its enactment; and,

(c) An amount not to exceed ten percent of the total allocation for mental health services to be retained by the commissioner for administration; and

(d) Any amount permitted under federal law which the commissioner approves for demonstration or research projects.

*Subd. 3. [UNUSED FUNDS.] If there are federal funds that have been allocated to the counties for qualified community mental health centers that remain unused at the end of the federal fiscal year in which they were made available, the commissioner shall reduce the allocation for the subsequent federal fiscal year for those counties by the same amount. The unused*

*funds shall remain available to those counties for use during the federal fiscal year that immediately follows the one in which they were originally allocated. Beginning in federal fiscal year 1983, the commissioner shall annually review the use of federal funds for this purpose by each county and shall reallocate any funds that will not be used prior to the end of the second federal fiscal year to those counties needing additional money by using the same formula used under subdivision 1.*

**Subd. 4. [FUNDS AVAILABLE DUE TO TRANSFER.]**  
*Any federal funds available to the commissioner for mental health services prescribed under United States Code, Title 42, Sections 300X to 300X-9 due to transfer of funds between block grants shall be allocated as prescribed in subdivision 1.*

**Sec. 6. [245.714] [MAINTENANCE OF EFFORT.]**

*Beginning in federal fiscal year 1983, each county shall annually certify to the commissioner that the county has not reduced funds from state, county, and other nonfederal sources which would in the absence of the federal funds made available by United States Code, Title 42, Sections 300X to 300X-9 have been made available for services to mentally ill persons.*

**Sec. 7. [245.715] [QUALIFICATIONS AS A COMMUNITY MENTAL HEALTH CENTER.]**

*In addition to those agencies that have previously qualified as comprehensive community mental health centers under the provisions of the federal Community Mental Health Centers Act, other public or nonprofit private agencies that are able to demonstrate their capacity to provide the following services as defined by the commissioner may qualify as a community mental health center for the purposes of the federal block grant. The federally required services may be provided by separate agencies. These services include:*

*(a) Outpatient services, including specialized outpatient services for children, the elderly, individuals who are chronically mentally ill and residents of its mental health service area who have been discharged from inpatient treatment at a mental health facility;*

*(b) 24-hour a day emergency care services;*

*(c) Day treatment or partial hospitalization services;*

*(d) Screening for patients being considered for admission to state mental health facilities to determine the appropriateness of the admission; and*

*(e) Consultation and education services.*

*Before accepting federal block grant funds for mental health services, counties shall provide the commissioner with all necessary assurances that the qualified community mental health centers which receive these block grant funds meet the minimum service requirements of clauses (a) to (e). At any time at least 30 days prior to the commissioner's allocation of federal funds, any county may notify the commissioner of its decision not to accept the federal funds for qualified community mental health centers.*

**Sec. 8. [245.716] [REPORTS; DATA COLLECTION.]**

*Subdivision 1. [PERIODIC REPORTS.] The commissioner shall require collection of data for compliance, monitoring, and evaluation purposes and shall require periodic reports from the counties on the use of funds under the federal block grant by counties for qualified community mental health centers.*

*Subd. 2. [QUARTERLY FINANCIAL STATEMENTS.] Beginning in calendar year 1982, each county shall include in its quarterly financial accounting report to the commissioner of the county's community social services fund a separate statement identifying the use of funds, including those received under the federal block grant for qualified community mental health centers as specified in section 256E.08, subdivision 8, clauses (a) and (b). The initial quarterly statement shall be submitted not later than 15 days after the end of the first calendar quarter in which funds are allocated to the counties in accordance with section 5, subdivisions 1 and 2.*

*Subd. 3. [SOCIAL SERVICES REPORT.] Beginning in calendar year 1983, each county shall include in the report required by section 256E.10 a part or subpart which addresses the items specified in section 256E.10, subdivision 1, clauses (a) and (b), as they pertain to the use of funds available from the federal government for services of qualified community mental health centers.*

**Sec. 9. [245.717] [WITHHOLDING OF FUNDS.]**

*Beginning in federal fiscal year 1983, the distribution of funds to counties provided in section 5 shall be reduced by an amount equal to the federal block grant funds allotted pursuant to section 5 in the immediately preceding year which have been spent for some purpose other than qualified community mental health centers. If it is determined that the state is legally liable for any repayment of federal block funds which were not properly used by the counties, the repayment liability shall be assessed against the counties which did not properly use the funds. The commissioner may withhold future block grant funds to those counties until the obligation is met. The commissioner shall not award additional block grant funds to those counties until he is assured that no future violations will occur.*

## Sec. 10. [245.718] [APPEAL.]

*At least 30 days prior to certifying any reduction in funds pursuant to section 9, the commissioner shall notify the county of an intention to certify a reduction. The commissioner shall notify the county of the right to a hearing. If the county requests a hearing within 30 days of notification of intention to reduce funds, the commissioner shall not certify any reduction in funds until a hearing is conducted and a decision rendered in accordance with the provisions of chapter 15 for contested cases."*

Page 3, after line 23, insert:

"Sec. 12. Minnesota Statutes 1981 Supplement, Section 252.-27, Subdivision 2, is amended to read:

Subd. 2. (THE COMMISSIONER OF PUBLIC WELFARE SHALL PROMULGATE RULES TO DETERMINE THE RESPONSIBILITY OF THE PARENTS AND THE CHILD TO CONTRIBUTE TO THE COST OF CARE AND TREATMENT BASED UPON ABILITY TO PAY.) Responsibility of the parents (AND OF THE CHILD) for the cost of care shall be (UP TO A MAXIMUM OF TEN PERCENT OF THE COST OF CARE PER MONTH) *based upon ability to pay. The county board may establish a schedule of fees in accordance with section 256E.08, subdivision 6, to determine responsibility of the parents for the cost of care when:*

(a) *Insurance or other health care benefits pay some but not all of the cost of care; and*

(b) *No insurance or other health care benefits are available.*

Responsibility of the child for the cost of care shall be up to the maximum amount of the total income and resources attributed to the child except for the clothing and personal needs allowance as provided in section 256B.35, subdivision 1. Reimbursement by the parents and child shall be made to the county making any payments for care and treatment. The county board may require payment of the full cost of caring for children whose parents or guardians do not reside in this state.

*To the extent that a child described in subdivision 1 is eligible for benefits under chapters 62A, 62C, 62D, 62E, or 64A, the county is not liable for the cost of care. A parent or legal guardian who discontinues payment of health insurance premiums, subscriber fees or enrollment fees for a child who is otherwise eligible for those benefits is ineligible for payment of the cost of care of that child under this section.*

The commissioner's determination shall be conclusive in any action to enforce payment of the cost of care. Any appeals from the commissioner's determination shall be made pursuant to section 256.045, subdivisions 2 and 3.

Sec. 13. Minnesota Statutes 1981 Supplement, Section 254A.-03, Subdivision 1, is amended to read:

**254A.03 [STATE AUTHORITY ON ALCOHOL AND DRUG ABUSE.]**

Subdivision 1. There is hereby created an alcohol and other drug abuse section in the department of public welfare. This section shall be headed by a director who shall be in the unclassified service. The section shall:

(a) conduct and foster basic research relating to the cause, prevention and methods of diagnosis, treatment and rehabilitation of alcoholic and other drug dependent persons;

(b) coordinate all activities and programs of all the various state departments as they relate to alcohol and other drug dependency and abuse problems;

(c) develop and demonstrate new methods and techniques for the prevention, treatment and rehabilitation of alcohol and other drug abuse and dependency problems;

(d) gather and disseminate facts and information about alcoholism and other drug dependency and abuse to public and private agencies and the courts so requesting such information for guidance to and assistance in prevention, treatment and rehabilitation;

(e) inform and educate the general public on alcohol and other drug dependency and abuse problems;

(f) serve as the state authority concerning alcohol and other drug dependency and abuse;

(g) establish a state plan which shall set forth goals and priorities within a comprehensive alcohol and other drug dependency and abuse program for Minnesota. All governmental units operating alcohol and other drug abuse or dependency programs or administering state or federal funds for such programs shall annually set their program goals and priorities;

(h) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using federal funds, and state funds as authorized to pay for costs of state administration, including evaluation,



statewide programs and services, research and demonstration projects, and American Indian programs;

*(i) receive and administer monies available for alcohol and drug abuse programs under the alcohol, drug abuse, and mental health services block grant, United States Code, Title 42, Sections 300X to 300X-9.*

**((I))** *(j) solicit and accept any gift of money or property for purposes of Laws 1973, Chapter 572, and any grant of money, services, or property from the federal government, the state, any political subdivision thereof, or any private source;*

**((J))** *(k) with respect to alcohol and other drug abuse programs serving the American Indian community, establish guidelines for the employment of personnel with considerable practical experience in alcohol and other drug abuse problems, and understanding of social and cultural problems related to alcohol and other drug abuse, in the American Indian community.*

Sec. 14. Minnesota Statutes 1980, Section 254A.16, is amended by adding subdivisions to read:

*Subd. 3. The commissioner shall report to the appropriate legislative committees annually with respect to the alcohol and drug abuse provisions of the proposed plan which the state agency intends to submit to the secretary of health and human services in satisfaction of the requirements of United States Code, Title 42, Section 300X-4.*

*Subd. 4. The commissioner shall provide to the legislature an annual report detailing expenditures made by the state authority for alcohol and drug abuse programs from funds received pursuant to United States Code, Title 42, Sections 300X-300X-9. The report shall include a specific evaluation of the effectiveness of services provided in achieving the goals and priorities listed in the state plan prepared pursuant to section 254A.03. The first report shall include an assessment of expenditures made during state fiscal year 1983 and shall be presented to the legislature by January 1, 1984. Subsequent reports shall be presented annually."*

Page 5, line 31, delete "15.0411" and insert "15.0412"

Page 7, line 3, delete "This act is" and insert "Sections 11, 12, and 15 to 19 are"

Page 7, line 3, after the period insert "Sections 1 to 10, and Sections 13 and 14 are effective July 1, 1982."

Re-number sections in sequence

Amend the title as follows :

Page 1, line 3, after the semicolon insert "designating the commissioner of public welfare as the state authority for federal mental health, alcohol and drug abuse block grants; prescribing a formula for distribution of certain federal funds to counties and defining duties of counties in the use of the funds;"

Page 1, line 9, after the semicolon insert "providing for parental responsibility for the cost of care of mentally retarded, epileptic, or emotionally handicapped children based on ability to pay;"

Page 1, line 11, delete "Section" and insert "Sections 245.70; 245.71; 254A.16, by adding subdivisions;"

Page 1, line 12, after the semicolon insert "252.27, Subdivision 2; 254A.03, Subdivision 1;"

Page 1, line 14, after the semicolon insert "proposing new law coded in Minnesota Statutes, Chapter 245;"

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

House Conferees: JOHN R. KALEY, PAUL MCCARRON and DON SAMUELSON.

Senate Conferees: DENNIS R. FREDERICKSON, SAM G. SOLON and MARILYN M. LANTRY.

Kaley moved that the report of the Conference Committee on H. F. No. 1712 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1712, A bill for an act relating to public welfare; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Section 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, 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 122 yeas and 0 nays as follows :

Those who voted in the affirmative were:

Aasness	Esau	Kelly	Novak	Sieben, M.
Ainley	Evans	Knickerbocker	Nysether	Simoneau
Anderson, B.	Ewald	Kostohryz	Ogren	Skoglund
Anderson, G.	Fjoslien	Kvam	Olsen	Stadum
Anderson, I.	Forsythe	Laidig	Onnen	Staten
Battaglia	Greenfield	Lehto	Osthoff	Stowell
Begich	Gruenes	Lemen	Otis	Stumpf
Berkelman	Gustafson	Levi	Peterson, B.	Sviggum
Blatz	Halberg	Long	Peterson, D.	Swanson
Brandl	Hanson	Ludeman	Piepho	Tomlinson
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	Weaver
Clark, K.	Hoberg	McEachern	Rice	Welch
Clawson	Hokanson	Mehrkens	Rodriguez, F.	Welker
Dahlvang	Hokr	Metzen	Rose	Wieser
Dean	Jacobs	Minne	Rothenberg	Wigley
Dempsey	Jennings	Munger	Sarna	Wynia
Den Ouden	Johnson, C.	Murphy	Schafer	Zubay
Drew	Johnson, D.	Nelsen, B.	Schoenfeld	Spkr. Sieben, H.
Eken	Jude	Nelson, K.	Schreiber	
Elioff	Kaley	Niehaus	Sherman	
Erickson	Kalis	Norton	Sherwood	

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1897

A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

March 12, 1982

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. 1897, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendments and that H. F. No. 1897 be further amended as follows:

Page 8, after line 13, insert:

"Sec. 15. Minnesota Statutes 1980, Section 473.553, is amended by adding a subdivision to read:

*Subd. 4a. [ADDITIONAL QUALIFICATION.] None of the members appointed by the city council of the city in which the stadium is located shall be an elected public official of that city or of another political subdivision any part of whose territory is shared with that city."*

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 4, after the semicolon insert "prescribing additional qualifications for metropolitan sports facilities commission members;"

Page 1, line 7, before the fourth semi-colon insert "; 473.553, by adding a subdivision"

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

House Conferees: JAMES I. RICE, ANN WYNIA and GARY W. LAIDIG.

Senate Conferees: FLORIAN CHMIELEWSKI, SAM G. SOLON and DENNIS R. FREDERICKSON.

Rice moved that the report of the Conference Committee on H. F. No. 1897 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1897, A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1699

A bill for an act relating to education; requiring all public elementary and secondary schools to provide instructional programs in chemical abuse; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

March 12, 1982

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. 1699, 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. 1699 be further amended as follows:

Page 1, line 18, after "abuse" insert "and the prevention of chemical dependency"

Page 1, line 18, delete "To the extent possible,"

Page 1, line 19, delete "encourage the participation of" and insert "involve"

Amend the title as follows:

Page 1, line 3, delete "instructional" and insert "instruction in chemical dependency prevention"

Page 1, line 4, delete "programs in chemical abuse"

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

House Conferees: BOB MCEACHERN, CONNIE M. LEVI and DEE LONG.

Senate Conferees: DAVE RUED, CHARLES R. DAVIS and CONRAD M. VEGA.

McEachern moved that the report of the Conference Committee on H. F. No. 1699 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1699, A bill for an act relating to education; requiring all public elementary and secondary schools to provide instructional programs in chemical abuse; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

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 101 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kalis	Nysether	Schreiber
Anderson, G.	Ewald	Kelly	O'Connor	Sieben, M.
Anderson, I.	Fjoslien	Knickerbocker	Ogren	Simoneau
Battaglia	Forsythe	Kostohryz	Olsen	Skoglund
Begich	Greenfield	Laidig	Osthoff	Stadum
Berkelman	Gruenes	Lehto	Otis	Staten
Blatz	Gustafson	Levi	Peterson, B.	Stowell
Brandl	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	Vanasek
Clark, J.	Heinitz	McEachern	Rees	Vellenga
Clark, K.	Himle	Mehrkens	Reif	Weaver
Clawson	Hokanson	Metzen	Rice	Welch
Dahlvang	Jacobs	Minne	Rodriguez, C.	Wynia
Dean	Johnson, C.	Munger	Rodriguez, F.	Spkr. Sieben, H.
Drew	Johnson, D.	Murphy	Rose	
Eken	Jude	Nelson, K.	Rothenberg	
Elioff	Kahn	Norton	Sarna	
Erickson	Kaley	Novak	Schoenfeld	

Those who voted in the negative were:

Aasness	Hoberg	Nelsen, B.	Sherwood	Wigley
Ainley	Hokr	Niehaus	Sviggum	Zubay
Dempsey	Kvam	Onnen	Valento	
Den Ouden	Ludeman	Schafer	Welker	
Esau	McDonald	Sherman	Wieser	

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1573

A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; prohibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

March 12, 1982

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. 1573, 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. 1573 be further amended as follows:

Page 1, line 24, delete "*Proof of any two*" and insert "*Any*"

Page 1, line 25, delete "*prima facie*" and insert "*relevant*" and delete "*or the existence of such*"

Page 1, line 26, delete "*circumstances*"

Page 2, line 14, delete "*Prescribing*" and insert "*This section does not apply to the prescribing*"

Page 2, line 15, delete "*is*" and insert a period

Page 2, delete line 16.

Page 2, line 19, after "1." insert "[UNLAWFUL ACTS.]"

Page 2, line 22, delete "*manufacture*" and insert "*Manufacture*"

Page 2, line 26, delete "possess" and insert "Possess" and strike "such" and insert "the"

Page 2, line 28, delete "manufacture" and insert "Manufacture"

Page 2, line 29, delete "under"

Page 2, line 30, delete "circumstances set forth in" and insert "in violation of"

Page 2, line 34, after "selling," insert "or" and delete "or attempting"

Page 2, line 35, delete "to transfer, sell, or deliver" and "under"

Page 2, line 36, delete "circumstances set forth in section 1"

Page 3, line 1, after the period insert "Any person who violates section 1 by attempting to transfer, sell, or deliver a noncontrolled substance under circumstances set forth in section 1 shall be punishable as provided in section 609.17, subdivision 4."

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

House Conferees: JAMES C. SWANSON, ROBERT E. VANASEK and ROBERT W. REIF.

Senate Conferees: DON FRANK, MARILYN M. LANTRY and JIM RAMSTAD.

Swanson moved that the report of the Conference Committee on H. F. No. 1573 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1573, A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; prohibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

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

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

Those who voted in the affirmative were:

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



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

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1499

A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review 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.23.

March 12, 1982

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. 1499, report that we have agreed upon the items in dispute and recommend as follows:

The House accedes to the Senate amendments and H. F. No. 1499, as amended by the Senate (which is then identical to S. F. No. 1459), is further amended as follows:

Page 2, line 3, delete "serious"

Page 2, line 5, delete "seriously"

Page 2, line 20, delete "and" and insert a comma

Page 2, line 21, before "in" insert "and practicing"

Page 3, line 12, after "others" insert "as"

Page 3, line 27, delete "seriously"

Page 3, line 31, delete "hospitalized" and insert "institutionalized"

Page 3, after line 31, insert:

*"Subd. 16. [PEACE OFFICER.] "Peace officer" means a sheriff, or municipal or other local police officer, or a state highway patrol officer when engaged in the authorized duties of his office."*

Page 3, line 32, delete "16" and insert "17"

Page 4, delete lines 7 to 9

Page 6, line 20, delete "operation" and insert "treatment"

Page 7, line 1, delete "department of public welfare" and insert "commissioner"

Page 7, line 8, after "all" insert "of his"

Page 7, line 9, before "commitment" insert "his"

Page 7, line 9, delete "proceedings"

Page 7, line 26, before "Any" insert "Informal admission by consent is preferred over involuntary commitment."

Page 7, line 36, after the period insert "Every patient admitted for chemical dependency under this section shall be informed in writing at the time of his admission that he has a right to leave the facility within 72 hours, exclusive of Saturdays, Sundays and holidays, of his request, unless held under another provision of this chapter."

Page 8, line 2, delete everything after the period

Page 8, delete lines 3 and 4

Page 8, line 5, delete everything before "If"

Page 8, line 34, after the first "person" insert "*is believed to be chemically dependent and*"

Page 11, line 1, delete everything after "(d)"

Page 11, delete line 2

Page 11, line 3, delete everything before the second "the"

Page 11, line 4, before the period insert "*if the investigation does not disclose evidence sufficient to support commitment*"

Page 11, line 4, after the period insert "*Notice of the pre-petition screening team's decision shall be provided to the prospective petitioner.*"

Page 12, line 23, delete "*shall be permitted to*" and insert "*may*"

Page 12, line 30, after "When" insert "(1)"

Page 12, line 33, delete "*or when*" and insert ", (2)"

Page 12, line 35, after the comma insert "*or (3) a request for a petition for commitment of a person institutionalized pursuant to section 5 has been filed,*"

Page 12, line 35, after "*may*" insert "*order the treatment facility to hold the person if he is institutionalized or*"

Page 13, line 10, delete "PROBABLE CAUSE" and insert "PRELIMINARY"

Page 16, line 25, delete "(a)"

Page 16, delete lines 26 to 36

Page 17, delete lines 1 to 15 and insert "*committed as mentally ill, mentally retarded, or chemically dependent the initial commitment shall not exceed six months. At least 60 days, but not more than 90 days, after the commencement of the initial commitment of a person as mentally ill, mentally retarded, or chemically dependent, the head of the facility shall file a written report with the committing court with a copy to the patient*"

*and his counsel. This first report shall set forth the same information as is required in section 12, subdivision 1, but no hearing shall be required at this time. If no written report is filed within the required time, or if it describes the patient as not in need of further institutional care and treatment, the proceedings shall be terminated by the committing court, and the patient shall be discharged from the treatment facility. If the person is discharged prior to the expiration of 60 days, the report required by this subdivision shall be filed at the time of discharge."*

Page 17, line 32, after "order" insert "*the designated agency, the treatment facility, or*"

Page 18, line 9, before "facility" insert "*treatment*"

Page 18, line 21, before "CONFINEMENT" insert "*TEMPORARY*"

Page 18, line 21, delete "IN JAIL"

Page 18, line 25, after "in" insert "a"

Page 19, line 4, delete "*detained*" and insert "*confined*"

Page 19, line 28, delete everything after the period

Page 19, delete lines 28 to 31

Page 21, line 16, after the period insert a paragraph

*Page 21, line 19, after the period insert "Notwithstanding the provisions of section 9, subdivision 5, clause (b), the initial commitment period under the new petition shall be the probable length of commitment necessary or 12 months, whichever is less. The standard of proof at the hearing on the new petition shall be the standard specified in section 12, subdivision 4."*

Page 21, line 20, delete ", at"

Page 21, delete lines 21 to 36

*Page 22, delete lines 1 to 16 and insert "court finds upon review of the treatment report that the person continues to be mentally retarded, it shall order commitment of the person for an indeterminate period of time, subject to the reviews required by section 3, subdivisions 5 and 7, and subject to the right of the patient to seek judicial review of continued commitment."*

Page 22, after line 21, insert:

*“At the conclusion of the prescribed period, commitment may not be continued unless a new petition is filed pursuant to section 7 and hearing and determination made on it. Notwithstanding the provisions of section 9, subdivision 5, clause (c), the initial commitment period under the new petition shall be the probable length of commitment necessary or 12 months, whichever is less.”*

Page 22, line 23, after “person” insert “, other than a person committed as mentally ill and dangerous to the public,”

Page 23, line 12, after “if” insert a colon

Page 23, delete lines 13 to 16 and insert:

*“(i) The patient has violated material conditions of the provisional discharge, and the violation creates the need to return the patient to the facility; or,*

*(ii) There exists a serious likelihood that the safety of the patient or others will be jeopardized, in that either the patient's need for food, clothing, shelter, or medical care are not being met, or will not be met in the near future, or the patient has attempted or threatened to seriously physically harm himself or others.”*

Page 24, delete line 36

Page 25, delete lines 1 to 25 and insert *“provisional discharge may be extended only in those circumstances where the patient has not achieved the goals set forth in the provisional discharge plan or continues to need the supervision or assistance provided by an extension of the provisional discharge. In determining whether the provisional discharge is to be extended, the head of the facility shall consider the willingness and ability of the patient to voluntarily obtain needed care and treatment.*

*(b) The designated agency shall recommend extension of a provisional discharge only after a preliminary conference with the patient and other appropriate persons. The patient shall be given the opportunity to object or make suggestions for alternatives to extension.*

*(c) Any recommendation for extension shall be made in writing to the head of the facility and to the patient at least 30 days prior to the expiration of the provisional discharge. The written recommendation submitted shall include: the specific grounds for recommending the extension, the date of the preliminary conference and results, the anniversary date of the provisional discharge, the termination date of the provisional discharge, and the proposed length of extension. If the grounds for recommending the extension occur less than 30 days before*

*its expiration, the written recommendation shall occur as soon as practicable.*

*(d) The head of the facility shall issue a written decision regarding extension within five days after receiving the recommendation from the designated agency.*

*(e) In no event shall any provisional discharge, revocation, or extension extend the term of the commitment beyond the period provided for in the order issued pursuant to section 9 or 15."*

Page 27, line 6, delete the first "to"

Page 28, line 11, after the period insert *"If the court finds that the patient qualifies for commitment as mentally ill, but not as mentally ill and dangerous to the public, the court may commit the person as a mentally ill person and the person shall be deemed not to have been found to be dangerous to the public for the purposes of subdivisions 4 to 15."*

Page 29, line 4, delete "of public welfare"

Page 29, line 23, before the period insert "it is issued"

Page 30, delete lines 18 to 22 and insert *"whether the patient's course of hospitalization and present mental status indicate there is no longer a need for inpatient treatment and supervision; and (b) whether the conditions of the provisional discharge plan will provide a reasonable degree of protection to the public and will enable the patient to adjust to the community."*

Page 31, line 3, delete "acts to petition" and insert "petitions"

Page 31, after line 13, insert

*"Revocation shall be commenced by a notice of intent to revoke provisional discharge, which shall be served upon the patient, his counsel, and the designated agency. The notice shall set forth the grounds upon which the intention to revoke is based, and shall inform the patient of his rights under this chapter."*

Page 31, line 23, delete "During the first 60 days of a"

Page 31, line 24, delete "provisional discharge or"

Page 32, line 10, after "decision" insert "or any interested person"

Page 32, line 31, after "to" insert "open"

Page 32, line 31, before the period insert “, *is no longer dangerous to the public, and is no longer in need of inpatient treatment and supervision*”

Page 33, line 23, after “*panel*” insert “*and all allowable fees and costs of the patient’s counsel*”

Page 34, line 16, delete the second comma and insert “*or*”

Page 34, line 16, delete “*or release from*”

Page 34, line 17, delete “*custody*” and delete “*or*”

Page 34, line 18, delete “*released*”

Page 34, line 29, delete “*released,*”

Page 34, line 35, delete both commas

Page 34, line 35, before “*provisionally*” insert “*or*”

Page 34, line 36, delete “*or released*”

Page 35, lines 12 and 18, delete the second comma and insert “*or*”

Page 35, line 13, delete “, *or release*”

Page 35, line 18, delete the third comma

Page 35, line 19, delete “*or release*”

Page 36, lines 1 and 5, delete the second comma and insert “*or*”

Page 36, lines 2 and 6, delete “, *or release*”

Page 36, line 34, delete “*release,*”

Page 37, line 9, delete “*release,*”

Page 38, line 12, after “*a*” insert “*patient’s*”

Page 41, delete lines 8 to 12

Page 41, line 13, delete “*9*” and insert “*8*”

Page 41, line 21, delete “*10*” and insert “*9*”

Page 42, line 4, delete "to 253B.09"

Page 42, line 26, after "1982" insert a comma

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

House Conferees: JOHN T. CLAWSON, TAD JUDE and DAVID B. GRUENES.

Senate Conferees: ALLAN H. SPEAR, MARV HANSON and DARREL L. PETERSON.

Clawson moved that the report of the Conference Committee on H. F. No. 1499 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1499, A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring prepetition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review 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.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 117 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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



Norton	Peterson, D.	Rothenberg	Staten	Weaver
Novak	Piepho	Sarna	Stowell	Welch
Nysether	Pogemiller	Schafer	Stumpf	Wieser
O'Connor	Redalen	Schoenfeld	Sviggum	Wigley
Ogren	Reding	Schreiber	Swanson	Wynia
Olsen	Rees	Sherman	Tomlinson	Zubay
Onnen	Reif	Sherwood	Valan	Spkr. Sieben, H.
Osthoff	Rodriguez, C.	Sieben, M.	Valento	
Otis	Rodriguez, F.	Simoneau	Vanasek	
Peterson, B.	Rose	Skoglund	Vellenga	

Those who voted in the negative were:

Ainley	Drew	McCarron	Rice
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The bill was repassed, as amended by Conference, and its title agreed to.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has discharged its Conference Committee on House File No. 356 and that the Committee on Committees has appointed a new Conference Committee consisting of three members on the part of the Senate.

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 Ramstad.

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. 1611, A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

The Senate has appointed as such committee Messrs. Bang, Lessard and Peterson, R. W.

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. 1975, A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 340.11, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

McEachern moved that the House refuse to concur in the Senate amendments to H. F. No. 1975, 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. 1635, A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract of state lands to Bethlehem Lutheran Church of Waskish, Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Anderson, I., moved that the House concur in the Senate amendments to H. F. No. 1635 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1635, A bill for an act relating to state lands; authorizing sale and conveyance of a certain tract of state lands to Bethlehem Lutheran Church of Waskish, Minnesota; directing conveyances of the state's right, title and interest in certain lands to Lake of the Woods County and Beltrami County; directing the conveyance of the state's interest in certain real property in McLeod County to the city of Hutchinson; authorizing the conveyance of certain lands at the Sauk Centre correctional facility.

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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Clawson

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. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rees moved that the House concur in the Senate amendments to H. F. No. 546 and that the bill be repassed as amended by the Senate. The motion did not prevail.

Rees moved that the House refuse to concur in the Senate amendments to H. F. No. 546, 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. 1919, A bill for an act relating to agriculture; formulating a state agricultural land preservation and conservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivision 4; 40.036; 40.07, Subdivision 9; and Laws 1979, Chapter 315, Section 2, as amended; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, Section 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kalis moved that the House concur in the Senate amendments to H. F. No. 1919 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1919, A bill for an act relating to agriculture; formulating a state agricultural land preservation and conservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; clarifying the responsibility imposed on certain water project contractors; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants

to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program; amending Minnesota Statutes 1980, Sections 15.0412, by adding a subdivision; 40.03, Subdivisions 2, as amended, and 4; 40.036; 40.07, Subdivision 9; 105.463; 106.041; 106.631, Subdivision 2; and Laws 1979, Chapter 315, Section 2, as amended; proposing new law coded in Minnesota Statutes, Chapters 17 and 40; repealing Minnesota Statutes 1980, Section 473H.13; and Laws 1979, Chapter 315, 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 105 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Johnson, D.	Novak	Sherman
Anderson, I.	Ewald	Kahn	O'Connor	Sieben, M.
Battaglia	Fjoslien	Kaley	Olsen	Simoneau
Begich	Forsythe	Kalis	Onnen	Skoglund
Berkelman	Greenfield	Knickerbocker	Osthoff	Stadum
Blatz	Gruenes	Kostohryz	Peterson, B.	Staten
Brinkman	Gustafson	Kvam	Peterson, D.	Stowell
Byrne	Halberg	Laidig	Piepho	Stumpf
Carlson, D.	Hanson	Lehto	Pogemiller	Swiggum
Carlson, L.	Harens	Levi	Redalen	Swanson
Clark, J.	Hauge	Long	Reding	Tomlinson
Clark, K.	Haukoos	Mann	Rees	Valan
Clawson	Heap	Marsh	Reif	Valento
Dahlvang	Heinitz	McEachern	Rice	Vanasek
Dean	Himle	Mehrkens	Rodriguez, F.	Vellenga
Dempsey	Hoberg	Minne	Rose	Welch
Den Ouden	Hokanson	Munger	Rothenberg	Wieser
Drew	Hokr	Murphy	Sarna	Wigley
Eken	Jacobs	Nelson, K.	Schoenfeld	Wynia
Elioff	Jennings	Niehaus	Schreiber	Zubay
Ellingson	Johnson, C.	Norton	Shea	Spkr. Sieben, H.

Those who voted in the negative were:

Aasness	Erickson	Lemen	McDonald	Schafer
Ainley	Esau	Ludeman	Nelsen, B.	Welker
Anderson, G.				

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. 1994, A bill for an act relating to financial institutions; permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer; authorizing bank or trust company investment in community welfare projects; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Wynia moved that the House concur in the Senate amendments to H. F. No. 1994 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1994, A bill for an act relating to financial institutions; authorizing bank or trust company investment in community welfare projects; permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b.

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	Erickson	Kaley	Norton	Shea
Ainley	Esau	Kalis	Novak	Sherman
Anderson, B.	Evans	Kelly	Nysether	Sherwood
Anderson, G.	Ewald	Knickerbocker	O'Connor	Sieben, M.
Anderson, I.	Fjoslien	Kostohryz	Ogren	Simoneau
Battaglia	Forsythe	Kvam	Olsen	Skoglund
Begich	Greenfield	Laidig	Onnen	Stadum
Berkelman	Gruenes	Lehto	Osthoff	Staten
Blatz	Gustafson	Lemen	Otis	Stowell
Brandl	Halberg	Levi	Peterson, B.	Stumpf
Brinkman	Hanson	Long	Peterson, D.	Sviggum
Byrne	Hauge	Ludeman	Piepho	Swanson
Carlson, D.	Haukoos	Luknic	Pogemiller	Tomlinson
Carlson, L.	Heap	Marsh	Redalen	Valan
Clark, J.	Heimitz	McCarron	Reding	Valento
Clark, K.	Himle	McDonald	Rees	Vanasek
Clawson	Hoberg	McEachern	Reif	Vellenga
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	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 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. 1702, A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; proposing new law coded in Minnesota Statutes, Chapter 198.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Anderson, G., moved that the House concur in the Senate amendments to H. F. No. 1702 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1702, A bill for an act relating to veterans; providing for the furnishing of chiropractic care to residents of the Minnesota veterans home; proposing new law coded in Minnesota Statutes, Chapter 198.

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 1 nay 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	Ludeman	Olsen
Anderson, I.	Elioff	Hokanson	Luknic	Onnen
Battaglia	Ellingson	Hokr	Mann	Osthoff
Begich	Erickson	Jacobs	Marsh	Otis
Berkelman	Esau	Jennings	McDonald	Peterson, B.
Blatz	Evans	Johnson, C.	McEachern	Peterson, D.
Brandl	Ewald	Johnson, D.	Mehrkens	Piepho
Brinkman	Fjoslien	Jude	Metzen	Pogemiller
Byrne	Forsythe	Kahn	Minne	Redalen
Carlson, D.	Greenfield	Kaley	Munger	Reding
Carlson, L.	Gruenes	Kalis	Murphy	Rees
Clark, J.	Gustafson	Kelly	Nelsen, B.	Rice
Clark, K.	Halberg	Knickerbocker	Nelson, K.	Rodriguez, C.
Clawson	Hanson	Kostohryz	Niehaus	Rodriguez, F.
Dahlvang	Hauge	Kvam	Norton	Rose
Dean	Haukoos	Laidig	Novak	Rothenberg

Sarna	Sherwood	Stowell	Valento	Wieser
Schafer	Sieben, M.	Stumpf	Vanasek	Wigley
Schoenfeld	Simoneau	Sviggum	Vellenga	Wynia
Schreiber	Skoglund	Swanson	Weaver	Zubay
Shea	Stadum	Tomlinson	Welch	Spkr. Sieben, H.
Sherman	Staten	Valan	Wenzel	

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 House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1477, A bill for an act relating to snowmobiles; increasing the registration fee and appropriating the proceeds thereof for stated purposes; registration of collectors' snowmobiles; requiring a study; creating a snowmobile trails and enforcement account in the state treasury; appropriating money; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3, and by adding a subdivision; and 84.83.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Lehto moved that the House concur in the Senate amendments to H. F. No. 1477 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1477, A bill for an act relating to snowmobiles; increasing the registration fee and appropriating the proceeds thereof for stated purposes; registration of collectors' snowmobiles; requiring a study; creating a snowmobile trails and enforcement account in the state treasury; appropriating money; amending Minnesota Statutes 1980, Sections 84.82, Subdivision 3, and by adding a subdivision; and 84.83.

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

The question was taken on the repassage of the bill and the roll was called. There were 101 yeas and 20 nays as follows:



Those who voted in the affirmative were:

Aasness	Ewald	Kalis	O'Connor	Simoneau
Anderson, I.	Fjoslien	Kelly	Ogren	Skoglund
Battaglia	Forsythe	Knickerbocker	Olsen	Stadum
Berkelman	Greenfield	Kostohryz	Onnen	Staten
Blatz	Gruenes	Laidig	Osthoff	Stowell
Brandl	Gustafson	Lehto	Otis	Sviggum
Brinkman	Halberg	Lemen	Peterson, B.	Swanson
Byrne	Hanson	Levi	Peterson, D.	Tomlinson
Carlson, D.	Harens	Long	Piepho	Valan
Carlson, L.	Hauge	Luknic	Pogemiller	Valento
Clark, J.	Haukoos	Mann	Redalen	Vanasek
Clark, K.	Heap	Marsh	Reding	Vellenga
Clawson	Himle	McCarron	Rees	Wenzel
Dahlvang	Hoberg	Mehrkens	Reif	Wieser
Dempsey	Hokr	Metzen	Rodriguez, C.	Wynia
Den Ouden	Jacobs	Minne	Rodriguez, F.	Zubay
Drew	Jennings	Munger	Sarna	Spkr. Sieben, H.
Eken	Johnson, C.	Murphy	Schoenfeld	
Elioff	Johnson, D.	Nelson, K.	Schreiber	
Ellingson	Jude	Norton	Sherman	
Evans	Kahn	Novak	Sieben, M.	

Those who voted in the negative were:

Ainley	Erickson	Kvam	Niehaus	Sherwood
Anderson, B.	Esau	Ludeman	Nysether	Weaver
Anderson, G.	Heinitz	McDonald	Rothenberg	Welker
Begich	Kaley	Nelsen, B.	Schafer	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. 776, A bill for an act relating to insurance; requiring private passenger vehicle insurers to disclose surcharge plans; prohibiting payment of certain claims unless notice is given to the insured; proposing new law coded in Minnesota Statutes, Chapter 65B.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Wynia moved that the House concur in the Senate amendments to H. F. No. 776 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 776, A bill for an act relating to insurance; requiring private passenger vehicle insurers to disclose surcharge plans;

proposing new law coded in Minnesota Statutes, Chapter 65B.

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 88 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	Kalis	Norton	Shea
Anderson, I.	Ewald	Kelly	Novak	Sieben, M.
Battaglia	Forsythe	Knickerbocker	O'Connor	Simoneau
Begich	Greenfield	Kostohryz	Ogren	Skoglund
Berkelman	Gruenes	Laidig	Olsen	Stadum
Blatz	Gustafson	Lehto	Onnen	Staten
Brandl	Hanson	Lemen	Osthoff	Stumpf
Brinkman	Harens	Levi	Otis	Swanson
Byrne	Hauge	Long	Peterson, D.	Tomlinson
Carlson, D.	Haukoos	Luknic	Pogemiller	Valan
Carlson, L.	Himle	Mann	Reding	Vanasek
Clark, J.	Hoberg	McCarron	Reif	Vellenga
Clark, K.	Hokanson	McEachern	Rodriguez, C.	Wenzel
Clawson	Jacobs	Metzen	Rodriguez, F.	Wieser
Dahlvang	Johnson, C.	Minne	Rothenberg	Wynia
Dean	Johnson, D.	Munger	Sarna	Spkr. Sieben, H.
Eken	Jude	Murphy	Schoenfeld	
Elioff	Kahn	Nelson, K.	Schreiber	

Those who voted in the negative were:

Aasness	Fjoslien	McDonald	Rees	Weaver
Ainley	Heap	Mehrkens	Schafer	Welker
Dempsey	Heinitz	Nelsen, B.	Sherman	Wigley
Den Ouden	Kaley	Niehaus	Sherwood	Zubay
Drew	Kvam	Nysether	Stowell	
Erickson	Ludeman	Piepho	Sviggum	
Esau	Marsh	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. 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.

PATRICK E. FLAHAVERN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Anderson, B., moved that the House concur in the Senate amendments to H. F. No. 1492 and that the bill be repassed as amended by the Senate. The motion prevailed.

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 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	Esau	Kelly	Nysether	Simoneau
Ainley	Ewald	Knickerbocker	O'Connor	Skoglund
Anderson, B.	Fjoslien	Kostohryz	Ogren	Stadum
Anderson, G.	Forsythe	Kvam	Olsen	Staten
Anderson, I.	Greenfield	Laidig	Onnen	Stowell
Battaglia	Gruenes	Lehto	Osthoff	Stumpf
Begich	Gustafson	Lemen	Otis	Sviggum
Berkelman	Halberg	Levi	Peterson, D.	Swanson
Blatz	Hanson	Long	Piepho	Tomlinson
Brandl	Harens	Ludeman	Pogemiller	Valan
Brinkman	Hauge	Luknic	Redalen	Valento
Byrne	Haukoos	Mann	Reding	Vanasek
Carlson, D.	Heap	Marsh	Rees	Vellenga
Carlson, L.	Heinitz	McCarron	Reif	Weaver
Clark, J.	Himle	McDonald	Rice	Welch
Clark, K.	Hoberg	McEachern	Rodriguez, C.	Welker
Clawson	Hokanson	Mehrkens	Rodriguez, F.	Wenzel
Dahlvang	Hokr	Metzen	Rothenberg	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	
Elioff	Kahn	Niehaus	Sherman	
Ellingson	Kaley	Norton	Sherwood	
Erickson	Kalis	Novak	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. 1546, A bill for an act relating to juveniles; providing for the detention of juveniles for whom a motion to refer for

prosecution is pending before the court; amending Minnesota Statutes 1980, Section 260.173, Subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 1546 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1546, A bill for an act relating to juveniles; providing for the detention of juveniles for whom a motion to refer for prosecution is pending before the court; amending Minnesota Statutes 1980, Section 260.173, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kelly	Nysether	Sieben, M.
Ainley	Ewald	Knickerbocker	O'Connor	Simoneau
Anderson, B.	Fjoslien	Kostohryz	Ogren	Skoglund
Anderson, G.	Forsythe	Kvam	Olsen	Stadum
Anderson, I.	Greenfield	Laidig	Onnen	Staten
Battaglia	Gruenes	Lehto	Osthoff	Stowell
Begich	Gustafson	Lemen	Otis	Stumpf
Berkelman	Halberg	Levi	Peterson, B.	Sviggum
Blatz	Hanson	Long	Peterson, D.	Swanson
Brandl	Harens	Ludeman	Piepho	Tomlinson
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
Clark, K.	Hoberg	McEachern	Rice	Weaver
Clawson	Hokanson	Mehrkens	Rodriguez, C.	Welch
Dahlvang	Hokr	Metzen	Rodriguez, F.	Welker
Dean	Jacobs	Minne	Rothenberg	Wenzel
Dempsey	Jennings	Munger	Sarna	Wieser
Den Ouden	Johnson, C.	Murphy	Schafer	Wigley
Drew	Johnson, D.	Nelsen, B.	Schoenfeld	Wynia
Eken	Jude	Nelson, K.	Schreiber	Zubay
Elioff	Kahn	Niehaus	Shea	Spkr. Sieben, H.
Ellingson	Kaley	Norton	Sherman	
Erickson	Kalis	Novak	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. 1941, A bill for an act relating to agriculture; setting a standard of proof and procedures for decision and appeal for claims of damage to livestock by endangered species; amending Minnesota Statutes 1980, Section 3.737, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Stumpf moved that the House concur in the Senate amendments to H. F. No. 1941 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1941, A bill for an act relating to agriculture; setting a standard of proof and procedures for decision and appeal for claims of damage to livestock by endangered species; amending Minnesota Statutes 1980, Section 3.737, 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	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
Battaglia	Greenfield	Laidig	Osthoff	Stowell
Begich	Gruenes	Lehto	Otis	Stumpf
Berkelman	Gustafson	Lemen	Peterson, B.	Sviggum
Blatz	Halberg	Levi	Peterson, D.	Swanson
Brandl	Hanson	Ludeman	Piepho	Tomlinson
Brinkman	Harens	Luknie	Pogemiller	Valan
Byrne	Hauge	Mann	Redalen	Valento
Carlson, D.	Haukoos	Marsh	Reding	Vanasek
Carlson, L.	Heap	McCarron	Reif	Vellenga
Clark, J.	Heintz	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	Sarna	Wieser
Den Ouden	Jennings	Murphy	Schafer	Wigley
Drew	Johnson, C.	Nelsen, B.	Schoenfeld	Wynia
Elken	Johnson, D.	Nelson, K.	Schreiber	Zubay
Elioff	Jude	Niehaus	Shea	Spkr. Sieben, H.
Ellingson	Kahn	Norton	Sherman	
Erickson	Kaley	Novak	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. 1690, A bill for an act relating to public welfare; requiring the commissioner of public welfare to promulgate rules which establish foster care maintenance payments by the state; establishing a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments under Title IV-E of the federal Social Security Act; authorizing the transfer of funds; amending Minnesota Statutes 1980, Sections 256.82; 257.071, by adding a subdivision; and 259.40, Subdivisions 2, 3, and 10; Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Forsythe moved that the House concur in the Senate amendments to H. F. No. 1690 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1690, A bill for an act relating to public welfare; establishing foster care maintenance payments by the state; requiring the commissioner of public welfare to promulgate rules which establish a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments or adoption assistance under Title IV-E of the federal Social Security Act; authorizing the transfer of funds; amending Minnesota Statutes 1980, Sections 256.82; 257.071, by adding a subdivision; and 259.40, Subdivisions 2, 3, and 10; Minnesota Statutes 1981 Supplement, Section 256B.06, Subdivision 1, as amended.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kahn	Novak	Sieben, M.
Ainley	Esau	Kaley	Nysether	Simoneau
Anderson, B.	Evans	Kalis	Ogren	Skoglund
Anderson, G.	Ewald	Kelly	Olsen	Stadum
Anderson, I.	Fjoslien	Knickerbocker	Onnen	Staten
Battaglia	Forsythe	Kostohryz	Osthoff	Stowell
Begich	Greenfield	Kvam	Otis	Stumpf
Berkelman	Gruenes	Laidig	Peterson, B.	Sviggum
Blatz	Gustafson	Lehto	Peterson, D.	Swanson
Brandl	Halberg	Lemen	Piepho	Tomlinson
Brinkman	Hanson	Levi	Pogemiller	Valan
Byrne	Harens	Ludeman	Redalen	Valento
Carlson, D.	Hauge	Luknic	Reding	Vellenga
Carlson, L.	Haukoos	Mann	Reif	Voss
Clark, J.	Heap	Marsh	Rodriguez, C.	Weaver
Clark, K.	Heinitz	McCarron	Rodriguez, F.	Welch
Clawson	Himle	McEachern	Rose	Welker
Dahlvang	Hoberg	Mehrkens	Rothenberg	Wenzel
Dean	Hokanson	Metzen	Sarna	Wieser
Dempsey	Hokr	Minne	Schafer	Wigley
Den Ouden	Jacobs	Munger	Schoenfeld	Wynia
Drew	Jennings	Murphy	Schreiber	Zubay
Eken	Johnson, C.	Nelson, K.	Shea	Spkr. Sieben, H.
Elioff	Johnson, D.	Niehaus	Sherman	
Ellingson	Jude	Norton	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. 1719, A bill for an act relating to courts; authorizing the chief judge of the judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele, Goodhue and Carlton counties; amending Minnesota Statutes 1981 Supplement, Section 487.08, Subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Gustafson moved that the House concur in the Senate amendments to H. F. No. 1719 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1719, A bill for an act relating to courts; authorizing the chief judge of the judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele and Carlton counties; prescribing powers for certain judges; amending Minnesota Statutes 1980, Section 487.04; and Minnesota Statutes 1981 Supplement, Section 487.08, Subdivision 2.

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

The question was taken on the repassage of the bill and the roll was called. There were 122 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kelly	Nysether	Sherman
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
Battaglia	Greenfield	Lehto	Osthoff	Staten
Begich	Gruenes	Levi	Otis	Stowell
Berkelman	Gustafson	Long	Peterson, B.	Stumpf
Blatz	Harens	Ludeman	Peterson, D.	Sviggum
Brandl	Hauge	Luknic	Piepho	Swanson
Brinkman	Haukoos	Mann	Pogemiller	Tomlinson
Byrne	Heap	Marsh	Redalen	Valento
Carlson, D.	Heinitz	McCarron	Reding	Vanasek
Carlson, L.	Himle	McDonald	Rees	Weaver
Clark, J.	Hoberg	McEachern	Reif	Welch
Dahlvang	Hokanson	Mehrkens	Rice	Welker
Dean	Hokr	Metzen	Rodriguez, C.	Wenzel
Dempsey	Jacobs	Minne	Rodriguez, F.	Wieser
Den Ouden	Jennings	Munger	Rose	Wigley
Drew	Johnson, C.	Murphy	Rothenberg	Wynia
Eken	Johnson, D.	Nelson, B.	Sarna	Zubay
Elioff	Jude	Nelson, K.	Schafer	Spkr. Sieben, H.
Ellingson	Kahn	Niehaus	Schoenfeld	
Erickson	Kaley	Norton	Schreiber	
	Kalis	Novak	Shea	

Those who voted in the negative were:

Hanson            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. 1867, A bill for an act relating to insurance; authorizing the commissioner to enjoin violations of chapter 60A; eliminating certain mandatory filings with the commissioner of insurance; providing certain exceptions to variable contract license requirements; amending Minnesota Statutes 1981 Supplement, Section 60A.17, Subdivisions 6c and 13; repealing Minnesota Statutes 1980, Section 72A.062.

PATRICK E. FLAHAVEN, Secretary of the Senate



## CONCURRENCE AND REPASSAGE

Brinkman moved that the House concur in the Senate amendments to H. F. No. 1867 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1867, A bill for an act relating to insurance; exempting captive insurers from certain investment limitations; eliminating certain mandatory filings with the commissioner of insurance; authorizing the commissioner to enjoin violations of chapter 60A; providing certain exceptions to variable contract license requirements; amending Minnesota Statutes 1981 Supplement, Sections 60A.11, Subdivision 17; 60A.17, Subdivisions 6c and 13; repealing Minnesota Statutes 1980, Section 72A.062.

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	Esau	Kelly	Ogren	Sieben, M.
Ainley	Evans	Knickerbocker	Olsen	Simoneau
Anderson, G.	Ewald	Kostohryz	Onnen	Skoglund
Anderson, I.	Fjoslien	Kvam	Osthoff	Stadum
Battaglia	Forsythe	Laidig	Otis	Staten
Begich	Greenfield	Lemen	Peterson, B.	Stowell
Berkelman	Gruenes	Levi	Peterson, D.	Stumpf
Blatz	Gustafson	Long	Piepho	Sviggum
Brandl	Halberg	Ludeman	Pogemiller	Swanson
Brinkman	Hanson	Luknic	Redalen	Tomlinson
Byrne	Harens	Mann	Reding	Valan
Carlson, D.	Hauge	Marsh	Rees	Valento
Carlson, L.	Haukoos	McDonald	Reif	Vanasek
Clark, J.	Heap	McEachern	Rice	Vellenga
Clark, K.	Heinitz	Mehrkens	Rodriguez, C.	Voss
Clawson	Himle	Metzen	Rodriguez, F.	Weaver
Dahlvang	Hoberg	Minne	Rose	Welker
Dean	Hokanson	Munger	Rothenberg	Wenzel
Dempsey	Hokr	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	Shea	Spkr. Sieben, H.
Ellingson	Kahn	Novak	Sherman	
Erickson	Kaley	Nysether	Sherwood	

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. 639, A bill for an act relating to metropolitan government; requiring that metropolitan council boundaries be re-

drawn after each federal census; amending Minnesota Statutes 1980, Section 473.123, Subdivision 2.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Schmitz, Stumpf and Vega.

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

Jude moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 639. The motion prevailed.

Mr. Speaker :

I hereby announce that the Senate refuses to concur in the House amendment to :

S. F. No. 536, A bill for an act relating to local government; providing for the board membership and powers of the Moose Lake and Windemere area sanitary sewer district; amending Laws 1974, Chapter 400, Section 3, Subdivision 12, as amended; and Section 4, Subdivision 2, as amended; repealing Laws 1974, Chapter 400, Section 8, Subdivision 5, as amended.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Chmielewski, Setzepandt and Mrs. Brataas.

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. 536. The motion prevailed.

The following conference committee report was received :

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1663

A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.37; 140.38; 140.39;

140.40; 140.44; 140.45; 140.46; and 480.09, Subdivision 5; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

March 12, 1982

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. 1663, 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. 1663 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 134.34, is amended by adding a subdivision to read:

*Subd. 6. [REGIONAL LIBRARY DIRECTOR QUALIFICATIONS.] Graduation with a masters degree in library media from a university accredited by a regional accrediting association shall qualify an individual for employment as a regional library director. The state board of education shall adopt rules pursuant to chapter 15 to comply with the requirements of this subdivision.*

Sec. 2. Minnesota Statutes 1980, Section 140.34, is amended to read:

140.34 [ESTABLISHMENT OF COUNTY LAW LIBRARY.]

Any county may establish a county law library *wherever sessions of court are required to be held by law upon the filing of an order by the judge of the county or county municipal court or by a judge of the judicial district in which the county is situated with the clerk of court of the county.*

Sec. 3. Minnesota Statutes 1980, Section 140.35, is amended to read:

140.35 [WHO MAY USE.]

Under proper regulations (,) *of the board of trustees the use of the library shall be free to the judges of the state, state officials, judges of the district, municipal, county, conciliation and*

probate courts of the county, city and county officials, members of the bar, and inhabitants of the county.

Sec. 4. Minnesota Statutes 1980, Section 140.36, is amended to read:

**140.36 [(MANAGEMENT) BOARD OF TRUSTEES; COMPOSITION.]**

*Subdivision 1. [TRUSTEES.]* The management of any library (SO) established shall be under a board of (EITHER) three (OR), five or seven trustees, who shall serve without compensation.

A board of three trustees shall consist of :

(1) A judge of the district or county or county municipal court (OR SUCH PERSON AS THE JUDGE OF THE DISTRICT COURT MAY SELECT) appointed by the chief judge of the judicial district.

(2) A member of the county board selected by it at (THE) its next regular meeting (THEREOF) after the order establishing the library is filed and thereafter at the annual election of officers.

(3) One (MEMBER OF THE STATE BAR ASSOCIATION) attorney admitted to the practice of law, residing in the county and selected by (MEMBERS OF THE STATE BAR ASSOCIATION WHO RESIDE IN) the county attorney.

When the board consists of five trustees, the additional members shall be a judge (OF THE MUNICIPAL COURT,) appointed by the chief judge of the judicial district and an additional (MEMBER OF THE STATE BAR ASSOCIATION WITH THE SAME QUALIFICATIONS AS THE FIRST) attorney admitted to the practice of law, residing in the county and selected by the county attorney. When the board consists of seven trustees, the additional members shall be provided for in the bylaws.

*Subd. 2. [MEMBERSHIP CHANGES.]* The bylaws shall state the procedure by which a board of trustees may increase or decrease its membership.

*Subd. 3. [JOINT LAW LIBRARY.]* Wherever a joint law library is established by order, or wherever two or more law libraries are maintained within one county, the board of trustees shall consist of a judge of the district or his designee, one judge from each county included in the order or from each district within a single county, or his designee, one member of the board of county commissioners from each county included in the order or from each district within a single county, to be selected by the

*county board at its annual election of officers, and one attorney admitted to the practice of law, residing in each county included in the order or in each district within a single county, to be selected by the county attorney of each county or district within the county.*

Sec. 5. Minnesota Statutes 1980, Section 140.37, is amended to read:

**140.37 [BOARD OF TRUSTEES, (MEETING) MEETINGS; TERM OF OFFICE.]**

*The trustees shall meet immediately after their selection and the board shall hold (ITS) annual (MEETING) meetings thereafter (ON THE FIRST DAY OF THE FIRST REGULAR TERM OF THE DISTRICT COURT IN THE COUNTY IN EACH YEAR). (AT ITS FIRST MEETING AND) At each (ANNUAL) meeting (THEREAFTER) it shall (SELECT FROM) elect one of its members (A) president and (A SECRETARY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING) another member or the librarian secretary. The secretary shall act as the staff of the board and shall attend all meetings and prepare and distribute all agenda matters.*

*All members of the board of law library trustees shall hold office for a term to be set in the bylaws.*

Sec. 6. Minnesota Statutes 1980, Section 140.38, is amended to read:

**140.38 [BYLAWS AND REGULATIONS; POWERS; TITLE TO REMAIN IN COUNTY.]**

*The board of trustees shall adopt bylaws and regulations for the conduct of its business and the government of the library and file (SAME) them, along with all other records, minutes of meetings and other documents relating to the governance of the library with the clerk of the court.*

*It (MAY) shall have powers necessary for the governance and maintenance of the library, including, but not limited to the power to:*

- (1) Amend its bylaws and regulations;
- (2) On behalf of the county accept any gift, grant, devise, or bequest or the loan of books or property for the library, and carry out the conditions thereof;
- (3) Purchase or lease books or library facilities (, THE PURCHASE PRICE TO BE PAID OUT OF) *with money from the county law library fund (.)*;

(THE TITLE TO THE LIBRARY AND THE PROPERTY THEREOF, EXCEPT SUCH BOOKS AS ARE LEASED OR LOANED TO IT, IS IN THE COUNTY ESTABLISHING THE LIBRARY.)

(4) (THE BOARD OF TRUSTEES MAY) Sell or exchange items of property of the library.

*The title to the library and its property is in the county establishing the library.*

Sec. 7. Minnesota Statutes 1980, Section 140.39, is amended to read:

140.39 [REPORT TO COUNTY AUDITOR.]

(BEFORE THE SECOND MONDAY OF JANUARY EACH YEAR THE BOARD OF TRUSTEES SHALL FILE WITH THE COUNTY AUDITOR A REPORT CONTAINING A DETAILED STATEMENT OF THE RECEIPTS AND DISBURSEMENTS OF THE LIBRARY FOR THE PRECEDING YEAR, ALSO AN INVENTORY SHOWING THE PROPERTY BELONGING TO THE LIBRARY OR LOANED OR LEASED TO IT.) *The county auditor shall file with the board of trustees an annual report containing a detailed statement of the receipts and disbursements of the library for the preceding year. The board of trustees shall file an inventory with the county auditor showing the property belonging to the library or loaned or leased to the library.*

Sec. 8. Minnesota Statutes 1980, Section 140.40, is amended to read:

140.40 [QUARTERS.]

*The county board shall provide suitable quarters within the courthouse for the use of the library, and shall also provide light, heat, janitor service and other necessary expenses of maintaining the library.*

Sec. 9. [140.401] [LIBRARIAN.]

*In Hennepin and Ramsey Counties the board of trustees shall appoint a librarian and necessary assistants and clerical help, and fix their compensation. In all other counties, where a librarian is not employed by the county, the board of trustees may appoint a librarian and necessary assistants and clerical help and, with the approval of the county board, fix their compensation. In all counties where services cannot be provided by the Minnesota state law library, the board of trustees may contract with regional library systems for services.*

Sec. 10. [140.421] [HENNEPIN AND RAMSEY COUNTIES; FEES FOR LAW LIBRARIES.]

*Subdivision 1. [CIVIL ACTIONS.] In Hennepin and Ramsey Counties, the district administrator or his designee shall collect in each civil suit, action or proceeding filed in the district, municipal and conciliation courts of the district, in the manner in which other fees are collected, a law library fee from:*

*(a) The plaintiff, petitioner or other person instituting the suit, action or proceeding, at the time of the filing of the first paper; and*

*(b) Each defendant, respondent, intervenor or other party who appears, either separately or jointly, to be collected at the time of the filing of the first paper by the defendant, respondent, intervenor or other party, or at the time when his appearance is entered in the case.*

*Subd. 2. [PROBATE PROCEEDINGS.] The district administrator or his designee shall collect a law library fee from the petitioner instituting proceedings for supervised and unsupervised guardianship, conservatorship, descent, formal and informal probate, trusts and summary assignments at the time of the filing of the petition. The disbursement shall be an item of expense of administration of the estate, entitling the petitioner to reimbursement out of the estate.*

*Subd. 3. [SETTING FEES.] The law library board of trustees shall, with the approval of the board of commissioners, set the amount of the law library fee in the district, probate, municipal and conciliation courts of the judicial district. All law library fees shall be published in the state register.*

Sec. 11. [140.422] [LIBRARY FEES COLLECTED IN ALL OTHER COUNTIES.]

*Subdivision 1. [CIVIL FEE ASSESSMENT.] In counties other than Hennepin and Ramsey, the clerk of court shall collect in each civil suit, action or proceeding filed in the district, county or county municipal and conciliation courts of the county, in the manner in which other fees are collected, a law library fee from:*

*(a) The plaintiff, petitioner or other person instituting the suit, action or proceeding, at the time of the filing of the first paper; and*

*(b) Each defendant, respondent, intervenor or other party who appears, either separately or jointly, to be collected at the time of the filing of the first paper by the defendant, respondent, intervenor or other party, or at the time when his appearance is entered in the case.*

*Subd. 2. [PROBATE PROCEEDINGS.] The judge of the probate court or the registrar of probate or the clerk of court shall collect a law library fee from the petitioner instituting proceedings for supervised and unsupervised guardianship, conservatorship, descent, formal and informal probate, trusts and summary assignments at the time of the filing of the petition. The disbursement shall be an item of administration of the estate, entitling the petitioner to reimbursement out of the estate.*

*Subd. 3. [CRIMINAL CONVICTIONS; FEE ASSESSMENT.] The judge of district or county or county municipal court may, upon the recommendation of the board of trustees and by standing order, include in the costs or disbursements assessed against a defendant convicted in the district or county or county municipal court of the violation of any statute or municipal ordinance, in all criminal prosecutions in which, upon conviction, the defendant may be subject to the payment of the costs or disbursements in addition to a fine or other penalty a county law library fee. The item of costs or disbursements may not be assessed for any offense committed prior to the establishment of the county law library.*

*Subd. 4. [SETTING FEES.] The law library board of trustees shall, with the approval of the board of commissioners, set the amount of the law library fee for civil and criminal matters in the district, county or county municipal and conciliation courts of the county. The fee shall be initially set on July 1, 1982. Commencing with July 1, 1983, the law library fee shall be set every two years and shall remain in effect during that time. All law library fees shall be published in the state register.*

**Sec. 12. [140.423] [LIMITATIONS.]**

*The provisions of sections 10 and 11 shall not apply to actions or proceedings commenced by the state, the county or any municipality, to garnishment proceedings, to the filing of transcripts, to compensation awards, to proceedings under the Minnesota reciprocal enforcement of support act or to complaints in intervention in receivership proceedings.*

**Sec. 13. [140.431] [TAXABLE AS COSTS.]**

*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. 14.** Minnesota Statutes 1980, Section 140.44 is amended to read:

**140.44 [DEPOSITS WITH COUNTY TREASURER; COUNTY AUDITOR.]**



(ON THE FIRST DAY OF EACH MONTH,) These fees shall be paid to the county treasurer *or county auditor*, who shall give his receipt therefor. The county treasurer *or county auditor* may disburse these funds and any other money belonging to this board only (UPON ITEMIZED VOUCHERS, APPROVED BY THE BOARD) *at the direction of the board of trustees.*

Sec. 15. Minnesota Statutes 1980, Section 140.45, is amended to read:

140.45 [EXISTING LIBRARIES; JOINT LAW LIBRARIES.]

(NOTHING IN SECTIONS 140.34 TO 140.46 SHALL AFFECT THE EXISTENCE OR ORGANIZATION OF THE COUNTY LAW LIBRARIES NOW ESTABLISHED, BUT SUCH) *By July 1, 1983, all county law libraries (MAY) shall come under the provisions of sections 140.34 to 140.46 (UPON PROPER APPLICATION).*

Two or more counties may unite in the establishment of a joint law library.

Sec. 16. Minnesota Statutes 1980, Section 140.46, is amended to read:

140.46 [ANNUAL APPROPRIATION BY COUNTY BOARD.]

The county board may (APPROPRIATE ANNUALLY A SUM NOT IN EXCESS OF \$2,000 FOR SUCH LIBRARY PURPOSES) *in its discretion, provide for additional support and maintenance of the county law library out of county funds.*

Sec. 17. [140.47] [STATE LAW LIBRARIAN TO ASSIST.]

*The state law librarian, under the guidance of the supreme court, shall advise and assist in the operation and maintenance of the county law libraries.*

Sec. 18. Minnesota Statutes 1980, Section 480.09, Subdivision 5, is amended to read:

Subd. 5. All moneys collected shall be paid into the state treasury and shall be added to the current *biennial* appropriation for the library.

Sec. 19. [REPEALER.]

*Minnesota Statutes 1980, Sections 140.01; 140.02; 140.03; 140.04; 140.05; 140.06; 140.07; 140.08; 140.09; 140.10; 140.11;*

140.12; 140.13; 140.14; 140.15; 140.16; 140.17; 140.18; 140.19; 140.20; 140.212; 140.22; 140.23; 140.24; 140.25; 140.26; 140.27; 140.28; 140.29; 140.30; 140.31; 140.32; 140.33; 140.41; 140.42; 140.43; 140.435; and Minnesota Statutes 1981 Supplement, Section 140.21, are repealed.

**Sec. 20. [EFFECTIVE DATE.]**

*Sections 1 to 19 are effective the day after final enactment."*

Delete the title and insert:

"A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 134.34, by adding a subdivision; 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; 140.46; and 480.09, Subdivision 5; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21."

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

House Conferees: GORDON O. VOSS, TAD JUDE and MARNIE J. LUKNIC.

Senate Conferees: R. W. PETERSON, ROBERT J. TENNESSEN and GENE MERRIAM.

Voss moved that the report of the Conference Committee on H. F. No. 1663 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1663, A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; 140.46; and 480.09, Subdivision 5; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21.

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 115 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Aasness	Anderson, G.	Battaglia	Berkelman	Brandl
Anderson, B.	Anderson, I.	Begich	Blatz	Brinkman

Byrne	Harens	Levi	Otis	Skoglund
Carlson, D.	Hauge	Long	Peterson, B.	Stadium
Carlson, L.	Haukoos	Luknic	Peterson, D.	Staten
Clark, J.	Heap	Mann	Piepho	Stowell
Clark, K.	Himle	Marsh	Pogemiller	Stumpf
Clawson	Hoberg	McCarron	Redalen	Sviggum
Dahlvang	Hokanson	McEachern	Reding	Swanson
Dempsey	Hokr	Metzen	Rees	Tomlinson
Drew	Jennings	Minne	Reif	Valan
Eken	Johnson, C.	Munger	Rice	Valento
Elioff	Johnson, D.	Murphy	Rodriguez, C.	Vanasek
Erickson	Jude	Nelsen, B.	Rodriguez, F.	Vellenga
Evans	Kahn	Nelson, K.	Rose	Voss
Ewald	Kaley	Niehaus	Rothenberg	Weaver
Fjoslien	Kalis	Norton	Sarna	Welch
Forsythe	Kelly	Novak	Schoenfeld	Wenzel
Greenfield	Knickerbocker	O'Connor	Schreiber	Wieser
Gruenes	Kostohryz	Ogren	Shea	Wigley
Gustafson	Kvam	Olsen	Sherman	Wynia
Halberg	Laidig	Onnen	Sieben, M.	Zubay
Hanson	Lehto	Osthoff	Simoneau	Spkr. Sieben, H.

**Those who voted in the negative were:**

Ainley	Esau	Ludeman	Nysether	Sherwood
Den Ouden	Lemen	McDonald	Schafer	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. 1115, A bill for an act relating to transportation; providing for the distribution of assistance under the public transit participation program; defining terms; changing eligibility requirements for replacement transit service; providing for public transit contract procedures; amending Minnesota Statutes 1980, Sections 174.21; 174.22, by adding subdivisions; 174.23, by adding a subdivision; 174.24, Subdivision 1, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivisions 3, and 3a, as amended; and 174.265, Subdivision 4; repealing Minnesota Statutes 1980, Sections 174.25; and 174.26.

**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. 1115 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1115, A bill for an act relating to transportation; modifying the purpose of certain programs relating to public transit assistance and transportation management; defining certain terms applicable to certain public transit assistance and transportation management programs; requiring the commissioner of transportation to define by rule total operating cost; providing for the administration of certain programs; providing for the distribution of assistance under the public transit participation program; changing eligibility requirements for replacement transit service; amending Minnesota Statutes 1980, Section 174.21; 174.22, by adding subdivisions; 174.23, by adding subdivisions; 174.24, Subdivisions 1, 2, and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 174.24, Subdivision 3; and 174.265, Subdivision 4; repealing Minnesota Statutes 1980, Sections 174.25 and 174.26.

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 6 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Ludeman	Schafer	Stadum	Welker
Jennings				

The bill was repassed, as amended by the Senate, 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. 639:

Jude, McCarron and Knickerbocker.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 546:

Rees, McCarron and Wynia.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1975:

McEachern, Sarna and Metzen.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON 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.

March 11, 1982

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. 353, 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. 353 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [561.19] [NUISANCE LIABILITY OF AGRICULTURAL OPERATIONS.]

*Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:*

(a) “Agricultural operation” means a facility and its appurtenances for the production of crops, livestock, poultry, dairy products or poultry products, but not a facility primarily engaged in processing agricultural products;

(b) “Established date of operation” means the date on which the agricultural operation commenced. If the agricultural opera-

tion is subsequently expanded or significantly altered, the established date of operation for each expansion or alteration is deemed to be the date of commencement of the expanded or altered operation.

(c) "Family farm" means an unincorporated farm unit owned by one or more persons or spouses of persons related to each other within the third degree of kindred according to the rules of the civil law at least one of whom is residing or actively engaged in farming on the farm unit, or a "family farm corporation," as that term is defined in section 500.24, subdivision 2.

Subd. 2. [AGRICULTURAL OPERATION NOT A NUISANCE.] An agricultural operation which is a part of a family farm is not and shall not become a private or public nuisance after six years from its established date of operation if the operation was not a nuisance at its established date of operation. The provisions of this subdivision do not apply: (a) to a condition or injury which results from the negligent or improper operation of an agricultural operation or from operations contrary to commonly accepted agricultural practices or to applicable state or local laws, ordinances, rules, or permits; (b) when an agricultural operation causes injury or direct threat of injury to the health or safety of any person; (c) to the pollution of, or change in the condition of, the waters of the state or the overflow of waters on the lands of any person; (d) to an agricultural operation within the limits of a home rule charter or statutory city; (e) to an animal feedlot facility with a swine capacity of 1,000 or more animal units as defined in the rules of the pollution control agency for control of pollution from animal feedlots, or a cattle capacity of 2,500 animals or more; or (f) to any prosecution for the crime of public nuisance as provided in section 609.74 or to an action by a public authority to abate a particular condition which is a public nuisance.

Subd. 3. [EXISTING CONTRACTS.] This section shall not be construed to invalidate any contracts or commitments made before the effective date of this section.

Subd. 4. [SEVERABILITY.] If a provision of this section, or application thereof to any person or set of circumstances, is held invalid or unconstitutional, the invalidity shall not affect other provisions or applications of this section which can be given effect without the invalid provision or application. To that end, the provisions of this section are declared to be severable.

Subd. 5. [APPLICATION; LOCAL APPROVAL] This section does not apply to any nuisance which interferes with the use or enjoyment of property in a county in which the county board has disapproved by resolution of the application of the section to that county, or of property in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott or Washington.

## Sec. 2. [EFFECTIVE DATE.]

*This act is effective January 1, 1983, and does not affect legal actions commenced prior to that date."*

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

House Conferees: JERRY E. SCHOENFELD, HENRY J. KALIS, TAD JUDE, WENDELL O. ERICKSON and TOM J. SHEA.

Senate Conferees: MARION (MIKE) MENNING, RON SIELOFF, TIMOTHY J. PENNY, EARL W. RENNEKE and WILLIAM P. LUTHER.

Schoenfeld moved that the report of the Conference Committee on H. F. No. 353 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Kalis	Novak	Sherman
Ainley	Evans	Kelly	Nysether	Sherwood
Anderson, B.	Ewald	Knickerbocker	Ogren	Sieben, M.
Anderson, G.	Fjoslien	Kostohryz	Olsen	Simoneau
Anderson, I.	Forsythe	Kvam	Onnen	Stadum
Battaglia	Greenfield	Laidig	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	Pogemiller	Tomlinson
Byrne	Hauge	Mann	Redalen	Valan
Carlson, D.	Haukoos	Marsh	Reding	Valento
Carlson, L.	Heap	McCarron	Rees	Vanasek
Clark, J.	Heinitz	McDonald	Reif	Voss
Clark, K.	Himle	McEachern	Rice	Weaver
Clawson	Hoberg	Mehrkens	Rodriguez, C.	Welch
Dahlvang	Hokanson	Metzen	Rodriguez, F.	Wenzel
Dean	Hokr	Minne	Rose	Wieser
Dempsey	Jacobs	Munger	Rothenberg	Wigley
Den Ouden	Johnson, C.	Murphy	Sarna	Wynia
Drew	Johnson, D.	Nelson, B.	Schafer	Zubay
Eken	Jude	Nelson, K.	Schoenfeld	Sprk. Sieben, H.
Elioff	Kahn	Niehaus	Schreiber	
Erickson	Kaley	Norton	Shea	

Those who voted in the negative were:

Ellingson	Jennings	Skoglund	Welker
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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. 1988 and H. F. No. 2174, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Ogren moved that the rules be so far suspended that S. F. No. 1988 be substituted for H. F. No. 2174 and that the House File be indefinitely postponed. The motion prevailed.

#### SECOND READING OF SENATE BILLS

S. F. No. 1988 was read for the second time.

#### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Ogren moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1988 be given its third reading and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Ogren motion and the roll was called. There were 101 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ewald	Kostohryz	Nysether	Sherman
Anderson, G.	Fjoslien	Laidig	O'Connor	Sieben, M.
Anderson, I.	Forsythe	Lehto	Ogren	Simoneau
Begich	Greenfield	Lemen	Olsen	Skoglund
Blatz	Gruenes	Levi	Onnen	Staten
Brandl	Hanson	Long	Osthoff	Stowell
Brinkman	Harens	Luknic	Otis	Stumpf
Byrne	Hauge	<b>Mann</b>	Peterson, D.	Swanson
Carlson, D.	Haukoos	Marsh	Pogemiller	Tomlinson
Carlson, L.	Heap	McCarron	Redalen	Valan
Clark, J.	Heinitz	McDonald	Reding	Vanasek
Clark, K.	Himle	McEachern	Rees	Vellenga
Clawson	Hoberg	Mehrkens	Rice	Voss
Dahlvang	Hokanson	Metzen	Rodriguez, C.	Weaver
Dean	Jacobs	Minne	Rodriguez, F.	Welch
Drew	Johnson, C.	Munger	Rose	Wenzel
Eken	Johnson, D.	Murphy	Rothenberg	Wynia
Elihoff	Jude	Neisen, B.	Samuelson	
Ellingson	Kahn	Nelson, K.	Sarna	
Erickson	Kalis	Norton	Schoenfeld	
Evans	Kelly	Novak	Shea	



Those who voted in the negative were :

Aasness	Esau	Kvam	Piepho	Valento
Ainley	Hokr	Ludeman	Reif	Welker
Dempsey	Jennings	Niehaus	Schafer	Wigley
Den Ouden	Kaley	Peterson, B.	Stadum	Zubay

The motion prevailed.

Ogren moved that the rules of the House be so far suspended that S. F. No. 1988 be given its third reading and be placed upon its final passage. The motion prevailed.

Ogren moved to amend S. F. No. 1988, the second engrossment, as follows :

Page 1, line 18, delete the language following the period and insert: "*Criteria used for determining distribution of money shall give primary consideration to the extent to which proposed projects directly benefit low and moderate income persons*"

Page 1, lines 19 thru 21, delete the language.

Page 1, line 22, delete "*income*"

Page 2, line 6, before the period insert: "*and include a description of the process in their application*"

Page 2, line 8, delete "*people*" insert "*persons*"

Page 2, line 9, delete the language following "*whose*" and insert "*incomes do not exceed eighty percentum of the area median income, as determined by the commissioner, with adjustments for larger and smaller families.*"

Page 2, delete lines 10, 11 and 12

Page 2, line 16, before the period insert "*and including an assessment of the extent to which money is used to directly benefit low and moderate income persons. If established, the advisory council on local government shall monitor performance*"

The motion prevailed and the amendment was adopted.

S. F. No. 1988, A bill for an act relating to housing; directing the commissioner of energy, planning and development to administer certain federal money; proposing new law coded in Minnesota Statutes, Chapter 362.

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 32 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ewald	Kostohryz	Osthoff	Skoglund
Anderson, G.	Forsythe	Laidig	Otis	Stadum
Anderson, I.	Greenfield	Lehto	Peterson, D.	Staten
Battaglia	Halberg	Long	Pogemiller	Stowell
Begich	Hanson	Luknic	Redalen	Stumpf
Berkelman	Harens	Mann	Reding	Sviggum
Brandl	Hauge	Marsh	Reif	Swanson
Brinkman	Heap	McCarron	Rice	Tomlinson
Byrne	Himle	McEachern	Rodriguez, C.	Valan
Carlson, D.	Hoberg	Metzen	Rodriguez, F.	Vanasek
Carlson, L.	Hokanson	Minne	Rose	Vellenga
Clark, J.	Jacobs	Munger	Rothenberg	Voss
Clark, K.	Johnson, C.	Murphy	Samuelson	Welch
Clawson	Johnson, D.	Nelson, K.	Sarna	Wenzel
Dahlvang	Jude	Norton	Schoenfeld	Spkr. Sieben, H.
Eken	Kahn	Novak	Shea	
Elioff	Kalis	O'Connor	Sherman	
Ellingson	Kelly	Ogren	Sieben, M.	
Evans	Knickerbocker	Olsen	Simoneau	

Those who voted in the negative were:

Ainley	Fjoslien	Lemen	Onnen	Weaver
Blatz	Haukoos	Levi	Peterson, B.	Welker
Dempsey	Heinitz	Ludeman	Piepho	Wieser
Den Ouden	Hokr	McDonald	Rees	Zubay
Drew	Jennings	Mehrkens	Schafer	
Erickson	Kaley	Nelsen, B.	Sherwood	
Esau	Kvam	Niehaus	Valento	

The bill was passed, as amended, 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. 1637 and H. F. No. 1811, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Staten moved that the rules be so far suspended that S. F. No. 1637 be substituted for H. F. No. 1811 and that the House File be indefinitely postponed.

A roll call was requested and properly seconded.

## CALL OF THE HOUSE

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

Aasness	Erickson	Kahn	Novak	Sherwood
Ainley	Esau	Kaley	Nysether	Sieben, M.
Anderson, B.	Evans	Knickerbocker	Ogren	Simoneau
Anderson, G.	Ewald	Kostohryz	Olsen	Skoglund
Anderson, I.	Fjoslien	Kvam	Onnen	Staten
Battaglia	Forsythe	Laidig	Osthoff	Stowell
Begich	Greenfield	Lehto	Peterson, B.	Stumpf
Berkelman	Gruenes	Lemen	Peterson, D.	Swanson
Blatz	Gustafson	Ludeman	Piepho	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
Dempsey	Hokr	Munger	Samuelson	Wieser
Den Ouden	Jacobs	Murphy	Sarna	Wigley
Drew	Jennings	Nelsen, B.	Schafer	Zubay
Eken	Johnson, C.	Nelson, K.	Schoenfeld	Spkr. Sieben, H.
Elioff	Johnson, D.	Niehaus	Shea	
Ellingson	Jude	Norton	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 Staten motion and the roll was called. There were 122 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Jennings      Kaley      Knickerbocker      Welker

The motion prevailed.

## SECOND READING OF SENATE BILLS

S. F. No. 1637 was read for the second time.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Staten moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1637 be given its third reading and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Staten motion and the roll was called. There were 94 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Aasness	Drew	Johnson, C.	Nelson, K.	Shea
Ainley	Eken	Johnson, D.	Norton	Sherwood
Anderson, B.	Elioff	Jude	Novak	Sieben, M.
Anderson, G.	Ellingson	Kahn	Nysether	Simoneau
Anderson, I.	Evans	Kalis	Ogren	Skoglund
Battaglia	Fjoslien	Kelly	Osthoff	Staten
Begich	Forsythe	Kostohryz	Otis	Stowell
Berkelman	Greenfield	Laidig	Peterson, B.	Stumpf
Blatz	Gruenes	Lehto	Peterson, D.	Swanson
Brandl	Gustafson	Long	Pogemiller	Tomlinson
Brinkman	Halberg	Luknic	Redalen	Vanasek
Byrne	Hanson	Mann	Reding	Vellenga
Carlson, L.	Harens	Marsh	Rees	Voss
Clark, J.	Hauge	McCarron	Rice	Welch
Clark, K.	Heap	McDonald	Rodriguez, C.	Wenzel
Clawson	Himle	Metzen	Rodriguez, F.	Wieser
Dahlvang	Hoberg	Minne	Samuelson	Wynia
Dean	Hokanson	Munger	Sarna	Spkr. Sieben, H.
Dempsey	Jacobs	Murphy	Schoenfeld	

Those who voted in the negative were:

Den Ouden	Jennings	Nelsen, B.	Rose	Valan
Erickson	Kaley	Niehaus	Rothenberg	Valento
Esau	Knickerbocker	Olsen	Schafer	Weaver
Ewald	Kvam	Onnen	Schreiber	Welker
Haukoos	Ludeman	Piepho	Stadum	Wigley
Heinitz	Mehrkens	Reif	Sviggum	Zubay

The motion prevailed.

Staten moved that the rules of the House be so far suspended that S. F. No. 1637 be given its third reading and be placed upon its final passage. The motion prevailed.

McDonald moved to amend S. F. No. 1637, the third engrossment, as follows:

Page 1, line 16, delete "government" insert "governments"

Page 2, line 6, delete "government" insert "governments"

Page 2, line 7, after "Africa" insert "and the USSR"

Page 2, lines 12, 22 and 27 after "Africa" insert "and the USSR"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 62 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Aasness	Esau	Johnson, D.	Onnen	Stowell
Ainley	Evans	Knickerbocker	Peterson, B.	Sviggum
Anderson, B.	Ewald	Kvam	Piepho	Valan
Begich	Fjoslien	Laidig	Redalen	Valento
Berkelman	Forsythe	Lemen	Rees	Weaver
Blatz	Gruenes	Ludeman	Reif	Welker
Carlson, D.	Halberg	Marsh	Rose	Wenzel
Dean	Haukoos	McDonald	Rothenberg	Wieser
Dempsey	Heinitz	McEachern	Sarna	Wigley
Den Ouden	Himle	Metzen	Schafer	Zubay
Drew	Hoberg	Nelsen, B.	Schreiber	
Elioff	Hokr	Niehaus	Sherman	
Erickson	Jennings	Olsen	Sherwood	

Those who voted in the negative were:

Anderson, G.	Greenfield	Kostohryz	Ogren	Skoglund
Anderson, I.	Gustafson	Lehto	Osthoff	Stadum
Battaglia	Hanson	Long	Otis	Staten
Brandl	Harens	Luknic	Peterson, D.	Stumpf
Brinkman	Hauge	Mann	Pogemiller	Swanson
Byrne	Heap	McCarron	Reding	Tomlinson
Carlson, L.	Hokanson	Minne	Rice	Vanasek
Clark, J.	Jacobs	Munger	Rodriguez, C.	Vellenga
Clark, K.	Johnson, C.	Murphy	Rodriguez, F.	Voss
Clawson	Jude	Nelson, K.	Samuelson	Welch
Dahlvang	Kahn	Norton	Shea	Wynia
Eken	Kalis	Novak	Sieben, M.	Spr. Sieben, H
Ellingson	Kelly	Nysether	Simoneau	

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

The Speaker called Simoneau to the Chair.

S. F. No. 1637, A bill for an act relating to state investment policy; prohibiting certain investments in countries not following human rights standards; proposing new law coded in Minnesota Statutes, Chapter 11A.

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 85 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kahn	Norton	Shea
Ainley	Elioff	Kalis	Novak	Sherman
Anderson, G.	Ellingson	Kelly	Ogren	Sherwood
Anderson, I.	Evans	Kostohryz	Osthoff	Sieben, M.
Battaglia	Greenfield	Laidig	Otis	Simoneau
Begich	Gruenes	Lehto	Peterson, B.	Skoglund
Berkelman	Gustafson	Long	Peterson, D.	Staten
Blatz	Hanson	Luknic	Pogemiller	Stumpf
Brandl	Hauge	Mann	Reding	Swanson
Byrne	Himle	McCarron	Rees	Tomlinson
Carlson, D.	Hoberg	McDonald	Reif	Vanasek
Carlson, L.	Hokanson	Metzen	Rice	Vellenga
Clark, J.	Hokr	Minne	Rodriguez, C.	Voss
Clark, K.	Jacobs	Munger	Rodriguez, F.	Welch
Clawson	Johnson, C.	Murphy	Samuelson	Wenzel
Dahlvang	Johnson, D.	Nelson, K.	Sarna	Wynia
Drew	Jude	Niehaus	Schoenfeld	Sprk. Sieben, H.

Those who voted in the negative were:

Brinkman	Halberg	Levi	Piepho	Valento
Dempsey	Heap	Ludeman	Redalen	Weaver
Den Ouden	Heinitz	Marsh	Rothenberg	Welker
Erickson	Jennings	McEachern	Schafer	Wieser
Esau	Kaley	Mehrkens	Schreiber	Wigley
Ewald	Knickerbocker	Nelsen, B.	Stadum	Zubay
Fjoslien	Kvam	Olsen	Staggum	
Forsythe	Lemen	Onnen	Vaian	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 536:

Carlson, D.; Ainley and McCarron.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1948:

Ellingson, Jude and Brandl.

### 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. 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 out-patient 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Sviggum moved that the House refuse to concur in the Senate amendments to H. F. No. 942, 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.

The following conference committee report was received:

### CONFERENCE COMMITTEE REPORT ON H. F. NO. 492

A bill for an act relating to crimes; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C.

March 12, 1982

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. 492, 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. 492 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 244.09, Subdivision 1, is amended to read:

Subdivision 1. [COMMISSION; ESTABLISHMENT.] There is hereby established the Minnesota sentencing guidelines commission which shall be comprised of (NINE) *10 or 11* members.

Sec. 2. Minnesota Statutes 1980, Section 244.09, Subdivision 2, is amended to read:

Subd. 2. The sentencing guidelines commission shall consist of the following:

- (1) The chief justice of the supreme court or his designee;
- (2) Two district court judges appointed by the chief justice of the supreme court;
- (3) One public defender appointed by the governor upon recommendation of the state public defender;
- (4) One county attorney appointed by the governor upon recommendation of the board of governors of the county attorneys council;
- (5) The commissioner of corrections or his designee;
- (6) The chairman of the Minnesota corrections board *or the board of supervised release* or his designee; (AND)
- (7) *One peace officer as defined in section 626.84 appointed by the governor;*



- (8) Two public members appointed by the governor.

One of the members shall be designated by the governor as chairman of the commission.

Sec. 3. Minnesota Statutes 1980, Section 244.09, Subdivision 2, is amended to read:

Subd. 2. The sentencing guidelines commission shall consist of the following:

- (1) The chief justice of the supreme court or his designee;
- (2) Two district court judges appointed by the chief justice of the supreme court;
- (3) One public defender appointed by the governor upon recommendation of the state public defender;
- (4) One county attorney appointed by the governor upon recommendation of the board of governors of the county attorneys council;
- (5) The commissioner of corrections or his designee;
- (6) The chairman of the Minnesota corrections board or the board of supervised release or his designee; (AND)
- (7) One probation officer or parole officer appointed by the governor; and
- (8) Two public members appointed by the governor.

One of the members shall be designated by the governor as chairman of the commission.

Sec. 4. [375.168] [UNDERCOVER BUY FUND; EXPENDITURE OF MONEY BY COUNTIES.]

*The county board of any county may appropriate money for investigation of criminal activity relating to receiving or selling stolen goods, including the setting aside of money for "buy funds."*

Sec. 5. [EFFECTIVE DATE.]

*Sections 1 and 3 are effective January 24, 1983. Section 2 is effective July 1, 1982. Section 4 is effective the day after final enactment."*

Further amend the title as follows:

Page 1, line 2, after the semicolon, insert:

“adding a peace officer and a parole or probation officer to the sentencing guidelines commission; correcting a statutory reference;”

Page 1, line 5, after the semicolon, insert: “amending Minnesota Statutes 1980, Section 244.09, Subdivisions 1 and 2;”

Page 1, line 6, delete “299C” and insert “375”

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

House Conferees: DAVID B. GRUENES, ROBERT E. VANASEK and ARLENE I. LEHTO.

Senate Conferees: JAMES C. PEHLER and DUANE D. BENSON.

Gruenes moved that the report of the Conference Committee on H. F. No. 492 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 492, A bill for an act relating to crimes; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; proposing new law coded in Minnesota Statutes, Chapter 299C.

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

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

The bill repassed, as amended by Conference, and its title agreed to.

#### CALL OF THE HOUSE LIFTED

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

There being no objection the order of business advanced to Motions and Resolutions.

#### MOTIONS AND RESOLUTIONS

Swanson moved that the name of Rees be added as an author on H. F. No. 2271. The motion prevailed.

Elioff, Begich, Battaglia and Minne introduced:

House Resolution No. 33, A house resolution urging the Federal Energy Regulatory Commission to hold hearings in Minnesota whenever increases in natural gas are being considered.

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

Wenzel, Ogren, Welch, Kalis and Mann introduced:

House Resolution No. 34, A house resolution urging the President and Congress of the United States to ensure that credit is available to farmers and cooperatives.

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

Hokr and Heinitz introduced:

House Resolution No. 35, A house resolution congratulating Kari Olson for being named national honey queen.

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.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to Conference Committee on H. F. No. 942:

Svigum, Samuelson and Forsythe.

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. 1840, A bill for an act relating to public welfare; allowing payment of claims for medical assistance to be made against homestead property which is part of an estate; amending Minnesota Statutes 1980, Sections 510.05; 524.3-805; and Minnesota Statutes 1981 Supplement, Section 525.145.

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. 1555, A bill for an act relating to education; providing for aids to education, aids to libraries, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues; granting certain powers and duties to school boards, school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; reducing certain appropriations; appropriating money; amending Minnesota Statutes 1980, Sections 120.17, Subdivision 4a; 120.68; 121.11, Subdivision 12; 121.88, by adding a subdivision; 121.904, Subdivisions 2, 4, and 4a, as added; 121.908, Subdivision 3; 123.32, Subdivision 1, and by adding a subdivision; 123.35, by adding a subdivision; 123.351, by adding a subdivision; 123.37, Subdivision 1b; 123.78, Subdivision 1; 124.14, by adding a subdivision; 124.19, Subdivision 1, and by adding a subdivision; 124.225, as amended; 124.245, by adding a subdivision; 124.26, by adding a subdivision; 124.32, Subdivisions 2, 7, and 10, and by adding subdivisions; 124.5621, by adding a subdivision; 124.572, Subdivision 2, and by adding a subdivision; 124.573, by adding subdivisions; 124.574, Subdivision 3, and by adding a subdivision; 126.262, Subdivision 1; 126.264, Subdivision 3; 126.265; 126.267; 134.34, by adding a subdivision; 275.125, Subdivisions 4 and 5, as amended, and by adding subdivisions; 275.48; 475.61, Subdivisions 1, 3, and 4; Minnesota Statutes 1981 Supplement, Sections 120.17, Subdivisions 5a and 6; 121.904, Subdivision 7; 121.912, Subdivision 1; 122.542, Subdivisions 3 and 4; 123.702, Subdivision 1a; 123.705; 124.01, Subdivision 1; 124.17, Subdivision 2; 124.212, Subdivision 1; 124.2121, Subdivision 5, as amended; 124.2122, Subdivision 1, as amended, and Subdivision 2, as amended; 124.2124, Subdivision 1; 124.2125, Subdivision 1, as amended, and Subdivision 2; 124.2126, Subdivision 3; 124.2128, Subdivision 1; 124.2129, Subdivision 3; 124.223; 124.245, Subdivisions 1 and 1a; 124.246, Subdivision 2, and by adding a subdivision; 124.247, Subdivision 3; 124.251; 124.26, Subdivision 1; 124.271, Subdivision 2; 124.273, Subdivisions 1, 2, and by adding subdivisions; 124.32, Subdivisions 1, 1a, 1b, and 5; 124.38, Subdivision 7; 124.5621, Subdivision 12; 124.5624, Subdivisions 3 and 4; 124.5627, Subdivisions 3, 4, and 5; 124.573, Subdivisions 2 and 3a; 124.574, Subdivision 2; 125.611, Subdivision 5; 136A.81, Subdivision 1; 169.974, Subdivision 2; 171.04; 275.125, Subdivisions 1, 2d, 7a, and 11a; 298.28, Subdivision 1; 354.66, Subdivision 6; Laws 1981, Chapter 358, Article II, Section 15, Subdivision 3, Article VI, Section 46, Subdivisions 8, 9, and 16, Article VII, Section 29, as amended, Third Special Session Chapter 2, Article II, Sections 1, 2, 15, and 20, Article IV, Section 3, Subdivisions 2, 3, 4, and by adding a subdivision, Article IV, Section 5, Subdivision 3, and by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapters 120 and 124; repealing Minnesota Statutes 1980, Sections 121.904, Subdivision 4b, as added; 121.96; 123.37, Subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14; and 128.05; 275.125, Subdivision 1a, as added; Laws 1967, Chapters 251 and 253; and Laws 1976, Chapter 20, Section 8.

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. 253, A bill for an act relating to state bonds and tax-forfeited land sales; changing the interest rate on unpaid sale balances; repealing an obsolete provision; amending Minnesota Statutes 1980, Sections 92.06, Subdivision 1; 94.11; 282.15; 282.222, Subdivision 4; and repealing Minnesota Statutes 1980, Section 282.35.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2136, A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other improvements of a capital nature with certain conditions; authorizing issuance of state bonds; authorizing inter-fund borrowing in anticipation of bond proceeds; providing for bond sale expenses; authorizing covenants to secure certificates of indebtedness; fixing the boundaries of state parks and trails; postponing the deadline for fencing certain open pit mines; appropriating money; amending Minnesota Statutes 1980, Sections 16.826; 16A.63, Subdivision 2, as amended; 16A.64, Subdivision 4; 85.015, Subdivisions 8 and 13; 86.72, Subdivision 1; 121.21, Subdivision 4a; 180.03, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivision 8; proposing new law coded in Minnesota Statutes, Chapter 84.

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. 1804, A bill for an act relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 2058, A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

The Senate has appointed as such committee Ms. Berglin, Messrs. Sieloff and Merriam.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1760, A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; amending Minnesota Statutes 1980, Sections 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; 626A.05, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Statutes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

The Senate has appointed as such committee Messrs. Petty, Dahl 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. 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 Senate has appointed as such committee Messrs. Stumpf, Tennessen 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 has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1443.

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. 1443

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.



March 12, 1982

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. 1443, 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: A. O. H. SETZEPFANDT, MARILYN M. LANTRY and TOM A. NELSON.

House Conferees: ROBERT W. REIF, JOSEPH R. BEGICH and RICHARD J. WELCH.

Reif moved that the report of the Conference Committee on S. F. No. 1443 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1443, 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 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 12 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Hokr	Marsh	Peterson, B.
Anderson, B.	Elioff	Jacobs	McCarron	Peterson, D.
Anderson, G.	Ellingson	Johnson, C.	McDonald	Piepho
Anderson, I.	Erickson	Jude	McEachern	Pogemiller
Battaglia	Evans	Kahn	Mehrkens	Redalen
Berkelman	Forsythe	Kaley	Minne	Reding
Brinkman	Greenfield	Kalis	Munger	Rees
Byrne	Gruenes	Kelly	Murphy	Reif
Carlson, D.	Halberg	Knickerbocker	Nelsen, B.	Rice
Carlson, L.	Hanson	Kostohryz	Nelson, K.	Rodriguez, C.
Clark, J.	Harens	Kvam	Niehous	Rodriguez, F.
Clark, K.	Hauge	Lehto	Norton	Rose
Clawson	Haukoos	Lemen	Novak	Rothenberg
Dahivang	Heap	Levi	O'Connor	Samuelson
Dempsey	Heinitz	Long	Ogren	Sarna
Den Ouden	Himle	Luknic	Olsen	Schoenfeld
Drew	Hokanson	Mann	Osthoff	Schreiber

Sherman	Stadum	Swanson	Vellenga	Wynia
Sherwood	Staten	Tomlinson	Voss	Spkr. Sieben, H.
Sieben, M.	Stowell	Valan	Weaver	
Simoneau	Stumpf	Valento	Welch	
Skoglund	Sviggum	Vanasek	Wenzel	

Those who voted in the negative were:

Ainley	Fjoslien	Nysether	Welker	Wigley
Begich	Jennings	Onnen	Wieser	Zubay
Esau	Ludeman			

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

The following conference committee reports were received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1885

A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

March 13, 1982

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. 1885, 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, ANN WYNIA and TONY D. ONNEN.

Senate Conferees: GERRY SIKORSKI, SAM G. SOLON and DUANE D. BENSON.

Brandl moved that the report of the Conference Committee on H. F. No. 1885 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1885, A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

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 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Dempsey

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1799

A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; 145.835, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; 145.834; and 145.845.

March 12, 1982

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. 1799, 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. 1799 be further amended as follows:

Page 2, line 4, after the period insert "*It is the intent of the legislature that voluntary efforts to disseminate certain price information be encouraged and that mandatory efforts be undertaken only if voluntary efforts do not make satisfactory progress.*"

Pages 2 to 4, delete Section 2 and insert:

"Sec. 2. [144.705] [COLLECTION, ANALYSIS AND DISSEMINATION OF DIAGNOSTIC AND PRICE INFORMATION.]

*Subdivision 1. [PRICE REPORTING.] The commissioner of health shall encourage hospitals and professionals regulated by the health related licensing boards as defined in section 214.01, subdivision 2, or by the commissioner of health pursuant to section 214.13, to publish prices for procedures and services that are representative of the diagnoses and conditions for which citizens of this state seek treatment.*

*Subd. 2. [HOSPITAL REPORTS.] The commissioner of health may periodically establish a list of illnesses, injuries and medical conditions which is representative of the diagnoses for which the citizens of the state are hospitalized. The commissioner shall select illnesses, injuries, and conditions for inclusion in this list in a manner so as to adequately differentiate among patient characteristics which may influence the consumption of resources during treatment, such as the age of patients, patients' need for surgery, the presence of secondary diagnoses and medical complications. The establishment of this list shall not be subject to the provisions of sections 15.0412 to 15.0417. The commissioner may add to or delete from this list. For each of these illnesses, injuries and medical conditions, every hospital with a licensed capacity equal to or greater than 100 beds shall, within 120 days of the close of its fiscal year, report to the commissioner the following information for that fiscal year:*

(a) *the number of patients discharged;*

(b) *the shortest and longest lengths of patient stay in the hospital, the mean length of stay, and the respective lengths of stay at the 25th, 50th and 75th percentiles of the total range of lengths of stay;*

(c) *the lowest and highest prices for hospital services, the mean price, and the respective prices at the 25th, 50th and 75th percentiles of the total range of prices;*

(d) *a separation of the mean price into mean component prices, where applicable, for routine room and board, special care unit room and board, nursery services, delivery room use, operating room use, anesthesia services, pharmacy services, laboratory services, radiology services, supplies and other services; and*

(e) *any additional or alternative information relating to prices that is specified in rules promulgated by the commissioner pursuant to this section. At the time it reports the information required to be reported by this subdivision, each hospital may also report any additional information that it believes to be relevant to the purposes of section 144.705.*

**Subd. 3. [HEALTH PROVIDER REPORTS.]** *For each health profession regulated by the health-related licensing boards as defined in section 214.01, subdivision 2, or by the commissioner of health pursuant to section 214.13, the commissioner of health shall periodically establish a list of procedures and services which are representative of the diagnoses and conditions for which citizens of the state seek treatment. The establishment of this list shall not be subject to the provisions of section 15.0412 to 15.0417. For each of these procedures and services, every regulated health care provider engaged in the private practice of his profession within the state shall post in a public area the established prices or provide a notice of the availability of the established prices of the procedures or services. The commissioner may request to receive a copy of these prices.*

**Subd. 4. [SOURCE OF INFORMATION.]** *The information described in subdivision 2 may be directly compiled and submitted to the commissioner by the hospital, or in the interests of efficiency and at the hospital's option, the information may be submitted through any entity which collects or compiles all or portions of the information for several hospitals or providers. When information is furnished through such an entity, the commissioner shall pay the entity what he determines to be a reasonable fee for the costs of organizing and providing the information in the form called for by this section.*

**Subd. 5. [SAMPLES.]** *The commissioner may, in the interests of efficiency, permit a hospital to submit the information*

*described in subdivision 2 in the form of statistically valid samples of the patients discharged from the hospital during the fiscal year.*

*Subd. 6. [FOSTERING PRICE COMPETITION.] The commissioner shall analyze the information provided under this section and shall disseminate the information and analyses so as to foster the development of price competition among hospitals required by subdivision 2 to make reports to the commissioner. Prior to initial dissemination of any hospital-specific information, the commissioner shall give the hospital opportunity for review and comment. In the initial dissemination of hospital-specific information the commissioner shall publish a summary of the hospital's comments, together with notice of a means of contacting a person designated by the hospital to provide further information.*

*Subd. 7. [RULES.] The commissioner may promulgate such rules pursuant to chapter 15 as are necessary to implement the provisions of this section.*

Sec. 3. Minnesota Statutes 1980, Section 144A.04, Subdivision 5, is amended to read:

Subd. 5. Except as otherwise provided by this subdivision, a nursing home must have a full time licensed nursing home administrator serving the facility. In any nursing home of less than 25 beds, the director of nursing services may also serve as the licensed nursing home administrator. Two nursing homes having a total of 100 beds or less and located within 50 miles of each other may share the services of a licensed administrator if the administrator divides his full time work week between the two facilities in proportion to the number of beds in each facility. Every nursing home shall have a person-in-charge on the premises at all times in the absence of the licensed administrator. The name of the person in charge must be posted in a conspicuous place in the facility. The commissioner of health shall by rule promulgate minimum education and experience requirements for persons-in-charge, and may promulgate rules specifying the times of day during which a licensed administrator must be on the nursing home's premises. A nursing home may employ as its administrator the (REGISTERED) administrator of a hospital licensed pursuant to sections 144.50 to 144.56 if the individual is licensed as a nursing home administrator pursuant to section 144A.20 and the nursing home and hospital have a *combined* total of 150 beds or less (, ARE UNDER THE SAME GOVERNING BODY) and are located within (ONE-HALF) *one* mile of each other. A nursing home which is located in a facility licensed as a hospital pursuant to sections 144.50 to 144.56, may employ as its administrator the (REGISTERED) administrator of the hospital if the individual meets minimum education and long term care experience criteria set by rule of the commissioner of health."

Renumber the remaining sections

Page 15, line 5, delete "6 and 10" and insert "7 and 11"

Page 15, line 7, delete "60 days after" and insert "on March 1, 1983 if"

Page 15, line 15, delete "7 to 9 and 11" and insert "8 to 10 and 12"

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "allowing certain nursing homes and hospitals to share an administrator;"

Page 1, line 8, after "Sections" insert "144A.04, Subdivision 5;"

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

House Conferees: JAMES C. SWANSON, MICHAEL R. STEBEN and JOHN R. KALEY.

Senate Conferees: SAM G. SOLON, GENE WALDORF and STEVE LINDGREN.

Swanson moved that the report of the Conference Committee on H. F. No. 1799 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1799, A bill for an act relating to health; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 145.833, Subdivision 5; 145.835, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; 145.834; and 145.845.

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

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

The Speaker called Novak to the Chair.

## CONFERENCE COMMITTEE REPORT ON 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 subdivisions; and 171.19.

March 13, 1982

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. 1484, report that we have agreed upon the items in dispute and recommend as follows:



That the Senate recedes from its amendments and that H. F. No. 1484 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 3.736, Subdivision 3, is amended to read:

Subd. 3. [EXCLUSIONS.] Without intent to preclude the courts from finding additional cases where the state and its employees should not, in equity and good conscience, pay compensation for personal injuries or property losses, the legislature declares that the state and its employees are not liable for the following losses:

(a) Any loss caused by an act or omission of a state employee exercising due care in the execution of a valid or invalid statute or regulation;

(b) Any loss caused by the performance or failure to perform a discretionary duty, whether or not the discretion is abused;

(c) Any loss in connection with the assessment and collection of taxes;

(d) Any loss caused by snow or ice conditions on any highway or other public place, except when the condition is affirmatively caused by the negligent acts of a state employee;

(e) Any loss caused by wild animals in their natural state;

(f) Any loss other than injury to or loss of property or personal injury or death;

(g) Any loss caused by the condition of unimproved real property owned by the state, which means land that the state has not improved, and appurtenances, fixtures and attachments to land that the state has neither affixed nor improved;

(h) Any loss arising from the construction, operation, or maintenance of the outdoor recreation system, as defined in section 86A.04, or from the clearing of land, removal of refuse, and creation of trails or paths without artificial surfaces, except that the state is liable for conduct that would entitle a trespasser to damages against a private person.

(i) Any loss of benefits or compensation due under a program of public assistance or public welfare, except where state compensation for loss is expressly required by federal law in order for the state to receive federal grants-in-aid;

(j) Any loss based on the failure of any person to meet the standards needed for a license, permit, or other authorization issued by the state or its agents;

(k) Any loss based on the usual care and treatment, or lack of care and treatment, of any person at a state hospital or state corrections facility where reasonable use of available appropriations has been made to provide care;

(l) Any loss, damage, or destruction of property of a patient or inmate of a state institution;

(m) *Any loss for which recovery is prohibited by section 8.*

The state will not pay punitive damages.

Sec. 2. Minnesota Statutes 1980, Section 169.121, Subdivision 1, is amended to read:

Subdivision 1. [CRIME.] It is a misdemeanor for any person to drive, operate or be in physical control of any motor vehicle within this state:

(a) When the person is under the influence of alcohol;

(b) When the person is under the influence of a controlled substance;

(c) When the person is under the influence of a combination of any two or more of the elements named in clauses (a) and (b); or

(d) When the person's alcohol concentration is 0.10 or more.

The provisions of this subdivision apply, but are not limited in application, to any person who drives, operates, or is in physical control of any motor vehicle in the manner prohibited by this subdivision upon the ice of any lake, stream, or river, including but not limited to the ice of any boundary water.

*When an accident has occurred, a peace officer may lawfully arrest a person for violation of this section without a warrant upon probable cause, without regard to whether the violation was committed in the officer's presence.*

Sec. 3. Minnesota Statutes 1980, Section 169.121, Subdivision 2, is amended to read:

Subd. 2. [EVIDENCE.] Upon the trial of any prosecution arising out of acts alleged to have been committed by any person arrested for driving, operating, or being in physical control of

a motor vehicle in violation of subdivision 1, the court may admit evidence of the amount of alcohol or a controlled substance in the person's blood, breath, or urine as shown by a medical or chemical analysis thereof, if the test is taken voluntarily or pursuant to section 169.123.

For the purposes of this subdivision:

(a) evidence that there was at the time an alcohol concentration of 0.05 or less is prima facie evidence that the person was not under the influence of alcohol;

(b) evidence that there was at the time an alcohol concentration of more than 0.05 and less than 0.10 is relevant evidence in indicating whether or not the person was under the influence of alcohol.

*Evidence of the absence of tests is admissible in a prosecution under this section without any comment and with a jury instruction, where applicable, that there shall be no speculation as to the reason for the absence and that no inference is to be drawn from the absence.*

*For purposes of this section and section 169.123, the result of an evidentiary test administered within two hours of the alleged violation is deemed to be the alcohol concentration at the time of the violation.*

The foregoing provisions do not limit the introduction of any other competent evidence bearing upon the question whether or not the person was under the influence of alcohol or a controlled substance, including tests obtained more than two hours after the alleged violation.

Sec. 4. Minnesota Statutes 1980, Section 169.121, Subdivision 3, is amended to read:

Subd. 3. [CRIMINAL PENALTIES.] (EVERY) A person (CONVICTED OF A VIOLATION OF) *who violates* this section or an ordinance in conformity therewith is (PUNISHABLE BY IMPRISONMENT OF NOT MORE THAN 90 DAYS, OR BY A FINE OF NOT MORE THAN \$500, OR BOTH, AND HIS DRIVER'S LICENSE SHALL BE REVOKED FOR NOT LESS THAN 30 DAYS, EXCEPT THAT EVERY PERSON WHO IS CONVICTED OF A VIOLATION OF THIS SECTION OR AN ORDINANCE IN CONFORMITY THEREWITH, WHEN THE VIOLATION IS FOUND TO BE THE PROXIMATE CAUSE OF GREAT BODILY HARM AS DEFINED IN SECTION 609.02, SUBDIVISION 8, OR DEATH TO ANOTHER PERSON, SHALL BE PUNISHED BY IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR BY FINE OF NOT MORE THAN \$500, OR BOTH, AND HIS DRIVER'S LICENSE SHALL BE

REVOKED FOR NOT LESS THAN 90 DAYS) *guilty of a misdemeanor.*

(ANY PERSON WHOSE LICENSE HAS BEEN REVOKED PURSUANT TO SECTION 169.123 IS NOT SUBJECT TO THE MANDATORY REVOCATION PROVISION OF THIS SUBDIVISION.)

*The following persons are guilty of a gross misdemeanor:*

(a) *A person who violates this section or an ordinance in conformity therewith within five years of a prior conviction under this section or an ordinance in conformity therewith; and*

(b) *A person who violates this section or an ordinance in conformity therewith within ten years or two or more prior convictions under this section or an ordinance in conformity therewith.*

*The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of section 169.121 shall also be responsible for prosecution of gross misdemeanor violations of section 169.121.*

Sec. 5. Minnesota Statutes 1980, Section 169.121, Subdivision 4, is amended to read:

Subd. 4. [PENALTIES.] (EVERY) A person (WHO IS) convicted of (A VIOLATION OF) *violating* this section (OR AN ORDINANCE IN CONFORMITY THEREWITH WITHIN THREE YEARS OF ANY PREVIOUS SUCH CONVICTION SHALL BE PUNISHED BY IMPRISONMENT FOR NOT MORE THAN 90 DAYS, OR A FINE OF NOT MORE THAN \$500, OR BOTH, AND HIS DRIVER'S LICENSE SHALL BE REVOKED FOR NOT LESS THAN 90 DAYS) *shall have his driver's license or operating privileges revoked by the commissioner of public safety as follows:*

(a) *First offense: not less than 30 days;*

(b) *Second offense in less than five years: not less than 90 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;*

(c) *Third offense in less than five years: not less than one year, together with denial under section 171.04, clause (8), until rehabilitation is established in accordance with standards established by the commissioner;*

(d) *Fourth or subsequent offense on the record: not less than two years, together with denial under section 171.04, clause (8),*

*until rehabilitation is established in accordance with standards established by the commissioner.*

*Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.*

*Any person whose license has been revoked pursuant to section 169.123 as the result of the same incident is not subject to the mandatory revocation provisions of clause (a) or (b).*

Sec. 6. Minnesota Statutes 1980, Section 169.121, Subdivision 6, is amended to read:

Subd. 6. [PRELIMINARY SCREENING TEST.] When a peace officer has reason to believe from the manner in which a person is driving, operating (OR) controlling, or acting upon departure from a motor vehicle, or has driven, operated, or controlled a motor vehicle, that the driver may be violating or has violated subdivision 1, he may require the driver to provide a sample of his breath for a preliminary screening test using a device approved by the commissioner of public safety for this purpose. The results of this preliminary screening test shall be used for the purpose of deciding whether an arrest should be made and whether to require the chemical tests authorized in section 169.123, but shall not be used in any court action except to prove that a chemical test was properly required of a person pursuant to section 169.123, subdivision 2. Following the screening test additional tests may be required of the driver pursuant to the provisions of section 169.123.

The driver (OF A MOTOR VEHICLE) who refuses to furnish a sample of his breath is subject to the provisions of section 169.123 unless, in compliance with section 169.123, he submits to a blood, breath or urine test to determine the presence of alcohol or a controlled substance.

Sec. 7. Minnesota Statutes 1980, Section 169.121, is amended by adding a subdivision to read:

Subd. 8. [ALCOHOL ASSESSMENT.] *When the evidentiary test shows an alcohol concentration of 0.07 or more, that result shall be reported to the commissioner of public safety. The commissioner shall record that fact on the driver's record. When the driver's record shows a second or subsequent report of an alcohol concentration of 0.07 or more within two years of a recorded report, the commissioner may require that the driver have an alcohol problem assessment meeting the commissioner's requirements. The assessment shall be at the driver's expense. In no event shall the commissioner deny the license of a person who refuses to take the assessment or to undertake treatment, if*

*treatment is indicated by the assessment, for longer than 90 days. If an assessment is made pursuant to this section, the commissioner may waive the assessment required by section 169.126.*

Sec. 8. Minnesota Statutes 1980, Section 169.121, is amended by adding a subdivision to read:

*Subd. 9. [IMMUNITY FROM LIABILITY.] (a) The state or political subdivision by which a peace officer making an arrest for violation of section 169.121 is employed shall have immunity from any liability, civil or criminal, for the care or custody of the motor vehicle being driven by, operated by, or in the physical control of the person arrested if the peace officer acts in good faith and exercises due care.*

*(b) For purposes of this subdivision, "political subdivision" means a county, statutory or home rule charter city, or town.*

Sec. 9. Minnesota Statutes 1980, Section 169.123, is amended to read:

Subdivision 1. [PEACE OFFICER DEFINED.] For purposes of this section and section 169.121, the term peace officer means a state highway patrol officer, university of Minnesota peace officer, a constable as defined in section 367.40, subdivision 3, or police officer of any municipality, including towns having powers under section 368.01, or county.

Subd. 2. [IMPLIED CONSENT; CONDITIONS; ELECTION AS TO TYPE OF TEST.] (a) Any person who drives, operates, or is in physical control of a motor vehicle within this state consents, subject to the provisions of this section and section 169.121, to a chemical test of his blood, breath, or urine for the purpose of determining the presence of alcohol or a controlled substance. The test shall be administered at the direction of a peace officer. The test may be required of a person when an officer has reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 and one of the following conditions exist: (1) the person has been lawfully placed under arrest for violation of section 169.121, or an ordinance in conformity therewith; or (2) the person has been involved in a motor vehicle accident or collision resulting in property damage, personal injury, or death; or (3) the person has refused to take the screening test provided for by section 169.121, subdivision 6; or (4) the screening test was administered and recorded an alcohol concentration of 0.10 or more. (ANY PERSON MAY DECLINE TO TAKE A DIRECT BLOOD TEST AND ELECT TO TAKE EITHER A BREATH OR URINE TEST, WHICHEVER IS AVAILABLE AND OFFERED.) No action may be taken against the person for declining to take a direct blood test, *if offered*, unless (EITHER A BREATH OR URINE) *an alternative test was (AVAILABLE AND) offered.*

(b) At the time a chemical test specimen is requested, the person shall be informed:

(1) that if testing is refused, the person's right to drive will be revoked for a period of six months; and

(2) that if a test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and the person's right to drive may be revoked for a period of 90 days; and

(3) that the person has a right to consult with an attorney but that this right is limited to the extent that it cannot unreasonably delay administration of the test or the person will be deemed to have refused the test; and

(4) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing.

Subd. 2a. [REQUIREMENT OF URINE TEST.] Notwithstanding subdivision 2, if there are reasonable and probable grounds to believe there is impairment by a controlled substance which is not subject to testing by a blood or breath test, a urine test may be required even after a blood or breath test has been administered.

Subd. 3. [MANNER OF MAKING TEST; ADDITIONAL TESTS.] Only a physician, medical technician, physician's trained mobile intensive care paramedic, registered nurse, medical technologist or laboratory assistant acting at the request of a peace officer may withdraw blood for the purpose of determining the presence of alcohol or controlled substance. This limitation does not apply to the taking of a breath or urine specimen. The person tested has the right to have a person of his own choosing administer a chemical test or tests in addition to any administered at the direction of a peace officer; provided, that the additional test specimen on behalf of the person is obtained at the place where the person is in custody, after the test administered at the direction of a peace officer, and at no expense to the state. The failure or inability to obtain an additional test or tests by a person shall not preclude the admission in evidence of the test taken at the direction of a peace officer unless the additional test was prevented or denied by the peace officer. (UPON THE REQUEST OF THE PERSON WHO IS TESTED, FULL INFORMATION CONCERNING THE TEST OR TESTS TAKEN AT THE DIRECTION OF THE PEACE OFFICER SHALL BE MADE AVAILABLE TO HIM.) The physician, medical technician, physician's trained mobile intensive care paramedic, medical technologist, laboratory assistant or registered nurse drawing blood at the request of a peace officer for the purpose of determining alcohol concentration shall in no manner be liable in any civil or criminal action except

for negligence in drawing the blood. The person administering a test at the request and direction of a peace officer shall be fully trained in the administration of the tests pursuant to standards promulgated by rule by the commissioner of public safety.

Subd. 4. [REFUSAL, CONSENT TO PERMIT TEST; REVOCATION OF LICENSE.] If a person refuses to permit chemical testing, none shall be given, but the peace officer shall report the refusal to the commissioner of public safety and the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred. If a person submits to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the results of the test shall be reported to the commissioner of public safety and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the acts occurred.

Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person refused to submit to chemical testing, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of six months. Upon certification by the peace officer that there existed reasonable and probable grounds to believe the person had been driving, operating or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance and that the person submitted to chemical testing and the test results indicate an alcohol concentration of 0.10 or more, the commissioner of public safety shall revoke the person's license or permit to drive, or his nonresident operating privilege, for a period of 90 days.

If the person is a resident without a license or permit to operate a motor vehicle in this state, the commissioner of public safety shall deny to the person the issuance of a license or permit for the same period after the date of the alleged violation as provided herein for revocation, subject to review as hereinafter provided.

Subd. 5. [NOTICE OF REVOCATION OR DETERMINATION TO DENY; REQUEST FOR HEARING.] (NO) A revocation under subdivision 4 (IS) *becomes* effective (UNTIL) *at the time* the commissioner of public safety or a peace officer acting on his behalf notifies the person of the intention to revoke and of revocation (AND ALLOWS THE PERSON A 30 DAY PERIOD TO REQUEST OF THE COMMISSIONER OF PUBLIC SAFETY, IN WRITING, A HEARING AS HEREIN PROVIDED. IF NO REQUEST IS FILED WITHIN THE 30 DAY PERIOD THE ORDER OF REVOCATION BECOMES EFFECTIVE. IF A REQUEST FOR HEARING IS FILED, A REVO-



CATION IS NOT EFFECTIVE UNTIL A FINAL JUDICIAL DETERMINATION RESULTING IN A DECISION ADVERSE TO THE PERSON). *The notice shall advise the person of the right to obtain administrative and judicial review as provided in this section. If mailed, the notice and order of revocation is deemed received three days after mailing to the last known address of the person.*

Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a peace officer offering a chemical test or directing the administration of a chemical test (MAY) *shall* serve immediate notice of intention to revoke and of revocation on a person who refuses to permit chemical testing or on a person who submits to a chemical test the results of which indicate an alcohol concentration of 0.10 or more. The officer shall take the license or permit of the driver, if any, and issue a temporary license effective only for (30) 7 days. The peace officer shall send the person's driver's license to the commissioner of public safety along with the certificate required by subdivision 4.

(IF THE PERSON REQUESTS A HEARING WITHIN THE 30 DAY PERIOD, THE COMMISSIONER SHALL ISSUE ADDITIONAL TEMPORARY LICENSES UNTIL THE FINAL DETERMINATION OF WHETHER THERE SHALL BE A REVOCATION UNDER THIS SECTION.)

Subd. 5b. [ADMINISTRATIVE REVIEW]. *At any time during a period of revocation imposed under this section a person may request in writing a review of the order of revocation by the commissioner of public safety. Upon receiving a request the commissioner or his designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days of receiving the request the commissioner shall report in writing the results of his review. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 15.041 to 15.052.*

*The availability of administrative review for an order of revocation shall have no effect upon the availability of judicial review under this section.*

Subd. 5c. [PETITION FOR JUDICIAL REVIEW.] *Within 30 days following receipt of a notice and order of revocation pursuant to this section, a person may petition the court for review. The petition shall be filed with the clerk of county or municipal court in the county where the alleged offense occurred, together with proof of service of a copy on the commissioner of public safety, and accompanied by the standard filing fee for civil actions. No responsive pleading shall be required of the commissioner of public safety, and no court fees shall be charged for his appearance in the matter.*

*The petition shall be captioned in the name of the person making the petition as petitioner and the commissioner of public safety as respondent. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order of revocation or denial.*

*The filing of the petition shall not stay the revocation or denial. The reviewing court may order a stay of the balance of the revocation if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. Judicial reviews shall be conducted according to the rules of civil procedure.*

Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in (THE) any county in the judicial district where the alleged offense occurred (, UNLESS THERE IS AGREEMENT THAT THE HEARING MAY BE HELD IN SOME OTHER COUNTY). The hearing shall be to the court and may be conducted at the same time and in the same manner as hearings upon pre-trial motions in the criminal prosecution under section 169.121, if any. The hearing shall be recorded. The commissioner of public safety may appear through his own attorney or, by agreement with the jurisdiction involved, through the prosecuting authority for that jurisdiction.

*The hearing shall be held at the earliest practicable date, and in any event no later than 60 days following the filing of the petition for review. The judicial district administrator shall establish procedures to ensure efficient compliance with the provisions of this subdivision. To accomplish this, the administrator may, whenever possible, consolidate and transfer review hearings among the county courts within the judicial district.*

The scope of the hearing shall (COVER) be limited to the issues of:

(1) whether the peace officer had reasonable and probable grounds to believe the person was driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, and whether the person was lawfully placed under arrest for violation of section 169.121, or the person was involved in a motor vehicle accident or collision resulting in property damage, personal injury or death, or the person refused to take a screening test provided for by section 169.121, subdivision 6, or the screening test was administered and recorded an alcohol concentration of 0.10 or more; and

(2) whether at the time of the request for the test the peace officer informed the person of his rights and the consequences of taking or refusing the test as required by subdivision 2; and

(3) either (a) whether the person refused to permit the test, or (b) whether a test was taken and the test results indicated

an alcohol concentration of 0.10 or more *at the time of testing*, and whether the testing method used was valid and reliable, and whether the test results were accurately evaluated.

It shall be an affirmative defense for the (PERSON) *petitioner* to prove that, *at the time of the refusal*, his refusal to permit the test was based upon reasonable grounds.

*Certified or otherwise authenticated copies of laboratory or medical personnel reports, records, documents, licenses and certificates shall be admissible as substantive evidence.*

The court shall order either that the revocation be rescinded or sustained and forward the order to the commissioner of public safety. *The court shall file its order within 14 days following the hearing.* If the revocation is sustained, the court shall also forward the person's driver's license or permit to the commissioner of public safety for his further action if the license or permit is not already in the commissioner's possession.

Subd. 7. [REVIEW BY DISTRICT COURT.] (IF THE REVOCATION OR DENIAL IS SUSTAINED, THE PERSON WHOSE LICENSE OR PERMIT TO DRIVE, OR NONRESIDENT OPERATING PRIVILEGE HAS BEEN REVOKED OR DENIED, MAY WITHIN 20 DAYS AFTER NOTICE OF THE DETERMINATION BY THE COMMISSIONER OF PUBLIC SAFETY FILE A PETITION FOR A HEARING OF THE MATTER IN THE DISTRICT COURT IN THE COUNTY WHERE THE HEARING PURSUANT TO SUBDIVISION 6 WAS HELD UNLESS THERE IS AGREEMENT THAT THE HEARING MAY BE HELD IN SOME OTHER COUNTY. THE PETITION SHALL BE FILED WITH THE CLERK OF THE COURT TOGETHER WITH PROOF OF SERVICE OF A COPY THEREOF ON THE COMMISSIONER OF PUBLIC SAFETY. IT IS THE DUTY OF THE COURT TO SET THE MATTER FOR HEARING ON A DAY CERTAIN WITH REASONABLE NOTICE THEREOF TO THE PARTIES. THE HEARING SHALL BE ON THE RECORD AND SHALL BE CONDUCTED IN THE SAME MANNER PROVIDED IN SECTIONS 487.39 AND 484.63 FOR APPEAL OF MISDEMEANOR CONVICTIONS) *Any party aggrieved by the decision of the reviewing court may appeal the decision to the district court as provided in sections 484.63 and 487.39.*

Subd. 8. [NOTICE OF ACTION TO OTHER STATES.] When it has been finally determined that a nonresident's privilege to operate a motor vehicle in this state has been revoked or denied, the commissioner of public safety shall give information in writing of the action taken to the official in charge of traffic control or public safety of the state of the person's residence and of any state in which he has a license.

Subd. 9. [LIMITED LICENSE.] In any case in which a license has been revoked under this section, the commissioner may issue a limited license to the driver. The commissioner in issuing a limited license may impose the conditions and limitations which in his judgment are necessary to the interests of the public safety and welfare, including re-examination of the driver's qualifications, attendance at a driver improvement clinic, or attendance at counseling sessions. The license may be limited to the operation of particular vehicles and to particular classes and time of operation. The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under a limited license shall have the license in his possession at all times when operating as a driver. In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver.

Subd. 10. [TERMINATION OF REVOCATION PERIOD.] If the commissioner receives notice of the driver's attendance at a driver improvement clinic, attendance at counseling sessions, or participation in treatment for an alcohol problem the commissioner may, 30 days prior to the time the revocation period would otherwise expire, terminate the revocation period. The commissioner shall not terminate the revocation period under this subdivision for a driver who has had a license revoked under section 169.121 or this section for another incident during the preceding three year period.

Sec. 10. [169.1231] [DRIVING WHILE UNDER THE INFLUENCE; DETOXIFICATION.]

*Subdivision 1. [GROUNDS FOR TAKING DRIVER TO DETOXIFICATION CENTER OR ALCOHOL DRUG REHABILITATION CENTER.] Whenever a peace officer administers a preliminary screening test to a person and the test results indicate a blood alcohol content of .10 or more, the peace officer shall either take the person to a detoxification center or alcohol drug rehabilitation center established pursuant to section 254A.08 or arrange for another authorized person to do so. A peace officer shall also take, or arrange for another authorized person to take to a detoxification center or alcohol drug rehabilitation center established pursuant to section 254A.08, any person who refuses to take a preliminary screening test if the officer has reasonable and probable grounds to believe that the person was driving, operating, or in physical control of a motor vehicle in violation of section 169.121 or an ordinance in conformity therewith, and the person reasonably appears to the officer to be too intoxicated to resume driving safely.*

*Subd. 2. [DETOXIFICATION CENTER OR ALCOHOL DRUG REHABILITATION CENTER; RELEASE PROCEDURE.] The detoxification center or alcohol drug rehabilitation center to which a person is transported pursuant to subdivision*

*1 shall hold the person until he is completely sober, unless another responsible person appears and requests that the intoxicated person be released for the purpose of taking him home or to a medical facility. The person requesting release of the intoxicated person shall assure that the intoxicated person does not drive until completely sober; an intentional violation of this assurance is a misdemeanor.*

*Subd. 3. [INTOXICATED PERSON TO PAY COSTS.] A person taken to a detoxification center or alcohol drug rehabilitation center pursuant to this section shall pay the detoxification center or alcohol drug rehabilitation center for the cost of his stay, transportation, treatment, and other expenses in the detoxification center or alcohol drug rehabilitation center, if he does not meet the standards of indigency necessary to qualify for the services of the public defender and does not have health insurance coverage which would pay for this cost.*

Sec. 11. Minnesota Statutes 1980, Section 171.19, is amended to read:

**171.19 [PETITION FOR REINSTATEMENT OF LICENSES.]**

Any person whose driver's license has been refused, revoked, suspended, or canceled by the commissioner, *except where the license is revoked under section 169.123*, may file a petition for a hearing in the matter in the district court in the county wherein such person shall reside and, in the case of a non-resident, in the district court in any county, and such court is hereby vested with jurisdiction, and it shall be its duty, to set the matter for hearing upon 15 days' written notice to the commissioner, and thereupon to take testimony and examine into the facts of the case to determine whether the petitioner is entitled to a license or is subject to revocation, suspension, cancellation, or refusal of license, under the provisions of this chapter, and shall render judgment accordingly. The petition shall be heard by the court without a jury and may be heard in or out of term. The commissioner may appear in person, or by his agents or representatives, and may present his evidence upon the hearing by affidavit by himself, his agents, or representatives. The petitioner may present his evidence by affidavit, except that the petitioner must be present in person at such hearing for the purpose of cross-examination. In the event the department shall be sustained in these proceedings, the petitioner shall have no further right to make further petition to any court for the purpose of obtaining a driver's license until after the expiration of one year after the date of such hearing.

Sec. 12. Minnesota Statutes 1980, Section 171.30, Subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] In any case where a person's license has been suspended under section 171.18 or revoked under

sections 169.121 or 171.17, if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of his driver's license, the commissioner may at his own discretion (AND SHALL UPON RECOMMENDATION BY THE COURT EXCLUDING JUSTICES OF THE PEACE IN WHICH THE DRIVER WAS CONVICTED,) issue a limited license to the driver. The commissioner in issuing a limited license may impose such conditions and limitations as in his judgment are necessary to the interests of the public safety and welfare including re-examination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic.

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in his possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

Sec. 13. Minnesota Statutes 1980, Section 466.03, is amended by adding a subdivision to read:

*Subd. 6a.* [DRIVING UNDER THE INFLUENCE; CUSTODY OF MOTOR VEHICLE.] *Any claim for which recovery is prohibited by section 8.*

Sec. 14. Minnesota Statutes 1980, Section 634.15, is amended to read:

**634.15 [ADMISSION INTO EVIDENCE OF CERTAIN CERTIFICATES OF ANALYSIS AND BLOOD SAMPLE REPORTS.]**

**Subdivision 1. [CERTIFICATES OF ANALYSIS; BLOOD SAMPLE REPORTS.]** In any hearing or trial of a criminal offense or petty misdemeanor or proceeding pursuant to section 169.123, subdivision (4) 6, *the following reports shall be admissible in evidence:*

(a) A report of the facts and results of a laboratory analysis or examination (SHALL BE ADMISSIBLE IN EVIDENCE) if it is prepared and attested by the person performing the laboratory analysis or examination in any laboratory operated by the bureau of criminal apprehension or authorized by the bureau to conduct an analysis or examination, or in any laboratory of the federal bureau of investigation, the federal postal inspection

service, the federal bureau of alcohol, tobacco and firearms, or the federal drug enforcement administration; and

(b) *A report of a blood sample withdrawn under the implied consent law if:*

(i) *The report was prepared by the person who administered the test;*

(ii) *The person who withdrew the blood sample was competent to administer the test under section 169.123, subdivision 3; and*

(iii) *The report was prepared consistent with any applicable rules promulgated by the commissioner of public safety.*

A report described in clause (a) purported to be signed by the person performing the analysis or examination in a laboratory named (ABOVE) in that clause, or a blood sample report described in clause (b) purported to be signed by the person who withdrew the blood sample shall be admissible as evidence without proof of the seal, signature or official character of the person whose name is signed to it.

Subd. 2. [TESTIMONY AT TRIAL.] An accused person or his attorney may request, by notifying the prosecuting attorney at least ten days before the trial, that the (PERSON WHO PERFORMED THE LABORATORY ANALYSIS OR EXAMINATION) following persons testify in person at the trial on behalf of the state:

(a) *A person who performed the laboratory analysis or examination for the report described in subdivision 1, clause (a); or*

(b) *A person who prepared the blood sample report described in subdivision 1, clause (b).*

#### Sec. 15. [EFFECTIVE DATE.]

*The provisions of sections 1 to 6, section 8, section 9, subdivision 3, and sections 11, 13 and 14 are effective April 1, 1982. The provisions of section 7, section 9, subdivisions 2, 5, 5a, 5b, 5c, 6 and 7, and section 12 are effective July 1, 1982. The provisions of section 10 are effective July 1, 1983. All provisions apply to violations occurring on or after their effective dates."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; providing for arrest without a warrant; defining admissible evidence; providing for alcohol problem assessments; providing alternative testing procedures; 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; prescribing penalties; providing for detoxification of drivers; amending Minnesota Statutes 1980, Sections 3.736, Subdivision 3; 169.121, Subdivisions 1, 2, 3, 4, and 6, and by adding subdivisions; 169.123; 171.19; 171.30, Subdivision 1; 466.03, by adding a subdivision; and 634.15; proposing new law coded in Minnesota Statutes, Chapter 169."

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

House Conferees: ROBERT E. VANASEK, CONNIE M. LEVI, TAD JUDE, KATHLEEN A. VELLENGA and DEAN E. JOHNSON.

Senate Conferees: JACK DAVIES, JAMES ULLAND, RANDOLPH W. PETERSON, NEIL DIETERICH and WAYNE OLHOFT.

Vanasek moved that the report of the Conference Committee on H. F. No. 1484 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 subdivisions; and 171.19.

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

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

Those who voted in the affirmative were:

Aasness	Carlson, L.	Esau	Heinitz	Kelly
Ainley	Clark, J.	Evans	Himle	Knickerbocker
Anderson, B.	Clark, K.	Ewald	Hoberg	Kostohryz
Anderson, G.	Clawson	Fjoslien	Hokanson	Kvam
Anderson, I.	Dahlvang	Forsythe	Hokr	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	Hauge	Kahn	Luknic
Byrne	Ellingson	Haukoos	Kaley	Mann
Carlson, D.	Erickson	Heap	Kalis	Marsh



McCarron	Nysether	Rees	Sherman	Valento
McDonald	O'Connor	Reif	Sherwood	Vanasek
McEachern	Ogren	Rice	Sieben, M.	Vellenga
Mehrkens	Olsen	Rodriguez, C.	Simoneau	Voss
Metzen	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	Sviggum	Wigley
Niehaus	Pogemiller	Schoenfeld	Swanson	Wynia
Norton	Redalen	Schreiber	Tomlinson	Zubay
Novak	Reding	Shea	Valan	Spkr. Sieben, H.

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1872

A bill for an act relating to the financing of government in this state; extending the effective date of residential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for withholding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain cases of joint

tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act; adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment compensation; increasing the rate of interest allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 168.013,

Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended, and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter 2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340 and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

March 12, 1982

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. 1872, 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. 1872 be further amended as follows:

Delete everything after the enacting clause and insert:

#### “ARTICLE I

Section 1. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, 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, 1980).

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 shall be effective

at the same time that these provisions became effective for federal income tax purposes.

((III)) (ii) The Internal Revenue Code of 1954, as amended through December 31, 1979, shall be in effect for taxable years beginning after December 31, 1979.

((IV)) (iii) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302-(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 shall be effective at the same time that they become effective for federal income tax purposes.

References to the Internal Revenue Code of 1954 in clauses (a), (b) (AND), (c), and (e) 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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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 por-

tion 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) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(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 40 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) (7);

(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;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

(21) 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 353.028, 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; (AND)

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under section 179 of the Internal Revenue Code; and

(23) *Losses from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax.*

(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 (60) 40 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) *Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);*

(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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(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) 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, 1986 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 ;

(18) Minnesota exempt-interest dividends as provided by subdivision 27 ;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return ;  
(AND)

((20) INCOME FROM THE PERFORMANCE OF PERSONAL OR PROFESSIONAL SERVICES WHICH IS SUBJECT TO THE RECIPROCITY EXCLUSION CONTAINED IN SECTION 290.081, CLAUSE (A) ;)

((21)) (20) 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 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a) (21); (AND)

((22)) (21) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

((23)) (22) Interest earned on a contract for deed entered into for the purchase of property for agricultural use if the rate of interest set in the contract is no more than eight percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property purchased under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

((24)) (23) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December 31, 1981. Adoption of this provision shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; (AND)

((25)) (24) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the

deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981; and

*(25) Income from the business of mining as defined in section 290.05, subdivision 1, clause (a) which is not subject to the Minnesota income tax.*

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made (.)

(IN CASES) where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person 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 1981 Supplement, Section 290.01, Subdivision 27, is amended to read:

Subd. 27. [MINNESOTA EXEMPT-INTEREST DIVIDENDS.] If, at the close of each quarter of its taxable year, at least 50 percent of the value (as defined in section 851(c)(4) of the Internal Revenue Code of 1954 as amended through December 31, 1979) of the total assets of a regulated investment company (as defined and limited by section 851 of the Internal Revenue Code of 1954 as amended through December 31, 1979 and to which sections 851 to 855 of the Code apply for the taxable year) consists of obligations of any authority, commission, or instrumentality of the United States as described in subdivision 20, clause (b)(1), or section 290.08, subdivision 8, determined without regard to the last sentence, the company shall be qualified to pay Minnesota exempt-interest dividends, as defined herein, to its shareholders.

(A) A Minnesota exempt-interest dividend means any dividend or part thereof (other than a capital gain dividend as defined in subdivision 21, or an exempt-interest dividend as defined in section 852(b)(5)(A) of the Internal Revenue Code of 1954, as amended through December 31, 1979) paid by a regulated investment company and designated by it as a Minnesota exempt-interest dividend in a written notice mailed to its shareholders not later than 45 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the company, including Minnesota exempt-interest dividends paid after the close of the taxable year as described in section 290.21, subdivision 6, is greater than the excess of—

(i) The amount of interest from an obligation of any authority, commission, or instrumentality of the United States that would be excludable from gross income under subdivision 20, clause (b)(1), or section 290.08, subdivision 8 determined without regard to the last sentence, if the company were subject to chapter 290, whether or not the company is subject to chapter 290, over

(ii) The amounts that would be disallowed as deductions under section 290.09, subdivisions 3(b) and 13, if the company were subject to chapter 290, whether or not the company is subject to chapter 290, as a result of the company's ownership of obligations of any authority, commission, or instrumentality of the United States as described in subdivision 20, clause (b)(1), or section 290.08, subdivision 8, determined without regard to the last sentence,

the portion of such distribution which shall constitute a Minnesota exempt-interest dividend shall be only that proportion of the amount so designated as the amount of the excess for the taxable year bears to the amount so designated.

(B) A Minnesota exempt-interest dividend shall be treated by the shareholders for all purposes of chapter 290 as an item of interest excludable from gross income under subdivision 20, clause (b) (1), (AND) *or* section 290.08, subdivision 8. Such purposes include but are not limited to—

- (i) The determination of gross income and taxable income,
- (ii) The determination of distributable net income under section 290.23,
- (iii) The allowance of, or calculation of the amount of, any credit or deduction, and
- (iv) The determination of the basis in the hands of any shareholder of any share of stock of the company.

Sec. 3. Minnesota Statutes 1980, Section 290.012, Subdivision 2, is amended to read:

Subd. 2. "Claimant" means the individual taxpayer whose income, together with that of his spouse, if any, brings him within the provisions of this section and section 290.06, subdivision 3d. No claimant and spouse whose federal adjusted gross income, including the modifications increasing federal adjusted gross income as computed under section 290.01, subdivision 20, clause (a) (AND SECTION 290.17), exceed \$20,000 may qualify under this section.

Sec. 4. Minnesota Statutes 1980, Section 290.02, is amended to read:

**290.02 [EXCISE TAX ON CORPORATIONS; IMPOSITION, MEASUREMENT.]**

An annual excise tax is hereby imposed upon every domestic corporation (, EXCEPT THOSE INCLUDED WITHIN SECTION 290.03,) for the privilege of existing as a corporation during any part of its taxable year, and upon every foreign corporation doing business within this state, except those included within section 290.03, including but not limited to railroad companies for the grant to it of the privilege of transacting or for the actual transaction by it of any local business within this state during any part of its taxable year, in corporate or organized form.

The tax so imposed shall be measured by such corporations' taxable net income for the taxable year for which the tax is imposed, and computed in the manner and at the rates provided in this chapter.

Sec. 5. Minnesota Statutes 1980, Section 290.03, is amended to read:

**290.03 [INCOME TAX; IMPOSITION, CLASSES OF TAXPAYERS.]**

An annual tax for each taxable year, computed in the manner and at the rates hereinafter provided, is hereby imposed upon the taxable net income for such year of the following classes of taxpayers:

(1) (DOMESTIC AND) Foreign corporations not taxable under section 290.02 which own property within this state or whose business within this state during the taxable year consists exclusively of foreign commerce, interstate commerce, or both;

Business within the state shall not be deemed to include transportation in interstate or foreign commerce, or both, by means of ships navigating within or through waters which are made international for navigation purposes by any treaty or agreement to which the United States is a party;

(2) Resident and non-resident individuals;

(3) Estates of decedents, dying domiciled within or without this state;

(4) Trusts (except those taxable as corporations) however created by residents or non-residents or by domestic or foreign corporations.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 290.05, Subdivision 1, is amended to read:

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) 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 section 298.01; 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;

(b) (FARMERS' MUTUAL INSURANCE COMPANIES ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE AND CREDIT UNIONS ORGANIZED UNDER CHAPTER 52;)

((C) FRATERNAL BENEFICIARY ASSOCIATIONS WHEREVER ORGANIZED, AND PUBLIC DEPARTMENT RELIEF ASSOCIATIONS OF PUBLIC EMPLOYEES OF THIS STATE OR OF ANY OF ITS POLITICAL SUBDIVISIONS;)

((D) COOPERATIVE OR MUTUAL RURAL TELEPHONE ASSOCIATIONS; AND COOPERATIVE ASSOCIATIONS ORGANIZED UNDER THE PROVISIONS OF 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;)

((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.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 290.05, Subdivision 4, is amended to read:

Subd. 4. (a) Corporations, individuals, estates, trust 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), 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.

Sec. 8. Minnesota Statutes 1980, Section 290.06, Subdivision 9, is amended to read:

Subd. 9. [POLLUTION CONTROL EQUIPMENT, CREDIT.] (a) A credit of five percent of the net cost of equipment used primarily to abate or control pollutants to meet or exceed state laws, rules or standards to the extent the property is so used and which is included in section 290.09, subdivision 7, paragraph (A) (a) may be deducted from the tax due under this chapter in the first year for which a depreciation deduction is allowed for the equipment. The credit allowed by this subdivision shall not exceed so much of the liability for tax for the taxable year as does not exceed \$75,000. The credit shall apply only if the equipment meets rules prescribed by the Minnesota pollution control agency and is installed or operated in accordance with a permit or order issued by the agency.

(b) If the amount of the credit determined under (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by (a) for such taxable year (hereinafter in this subdivision referred to as the "unused credit year"), such excess shall be, a credit carryover to each of the four taxable years following the unused credit year.

The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the four taxable years to which such credit may be carried and then to each of the other three taxable years; provided, however, the maximum credit allowable in any one taxable year under this subdivision (including the credit allowable under (a) and the carryforward allowable under this paragraph) shall in no event exceed \$75,000.

((C) THIS SUBDIVISION SHALL APPLY TO PROPERTY ACQUIRED IN TAXABLE YEARS BEGINNING ON OR AFTER JANUARY 1, 1977.)

Sec. 9. Minnesota Statutes 1980, Section 290.06, Subdivision 9a, is amended to read:

Subd. 9a. [FEEDLOT POLLUTION CONTROL EQUIPMENT.] A credit of ten percent of the net cost of pollution control and abatement equipment, including but not limited to, lagoons, concrete storage pits, slurry handling equipment, and other equipment and devices approved by the pollution control agency, purchased, installed and operated within the state by a feedlot operator to prevent pollution of air, land, or water in connection with the operation of a livestock feedlot, poultry lot or other animal lot, may be deducted from the tax due under this chapter in the taxable year in which such equipment is purchased; provided that no deduction shall be taken for any portion of the cost of the same equipment pursuant to subdivision 9.

If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year (, BEGINNING AFTER DECEMBER 31, 1972,) in which the equipment is purchased, the excess amount may be carried forward to the four taxable years following the year of purchase. The entire amount of the credit not used in the year purchased shall be carried to the earliest of the four taxable years to which the credit may be carried and then to each of the three successive taxable years.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 290.075, is amended to read:

290.075 [RENEGOTIATED WAR CONTRACTS.]

Any *corporate* taxpayer who supplies any goods, wares and merchandise or performs services, or both, under any contract, with the United States of America, or under any subcontract thereunder, or under a cost-plus-a-fixed-fee contract with the United States of America, or any agency thereof and who is subject to renegotiations under the renegotiation laws of the United States of America, or is required to renegotiate with his subcontractor, shall be required to adjust his or its Minnesota income and franchise tax liability in accordance with the following rules:

A return shall be filed and the income and franchise tax computed, on the basis of the Minnesota taxable net income without giving effect to any renegotiations occurring after the close of the taxable year. If after the close of the taxable year there is a final determination under renegotiation, (THE DIFFERENCE BETWEEN (1) the amount determined by the renegotiation to be (a) excess profits, (b) excess fees under a fixed fee contract with the United States, or any agency thereof, or (c) the amount of any item for which the taxpayer has been reimbursed but which is disallowed as an item of cost chargeable to a fixed fee contract, (AND (2) THE AMOUNT OF FED-

ERAL INCOME AND EXCESS PROFITS TAXES APPLICABLE THERETO,) shall be allowed as a deduction from gross income in the taxable year in which said final determination is made, but only to the extent that such renegotiated profits, fees or amounts were included in the taxable net income in a prior year. If the taxable net income for the taxable year in which said final determination is made is less than said deduction, the taxpayer shall be entitled to a refund of the state income tax which it has paid on the difference between said deduction and said taxable income. The certificate of the agency or instrumentality of the United States conducting such renegotiation proceedings shall be evidence of the amount of the renegotiated profit and of the date thereof.

Sec. 11. Minnesota Statutes 1980, Section 290.079, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT CONSTITUTING INTEREST.] For purposes of this chapter, in the case of any contract for the sale or exchange of property there shall be treated as interest that part of a payment to which (THIS SECTION) *section 483 of the Internal Revenue Code of 1954, as amended through December 31, 1981*, applies (WHICH BEARS THE SAME RATIO TO THE AMOUNT OF SUCH PAYMENT AS THE TOTAL UNSTATED INTEREST UNDER SUCH CONTRACT BEARS TO THE TOTAL OF THE PAYMENTS TO WHICH THIS SECTION APPLIED WHICH ARE DUE UNDER SUCH CONTRACT).

Sec. 12. Minnesota Statutes 1981 Supplement, Section 290.081, is amended to read:

290.081 [INCOME OF NONRESIDENTS, RECIPROCITY.]

(a) The compensation received for the performance of personal or professional services within this state by an individual who resides and has his place of abode and place to which he customarily returns at least once a month in another state, shall be excluded from gross income to the extent such compensation is subject to an income tax imposed by the state of his residence; provided that such state allows a similar exclusion of compensation received by residents of Minnesota for services performed therein, or

(b) Whenever a nonresident taxpayer has become liable for income taxes to the states where he resides upon his net income for the taxable year derived from the performance of personal or professional services within this state and subject to taxation under this chapter, there shall be allowed as a credit against the amount of income tax payable by him under this chapter, such proportion of the tax so paid by him to the state where he resides as his gross income subject to taxation under this chapter bears to his entire gross income upon which the tax so paid to such

other state was imposed; provided, that such credit shall be allowed only if the laws of such state grant a substantially similar credit to residents of this state subject to income tax under such laws, or

(c) If any taxpayer who is a resident of this state, or a domestic corporation or corporation commercially domiciled therein, has become liable for taxes on or measured by net income to another state or a province or territory of Canada upon, if the taxpayer is an individual, any income, or if it is a corporation, estate, or trust, upon income derived from the performance of personal or professional services within such other state or province or territory of Canada and subject to taxation under this chapter he or it shall be entitled to a credit against the amount of taxes payable under this chapter, of such proportion thereof, as such gross income subject to taxation in such state or province or territory of Canada bears to his entire gross income subject to taxation under this chapter; provided (1) that such credit shall in no event exceed the amount of tax so paid to such other state or province or territory of Canada on the gross income earned within such other state or province or territory of Canada and subject to taxation under this chapter, and (2) that such credit shall not be allowed if such other state or province or territory of Canada allows residents of this state a credit against the taxes imposed by such state or province or territory of Canada for taxes payable under this chapter substantially similar to the credit provided for by paragraph (b) of this section, and (3) the allowance of such credit shall not operate to reduce the taxes payable under this chapter to an amount less than would have been payable if the gross income earned in such other state or province or territory of Canada had been excluded in computing net income under this chapter.

(d) The commissioner shall by regulation determine with respect to gross income earned in any other state the applicable clause of this section. When it is deemed to be in the best interests of the people of this state, the commissioner may determine that the provisions of clause (a) shall not apply.

(e) "Tax So Paid" as used in this section means taxes on or measured by net income payable to another state or province or territory of Canada on income earned within the taxable year for which the credit is claimed, provided that such tax is actually paid in that taxable year, or subsequent taxable years.

*For purposes of clause (c), where a Minnesota resident reported an item of income to Minnesota and is assessed tax in another state or a province or territory of Canada on that same item of income after the Minnesota statute of limitations has expired, the taxpayer shall be allowed to receive a credit for that year based on clause (c), notwithstanding the provisions of sections 290.49, 290.50, and 290.56. For purposes of the preceding sen-*

*tence, the burden of proof shall be on the taxpayer to show that he is entitled to a credit.*

(f) For the purposes of clause (a), whenever the Wisconsin tax on Minnesota residents which would have been paid Wisconsin without clause (a) exceeds the Minnesota tax on Wisconsin residents which would have been paid Minnesota without clause (a), or vice versa, then the state with the net revenue loss resulting from clause (a) shall receive from the other state the amount of such loss. This provision shall be effective for all years beginning after December 31, 1972. The data used for computing the loss to either state shall be determined on or before September 30 of the year following the close of the previous calendar year.

Interest shall be payable on all delinquent balances relating to taxable years beginning after December 31, 1977. The commissioner of revenue is authorized to enter into agreements with the state of Wisconsin specifying the reciprocity payment due date, conditions constituting delinquency, interest rates, and a method for computing interest due on any delinquent amounts.

If an agreement cannot be reached as to the amount of the loss, the commissioner of revenue and the taxing official of the state of Wisconsin shall each appoint a member of a board of arbitration and these members shall appoint the third member of the board. The board shall select one of its members as chairman. Such board may administer oaths, take testimony, subpoena witnesses, and require their attendance, require the production of books, papers and documents, and hold hearings at such places as are deemed necessary. The board shall then make a determination as to the amount to be paid the other state which determination shall be final and conclusive.

Notwithstanding the provisions of section 290.61, the commissioner may furnish copies of returns, reports, or other information to the taxing official of the state of Wisconsin, a member of the board of arbitration, or a consultant under joint contract with the states of Minnesota and Wisconsin for the purpose of making a determination as to the amount to be paid the other state under the provisions of this section. Prior to the release of any information under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota.

Sec. 13. Minnesota Statutes 1981 Supplement, 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 (including the windfall profit tax on domestic crude oil), by corporations, national and state banks; (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, 1980. 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.

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.

*Property taxes shall be allowed as a deduction to the same taxpayer and in the same manner as provided in section 164 of the Internal Revenue Code of 1954, as amended through December 31, 1981, notwithstanding the provisions of section 272.31.*

Sec. 14. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 15, is amended to read:

Subd. 15. [STANDARD DEDUCTION.] In lieu of all deductions provided for in this chapter, except for the federal income tax deduction, 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 of a husband and wife, 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.

(b) For each taxable year beginning after December 31, 1980, the maximum amount of the standard deduction shall be

adjusted for inflation in the same manner as provided in section 290.06, subdivision 2d, for the expansion of the taxable net income brackets. (IF THE PRODUCT EXCEEDS A WHOLE DOLLAR AMOUNT, IT SHALL BE ROUNDED TO THE NEAREST DOLLAR.)

(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. 15. Minnesota Statutes 1980, Section 290.09, Subdivision 16, is amended to read:

Subd. 16. [CIRCULATION EXPENDITURES.] Notwithstanding the provisions of section 290.10(2), (ALL) *circulation* expenditures ((OTHER THAN EXPENDITURES FOR THE PURCHASE OF LAND OR DEPRECIABLE PROPERTY OR FOR THE ACQUISITION OF CIRCULATION THROUGH THE PURCHASE OF ANY PART OF THE BUSINESS OR ANOTHER PUBLISHER OF A NEWSPAPER, MAGAZINE, OR OTHER PERIODICAL) TO ESTABLISH, MAINTAIN, OR INCREASE THE CIRCULATION OF A NEWSPAPER, MAGAZINE, OR OTHER PERIODICAL; EXCEPT THAT THE DEDUCTION SHALL NOT BE ALLOWED WITH RESPECT TO THE PORTION OF SUCH EXPENDITURES AS, UNDER REGULATIONS PRESCRIBED BY THE COMMISSIONER, IS CHARGEABLE TO CAPITAL ACCOUNT IF THE TAXPAYER ELECTS, IN ACCORDANCE WITH SUCH REGULATIONS, TO TREAT SUCH PORTION AS SO CHARGEABLE. SUCH ELECTION, IF MADE, MUST BE FOR THE TOTAL AMOUNT OF SUCH PORTION OF THE EXPENDITURES WHICH IS SO CHARGEABLE TO CAPITAL ACCOUNT, AND SHALL BE BINDING FOR ALL SUBSEQUENT TAXABLE YEARS UNLESS, UPON APPLICATION BY THE TAXPAYER, THE COMMISSIONER PERMITS A REVOCATION OF SUCH ELECTION SUBJECT TO SUCH CONDITIONS AS HE DEEMS NECESSARY) *shall be treated in the same manner as the taxpayer has elected under the provisions of section 173 of the Internal Revenue Code of 1954, as amended through December 31, 1981.*

Sec. 16. Minnesota Statutes 1980, Section 290.09, Subdivision 17, is amended to read:

Subd. 17. [TAXES AND INTEREST PAID TO COOPERATIVE APARTMENT CORPORATION.] In the case of a

tenant-stockholder (AS DEFINED HEREIN), *there shall be allowed as a deduction* amounts (, NOT OTHERWISE DEDUCTIBLE, PAID OR ACCRUED TO A COOPERATIVE APARTMENT CORPORATION WITHIN THE TAXABLE YEAR, IF SUCH AMOUNTS REPRESENT THAT PROPORTION OF (A) THE REAL ESTATE TAXES (ALLOWABLE AS DEDUCTIONS UNDER SUBDIVISION 4) PAID OR INCURRED BY THE CORPORATION ON THE APARTMENT BUILDING AND THE LAND ON WHICH IT IS SITUATED, AND (B) THE INTEREST (ALLOWABLE AS A DEDUCTION UNDER SUBDIVISION 3) PAID OR INCURRED BY THE CORPORATION ON ITS INDEBTEDNESS CONTRACTED IN THE ACQUISITION, CONSTRUCTION, ALTERATION, REHABILITATION, OR MAINTENANCE OF SUCH APARTMENT BUILDING OR IN THE ACQUISITION OF THE LAND ON WHICH THE BUILDING IS LOCATED, WHICH THE STOCK OF THE CORPORATION OWNED BY THE TENANT-STOCKHOLDER IS OF THE TOTAL OUTSTANDING STOCK OF THE CORPORATION, INCLUDING THAT HELD BY THE CORPORATION.)

(AS USED IN THIS SUBDIVISION THE TERM "COOPERATIVE APARTMENT CORPORATION" MEANS A CORPORATION)

((A) HAVING ONE AND ONLY ONE CLASS OF STOCK OUTSTANDING,)

((B) ALL OF THE STOCKHOLDERS OF WHICH ARE ENTITLED, SOLELY BY REASON OF THEIR OWNERSHIP OF STOCK IN THE CORPORATION, TO OCCUPY FOR DWELLING PURPOSES APARTMENTS IN A BUILDING OWNED OR LEASED BY SUCH CORPORATION, AND WHO ARE NOT ENTITLED, EITHER CONDITIONALLY OR UNCONDITIONALLY, EXCEPT UPON A COMPLETE OR PARTIAL LIQUIDATION OF THE CORPORATION, TO RECEIVE ANY DISTRIBUTION NOT OUT OF EARNINGS AND PROFITS OF THE CORPORATION, AND)

((C) 80 PERCENT OR MORE OF THE GROSS INCOME OF WHICH FOR THE TAXABLE YEAR IN WHICH THE TAXES AND INTEREST DESCRIBED IN THIS SUBDIVISION ARE PAID OR INCURRED IS DERIVED FROM TENANT-STOCKHOLDERS.)

(THE TERM "TENANT-STOCKHOLDERS" MEANS AN INDIVIDUAL WHO IS A STOCKHOLDER IN A COOPERATIVE APARTMENT CORPORATION, AND WHOSE STOCK IS FULLY PAID UP IN AN AMOUNT NOT LESS THAN AN AMOUNT SHOWN TO THE SATISFACTION OF THE COMMISSIONER AS BEARING A REASONABLE RELATIONSHIP TO THE PORTION OF THE VALUE OF THE



CORPORATION'S EQUITY IN THE BUILDING AND THE LAND ON WHICH IT IS SITUATED WHICH IS ATTRIBUTABLE TO THE APARTMENT WHICH SUCH INDIVIDUAL IS ENTITLED TO OCCUPY. FOR PURPOSES OF THIS SUBDIVISION, IF A BANK OR OTHER LENDING INSTITUTION ACQUIRES BY FORECLOSURE, OR BY INSTRUMENT IN LIEU OF FORECLOSURE, THE STOCK OF A TENANT-STOCKHOLDER, AND A LEASE OR THE RIGHT TO OCCUPY AN APARTMENT TO WHICH THE STOCK IS APPURTENANT, THE BANK OR OTHER LENDING INSTITUTION SHALL BE TREATED AS A TENANT-STOCKHOLDER FOR A PERIOD NOT TO EXCEED THREE YEARS FROM THE DATE OF ACQUISITION. THE PRECEDING SENTENCE SHALL APPLY EVEN THOUGH, BY AGREEMENT WITH THE COOPERATIVE APARTMENT CORPORATION, THE BANK OR OTHER LENDING INSTITUTION, OR ITS NOMINEE, MAY NOT OCCUPY THE APARTMENT WITHOUT THE PRIOR APPROVAL OF THE CORPORATION) *allowed under the provisions of section 216 of the Internal Revenue Code of 1954, as amended through December 31, 1981.*

Sec. 17. Minnesota Statutes 1981 Supplement, Section 290.091, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 9, is amended to read:

**290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]**

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 (EXCEPT THAT). For purposes of the tax imposed by this section, *the following modifications shall be made:*

(1) Capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain proceedings were received in prior years.

(2) *In the case of a corporate taxpayer, percentage depletion shall not be a preference item.*

(3) *In the case of a corporate taxpayer, the capital gain preference item shall not include the timber preference income defined in section 57(e)(1) of the Internal Revenue Code.*

(4) *The preference item of reserves for losses on bad debts shall not include reserves allowable under section 593 of the Internal Revenue Code, but which are not allowable under section 290.09, subdivision 6, clause (c).*

(5) *In the case of an individual, the preference item of adjusted itemized deductions does not include any deduction for charitable contributions in excess of the limitations contained in section 290.21, subdivision 3, including any carryover amount allowed for federal purposes.*

(6) *The capital gain preference item shall be reduced where the gain would be modified because some or all of the assets have a higher basis for Minnesota purposes than for federal purposes.*

(7) *In the case of a nonresident individual, or an estate or trust, with a net operating loss that is a larger amount for Minnesota than for federal, the capital gain preference item shall be reduced to the extent it was reduced in the allowance of the net operating loss.*

In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.

*The tax benefit rule contained in section 58(h) of the Internal Revenue Code is applied to the Minnesota minimum tax only to the extent that it determines if there is a federal minimum tax. No separate tax benefit rule is allowable for the Minnesota minimum tax.*

Sec. 18. Minnesota Statutes 1980, Section 290.095, Subdivision 4, is amended to read:

Subd. 4. [COMPUTATION AND MODIFICATIONS.] The following modifications shall be made in computing a net operating loss in any taxable year and also in computing the taxable net income for any taxable year before a net operating loss deduction shall be allowed:

(a) (DEDUCTIONS OTHERWISE ALLOWABLE IN COMPUTING TAXABLE NET INCOME, BUT WHICH ARE NOT ATTRIBUTABLE TO THE OPERATION OF A TRADE OR BUSINESS REGULARLY CARRIED ON BY THE TAXPAYER, SHALL BE ALLOWED ONLY TO THE EXTENT OF THE AMOUNT OF THE GROSS INCOME, NOT DERIVED FROM

SUCH TRADE OR BUSINESS, INCLUDED IN COMPUTING SUCH TAXPAYER'S TAXABLE NET INCOME.)

((B) THERE SHALL BE INCLUDED IN COMPUTING THE GROSS INCOME USED IN COMPUTING TAXABLE NET INCOME THE AMOUNT OF THE INTEREST, EXCLUDABLE FROM GROSS INCOME UNDER SECTION 290.08, THAT WOULD BE TREATED AS ASSIGNABLE TO THIS STATE, DECREASED BY THE AMOUNT OF INTEREST PAID OR ACCRUED TO PURCHASE OR CARRY THE INVESTMENTS EARNING SUCH INTEREST TO THE EXTENT THAT SUCH INTEREST WOULD NOT HAVE BEEN DEDUCTIBLE IN COMPUTING THE TAXPAYER'S TAXABLE NET INCOME.)

((C)) No deduction shall be allowed for or with respect to losses connected with income producing activities if the income therefrom would not be required to be either assignable to this state or included in computing the taxpayer's taxable net income.

((D)) (b) A net operating loss deduction shall not be allowed.

((E)) (c) The amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets. The deduction for long-term capital gains provided by section 290.16, subdivision 4, shall not be allowed.

((F)) (d) Renegotiation of profits for a prior taxable year under the renegotiation laws of the United States of America, including renegotiation of the profits with a subcontractor, shall not enter into the computation.

((G)) (e) Federal income and excess profits taxes shall not be allowed as a deduction.

Sec. 19. Minnesota Statutes 1981 Supplement, Section 290.095, Subdivision 11, is amended 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) *clause* (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. 20. Minnesota Statutes 1981 Supplement, 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) *related taxpayers as defined and as provided in section 267 of the Internal Revenue Code of 1954, as amended through December 31, 1981;*

(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 *as provided in section 267(a)(2) and (e) of the Internal Revenue Code of 1954, as amended through December 31, 1981;*

((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. (b) Payments to Minnesota or federal public employee retirement funds.

(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.

(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 chapter.

(10) In situations where this chapter provides for a subtraction 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 liability assessed upon such income subtracted, 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. 21. Minnesota Statutes 1980, Section 290.13, Subdivision 1, is amended to read:

Subdivision 1. [TRANSACTIONS IN WHICH NO GAIN OR LOSS IS RECOGNIZED.] (NO) Gain or loss from (THE FOLLOWING) transactions *described in section 1031, 1035, or 1036 of the Internal Revenue Code of 1954, as amended through December 31, 1981*, shall be recognized at the time (OF THEIR OCCURRENCE, EXCEPT AS OTHERWISE SPECIFIED IN THIS SECTION:)

((1) IF THE PROPERTY HELD FOR PRODUCTIVE USE IN TRADE OR BUSINESS OR FOR INVESTMENT (NOT INCLUDING STOCK IN TRADE OR OTHER PROPERTY HELD PRIMARILY FOR SALE, NOR STOCKS, BONDS, NOTES, CHOSSES IN ACTION, CERTIFICATES OF TRUST OR BENEFICIAL INTEREST, OR OTHER SECURITIES OR EVIDENCES OF INDEBTEDNESS OR INTEREST) IS EXCHANGED SOLELY FOR PROPERTY OF A LIKE KIND TO BE HELD EITHER FOR PRODUCTIVE USE IN TRADE OR BUSINESS OR FOR INVESTMENT;)

((2) IF COMMON STOCK IN A CORPORATION IS EXCHANGED SOLELY FOR COMMON STOCK IN THE SAME CORPORATION, OR IF PREFERRED STOCK IN A CORPORATION IS EXCHANGED SOLELY FOR PREFERRED STOCK IN THE SAME CORPORATION;) *and in the manner, including the basis computation, provided in those sections.*

Sec. 22. Minnesota Statutes 1981 Supplement, Section 290.131, Subdivision 1, is amended to read:

Subdivision 1. [DISTRIBUTIONS OF PROPERTY.] ((A) EXCEPT AS OTHERWISE PROVIDED IN THIS CHAPTER, A DISTRIBUTION OF PROPERTY (AS DEFINED IN SECTION 290.133, SUBDIVISION 2, CLAUSE (A)) MADE BY A CORPORATION TO A SHAREHOLDER WITH RESPECT TO ITS STOCK SHALL BE TREATED IN THE MANNER PROVIDED IN CLAUSE (C).)

((B) AMOUNT DISTRIBUTED:)

((1) FOR PURPOSES OF THIS SUBDIVISION, THE AMOUNT OF ANY DISTRIBUTION SHALL BE:)

((A) IF THE SHAREHOLDER IS NOT A CORPORATION, THE AMOUNT OF MONEY RECEIVED PLUS THE FAIR MARKET VALUE OF THE OTHER PROPERTY RECEIVED.)

((B) IF THE SHAREHOLDER IS A CORPORATION, THE AMOUNT OF MONEY RECEIVED, PLUS WHICHEVER OF THE FOLLOWING IS THE LESSER:)

((I) THE FAIR MARKET VALUE OF THE OTHER PROPERTY RECEIVED; OR)

((II) THE ADJUSTED BASIS (IN THE HANDS OF THE DISTRIBUTING CORPORATION IMMEDIATELY BEFORE THE DISTRIBUTION) OF THE OTHER PROPERTY RECEIVED, INCREASED IN THE AMOUNT OF GAIN TO THE DISTRIBUTING CORPORATION WHICH IS RECOGNIZED UNDER CLAUSE (B) OR (C) OF SECTION 311 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1980.)

((2) THE AMOUNT OF ANY DISTRIBUTION DETERMINED UNDER PARAGRAPH (1) SHALL BE REDUCED (BUT NOT BELOW ZERO) BY:)

((A) THE AMOUNT OF ANY LIABILITY OF THE CORPORATION ASSUMED BY THE SHAREHOLDER IN CONNECTION WITH THE DISTRIBUTION, AND)

((B) THE AMOUNT OF ANY LIABILITY TO WHICH THE PROPERTY RECEIVED BY THE SHAREHOLDER IS SUBJECT IMMEDIATELY BEFORE, AND IMMEDIATELY AFTER, THE DISTRIBUTION.)

((3) FOR PURPOSES OF THIS SUBDIVISION, FAIR MARKET VALUE SHALL BE DETERMINED AS OF THE DATE OF THE DISTRIBUTION.)



((C) IN THE CASE OF A DISTRIBUTION TO WHICH CLAUSE (A) APPLIES:)

((1) THAT PORTION OF THE DISTRIBUTION WHICH IS A DIVIDEND (AS DEFINED IN SECTION 290.133, SUBDIVISION 1) SHALL BE INCLUDED IN GROSS INCOME.)

((2) THAT PORTION OF THE DISTRIBUTION WHICH IS NOT A DIVIDEND SHALL BE APPLIED AGAINST AND REDUCE THE ADJUSTED BASIS OF THE STOCK.)

((3) AMOUNT IN EXCESS OF BASIS.)

((A) EXCEPT AS PROVIDED IN SUBPARAGRAPH (B), THAT PORTION OF THE DISTRIBUTION WHICH IS NOT A DIVIDEND, TO THE EXTENT THAT IT EXCEEDS THE ADJUSTED BASIS OF THE STOCK, SHALL BE TREATED AS GAIN FROM THE SALE OR EXCHANGE OF PROPERTY.)

((B) THAT PORTION OF THE DISTRIBUTION WHICH IS NOT A DIVIDEND, TO THE EXTENT THAT IT EXCEEDS THE ADJUSTED BASIS OF THE STOCK AND TO THE EXTENT THAT IS OUT OF INCREASE IN VALUE ACCRUED BEFORE JANUARY 1, 1933, SHALL BE EXEMPT FROM TAX.)

((D) THE BASIS OF PROPERTY RECEIVED IN A DISTRIBUTION TO WHICH CLAUSE (A) APPLIES SHALL BE:)

((1) IF THE SHAREHOLDER IS NOT A CORPORATION, THE FAIR MARKET VALUE OF SUCH PROPERTY.)

((2) IF THE SHAREHOLDER IS A CORPORATION, WHICHEVER OF THE FOLLOWING IS THE LESSER:)

((A) THE FAIR MARKET VALUE OF SUCH PROPERTY; OR)

((B) THE ADJUSTED BASIS (IN THE HANDS OF THE DISTRIBUTING CORPORATION IMMEDIATELY BEFORE THE DISTRIBUTION) OF SUCH PROPERTY, INCREASED IN THE AMOUNT OF GAIN TO THE DISTRIBUTING CORPORATION WHICH IS RECOGNIZED UNDER CLAUSE (B) OR (C) OF SECTION 311 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1980.)

*The effects on recipients of a distribution by a corporation shall be governed by the provisions of sections 301 to 307 of the Internal Revenue Code of 1954, as amended through De-*

*ember 31, 1981. However, in section 301(c)(3)(B) the date January 1, 1933 shall be substituted for March 1, 1913 when determining the amount of a distribution that is not taxable.*

Sec. 23. Minnesota Statutes 1981 Supplement, Section 290.132, Subdivision 1, is amended to read:

Subdivision 1. [TAXABILITY OF CORPORATION ON DISTRIBUTION.] No gain or loss shall be recognized to a corporation on the distribution, with respect to its stock as provided in section 311 of the Internal Revenue Code of 1954, as amended through December 31, (1980) 1981.

*The effect on earnings and profits shall be determined according to the provisions of section 312 of the Internal Revenue Code of 1954, as amended through December 31, 1981. However, when determining earnings and profits in section 312(f) and (g), the date December 31, 1932 shall be substituted for February 28, 1913, and January 1, 1933 shall be substituted for March 1, 1913.*

Sec. 24. Minnesota Statutes 1980, Section 290.133, Subdivision 1, is amended to read:

Subdivision 1. [DIVIDEND DEFINED.] ((A)) For purposes of this chapter, the (TERM "DIVIDEND" MEANS ANY DISTRIBUTION OF PROPERTY MADE BY A CORPORATION TO ITS SHAREHOLDERS:)

((1) OUT OF ITS EARNINGS AND PROFITS ACCUMULATED AFTER DECEMBER 31, 1932, OR)

((2) OUT OF ITS EARNINGS AND PROFITS OF THE TAXABLE YEAR (COMPUTED AS OF THE CLOSE OF THE TAXABLE YEAR WITHOUT DIMINUTION BY REASON OF ANY DISTRIBUTIONS MADE DURING THE TAXABLE YEAR), WITHOUT REGARD TO THE AMOUNT OF THE EARNINGS AND PROFITS AT THE TIME THE DISTRIBUTION WAS MADE. EXCEPT AS OTHERWISE PROVIDED IN THIS CHAPTER, EVERY DISTRIBUTION IS MADE OUT OF EARNINGS AND PROFITS TO THE EXTENT THEREOF, AND FROM THE MOST RECENTLY ACCUMULATED EARNINGS AND PROFITS. TO THE EXTENT THAT ANY DISTRIBUTION IS, UNDER ANY PROVISION OF SECTIONS 290.131 THROUGH 290.138, TREATED AS A DISTRIBUTION OF PROPERTY TO WHICH SECTION 290.131, SUBDIVISION 1 APPLIES, SUCH DISTRIBUTION SHALL BE TREATED AS A DISTRIBUTION OF PROPERTY FOR PURPOSES OF THIS CLAUSE) *definitions provided in sections 316 to 318 of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall apply. However, in section 316(a)(1), "December 31, 1932" shall be substituted for "February 28, 1913" when determining dividends.*

Sec. 25. Minnesota Statutes 1981 Supplement, Section 290.-136, Subdivision 1, is amended to read:

Subdivision 1. [TRANSFER TO CORPORATION CONTROLLED BY TRANSFEROR.] The provisions of sections 351 to (361, 367, AND) 368 of the Internal Revenue Code of 1954, as amended through December 31, 1980 shall apply to corporate organizations and reorganizations. *However, in section 362, the phrase "acquired in a taxable year beginning after December 31, 1956" shall be substituted for "acquired on or after June 22, 1954" when determining the property to which this section applies.*

Sec. 26. Minnesota Statutes 1981 Supplement, Section 290.14, is amended to read:

**290.14 [GAIN OR LOSS ON DISPOSITION OF PROPERTY, BASIS.]**

Except as otherwise provided in this chapter, 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 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) in 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 Revenue 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 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.

(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;) *that provided in section 1091 of the Internal Revenue Code of 1954, as amended through December 31, 1981.*

((7)) (6) 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.

((8)) (7) 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.

(9) (8) 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. 27. Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 1, is amended to read:

Subdivision 1. [TAXABLE NET INCOME.] The taxable net 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 deductions of the kind permitted by section 290.09 in accordance with the following provisions:

(1) Such deductions shall be allowed to the extent that they are connected with and allocable against the production or receipt of such gross income assignable to this state;

(2) That proportion of such deductions, so far as not connected with and allocable against the production or receipt of such gross income assignable to this state and so far as not connected with and allocable against the production or receipt of gross income assignable to other states or countries and so far as not entering into the computation of the net income assignable to this state under section 290.19, shall be allowed which the taxpayer's gross income from sources within this state, as determined under section 290.17, subdivision 2, clauses (1), (2), (3), (5), and (7), bears to his gross income from all sources, including that entering into the computations provided for by section 290.19; provided that taxes of the kind deductible under section 290.09, subdivision 4, shall, so far as within the description of deductions deductible under this clause, be deductible in their entirety if paid to the state of Minnesota, or any of its subdivisions authorized to impose such taxes, and thereupon be excluded in making the computation of deductions, as in this clause provided.

Sec. 28. Minnesota Statutes 1981 Supplement, Section 290.18, Subdivision 2, is amended to read:

Subd. 2. [FEDERAL INCOME TAX PAYMENTS AND REFUNDS.] The adjusted gross income shall be computed by deducting from the gross income assignable to this state under section 290.17, the deduction for allowable federal income taxes determined under the provisions of sections 290.09, subdivision 4, 290.10 (8), (9) or (10), and 290.18.

This deduction shall be allowed to 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. *For purposes of the preceding sentence, "federal adjusted gross income" includes the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1981.*

(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 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. 29. Minnesota Statutes 1980, Section 290.19, Subdivision 1, is amended to read:

Subdivision 1. [COMPUTATION, BUSINESS CONDUCTED PARTLY WITHIN STATE; APPORTIONMENT.] The taxable net income from a trade or business carried on partly within and partly without this state shall be computed by deducting from the gross income of such business, wherever derived, deductions of the kind permitted by section 290.09, so far as connected with or allocable against the production or receipt of such income. The remaining net income shall be apportioned to Minnesota as follows:

(1) If the business consists of the mining, producing, smelting, refining, or any combination of these activities of copper and nickel ores, or of the manufacture of personal property and the sale of said property within and without the state, the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(a) The percentage which the sales made within this state is of the total sales wherever made;

(b) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned or rented and, used by the taxpayer in connection with such trade or business during the tax period; and,

(c) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayers' total payrolls paid or incurred in connection with such entire trade or business;

(d) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause



(1) (a), 15 percent of the percentage determined under clause (1) (b), and 15 percent of the percentage determined under clause (1) (c);

(2) (a) In all other cases the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(1) The percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted;

(2) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned, or rented, and used by the taxpayer in connection with such trade or business during the tax period; and

(3) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(4) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (2) (a) (1), 15 percent of the percentage determined under clause (2) (a) (2), and 15 percent of the percentage determined under clause (2) (a) (3);

(b) If the methods prescribed under clause (2) (a) will not properly reflect taxable net income assignable to the state, there may be used, if practicable and if such use will properly and fairly reflect such income, the percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted; or the separate or segregated accounting method;

(3) The sales, payrolls, earnings, and receipts referred to in this section shall be those for the taxable year in respect of which the tax is being computed. The property referred to in this section shall be the average of the property owned or *rented* and used by the taxpayer during the taxable year in respect of which the tax is being computed. *For purposes of computing the property factor referred to in this section, United States government property which is used by the taxpayer shall be considered as being owned by the taxpayer.*

Sec. 30. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 3, is amended to read:

Subd. 3. An amount for contribution or gifts made within the taxable year:

(a) to or for the use of the state of Minnesota, or any of its political subdivisions for exclusively public purposes,

(b) to or for the use of any community chest, corporation, organization, trust, fund, association, or foundation located in and carrying on substantially all of its activities within this state, organized and operating exclusively for religious, charitable, public cemetery, scientific, literary, artistic, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual,

(c) to a fraternal society, order, or association, operating under the lodge system located in and carrying on substantially all of their activities within this state if such contributions or gifts are to be used exclusively for the purposes specified in subdivision 3(b), or for or to posts or organizations of war veterans or auxiliary units or societies of such posts or organizations, if they are within the state and no part of their net income inures to the benefit of any private shareholder or individual,

(d) to or for the use of the United States of America for exclusively public purposes, and to or for the use of any community chest, corporation, trust, fund, association, or foundation, organized and operated exclusively for any of the purposes specified in subdivision 3(b) and (c) no part of the net earnings of which inures to the benefit of any private shareholder or individual, but not carrying on substantially all of their activities within this state, in an amount equal to the ratio of Minnesota taxable net income to total net income, provided, however, that for an individual taxpayer, the deduction shall be allowed in an amount equal to the ratio of the taxpayer's gross income assignable to Minnesota to the taxpayer's gross income from all sources,

(e) to a major political party, as defined in section 200.02, subdivision 7, or a political candidate, as defined in section 210A.01, or a political cause when sponsored by any party or association or committee, as defined in section 210A.01, in a maximum amount not to exceed the following:

- (1) contributions made by individual natural persons, \$100,
- (2) contributions made by a national committeeman, national committeewoman, state chairman, or state chairwoman of a major political party, as defined in section 200.02, subdivision 7, \$1,000,

(3) contributions made by a congressional district committeeman or committeewoman of a major political party, as defined in section 200.02, subdivision 7, \$350,

(4) contributions made by a county chairman or a county chairwoman of a major political party, as defined in section 200.02, subdivision 7, \$150;

(f) in the case of an individual, the total deduction allowable hereunder shall not exceed 30 percent of the taxpayer's Minnesota gross income as follows:

(i) the aggregate of contributions made to organizations specified in (a), (b) and (d) shall not exceed ten percent of the taxpayer's Minnesota gross income,

(ii) the total deduction under this subparagraph for any taxable year shall not exceed 20 percent of the taxpayer's Minnesota gross income. For purposes of this subparagraph, the deduction under this section shall be computed without regard to any deduction allowed under subparagraph (i) but shall take into account any contributions described in subparagraph (i) which are in excess of the amount allowable as a deduction under subparagraph (i). For purposes of paragraph (f) the term Minnesota gross income shall also include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1980;

(g) in the case of a corporation, the total deduction hereunder shall not exceed 15 percent of the taxpayer's taxable net income less the deductions allowable under this section other than those for contributions or gifts,

(h) in the case of a corporation reporting its taxable income on the accrual basis, if: (A) the board of directors authorizes a charitable contribution during any taxable year, and (B) payment of such contribution is made after the close of such taxable year and on or before the fifteenth day of the third month following the close of such taxable year; then the taxpayer may elect to treat such contribution as paid during such taxable year. The election may be made only at the time of the filing of the return for such taxable year, and shall be signified in such manner as the commissioner shall by regulations prescribe;

(i) in the case of a contribution or property placed in trust as described in section 170(f)(2) of the Internal Revenue Code of 1954, as amended through December 31, 1979, a deduction shall be allowed under this subdivision to the extent that a deduction is allowable for federal income tax purposes.

*(j) amounts paid to maintain certain students as members of the taxpayer's household shall be allowed as a deduction as*

*provided in section 170(g) of the Internal Revenue Code of 1954, as amended through December 31, 1981. No other deduction shall be allowed under this subdivision for these amounts and the limitations contained in clause (f) shall not apply to these amounts.*

Sec. 31. Minnesota Statutes 1981 Supplement, Section 290.23, Subdivision 3, is amended to read:

Subd. 3. [UNUSED LOSS CARRYOVERS AND EXCESS DEDUCTIONS ON TERMINATION AVAILABLE TO BENEFICIARIES.] If on the termination of an estate or trust, the estate or trust has

(1) a net operating loss carryover under section 290.095 or a capital loss carryover under section 290.01, subdivision 20; or

(2) for the last taxable year of the estate or trust deductions (other than the (DEDUCTIONS ALLOWED UNDER SUBDIVISION 2) *charitable deduction*) in excess of gross income for such year,

then such carryover or such excess shall be allowed as a deduction, in accordance with regulations prescribed by the commissioner to the beneficiaries succeeding to the property of the estate or trust.

Sec. 32. Minnesota Statutes 1980, Section 290.281, Subdivision 1, is amended to read:

Subdivision 1. [NOT TAXED; DEFINED.] A common trust fund shall not be subject to taxation under this chapter and (FOR THIS PURPOSE THE TERM "COMMON TRUST FUND" MEANS A FUND MAINTAINED BY A BANK (TAXABLE UNDER SECTION 290.361) EXCLUSIVELY FOR THE COLLECTIVE INVESTMENT AND REINVESTMENT OF MONEYS CONTRIBUTED THERETO BY IT OR BY ANOTHER BANK WHICH IS OWNED OR CONTROLLED BY A CORPORATION WHICH OWNS OR CONTROLS SUCH BANK IN A CAPACITY AS A TRUSTEE, PERSONAL REPRESENTATIVE OR GUARDIAN; AND IN CONFORMITY WITH THE RULES AND REGULATIONS PREVAILING FROM TIME TO TIME OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM PERTAINING TO THE COLLECTIVE INVESTMENT OF TRUST FUNDS BY NATIONAL BANKS) *the definitions provided in and the provisions of section 584 of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall apply.*

Sec. 33. Minnesota Statutes 1981 Supplement, Section 290.31, Subdivision 3, is amended to read:

Subd. 3. [PARTNERSHIP COMPUTATIONS.] The taxable net income of a partnership shall be computed in the same manner as in the case of an individual except that

(1) the items described in subdivision 2(1) shall be separately stated, and

(2) the following deductions (AND CREDITS) shall not be allowed to the partnership:

(a) (THE STANDARD DEDUCTION PROVIDED IN SECTION 290.09, SUBDIVISION 15) *the deduction for taxes provided in section 290.09, subdivision 4 with respect to taxes, described in section 901 of the Internal Revenue Code of 1954, as amended through December 31, 1981, paid or accrued to foreign countries and to possessions of the United States,*

(b) the deduction for charitable contributions provided in section 290.21, subdivision 3,

(c) the net operating loss deduction provided in section 290.-095, (AND)

(d) the additional itemized deductions for individuals provided in section 290.09, (AS ADAPTED TO THE PROVISIONS OF THIS SUBDIVISION UNDER REGULATIONS ISSUED BY THE COMMISSIONER) *subdivisions 10 and 17, and,*

(e) *the deduction for depletion under section 290.09, subdivision 8 with respect to oil and gas wells.*

Any election affecting the computation of taxable net income derived from a partnership shall be made by the partnership except as provided in section 703(b) of the Internal Revenue Code of 1954, as amended through December 31, 1980.

Sec. 34. Minnesota Statutes 1981 Supplement, Section 290.-31, Subdivision 4, is amended to read:

Subd. 4. [PARTNER'S DISTRIBUTIVE SHARE.] ((1) A PARTNER'S DISTRIBUTIVE SHARE OF INCOME, GAIN, LOSS, DEDUCTION, OR CREDIT SHALL, EXCEPT AS OTHERWISE PROVIDED IN THIS SUBDIVISION, BE DETERMINED BY THE PARTNERSHIP AGREEMENT.)

((2) A PARTNER'S DISTRIBUTIVE SHARE OF ANY ITEM OF INCOME, GAIN, LOSS, DEDUCTION, OR CREDIT SHALL BE DETERMINED IN ACCORDANCE WITH THE PARTNER'S INTEREST IN THE PARTNERSHIP, DETERMINED BY TAKING INTO ACCOUNT ALL FACTS AND CIRCUMSTANCES, IF)

((A) THE PARTNERSHIP AGREEMENT DOES NOT PROVIDE AS TO THE PARTNER'S DISTRIBUTIVE SHARE OF INCOME, GAIN, LOSS, DEDUCTION OR CREDIT, OR ITEM THEREOF, OR)

((B) THE ALLOCATION TO A PARTNER UNDER THE AGREEMENT OF INCOME, GAIN, LOSS, DEDUCTION, OR CREDIT (OR ITEM THEREOF) DOES NOT HAVE SUBSTANTIAL ECONOMIC EFFECT.)

((3) (A) IN DETERMINING A PARTNER'S DISTRIBUTIVE SHARE OF ITEMS DESCRIBED IN SUBDIVISION 2(1), DEPRECIATION, DEPLETION, OR GAIN OR LOSS WITH RESPECT TO PROPERTY CONTRIBUTED TO THE PARTNERSHIP BY A PARTNER SHALL, EXCEPT TO THE EXTENT OTHERWISE PROVIDED IN SUBPARAGRAPH (B) OR (C), BE ALLOCATED AMONG THE PARTNERS IN THE SAME MANNER AS IF SUCH PROPERTY HAD BEEN PURCHASED BY THE PARTNERSHIP.)

((B) IF THE PARTNERSHIP AGREEMENT SO PROVIDES, DEPRECIATION, DEPLETION, OR GAIN OR LOSS WITH RESPECT TO PROPERTY CONTRIBUTED TO THE PARTNERSHIP BY A PARTNER SHALL, UNDER REGULATIONS PRESCRIBED BY THE COMMISSIONER, BE SHARED AMONG THE PARTNERS SO AS TO TAKE ACCOUNT OF THE VARIATION BETWEEN THE BASIS OF THE PROPERTY TO THE PARTNERSHIP AND ITS FAIR MARKET VALUE AT THE TIME OF CONTRIBUTION.)

((C) IF THE PARTNERSHIP AGREEMENT DOES NOT PROVIDE OTHERWISE, DEPRECIATION, DEPLETION, OR GAIN OR LOSS WITH RESPECT TO UNDIVIDED INTERESTS IN PROPERTY CONTRIBUTED TO A PARTNERSHIP SHALL BE DETERMINED AS THOUGH SUCH UNDIVIDED INTERESTS HAD NOT BEEN CONTRIBUTED TO THE PARTNERSHIP. THIS SUBPARAGRAPH SHALL APPLY ONLY IF ALL THE PARTNERS HAD UNDIVIDED INTERESTS IN SUCH PROPERTY PRIOR TO CONTRIBUTION AND THEIR INTERESTS IN THE CAPITAL AND PROFITS OF THE PARTNERSHIP CORRESPOND WITH SUCH UNDIVIDED INTERESTS.)

((4) A PARTNER'S DISTRIBUTIVE SHARE OF PARTNERSHIP LOSS (INCLUDING CAPITAL LOSS) SHALL BE ALLOWED ONLY TO THE EXTENT OF THE ADJUSTED BASIS OF SUCH PARTNER'S INTEREST IN THE PARTNERSHIP AT THE END OF THE PARTNERSHIP YEAR IN WHICH SUCH LOSS OCCURRED. ANY EXCESS OF SUCH LOSS OVER SUCH BASIS SHALL BE ALLOWED AS A DEDUCTION AT THE END OF THE PARTNERSHIP YEAR

IN WHICH SUCH EXCESS IS REPAID TO THE PARTNERSHIP.)

(5) (A) A PERSON SHALL BE RECOGNIZED AS A PARTNER FOR PURPOSES OF THIS CHAPTER IF HE OWNS A CAPITAL INTEREST IN A PARTNERSHIP IN WHICH CAPITAL IS A MATERIAL INCOME-PRODUCING FACTOR, WHETHER OR NOT SUCH INTEREST WAS DERIVED BY PURCHASE OR GIFT FROM ANY OTHER PERSON.)

(B) IN THE CASE OF ANY PARTNERSHIP INTEREST CREATED BY GIFT, THE DISTRIBUTIVE SHARE OF THE DONEE UNDER THE PARTNERSHIP AGREEMENT SHALL BE INCLUDIBLE IN HIS GROSS INCOME, EXCEPT TO THE EXTENT THAT SUCH SHARE IS DETERMINED WITHOUT ALLOWANCE OF REASONABLE COMPENSATION FOR SERVICES RENDERED TO THE PARTNERSHIP BY THE DONOR, AND EXCEPT TO THE EXTENT THAT THE PORTION OF SUCH SHARE ATTRIBUTABLE TO DONATED CAPITAL IS PROPORTIONATELY GREATER THAN THE SHARE OF THE DONOR ATTRIBUTABLE TO THE DONOR'S CAPITAL. THE DISTRIBUTIVE SHARE OF A PARTNER IN THE EARNINGS OF THE PARTNERSHIP SHALL NOT BE DIMINISHED BECAUSE OF ABSENCE DUE TO MILITARY SERVICE.)

(C) FOR PURPOSES OF THIS SUBDIVISION, AN INTEREST PURCHASED BY ONE MEMBER OF A FAMILY FROM ANOTHER SHALL BE CONSIDERED TO BE CREATED BY GIFT FROM THE SELLER, AND THE FAIR MARKET VALUE OF THE PURCHASED INTEREST SHALL BE CONSIDERED TO BE DONATED CAPITAL.)

(D) FOR THE PURPOSES OF THIS SECTION, THE "FAMILY" OF ANY INDIVIDUAL SHALL INCLUDE ONLY HIS SPOUSE, ANCESTORS, AND LINEAL DESCENDANTS, AND ANY TRUSTS FOR THE PRIMARY BENEFIT OF SUCH PERSONS.) *The provisions of sections 704, 706 to 741, and 743 to 761 of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall apply to partners and partnerships.*

Sec. 35. Minnesota Statutes 1980, Section 290.31, Subdivision 5, is amended to read:

Subd. 5. [DETERMINATION OF BASIS OF PARTNER'S INTEREST.] The adjusted basis of a partner's interest in a partnership shall, except as provided in the last paragraph of this subdivision, be the basis of such interest determined under (SUBDIVISION 10) *sections 722 or 742 of the Internal Revenue Code of 1954, as amended through December 31, 1981, (( ) re-*

lating to contributions to a partnership ( ) or (SUBDIVISION 19 (RELATING TO) transfers of partnership interests ( )

(1) increased by the sum of his distributive share for the taxable year and prior taxable years of

(a) net income of the partnership as determined under subdivision 3(1) and (2),

(b) income of the partnership exempt from tax under this chapter, (AND)

(c) *the excess of the deductions for depletion over the basis of the property subject to depletion, and*

(2) decreased (but not below zero) by distributions by the partnership as provided in (SUBDIVISION 14) *section 733 of the Internal Revenue Code of 1954, as amended through December 31, 1981, and by the sum of his distributive share for the taxable year and prior taxable years of*

(a) losses of the partnership, and

(b) expenditures of the partnership not deductible in computing its taxable net income and not properly chargeable to capital account, *and*

(3) *decreased, but not below zero, by the amount of the partner's deduction for depletion under section 611 of the Internal Revenue Code of 1954, as amended through December 31, 1981, with respect to oil and gas wells. For corporate partners, the deduction for depletion with respect to oil and gas wells shall be computed as provided in section 290.09, subdivision 8.*

The commissioner shall prescribe by (REGULATIONS) *rule* the circumstances under which the adjusted basis of a partner's interest in a partnership may be determined by reference to his proportionate share of the adjusted basis of partnership property upon a termination of the partnership.

Sec. 36. Minnesota Statutes 1980, Section 290.31, Subdivision 19, is amended to read:

Subd. 19. [BASIS OF TRANSFEREE PARTNER'S INTEREST.] The basis of an interest in a partnership acquired other than by contribution shall be determined under (SECTIONS 290.12, 290.14, 290.15 AND 290.16) *this chapter.*

Sec. 37. Minnesota Statutes 1981 Supplement, Section 290.32, is amended to read:



## 290.32 [TAXES FOR PART OF YEAR, COMPUTATION.]

When under this Chapter a taxpayer is permitted or required to make a return for a fractional part of a year, the tax shall be computed in the same manner as if such fractional part of a year were an entire year, except:

(1) When a taxpayer is permitted to change the basis for reporting his income from a fiscal to a calendar year, he shall make a separate return for the period between the close of his last fiscal year and the following December thirty-first; if the change is from a calendar to a fiscal year, a separate return shall be made for the period between the close of his last calendar year and the date designated as the close of the fiscal year; and if the change is from one fiscal year to another fiscal year, a separate return shall be made for the period between the close of the former fiscal year and the date designated as the close of the new fiscal year. The taxable net income, *or for corporations the taxable net income as reduced by the deductions contained in section 290.21*, for any such period shall be put on an annual basis by multiplying the amount thereof by 12 and dividing by the number of months included in the period for which such separate return is made; and the tax shall be that part of a tax, computed on the taxable net income put on such annual basis (**LESS THE DEDUCTION AGAINST THAT TAXABLE NET INCOME UNDER THE PROVISIONS OF SECTION 290.21**), which the number of months in such period bears to 12 months.

(2) Where any of the enumerated changes in accounting period referred to in clause (1) involve a 52-53 week fiscal year and any such change results in a short period of less than seven days, such short period shall be added to and deemed a part of the following taxable year. If the change results in a short period of seven or more days, but less than 359 days, the taxable net income, *or for corporations the taxable net income as reduced by the deductions contained in section 290.21*, for any such period shall be placed on an annual basis by multiplying such income by 365 and dividing the result by the same number of days in the short period; and the tax shall be that part of a tax, computed on the taxable net income placed on such annual basis (**LESS THE DEDUCTION AGAINST THAT TAXABLE NET INCOME UNDER THE PROVISIONS OF SECTION 290.21**), which the number of days in such short period bears to 365 days. Where the short period is 359 days or more, the tax shall be computed in the same manner as if such short period were an entire year.

Sec. 38. Minnesota Statutes 1980, Section 290.36, is amended to read:

290.36 [INVESTMENT COMPANIES; REPORT OF NET INCOME; COMPUTATION OF AMOUNT OF INCOME ALLOCABLE TO STATE.]

The taxable net income of investment companies shall be computed and be exclusively as follows:

Each investment company transacting business as such in this state shall report to the commissioner the net income returned by the company for the taxable year to the United States under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1979, less the credits provided therein (, OR THE NET INCOME THAT SUCH COMPANY WOULD BE REQUIRED TO RETURN UNDER SUCH ACT LESS SUCH CREDITS, IF SUCH ACT WERE IN EFFECT). The commissioner shall compute therefrom the taxable net income of the investment company by assigning to this state that proportion of such net income, less such credits which the aggregate of the gross payments collected by the company during the taxable year from old and new business upon investment contracts issued by the company and held by residents of this state, bears to the total amount of the gross payments collected during such year by the company from such business upon investment contracts issued by the company and held by persons residing within the state and elsewhere.

As used in this section, the term "investment company" means any person, co-partnership, association, or corporation, whether local or foreign, coming within the purview of section 54.26, and who or which is registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 and following), and who or which solicits or receives payments to be made to himself or itself and which issues therefor, or has issued therefor and has or shall have outstanding so-called bonds, shares, coupons, certificates of membership, or other evidences of obligation or agreement or pretended agreement to return to the holders or owners thereof money or anything of value at some future date; and as to whom the gross payments received during the taxable year in question upon outstanding investment contracts, plus interest and dividends earned on investment contracts determined by prorating the total dividends and interest for the taxable year in question in the same proportion that certificate reserves as defined by the Investment Company Act of 1940 is to total assets, shall be at least 50 percent of the company's gross payments upon investment contracts plus gross income from all other sources except dividends from subsidiaries for the taxable year in question. The term "investment contract" shall mean any such so-called bonds, shares, coupons, certificates of membership, or other evidences of obligation or agreement or pretended agreement issued by an investment company.

Sec. 39. Minnesota Statutes 1981 Supplement, Section 290.37, Subdivision 1, is amended to read:

Subdivision 1. [PERSONS MAKING RETURNS.] (a) 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. 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.

(b) Such return shall ((A)) (1) 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)) (2) shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.

(c) 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. 40. Minnesota Statutes 1981 Supplement, Section 290.41, Subdivision 2, is amended to read:

Subd. 2. [BY PERSONS, CORPORATIONS, COOPERATIVES, GOVERNMENTAL ENTITIES OR SCHOOL DISTRICTS.] Every person, 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 or more on account of rents or royalties, or of \$10 or more on account of interest, or \$10 or more on account of dividends or patronage

dividends, or \$600 or more on account of either wages, salaries, 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 or more 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.

Sec. 41. Minnesota Statutes 1981 Supplement, Section 290.-42, is amended to read:

#### 290.42 [FILING RETURNS, DATE.]

The returns required to be made under sections 290.37 to 290.89 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, Sunday, or a legal holiday such return filed by the (FOLLOWING MONDAY) next succeeding day which is not a Saturday, Sunday, or legal holiday shall be considered to be timely filed (;) . The term "legal holiday" means any day made a holiday in Minnesota by section 645.44, subdivision 5 or by the laws of the United States.

((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 as provided in section (290.65) 6081 of the Internal Revenue Code of 1954, as amended through December 31, 1981. 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 time 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) rule 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. 42. Minnesota Statutes 1981 Supplement, 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) *individual* who files an income tax return or property tax refund claim form may designate *on their original return* 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) *individual* and paid into 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 account. The sum of the amounts so designated to be paid shall be credited to the non-game wildlife management 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. 43. Minnesota Statutes 1980, Section 290.45, Subdivision 1, is amended to read:

Subdivision 1. [DATE DUE, INSTALLMENTS.] The tax imposed by this chapter shall be paid to the commissioner of revenue (AT ST. PAUL, MINNESOTA) at the time fixed for filing the return on which the tax is based, except that at the election of the following taxpayers the balance of tax due after applying any tax credit and payment of estimated tax may be paid in two equal installments, as follows:

(a) as to estates and trusts, the first shall be paid at the time fixed for filing the return, and the second on or before six months thereafter.

(b) as to corporations, the first shall be paid at the time fixed for filing the return and the second on or before three months thereafter. If any installment is not paid on or before the date fixed for its payment the whole amount of the tax unpaid shall become due and payable. They shall be paid to the commissioner or to the local officers designated by the commissioner with whom the return is filed as hereinbefore provided.

Sec. 44. Minnesota Statutes 1980, Section 290.49, Subdivision 3, is amended to read:

Subd. 3. [OMISSION IN EXCESS OF 25 PERCENT.] If the taxpayer omits from gross income an amount properly includible therein which is in excess of 25 percent of the amount of gross income stated in the return, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun at any time within six and one-half years after the return was filed.

For purposes of this subdivision, the term "gross income" shall mean gross income as defined in section 290.37, subdivision 1, *clause (c)*.

Sec. 45. Minnesota Statutes 1980, Section 290.49, Subdivision 7, is amended to read:

Subd. 7. [COURT PROCEEDINGS.] Where the assessment of any tax is hereafter made within the period of limitation properly applicable thereto, *including an assessment made under section 290.56*, such tax may be collected by a proceeding in court, but only if begun

(1) Within eighteen months after the expiration of the period for the assessment of the tax, or

(2) within eighteen months after the expiration of the period agreed upon by the commissioner and the taxpayer, pursuant to the provisions of subdivision 8, or

(3) within eighteen months after final disposition of any appeal from the order of assessment.

Sec. 46. Minnesota Statutes 1980, Section 290.49, is amended by adding a subdivision to read:

Subd. 11. [SUSPENSION OF TIME; BANKRUPTCY PROCEEDING.] *The period of time during which a tax must be assessed or collection proceedings commenced under this chapter shall be suspended during the period from the date of a filing of a petition in bankruptcy until 30 days after notice to the commissioner of revenue that the bankruptcy proceedings have*

*been closed or dismissed or the automatic stay has been terminated or has expired.*

*The suspension of the statute of limitations under this subdivision shall apply to the person against whom the petition in bankruptcy is filed and all other persons who may also be wholly or partially liable for the tax under this chapter.*

Sec. 47. Minnesota Statutes 1980, Section 290.53, is amended by adding a subdivision to read:

*Subd. 7. [INTEREST ON ADDITIONAL TAXES.] Where a taxpayer is liable for additional taxes under this chapter, interest shall be added to the additional amount, at the rate specified in section 270.75, from the due date of the original return.*

Sec. 48. Minnesota Statutes 1980, Section 290.65, Subdivision 9, is amended to read:

Subd. 9. [TIME LIMITS, ADDITIONAL EXTENSION IN CERTAIN CASES.] The limitations of time provided by this chapter relating to income taxes, and (SECTIONS 271.01 TO 271.20, AS AMENDED) *chapter 271* relating to the tax court, for (a) filing returns, (b) paying taxes, (c) claiming refunds, (d) commencing action thereon, (e) appealing to the tax court from orders relating to income taxes, and (f) appealing to the supreme court from decisions of the tax court relating to income taxes, are hereby extended, with respect to each individual, for the period during which such individual is (OR HAS BEEN) serving in the Armed Forces of the United States, (OR THE UNITED NATIONS,) or serving in support of the Armed Forces and as provided in section 7508 of the Internal Revenue Code of 1954, as amended through December 31, 1981, is serving in an area designated by the president as a combat zone or is hospitalized outside the United States as a result of injury received while serving in the combat zone during such time, and for a further period of six months (AFTER THE TERMINATION OF SUCH SERVICE, PROVIDED, THAT THE ABILITY OF SUCH INDIVIDUAL TO FILE THE RETURN, PAY THE TAX OR ANY PART THEREOF, OR ANY INTEREST OR PENALTY THEREON, OR TO PERFORM ANY OTHER ACT DESCRIBED IN THIS SUBDIVISION IS MATERIALLY IMPAIRED BY REASON OF SUCH SERVICE, BUT IF AN EXTENSION OF TIME IS GRANTED, THE FACT THAT SUCH INDIVIDUAL'S ABILITY TO PAY WAS NOT IMPAIRED, SHALL NOT PREVENT THE OPERATION OF THE EXTENSIONS OF TIME HEREIN PROVIDED. THE COMMISSIONER MAY BY REGULATION REQUIRE THE FILING OF A STATEMENT OR AFFIDAVIT OR OTHER PROOF, AT THE TIME THE RETURN OR TAX IS DUE OR OTHER ACT IS REQUIRED TO BE DONE, STATING THE FACT OF INABILITY TO COMPLY WITH THE RE-



QUIREMENTS OF LAW BECAUSE OF SERVICE IN THE ARMED FORCES OF THE UNITED STATES OR THE UNITED NATIONS).

Sec. 49. Minnesota Statutes 1980, Section 290.65, Subdivision 11, is amended to read:

Subd. 11. [TIME LIMIT FOR ASSESSMENT, ADDITIONAL EXTENSION.] The limitations of time provided for the assessment of any tax, penalty or interest, as provided by the laws described in subdivision 9, are hereby extended, with respect to the same individuals, and for the same period, as provided in said subdivision, and for a further period of six months; and the limitations of time for the commencement of action to collect any tax, penalty or interest from such individuals are hereby extended for a period ending six months after the expiration of the time for assessment as herein provided. (FOR THE PURPOSE OF THIS SUBDIVISION THE PERIOD OF SIX MONTHS AFTER TERMINATION OF SERVICE IN THE ARMED FORCES, AS PROVIDED IN SUBDIVISION 9, SHALL NOT BEGIN TO RUN UNTIL WRITTEN NOTICE OF SUCH TERMINATION IS FILED WITH THE COMMISSIONER OF REVENUE.)

Sec. 50. Minnesota Statutes 1980, Section 290.91, is amended to read:

290.91 [DESTRUCTION OF RETURNS.]

The commissioner of revenue is hereby authorized to destroy all (INCOME) tax returns, *required under this chapter or chapter 290A*, including audit reports, orders and correspondence relating thereto, which have been on file in his office for a period (OF FIVE YEARS OR MORE) *to be determined by the commissioner*. The commissioner may, in his discretion, make copies of such returns, orders or correspondence by microfilm, photostat or other similar means and may immediately destroy the original documents from which such copies have been made. Such copies, when certified to by the commissioner, shall be admissible in evidence in the same manner and be given the same effect as the original documents destroyed.

The commissioner may, in his discretion, destroy correspondence and documents contained in the files of the division which do not relate specifically to any (INCOME) tax return.

Notwithstanding the above provisions (or the provisions of section 290.61 or 290A.17) the commissioner may, utilizing such safeguards as he in his discretion deems necessary, (1) employ a commercial photographer for the purpose of developing microfilm of returns or other documents, or (2) employ a vendor for the purpose of obtaining the vendor's services an example of which is the preparation of income tax return labels.

Sec. 51. Minnesota Statutes 1981 Supplement, 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 table 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 *personal credits allowed* 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 pay-

roll 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) *rule for increases or decreases in the amount of withholding otherwise required under this section in cases where the employee requests the changes.* 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. 52. Minnesota Statutes 1981 Supplement, Section 290.92, Subdivision 5, is amended to read:

Subd. 5. [EXEMPTIONS.] (1) [ENTITLEMENT.] An employee receiving wages shall on any day be entitled to claim withholding exemptions equal to the same number as the personal credits that he is entitled to claim under the provisions of section 290.06, subdivision 3f, (not including those credits that the taxpayer's spouse may claim).

(2) [WITHHOLDING EXEMPTION CERTIFICATE.] (EVERY EMPLOYEE SHALL BEFORE THE DATE OF COMMENCEMENT OF EMPLOYMENT FURNISH HIS EMPLOYER WITH A SIGNED WITHHOLDING EXEMPTION CERTIFICATE RELATING TO THE NUMBER OF WITHHOLDING EXEMPTIONS WHICH HE CLAIMS, WHICH SHALL IN NO EVENT EXCEED THE NUMBER TO WHICH HE IS ENTITLED.)

((3) [EFFECTIVE DATE OF EXEMPTION CERTIFICATE.] WITHHOLDING EXEMPTION CERTIFICATES SHALL TAKE EFFECT AS OF THE BEGINNING OF THE FIRST PAYROLL PERIOD ENDING, OR THE FIRST PAYMENT OF WAGES MADE WITHOUT REGARD TO A PAYROLL PERIOD, ON OR AFTER THE DATE ON WHICH SUCH CERTIFICATE IS SO FURNISHED.)

((4) [NEW EXEMPTION CERTIFICATE.] A WITHHOLDING EXEMPTION CERTIFICATE WHICH TAKES EFFECT UNDER THIS SUBDIVISION SHALL CONTINUE IN EFFECT WITH RESPECT TO THE EMPLOYER UNTIL ANOTHER SUCH CERTIFICATE TAKES EFFECT UNDER THIS SUBDIVISION. IF A WITHHOLDING EXEMPTION CERTIFICATE IS FURNISHED TO TAKE THE PLACE OF AN EXISTING CERTIFICATE, THE EMPLOYER, AT HIS OPTION, MAY CONTINUE THE OLD CERTIFICATE IN FORCE WITH RESPECT TO ALL WAGES PAID

ON OR BEFORE THE FIRST STATUS DETERMINATION DATE, JANUARY 1, MAY 1, JULY 1, OR OCTOBER 1, WHICH OCCURS AT LEAST 30 DAYS AFTER THE DATE ON WHICH SUCH NEW CERTIFICATE IS FURNISHED.)

((5) [CHANGE OF NUMBER TO REFLECT NEXT TAX YEAR.] IF, ON ANY DAY DURING THE CALENDAR YEAR, THE NUMBER OF WITHHOLDING EXEMPTIONS TO WHICH THE EMPLOYEE MAY REASONABLY BE EXPECTED TO BE ENTITLED AT THE BEGINNING OF HIS NEXT TAXABLE YEAR IS DIFFERENT FROM THE NUMBER TO WHICH THE EMPLOYEE IS ENTITLED ON SUCH DAY, THE EMPLOYEE SHALL IN SUCH CASES AND AT SUCH TIMES AS THE COMMISSIONER MAY PRESCRIBE, FURNISH THE EMPLOYER WITH A WITHHOLDING EXEMPTION CERTIFICATE RELATING TO THE NUMBER OF EXEMPTIONS WHICH HE CLAIMS WITH RESPECT TO SUCH NEXT TAXABLE YEAR, WHICH SHALL IN NO EVENT EXCEED THE NUMBER TO WHICH HE MAY REASONABLY BE EXPECTED TO BE SO ENTITLED. EXEMPTION CERTIFICATES ISSUED PURSUANT TO THIS PARAGRAPH SHALL NOT TAKE EFFECT WITH RESPECT TO ANY PAYMENT OF WAGES MADE IN THE CALENDAR YEAR IN WHICH THE CERTIFICATE IS FURNISHED.)

((6) [CHANGE OF NUMBER.] IF, ON ANY DAY DURING THE CALENDAR YEAR, THE NUMBER OF WITHHOLDING EXEMPTIONS TO WHICH THE EMPLOYEE IS ENTITLED IS LESS THAN THE NUMBER OF WITHHOLDING EXEMPTIONS CLAIMED BY THE EMPLOYEE ON THE WITHHOLDING EXEMPTION CERTIFICATE THEN IN EFFECT WITH RESPECT TO HIM, THE EMPLOYEE SHALL, WITHIN TEN DAYS THEREAFTER, FURNISH THE EMPLOYER WITH A NEW WITHHOLDING EXEMPTION CERTIFICATE RELATING TO THE NUMBER OF WITHHOLDING EXEMPTIONS WHICH THE EMPLOYEE THEN CLAIMS, WHICH SHALL IN NO EVENT EXCEED THE NUMBER TO WHICH HE IS ENTITLED ON SUCH DAY. IF, ON ANY DAY DURING THE CALENDAR YEAR, THE NUMBER OF WITHHOLDING EXEMPTIONS TO WHICH THE EMPLOYEE IS ENTITLED IS GREATER THAN THE NUMBER OF WITHHOLDING EXEMPTIONS CLAIMED, THE EMPLOYEE MAY FURNISH THE EMPLOYER WITH A NEW WITHHOLDING EXEMPTION CERTIFICATE RELATING TO THE NUMBER OF WITHHOLDING EXEMPTIONS WHICH THE EMPLOYEE THEN CLAIMS, WHICH SHALL IN NO EVENT EXCEED THE NUMBER TO WHICH HE IS ENTITLED ON SUCH DAY.)

*The provisions concerning exemption certificates contained in section 3402(f)(2) and (3) of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall apply.*

((7)) (3) [FORM OF CERTIFICATE.] Withholding exemption certificates shall be in such form and contain such information as the commissioner may by regulation prescribe.

((8)) (4) [NUMBER MAY BE SAME AS THAT FOR FEDERAL PURPOSES.] Notwithstanding the provisions of this subdivision, an employee may elect to claim a *number not to exceed* the (SAME) number of withholding exemptions that the employee claims and which are allowable for federal withholding purposes.

Sec. 53. Minnesota Statutes 1981 Supplement, Section 290.92, Subdivision 5a, is amended 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) 14 or a number prescribed by the commissioner, or

(b) a status that would exempt the employee from Minnesota withholding, (UNLESS) *including where* 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. 54. Minnesota Statutes 1981 Supplement, Section 290.92, Subdivision 6, is amended to read:

Subd. 6. [RETURNS, DEPOSITS.] (1) (a) [RETURNS.] Every employer who is required to deduct and withhold tax under subdivision 2a or 3 shall file a return with the commissioner for each quarterly period, on or before the last day of the month following the close of each quarterly period, unless otherwise prescribed by the commissioner. Any tax required to be deducted and withheld during the quarterly period shall be paid with the return unless an earlier time for payment is provided herein. However, any such return may be filed on or before the tenth day of the second calendar month following such period if such return shows timely deposits in full payment of such taxes due for such period. For the purpose of the preceding sentence, a deposit which is not required to be made within such return period, may be made on or before the last day of the first calendar month following the close of such period. Every employer, in preparing said quarterly return, shall take credit for monthly deposits previously made in accordance with this subdivision.

The return shall be in the form and contain the information prescribed by the commissioner. The commissioner may grant a reasonable extension of time for filing the return and paying the tax, but no extension shall be granted for more than six months.

(b) [ADVANCE DEPOSITS REQUIRED IN CERTAIN CASES.] (i) Unless clause (ii) is applicable, if during

any calendar month, other than the last month of the calendar quarter, the aggregate amount of the tax withheld during that quarter under subdivision 2a or 3 exceeds \$200, or beginning January 1, 1982, \$500, the employer shall deposit the aggregate amount with the commissioner within 15 days after the close of the calendar month. (ii) If at the close of any eighth-monthly period the aggregate amount of undeposited taxes is \$3,000 or more, the employer shall deposit the undeposited taxes with the commissioner within three banking days after the close of the eighth-monthly period. For purposes of this subparagraph, the term "eighth-monthly period" means the first three days of a calendar month, the fourth day through the seventh day of a calendar month, the eighth day through the 11th day of a calendar month, the 12th day through the 15th day of a calendar month, the 16th day through the 19th day of a calendar month, the 20th day through the 22nd day of a calendar month, the 23rd day through the 25th day of a calendar month, or the portion of a calendar month following the 25th day of such month.

(c) [OTHER METHODS.] The commissioner shall have the power by rule to prescribe other return periods or deposit requirements. In prescribing the reporting period, the commissioner may classify employers according to the amount of their tax liability and may adopt an appropriate reporting period for each class which he deems to be consistent with efficient tax collection. In no event shall the duration of the reporting period be more than one year, provided that for employers with annual withholding tax liabilities of less than \$1,200 the reporting period shall be no more frequent than quarterly.

(2) If less than the correct amount of such tax is paid to the commissioner, proper adjustments, with respect to both the tax and the amount to be deducted, shall be made, without interest, in such manner and at such times as the commissioner may prescribe. If such underpayment cannot be so adjusted the amount of the underpayment shall be assessed and collected in such manner and at such times as the commissioner may prescribe.

(3) If any employer fails to make and file any return required by paragraph (1) at the time prescribed therefor, or makes and files a false or fraudulent return, the commissioner shall make for him a return from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a tax on the basis thereof. The amount of tax shown thereon shall be paid to the commissioner at such times as the commissioner may prescribe. Any such return or assessment so made by the commissioner shall be prima facie correct and valid, and the employer shall have the burden of establishing its correctness or invalidity in any action or proceeding in respect thereto.

(4) If the commissioner, in any case, has reason to believe that the collection of the tax provided for in paragraph (1) of



this subdivision, and any added penalties and interest, if any, will be jeopardized by delay, he may immediately assess such tax, whether or not the time otherwise prescribed by law for making and filing the return and paying such tax has expired.

(5) Any assessment under this subdivision shall be made by recording the liability of the employer in the office of the commissioner in accordance with regulations prescribed by the commissioner. Upon request of the employer, the commissioner shall furnish the employer a copy of the record of assessment.

(6) Any assessment of tax under this subdivision shall be made within three and one-half years after the due date of the return required by paragraph (1), or the date the return was filed, whichever is later; except that in the case of a false or fraudulent return or failure to file a return, the tax may be assessed at any time.

(7) (a) Except as provided in (b) of this paragraph, every employer who fails to pay to or deposit with the commissioner any sum or sums required by this section to be deducted, withheld and paid, shall be personally and individually liable to the state of Minnesota for such sum or sums (and any added penalties and interest); and any sum or sums deducted and withheld in accordance with the provisions of subdivision 2a or subdivision 3 shall be held to be a special fund in trust for the state of Minnesota.

(b) If the employer, in violation of the provision of this section, fails to deduct and withhold the tax under this section, and thereafter the taxes against which such tax may be credited are paid, the tax so required to be deducted and withheld shall not be collected from the employer; but this shall in no case relieve the employer from liability for any penalties and interest otherwise applicable in respect of such failure to deduct and withhold.

(8) Upon the failure of any employer to pay to or deposit with the commissioner within the time provided by paragraphs (1), (2) or (3) of this subdivision any tax required to be withheld in accordance with the provisions of subdivision 2a or subdivision 3, or if the commissioner has assessed a tax pursuant to paragraph (4), such tax shall become immediately due and payable, and the commissioner may deliver to the attorney general a certified statement of the tax, penalties and interest due from such employer. The statement shall also give the address of the employer owing such tax, the period for which the tax is due, the date of the delinquency, and such other information as may be required by the attorney general. It shall be the duty of the attorney general to institute legal action in the name of the state to recover the amount of such tax, penalties, interest and costs. The commissioner's certified statement to the attorney general shall for all purposes and in all courts be prima facie evidence of the facts therein stated and that the amount shown therein

is due from the employer named in the statement. In event action is instituted as herein provided, the court shall, upon application of the attorney general, appoint a receiver of the property and business of the delinquent employer for the purpose of impounding the same as security for any judgment which has been or may be recovered. Any such action shall be brought within four years and three months after the due date of the return or deposit required by paragraph (1), or the date the return was filed, or deposit made whichever is later; except that in the case of failure to make and file such return or if such return is false or fraudulent, or such deposit is not made such action may be brought at any time.

*(8a) The period of time during which a tax must be assessed or collection proceedings commenced under this subdivision shall be suspended during the period from the date of filing of a petition in bankruptcy until 30 days after the commissioner of revenue receives notice that the bankruptcy proceedings have been closed or dismissed or the automatic stay has been terminated or has expired.*

*The suspension of the statute of limitations under this subdivision shall apply to the person against whom the petition in bankruptcy is filed and all other persons who may also be wholly or partially liable for the tax under this chapter.*

(9) The tax required to be withheld under subdivision 2a or subdivision 3 or paid to, or deposited with the commissioner under this subdivision, together with penalties, interest and costs, shall become a lien upon all of the real property of the employer within this state, except his homestead, from and after the filing by the commissioner of a notice of such lien in the offices of the county recorder of the county in which such real property is situated.

(10) Either party to an action for the recovery of any tax, interest or penalties under this subdivision may remove the judgment to the supreme court by appeal, as provided for appeals in civil cases.

(11) No suit shall lie to enjoin the assessment or collection of any tax imposed by this section, or the interest and penalties added thereto.

(12) When any tax is due and payable as provided in paragraph (8) the commissioner may issue his warrant to the sheriff of any county of the state commanding him to levy upon and sell the real and personal property of the employer and to levy upon the rights to property of the employer within the county and to return such warrant to the commissioner and pay to him the money collected by virtue thereof by a time to be therein specified, not less than 60 days from the date of the warrant.

The sheriff shall proceed thereunder to levy upon and seize any property of the employer and to levy upon the rights to property of the employer within his county, except the homestead and household goods of the employer and property of the employer not liable to attachment, garnishment, or sale on any final process issued from any court under the provisions of section 550.37, and shall sell so much thereof as is required to satisfy such taxes, interest, and penalties, together with his costs; but such sales shall, as to their manner, be governed by the laws applicable to sales of like property on execution issued against property upon a judgment of a court of record. The proceeds of such sales, less the sheriff's costs, shall be turned over to the commissioner, who shall retain such part thereof as is required to satisfy the tax, interest, penalties and costs, and pay over any balance to the taxpayer. Any action taken by the commissioner pursuant to this subdivision shall not constitute an election by the state to pursue a remedy to the exclusion of any other remedy providing for the collection of taxes required to be withheld by employers.

Sec. 55. Minnesota Statutes 1980, Section 290.92, Subdivision 13, is amended to read:

Subd. 13. [REFUNDS.] (1) Where the amount of the tax withheld at the source under subdivision 2a or subdivision 3 exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the employee taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the employee taxpayer. If the amount of such excess is less than \$1 the commissioner shall not be required to refund that amount. Where any amount of such excess to be refunded exceeds \$10, such amount *on the original return* shall bear interest at the rate of six percent per annum, computed from 90 days after (a) the due date of the return of the employee taxpayer or (b) the date on which his return is filed, whichever is later, to the date the refund is paid to the taxpayer. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the employee taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest, to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 56. Minnesota Statutes 1981 Supplement, 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 (*for purposes of this subdivision and subdivision 5 as defined in section (290.01, SUBDIVISION 20) 290.37, subdivision 1, clause (c)*) 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 \$100.

Sec. 57. Minnesota Statutes 1980, Section 290.93, Subdivision 9, is amended to read:

Subd. 9. [OVERPAYMENT OF ESTIMATED TAX.] (1) Where the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of such installment payment, the overpayment shall be credited against the unpaid installments, if any. Where the total amount of the estimated tax payments plus (a) the total amount of tax withheld at the source under section 290.92, subdivision 2a or subdivision 3 (if any) and (b) and other payments (if any) exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the taxpayer. If the amount of such excess is less than \$1 the commissioner shall not be required to refund that amount. Where any amount of such excess to be refunded exceeds \$10, such amount *on the original return* shall bear interest at the rate of six percent per annum, computed from 90 days after (a) the due date of the return of the taxpayer or (b) the date on which his return is filed, whichever is later, until the date the refund is paid to the taxpayer. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

**Sec. 58. Minnesota Statutes 1981 Supplement, 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 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 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 80 percent (66  $\frac{2}{3}$  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 subparagraph, 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 refundable credits contained in sections 290.06, subdivision 13, 290.067, 290.501, and chapter 290A which are allowed against income tax liability, and the amount of such (CREDIT) credits for the taxable year shall be deemed a payment of estimated tax, and an equal part of such (AMOUNT) amounts 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.

Sec. 59. Minnesota Statutes 1980, Section 290.936, is amended to read:

**290.936 [OVERPAYMENT OF ESTIMATED TAX.]**

(1) Where the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of such installment payment, the overpayment shall be credited against the unpaid installments, if any. Where the total amount of the estimated tax payments and other payments, if any, exceeds by \$1 or more the taxes (and any added penalties and interest) reported in the return of the taxpayer or imposed upon him by this chapter, the amount of such excess shall be refunded to the taxpayer. If the amount of such excess is less than \$1, the commissioner shall not be required to refund. Where any amount of such excess to be refunded exceeds \$10, such amount *on the original return* shall bear interest at the rate of six percent per annum, computed from 90 days after (a) the due date of the return of the taxpayer or (b) the date on which his return is filed, whichever is later, until the date the refund is paid to the taxpayer. Notwithstanding the provisions of section 290.50, written findings by the commissioner, notice by mail to the taxpayer, and certificate for refundment by the commissioner, shall not be necessary. The provisions of section 270.10, shall not be applicable.

(2) Any action of the commissioner in refunding the amount of such excess shall not constitute a determination of the correctness of the return of the taxpayer within the purview of section 290.46.

(3) The commissioner of finance shall cause any such refund of tax and interest to be paid out of the general fund in accordance with the provisions of section 290.62, and so much of said fund as may be necessary is hereby appropriated for that purpose.

Sec. 60. Minnesota Statutes 1981 Supplement, Section 290.9725, is amended to read:

**290.9725 [ELECTION BY SMALL BUSINESS CORPORATION.]**

Any corporation having a valid election in effect under section 1372 of the Internal Revenue Code of 1954, as amended through December 31, (1980) 1981, shall not be subject to the taxes imposed by this chapter, except the tax imposed under section 290.92.

**Sec. 61. [290.9726] [CORPORATION TAXABLE INCOME TAXED TO SHAREHOLDERS.]**

*Subdivision 1. [GENERAL RULE.] The gross income of the shareholders of corporations described in section 290.9725 shall be computed under the provisions of section 290.01, subdivision 20.*

*Subd. 2. [CHARACTER OF ITEMS DISTRIBUTED OR CONSIDERED DISTRIBUTED.] The character of any item of income, gain, loss, or deduction included in shareholder's income shall be assignable as provided in section 290.17, subdivision 2, as if the item were realized directly from the source from which it was realized by the corporation or incurred in the same manner as incurred by the corporation.*

*Subd. 3. [EXCEPTIONS.] No subtraction specified in section 290.01, subdivision 20, clause (b) shall apply to any class of income which would be taxable to the corporation under the provisions of this chapter.*

*Subd. 4. [TREATMENT OF FAMILY GROUPS.] Any amount taxable to a shareholder may be apportioned or allocated by the commissioner between or among shareholders of the corporation who are members of the shareholder's family, as defined in section 290.10, clause (6), if he determines that the apportionment or allocation is necessary in order to reflect the value of services rendered to the corporation by the shareholders.*

*Subd. 5. [CREDIT ALLOWANCES.] The credits provided in sections 290.06 and 290.501 to which the corporation is entitled shall be allocated to the shareholders in the same percentage as the undistributed income was apportioned under section 1373(b) of the Internal Revenue Code of 1954, as amended through December 31, 1981. The limitations set forth in the computation of the credit shall be applied to the shareholders.*

*Subd. 6. [BASIS.] The adjustments to basis described in section 1376 of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall not be made for any year beginning before January 1, 1981 for which the corporation did not have a valid election to be taxed as a small business corporation.*

**Sec. 62. Minnesota Statutes 1981 Supplement, Section 290.-974, is amended to read:**

**290.974 [RETURN OF ELECTING SMALL BUSINESS CORPORATION.]**

Every electing small business corporation under section 290.-9725 shall make a (PARTNERSHIP) *small business corpora-*



tion return for each taxable year during which said election is in effect stating specifically the names and addresses of all persons owning stock in the corporation at any time during the taxable year, the number of shares of stock owned by each shareholder at all times during the taxable year, and such other information for the purposes of carrying out the provisions of sections 290.01, subdivision 20 and 290.9725 as the commissioner may by forms and regulations prescribe.

Sec. 63. Minnesota Statutes 1981 Supplement, Section 290A.-03, Subdivision 3, is amended to read:

Subd. 3. [INCOME.] (1) "Income" means the sum of the following:

(a) federal adjusted gross income as defined in the Internal Revenue Code of 1954 as amended through December 31, 1980; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) additions to federal adjusted gross income as provided in Minnesota Statutes, Section 290.01, Subdivision 20, Clause (a) (1), (a) (3), (a) (9), (a) (14), and (a) (15);

(ii) all nontaxable income;

(iii) recognized net long term capital gains;

(iv) dividends and interest excluded from federal adjusted gross income under section 116 of the Internal Revenue Code of 1954;

(v) cash public assistance and relief;

(vi) any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, supplemental security income, and veterans benefits), which was not exclusively funded by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

(vii) nontaxable interest received from the state or federal government or any instrumentality or political subdivision thereof;

(viii) workers' compensation;

(ix) unemployment benefits;

(x) nontaxable strike benefits; and

(xi) the gross amounts of payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise. In the case of an individual who files an income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year. *Federal adjusted gross income shall not be reduced by the amount of a net operating loss carry-back.*

(2) "Income" does not include

(a) amounts excluded pursuant to the Internal Revenue Code, Sections 101(a), 102, 117, and 121;

(b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;

(c) (GIFTS FROM NONGOVERNMENTAL SOURCES;)

((D)) surplus food or other relief in kind supplied by a governmental agency;

((E)) (d) relief granted under sections 290A.01 to 290A.20;

((F)) (e) child support payments received under a temporary or final decree of dissolution or legal separation; or

((G)) (f) federal adjusted gross income shall be reduced by wage or salary expense, or expense of work incentive programs which are not allowed as a deduction under provisions of section 280C of the Internal Revenue Code of 1954.

Sec. 64. Minnesota Statutes 1981 Supplement, 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, 7 and 14a, but after deductions made pursuant to sections 124.-213, 273.115, 273.116, 273.135 (AND), 273.139, and 273.1391 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 *and that the assessor has approved the application.*

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 273.13, subdivision 15b.

Sec. 65. Minnesota Statutes 1981 Supplement, Section 290A.-07, Subdivision 2a, is amended 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. *Interest shall be added at six percent per annum from August 15 or 60 days after receipt of the application whichever is later.*

Sec. 66. Minnesota Statutes 1981 Supplement, Section 290A.-11, Subdivision 1, is amended to read:

Subdivision 1. [AUDIT OF CLAIM.] When on the audit of any claim filed under sections 290A.01 to 290A.20 the department determines the amount thereof to have been incorrectly determined, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final unless appealed to the Minnesota tax court within 60 days of notice thereof. *The redetermination under this subdivision and subdivision 1a 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 specified in section 270.75.*

Sec. 67. Minnesota Statutes 1981 Supplement, Section 270.75, Subdivision 4, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 1, is amended to read:

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 (20) 12 percent per annum (BEGINNING FEBRUARY 1, 1982). *For taxable years beginning after December 31, 1981, the amount in lieu of interest shall be determined at the rate of 20 percent per annum. For taxable years beginning after December 31, 1982, the amount in lieu of interest for that taxable year shall be the amount determined in subdivision 5 for January 1 on which begins the taxable year or precedes the beginning of the taxable year.*

Sec. 68. Minnesota Statutes 1981 Supplement, Section 270.75, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 1, is amended to read:

Subd. 5. The rates of interest or amount in lieu of interest contained in subdivisions 1 to 4 shall be adjusted by the commissioner of revenue not later than October 15 of 1982 and any year thereafter if the adjusted prime rate charged by banks during September of that year, rounded to the nearest full percent, is at least a full percentage point more or less than the interest rate which is then in effect. The adjusted rate of interest or amount in lieu of interest shall be equal to the adjusted prime rate charged by banks, rounded to the nearest full percent, and shall become effective on January 1 of the immediately succeeding year *except as provided in subdivision 4*. For purposes of this subdivision, the term "adjusted prime rate charged by banks" means the average predominant prime rate quoted by commercial banks to large businesses, as determined by the Board of Governors of the Federal Reserve System.

Sec. 69. Minnesota Statutes 1980, Section 290.032, Subdivision 5, is amended to read:

Subd. 5. An amount *not to exceed \$10,000 which is* distributed to an individual as severance pay upon discontinuation of the individual's employment due to termination of business operations by the individual's employer may be treated as a lump sum distribution according to the provisions of this section *if it is paid as a lump sum*. For the payment to be treated as a lump sum distribution under this subdivision, the termination of the employer's business operation at that site must be reasonably likely to be permanent and to involve the discharge within a period of one year of at least 75 percent of the persons employed by that employer at that site. *This subdivision shall not*

apply when the employer's business operation at that site is terminated because the business is sold to another person or corporation who will continue operations at that site and the individual is employed by the new person or corporation. For the purposes of this subdivision, "severance pay" shall mean an amount received for the cancellation of an employment contract or a collectively bargained termination payment in the nature of a substitute for income which would have been earned for personal services to be rendered in the future.

The minimum distribution allowance provided in sections 402 (e) (1) (C) and (D) of the Internal Revenue Code of 1954, as amended through December 31, 1979, shall not apply to the computation allowed under this subdivision.

Sec. 70. Laws 1981, Third Special Session Chapter 2, Article III, Section 6, Subdivision 3, is amended to read:

Subd. 3. [LIMITATION.] The credit for the taxable year shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. "Liability for tax" for purposes of this section means the tax imposed under this chapter for the taxable year reduced by the sum of the credits allowed under section 290.06, except the credit allowed under section 290.06, subdivision 13.

If the credit determined under subdivision 2 exceeds this limitation, the excess shall be a credit carryback to each of the three preceding taxable years and a credit carryover to each of the seven succeeding taxable years, provided the aggregate of the credit for the taxable year and any carryover and carryback credits shall not exceed \$300,000 or ten percent of the liability for tax, whichever is less. The entire amount of the excess unused credit for the taxable year shall be carried first to the earliest of the taxable years to which the credit may be carried and then to each successive year to which the credit may be carried.

*For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a research and experimental expenditure credit carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitation 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 in which the research and experimental expenditure credit arises which results in the carryback. In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a research and experimental expenditure credit, interest shall be computed only from the end of the taxable year in which the credit arises.*

Sec. 71. [INSTRUCTION TO REVISOR.]

*In Minnesota Statutes 1982, Section 290.09, Subdivisions 5 and 6, the revisor of statutes shall substitute the phrase "this chapter"*

for the phrase "sections 290.12, 290.131 to 290.139, 290.14 and 290.15", wherever it is used in those subdivisions. In Minnesota Statutes 1982, Sections 290.12, Subdivision 1, and 290.16, Subdivision 1, the revisor of statutes shall substitute the phrase "this chapter" for the phrase "sections 290.131 to 290.139, 290.14 and 290.15", wherever it is used in those subdivisions.

#### Sec. 72. [REPEALER.]

Minnesota Statutes 1980, Sections 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.973; and Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; and 290.971, Subdivision 7; are repealed.

#### Sec. 73. [EFFECTIVE DATE.]

Sections 2, 19 and 67 are effective for taxable years beginning after December 31, 1980. Sections 47, 51, 52, 53, 55, 57, and 59 are effective May 1, 1982. Sections 46 and 54 are effective for bankruptcy proceedings filed on or after October 1, 1979. Sections 12, 45, 50, 56, 58, 64, 66, and 68 are effective the day after final enactment. Section 65 is effective for claims based on rent paid in 1982 and subsequent years. The provisions of section 42 requiring that non-game wildlife designations be made on original returns is effective for taxable years beginning after December 31, 1979, and claims based on rent paid in 1980 and subsequent years, and property taxes payable in 1981 and subsequent years. Those provisions of section 63 that relate to net operating loss carrybacks are effective the day after final enactment. The balance of section 63 is effective for claims based on rent paid in 1982 and succeeding years and property taxes payable in 1983 and succeeding years. The change in section 1, clause (b)(2) is effective for the sale or other disposition of property after June 30, 1982. The rest of this article is effective for taxable years beginning after December 31, 1981.

### ARTICLE II

Section 1. Minnesota Statutes 1981 Supplement, Section 270.063, is amended to read:

#### 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 or attorneys 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.

*Notwithstanding section 16A.15, subdivision 3, the commissioner of revenue may authorize the prepayment of sheriff's fees or court costs to be incurred in connection with the collection out of state of delinquent tax liabilities owed to the commissioner of revenue.*

Sec. 2. Minnesota Statutes 1980, Section 270.06, is amended to read:

**270.06 [POWERS AND DUTIES.]**

It shall be the duty of the commissioner of revenue and he shall have power and authority:

(1) To have and exercise general supervision over the administration of the assessment and taxation laws of the state, over assessors, town, county, and city boards of review and equalization, and all other assessing officers in the performance of their duties, to the end that all assessments of property be made relatively just and equal in compliance with the laws of the state;

(2) To confer with, advise and give the necessary instructions and directions to local assessors and local boards of review throughout the state as to their duties under the laws of the state;

(3) To direct proceedings, actions, and prosecutions to be instituted to enforce the laws relating to the liability and punishment of public officers and officers and agents of corporations for failure or negligence to comply with the provisions of the laws of this state governing returns of assessment and taxation of property, and to cause complaints to be made against local assessors, members of boards of equalization, members of boards of review, or any other assessing or taxing officer, to the proper authority, for their removal from office for misconduct or negligence of duty;

(4) To require county attorneys to assist in the commencement of prosecutions in actions or proceedings for removal, forfeiture and punishment for violation of the laws of this state in respect to the assessment and taxation of property in their respective districts or counties;

(5) To require town, city, county, and other public officers to report information as to the assessment of property, collection of taxes received from licenses and other sources, and such other information as may be needful in the work of the department

of revenue, in such form and upon such blanks as he may prescribe;

(6) To require individuals, copartnerships, companies, associations, and corporations to furnish information concerning their capital, funded or other debt, current assets and liabilities, earnings, operating expenses, taxes, as well as all other statements now required by law for taxation purposes;

(7) To summon witnesses to appear and give testimony, and to produce books, records, papers and documents relating to any tax matter which he may have authority to investigate or determine. *Provided, that any summons which does not identify the person or persons with respect to whose tax liability the summons is issued may be served only if (a) the summons relates to the investigation of a particular person or ascertainable group or class of persons, (b) there is a reasonable basis for believing that such person or group or class of persons may fail or may have failed to comply with any tax law administered by the commissioner, (c) the information sought to be obtained from the examination of the records (and the identity of the person or persons with respect to whose liability the summons is issued) is not readily available from other sources, (d) the summons is clear and specific as to the information sought to be obtained, and (e) the information sought to be obtained is limited solely to the scope of the investigation. Provided further that the party served with a summons which does not identify the person or persons with respect to whose tax liability the summons is issued shall have the right, within 20 days after service of the summons, to petition the district court for the judicial district in which lies the county in which the summons is served for a determination as to whether the commissioner of revenue has complied with all the requirements in (a) to (e), and thus, whether the summons is enforceable. If no such petition is made by the party served within the time prescribed, the summons shall have the force and effect of a court order;*

(8) To cause the deposition of witnesses residing within or without the state, or absent therefrom, to be taken, upon notice to the interested party, if any, in like manner that depositions of witnesses are taken in civil actions in the district court, in any matter which he may have authority to investigate or determine;

(9) To investigate the tax laws of other states and countries and to formulate and submit to the legislature such legislation as he may deem expedient to prevent evasions of assessment and taxing laws, and to secure just and equal taxation and improvement in the system of assessment and taxation in this state;

(10) To consult and confer with the governor upon the subject of taxation, the administration of the laws in regard thereto, and the progress of the work of the department of revenue, and to furnish the governor, from time to time, such assistance and information as he may require relating to tax matters;



(11) To transmit to the governor, on or before the third Monday in December of each even-numbered year, and to each member of the legislature, on or before November 15 of each even numbered year, the report of the department of revenue for the preceding years, showing all the taxable property in the state and the value of the same, in tabulated form;

(12) To inquire into the methods of assessment and taxation and ascertain whether the assessors faithfully discharge their duties, particularly as to their compliance with the laws requiring the assessment of all property not exempt from taxation;

(13) To exercise and perform such further powers and duties as may be required or imposed upon the commissioner of revenue by law;

(14) The commissioner of revenue may promulgate rules and regulations for the administration and enforcement of the property tax. Such rules and regulations shall have the force and effect of law;

(15) To execute and administer any agreement with the secretary of the treasury of the United States regarding the exchange of information and administration of the tax laws of both the United States and the state of Minnesota;

(16) To administer and enforce the provisions of sections 325.64 to 325.76, the Minnesota unfair cigarette sales act.

Sec. 3. Minnesota Statutes 1980, Section 270.07, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of revenue shall prescribe the form of all blanks and books required under this chapter. He shall hear and determine all matters of grievance relating to taxation. Except as otherwise provided by law, he shall have power to grant such reduction or abatement of assessed valuations or taxes and of any costs, penalties or interest thereon as he 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. Application therefor shall be submitted with a statement of facts in the case and the favorable recommendation of the county board or of the board of abatement of any city where any such board exists, and the county auditor of the county wherein such tax was levied or paid. In the case of gross earnings taxes the application may be made directly to the commissioner without the favorable action of the county board and county auditor, and the commissioner shall direct that any gross earnings taxes which may have been erroneously or unjustly paid shall be applied against unpaid taxes due from the applicant for such refundment. No reduction, abatement, or refundment of any

special assessments made or levied by any municipality for local improvements shall be made unless it is also approved by the board of review or similar taxing authority of such municipality. The commissioner may refer any question that may arise in reference to the true construction of this chapter to the attorney general, and his decision thereon shall be in force and effect until annulled by the judgment of a court of competent jurisdiction. The commissioner shall forward to the county auditor a copy of the order by him made in all cases in which the approval of the county board is required. The commissioner may by written order abate, reduce, or refund any penalty or interest imposed by any law relating to taxation, if in his opinion the (ENFORCEMENT OF SUCH A PENALTY OR THE PAYMENT OF SUCH INTEREST WOULD BE UNJUST AND INEQUITABLE) *failure to timely pay the tax or failure to timely file the return is due to reasonable cause*. Such order shall, in the case of real and personal property taxes, be made only on application and approval as provided in this section; in the case of all other taxes, such order shall be made on application of the taxpayer to the commissioner and, if the order is for an abatement, reduction or refund of over (\$500) \$5,000, it shall be valid only if approved in writing by the attorney general.

An appeal may not be taken to the tax court from any order of the commissioner of revenue made in the exercise of the discretionary authority granted to him in this subdivision in response to a taxpayer's application for an abatement, reduction or refund of taxes, assessed valuations, costs, penalties or interest.

Sec. 4. Minnesota Statutes 1980, Section 270.10, Subdivision 1, is amended to read:

Subdivision 1. [IN WRITING; APPROVAL BY ATTORNEY GENERAL.] All orders and decisions of the commissioner of revenue, or any of his subordinates, respecting any tax, assessment, or other obligation, shall be in writing, filed in the offices of the department. No order or decision increasing or decreasing any tax, assessment, or other obligation by a sum exceeding \$500 on real or personal property, or the assessed valuation thereof, or other obligation relating thereto, the result of which is to increase or decrease the total amount payable including penalties and interest, by a sum exceeding \$1,000, and no order or decision increasing or decreasing any other tax by a sum exceeding \$1,000 exclusive of penalties and interest, shall be made without the written signature or facsimile signature of the commissioner, a deputy commissioner, assistant commissioner, division director, or acting division director in each case. Written notice of every order granting a reduction, abatement, or refundment exceeding (\$1,000) \$5,000 of any tax exclusive of penalties and interest, shall be given within five days to the attorney general. The attorney general shall forthwith examine such order, and

if he deems the same proper and legal he shall approve the same in writing, and may waive the right of appeal therefrom in behalf of the state; otherwise he shall take an appeal from the order in behalf of the state as herein provided; but written approval of the commissioner or his deputy and written notice to the attorney general, shall not be required with respect to the following orders: (1) orders reducing assessed valuation of property by reason of its classification as a homestead; (2) orders not involving refunds which have the effect only of correcting income and franchise tax assessments to conform to the amounts shown on final returns filed as provided by section 290.42, clause (6); (3) original orders for the refundment of gasoline and special fuel taxes.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 270.66, is amended to read:

270.66 [RIGHT OF SETOFF.]

*Subdivision 1. [CERTIFICATION BY COMMISSIONER.]* Upon certification by the commissioner of revenue to the commissioner of finance, *or to any state agency described in subdivision 3 which disburses its own funds, within five years after the tax should have been paid or the return is filed, whichever is later*, 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 *or the state agency* shall apply to such delinquent tax liability funds sufficient to satisfy such unpaid tax liability from funds appropriated for payment of (SAID) *an* 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 *those funds* owed (THE) *an individual* taxpayer who receives *assistance* under the provisions of chapter 256 (OR 256B).

*Subd. 2. [SETOFF SATISFIES STATE OBLIGATION.]* All funds, whether general or dedicated, shall be subject to set-off 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.

*Subd. 3. [AGENCIES SHALL MAINTAIN RECORDS.]* 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, payments 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. *Furthermore, if the vendor has an uncontested delinquent tax liability, the setoff provided in subdivision 1 may be implemented.* 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. 6. [270.67] [AGREEMENTS REGARDING TAX LIABILITY OR EXTENSION OF PAYMENT OF TAX.]**

*Subdivision 1. [LIABILITY AGREEMENTS.] The commissioner of revenue, or any officer or employee of the department of revenue authorized in writing by the commissioner, is authorized to enter into an agreement in writing with any taxpayer, or duly authorized agent or representative of the taxpayer, relating to the liability of the taxpayer in respect of any state tax administered by the commissioner for any taxable period ending prior to the date of the agreement. If the agreement is approved by the commissioner within the time stated in the agreement, or later agreed to, the agreement shall be final and conclusive; and, except upon a showing of fraud or malfeasance, or misrepresentation of a material fact, the case shall not be reopened as to the matters agreed upon, or the agreement modified, by any officer, employee, or agent of the state; and, in any suit, action, or proceeding, the agreement, or any determination, assessment, collection, payment, abatement, refund, or credit made in accordance with the agreement, shall not be annulled, modified, set aside, or disregarded.*

*Subd. 2. [EXTENSION AGREEMENTS.] When any portion of any tax payable to the commissioner of revenue together with interest and penalty thereon, if any, has not been paid six months from the date prescribed by law for its payment, the commissioner may extend the time for payment for a further period not to exceed 36 months. When the authority of this section is invoked, the extension shall be evidenced by written agreement signed by the taxpayer and the commissioner, stating the amount of the tax with penalty and interest, if any, and providing for the payment of the amount in regular weekly, semimonthly or monthly installments. The agreement shall con-*

tain a confession of judgment for the amount and for any unpaid portion thereof and shall provide that the commissioner may forthwith enter judgment against the taxpayer in the district court of the county of his residence as shown upon his tax return for the unpaid portion of the amount specified in the extension agreement. The principal sum specified in the agreement shall bear interest at the rate specified in section 270.75 on all unpaid portions thereof until the same has been fully paid or the unpaid portion thereof has been entered as a judgment. The judgment shall bear interest at the rate specified in section 270.75. If it appears to the commissioner that the tax reported by the taxpayer is in excess of the amount actually owing by the taxpayer, the extension agreement or the judgment entered pursuant thereto shall be corrected. If after making the extension agreement or entering judgment with respect thereto, the commissioner determines that the tax as reported by the taxpayer is less than the amount actually due, the commissioner shall assess a further tax in accordance with the provisions of law applicable to the tax. The authority granted to the commissioner by this section is in addition to any other authority granted to the commissioner by law to extend the time of payment or the time for filing a return and shall not be construed in limitation thereof.

**Sec. 7. [270.68] [LEGAL ACTION; CONFESSION OF JUDGMENT.]**

**Subdivision 1. [LEGAL ACTION.]** In addition to all other methods authorized by law for the collection of tax, if any tax payable to the commissioner of revenue or to the department of revenue, including penalties and interest thereon, is not paid within 60 days after it is required by law to be paid, the commissioner of revenue may, within five years after the date the tax should have been paid or the return is filed, whichever is later, bring an action at law against the person liable for the payment or collection of the tax, in the name of the state, for the recovery of the tax and interest and penalties due in respect thereof. The action shall be brought in the district court of the judicial district in which lies the county of the residence or principal place of business within this state of the taxpayer, or, in the case of an estate or trust, of the place of its principal administration, and for this purpose the place named as such in the return, if any, made by the taxpayer shall be conclusive against the taxpayer in this matter. If no place is named in the return, the action may be commenced in Ramsey county. The action shall be commenced by filing with the clerk of the court a statement showing the name and address of the taxpayer, if known, an itemized summary of the taxable periods and the type of tax, the tax due and unpaid and the interest and penalties due with respect thereto under the provisions of law applicable to the tax, and shall contain a prayer that the court adjudge the taxpayer to be indebted on account of the taxes, interest, and penalties in the amount specified in the statement; a copy of the statement shall be furnished to the clerk therewith. The clerk shall mail a copy of the statement by certified mail to the taxpayer at the address given in the return, if

any; and, if no address is given, then at his last known address, within five days after the same is filed, except that, if the taxpayer's address is not known, notice to him shall be made by posting a copy of the statement for ten days in the place in the courthouse where public notices are regularly posted. The taxpayer shall, if he desires to litigate the claim, or any part thereof, file a verified answer with the clerk setting forth his objections to the claim, or any part thereof; the answer shall be filed on or before the 20th day after the date of mailing the statement; or, if notice has been given by posting, on or before the 20th day after the expiration of the period during which the notice was required to be posted. If no answer is filed within the specified time, the clerk, upon the filing of an affidavit of default, shall enter judgment for the state in the amount prayed for, plus costs of \$10. If an answer is filed, the issues raised shall stand for trial as soon as possible after the filing of the answer, and the court shall determine the issues and direct judgment accordingly; and, if the taxes, interest, or penalties are sustained to any extent over the amount rendered by the taxpayer, shall assess \$10 costs against the taxpayer. The court shall disregard all technicalities and matters of form not affecting the substantial merits. The commissioner may call upon the county attorney or the attorney general to conduct the proceedings on behalf of the state. Execution shall be issued upon the judgment at the request of the commissioner, and the execution shall, in all other respects, be governed by the laws applicable to executions issued on judgments. Only the homestead and household goods of the judgment debtor shall be exempt from seizure and sale upon the execution.

**Subd. 2. [APPEALS.]** *Either party to an action or a judgment for the recovery of any taxes, interest, or penalties under subdivision 1 may remove the judgment to the supreme court by appeal, as provided for appeals in civil cases.*

**Subd. 3. [TAX PRESUMED VALID.]** *The tax, as assessed by the commissioner, with any penalties included therein, shall be presumed to be valid and correctly determined and assessed, and the burden shall be upon the taxpayer to show its incorrectness or invalidity. The statement filed by the commissioner with the clerk of court, as provided in subdivision 1, or any other certificate by the commissioner of the amount of the tax and penalties as determined or assessed by him, shall be admissible in evidence and shall establish prima facie the facts set forth therein.*

**Subd. 4. [CONFESSION OF JUDGMENT.]** (a) *The commissioner may, within 3-1/2 years after any return or report is filed, notwithstanding section 541.09, enter judgment on any confession of judgment contained in the return or report after ten days notice served upon the taxpayer by mail at the address shown in his return or report. The judgment shall be entered by the clerk of court of any county upon the filing of a photocopy or similar reproduction of that part of the return or report containing the confession of judgment along with a statement of the commissioner or his agent that the tax has not been paid.*

(b) Notwithstanding any other provision of the law to the contrary, the commissioner may, within five years after a written agreement is signed by the taxpayer and the commissioner under the provisions of section 6, subdivision 2, enter judgment on the confession of judgment contained within the agreement after ten days notice served upon the taxpayer at the address shown in the agreement. Such judgment shall be entered by the clerk of court of any county upon the filing of the agreement or a certified copy thereof along with a statement of the commissioner or his agent that the tax has not been paid.

Sec. 8. [270.69] [LIEN FOR TAXES.]

Subdivision 1. [CREATION OF LIEN.] The tax imposed by any chapter administered by the commissioner of revenue, and interest and penalties imposed with respect thereto, shall become a lien upon all the property within this state, both real and personal, of the person liable for the payment or collection of the tax, except his homestead, from and after the filing by the commissioner of a notice of lien in the office of the county recorder of the county in which the property is situated, or in the case of personal property belonging to an individual who is not a resident of this state, or which is a corporation, partnership, or other organization, in the office of the secretary of state.

Subd. 2. [INDEXING OF LIENS.] The indexing of liens filed pursuant to this section and, notwithstanding section 386.77, the fees charged for such filing and indexing, shall be as prescribed in sections 272.483 and 272.484.

Subd. 3. [EXEMPT PROPERTY.] The lien imposed on personal property by this section, even though properly filed, shall not be valid as against a purchaser with respect to tangible personal property purchased at retail or as against the personal property listed as exempt in sections 550.37, 550.38, and 550.39.

Subd. 4. [PERIOD OF LIMITATIONS.] The lien imposed by this section shall, notwithstanding any other provision of law to the contrary, be valid and enforceable for ten years from the date of filing the notice of lien, which must be filed by the commissioner within five years after the tax should have been paid or the return is filed, whichever is later.

Subd. 5. [PRIORITY OF LIEN.] Only for the purpose of determining the order of priority of the lien imposed by this section and a federal tax lien, the lien imposed by this section shall arise at the time the state tax assessment is made.

Subd. 6. [ENFORCEABILITY OF LIEN.] The lien imposed by this section shall be enforceable by levy as authorized

*in section 270.70, or by judgment lien foreclosure as authorized in chapter 550.*

*Subd. 7. [NOTICE OF MORTGAGE FORECLOSURE OR CONTRACT TERMINATION.] If a lien has been filed by the commissioner of revenue against real property pursuant to this section, and, subsequent to the recording of the lien, a mortgage foreclosure upon the real property is commenced under chapter 580, or a termination of contract of sale of the real property is commenced under section 559.21, notice of the mortgage foreclosure or termination of contract of sale shall be mailed to the commissioner not less than 25 days prior to the foreclosure or termination.*

Sec. 9. Minnesota Statutes 1980, Section 270.70, Subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY OF COMMISSIONER.] If any tax payable to the commissioner of revenue or to the department of revenue is not paid when due, such tax may be collected by the commissioner of revenue *within five years after the tax should have been paid or the return is filed, whichever is later*, by a levy upon all property and rights to property of the person liable for *the payment or collection of such tax* (,) (except that which is exempt from execution pursuant to section 550.37) *or property on which there is a lien provided in section 8.* For this purpose, the term "tax" shall include any penalty, interest and costs properly payable. The term "levy" includes the power of distraint and seizure by any means.

Sec. 10. Minnesota Statutes 1980, Section 270.70, Subdivision 2, is amended to read:

Subd. 2. [NOTICE AND DEMAND; JEOPARDY COLLECTION.] Before a levy is made, notice and demand for payment of the amount due shall be given to the person liable for the *payment or collection of the tax* at least ten days prior to the levy. If the commissioner has reason to believe that collection of the tax is in jeopardy, notice and demand for immediate payment of (SUCH) *the tax* may be made by the commissioner. If the tax is not paid, the commissioner may proceed to collect by levy without regard to the ten day period provided herein.

Sec. 11. Minnesota Statutes 1980, Section 270.70, Subdivision 3, is amended to read:

Subd. 3. [MANNER OF EXECUTION AND SALE.] In making the execution of the levy and in collecting the taxes due, the commissioner shall have all of the powers provided in chapter 550 and in any other law for purposes of effecting an execution against property in this state. The sale of property levied upon, and the time and manner of redemption therefrom, shall



(BE AS), to the extent not provided in sections 17 to 25, be governed by chapter 550. The seal of the court, subscribed by the clerk, as provided in section 550.04, shall not be required. The levy for collection of taxes may be made whether or not the commissioner has commenced a legal action for collection of such taxes.

Sec. 12. Minnesota Statutes 1980, Section 270.70, Subdivision 5, is amended to read:

Subd. 5. [PROBATE COURT JURISDICTION.] Where a levy has been made to collect taxes pursuant to (SUBDIVISION 1) *this section* and the property seized is properly included in a formal proceeding commenced under sections 524.3-401 to 524.3-505 and maintained under full supervision of the court, such property shall not be sold until the probate proceedings are completed or until the court so orders.

Sec. 13. Minnesota Statutes 1980, Section 270.70, is amended by adding a subdivision to read:

Subd. 13. [LEVY AND SALE BY SHERIFF.] *If any tax payable to the commissioner of revenue or to the department of revenue is not paid as provided in subdivision 2, the commissioner may, within five years after the tax should have been paid or the return is filed, whichever is later, delegate the authority granted to him by subdivision 1, by means of issuing his warrant to the sheriff of any county of the state commanding him, as agent for the commissioner, to levy upon and sell the real and personal property of the person liable for the payment or collection of the tax and to levy upon the rights to property of that person within the county, or to levy upon and seize any property within the county on which there is a lien provided in section 8, and to return the warrant to the commissioner and pay to the commissioner the money collected by virtue thereof by a time to be therein specified not less than 60 days from the date of the warrant. The sheriff shall proceed thereunder to levy upon and seize any property of the person and to levy upon the rights to property of the person within the county (except his homestead or that property which is exempt from execution pursuant to section 550.37), or to levy upon and seize any property within the county on which there is a lien provided in section 8. For purposes of the preceding sentence, the term "tax" shall include any penalty, interest and costs properly payable. The sheriff shall then sell so much of the property levied upon as is required to satisfy the taxes, interest, and penalties, together with his costs; but the sales, and the time and manner of redemption therefrom, shall, to the extent not provided in sections 17 to 25, be governed by chapter 550. The proceeds of the sales, less the sheriff's costs, shall be turned over to the commissioner, who shall then apply the proceeds as provided in section 24.*

Sec. 14. Minnesota Statutes 1980, Section 270.70, is amended by adding a subdivision to read:

*Subd. 14. [PRIORITY OF LEVY.] A levy by the commissioner made pursuant to the provisions of this section upon a taxpayer's funds on deposit in a financial institution located in this state, shall have priority over any unexercised right of setoff of the financial institution to apply the levied funds toward the balance of an outstanding loan or loans owed by the taxpayer to the financial institution. A claim by the financial institution that it exercised its right to setoff prior to the levy by the commissioner must be substantiated by evidence of the date of the setoff, and shall be verified by the sworn statement of a responsible corporate officer of the financial institution. Furthermore, for purposes of determining the priority of any levy made under this section, the levy shall be treated as if it were an execution made pursuant to chapter 550.*

**Sec. 15.** Minnesota Statutes 1980, Section 270.70, is amended by adding a subdivision to read:

*Subd. 15. [EFFECT OF HONORING LEVY.] Any person in possession of (or obligated with respect to) property or rights to property subject to levy upon which a levy has been made who, upon demand by the commissioner, surrenders the property or rights to property (or who pays a liability under subdivision 8) shall be discharged from any obligation or liability to the person liable for the payment or collection of the delinquent tax with respect to the property or rights to property so surrendered or paid.*

**Sec. 16.** Minnesota Statutes 1980, Section 270.70, is amended by adding a subdivision to read:

*Subd. 16. [NOTICE OF LEVY.] Notwithstanding any other provision of law to the contrary, the notice of any levy authorized by this section may be served by mail or by delivery by an employee or agent of the department of revenue.*

**Sec. 17. [270.701] [SALE OF SEIZED PROPERTY.]**

*Subdivision 1. [NOTICE OF SEIZURE.] As soon as practicable after seizure of property, notice in writing shall be given by the commissioner of revenue to the owner of the property (or, in the case of personal property, the possessor thereof), and shall be served in like manner as a summons in a civil action in the district court. If the owner cannot be readily located, or has no dwelling or place of business within this state, the notice may be mailed to his last known address. The notice shall specify the sum demanded and shall contain, in the case of personal property, an account of the property seized and, in the case of real property, a description with reasonable certainty of the property seized.*

*Subd. 2. [NOTICE OF SALE.] The commissioner shall as soon as practicable after the seizure of the property give notice*

of sale of the property to the owner, in the manner of service prescribed in subdivision 1. In the case of personal property, the notice shall be served at least 10 days prior to the sale. In the case of real property, the notice shall be served at least four weeks prior to the sale. The commissioner shall also cause public notice of each sale to be made. In the case of personal property, notice shall be posted at least 10 days prior to the sale at the post office nearest the place where the seizure is made, and in not less than two other public places. In the case of real property, six weeks' published notice shall be given prior to the sale, in a newspaper published or generally circulated in the county. The notice of sale provided in this subdivision shall specify the property to be sold, and the time, place, manner and conditions of the sale. Whenever levy is made without regard to the ten-day period provided in section 270.70, subdivision 2, public notice of sale of the property seized shall not be made within the ten-day period unless section 18 (relating to sale of perishable goods) is applicable.

*Subd. 3. [SALE OF INDIVISIBLE PROPERTY.]* If any property liable to levy is not divisible, so as to enable the commissioner by sale of a part thereof to raise the whole amount of the tax and expenses, the whole of the property shall be sold.

*Subd. 4. [TIME AND PLACE OF SALE.]* The time of sale shall be after the expiration of the notice periods prescribed in subdivision 2. The place of sale shall be within the county in which the property is seized, except by special order of the commissioner.

*Subd. 5. [MANNER AND CONDITIONS OF SALE.]* (a) Before the sale the commissioner shall determine a minimum price for which the property shall be sold, and if no person offers for the property at the sale the amount of the minimum price, the property shall be declared to be purchased at the minimum price for the state of Minnesota; otherwise the property shall be declared to be sold to the highest bidder. In determining the minimum price, the commissioner shall take into account the expense of making the levy and sale. The announcement of the minimum price determined by the commissioner may be delayed until the receipt of the highest bid.

(b) The sale shall not be conducted in any manner other than:

(i) by public auction, or

(ii) by public sale under sealed bids.

(c) In the case of seizure of several items of property, the items may be offered separately, in groups, or in the aggregate, and shall be sold under whichever method produces the highest aggregate amount.

(d) *Payment in full shall be required at the time of acceptance of a bid, except that a part of the payment may be deferred by the commissioner for a period not to exceed 30 days.*

(e) *Other methods (including advertising) in addition to those prescribed in subdivision 2 may be used in giving notice of the sale.*

(f) *The commissioner may adjourn the sale from time to time for a period not to exceed 30 days.*

(g) *If payment in full is required at the time of acceptance of a bid and is not then and there paid, the commissioner shall forthwith proceed to again sell the property in the manner provided in this section. If the conditions of the sale permit part of the payment to be deferred, and if the part is not paid within the prescribed period, suit may be instituted against the purchaser for the purchase price or that part thereof as has not been paid, together with interest at the rate specified in section 549.09 from the date of the sale; or, in the discretion of the commissioner, the sale may be declared by the commissioner to be null and void for failure to make full payment of the purchase price and the property may again be advertised and sold as provided in this section. In the event of a readvertisement and sale, any new purchaser shall receive the property or rights to property free and clear of any claim or right of the former defaulting purchaser, of any nature whatsoever, and the amount paid upon the bid price by the defaulting purchaser shall be forfeited.*

#### Sec. 18. [270.702] [SALE OF PERISHABLE GOODS.]

*If the commissioner determines that any property seized is liable to perish or become greatly reduced in price or value by keeping, or that the property cannot be kept without great expense, he shall appraise the value of the property, and if the owner of the property can be readily found, the commissioner shall give the owner notice of the determination of the appraised value of the property. The property shall be returned to the owner if, within the time specified in the notice, the owner (a) pays to the commissioner an amount equal to the appraised value, or (b) gives bond in the form, with the sureties, and in the amount as the commissioner prescribes to pay the appraised amount at the time the commissioner determines to be appropriate in the circumstances. If the owner does not pay the amount or furnish the bond in accordance with this section, the commissioner shall as soon as practicable make public sale of the property in accordance with section 17.*

#### Sec. 19. [270.703] [REDEMPTION OF PROPERTY.]

*Subdivision 1. [BEFORE SALE.] Any person whose property has been levied upon shall have the right to pay the amount*

*due, together with the expenses of the proceeding, if any, to the commissioner at any time prior to the sale thereof, and upon payment the commissioner shall restore the property to him, and all further proceedings in connection with the levy on the property shall cease from the time of payment.*

*Subd. 2. [REDEMPTION OF REAL ESTATE AFTER SALE.] The owners of any real property sold as provided in this section, their heirs, executors, or administrators, or any person having any interest therein, or a lien thereon, or any person in their behalf, shall be permitted to redeem the property sold, or any particular tract of the property, at any time within 6 months, or in case the real property sold exceeds 10 acres in size, at any time within 12 months, after the sale thereof. The property or tract of property shall be permitted to be redeemed upon payment to the purchaser (or in case he cannot be found in the county in which the property to be redeemed is situated, then to the commissioner, for the use of the purchaser, his heirs, or assigns) of the amount paid by the purchaser together with interest at the rate specified in section 549.09 from the date of the sale.*

*Subd. 3. [RECORD.] When any lands sold are redeemed as provided in this section, the commissioner shall cause entry of the fact to be made upon the record required by section 22 and the entry shall be evidence of the redemption.*

**Sec. 20. [270.704] [CERTIFICATE OF SALE.]**

*In the case of property sold as provided in section 17, the commissioner shall give to the purchaser a certificate of sale upon payment in full of the purchase price. In the case of real property the certificate shall set forth the real property purchased, for whose taxes the property was sold, the name of the purchaser, and the price paid. If real property is declared purchased by the state of Minnesota, the commissioner shall within ten days from the sale cause the certificate of sale to be duly recorded by the county recorder of the county in which the real property is located.*

**Sec. 21. [270.705] [EFFECT OF CERTIFICATE OF SALE.]**

*Subdivision 1. [PERSONAL PROPERTY.] (a) In all cases of sale pursuant to section 17 of personal property, the certificate of sale given pursuant to section 20 shall be prima facie evidence of the right of the commissioner to make the sale, and conclusive evidence of the regularity of his proceedings in making the sale. The certificate shall transfer to the purchaser all right, title, and interest of the party delinquent in and to the property sold.*

(b) *If the property consists of stocks, the certificate of sale shall be notice, when received, to any corporation, company, or association of the transfer, and shall be authority to the corporation, company, or association to record the transfer on its books and records in the same manner as if the stocks were transferred or assigned by the party holding the same, in lieu of any original or prior certificate, which shall be void, whether cancelled or not.*

(c) *If the subject of sale is securities or other evidences of debt, the certificate of sale shall be a good and valid receipt to the person holding the same, as against any person holding or claiming to hold possession of the securities or other evidences of debt.*

(d) *If the property consists of a motor vehicle, the certificate of sale shall be notice, when received, to the registrar of motor vehicles of this state of the transfer, and shall be authority to the registrar to record the transfer on his books and records in the same manner as if the certificate of title to the motor vehicle were transferred or assigned by the party holding the same, in lieu of any original or prior certificate, which shall be void, whether cancelled or not.*

**Subd. 2. [REAL PROPERTY.]** *In the case of the sale of real property pursuant to section 17, the certificate of sale given pursuant to section 20 shall be prima facie evidence of the facts therein stated, and shall be considered and operate as a conveyance of all the right, title, and interest the party delinquent had in and to the real property thus sold at the time the lien of the state of Minnesota attached thereto.*

**Subd. 3. [JUNIOR ENCUMBRANCES.]** *A certificate of sale of personal property or real property given pursuant to section 20 shall discharge the property from all liens, encumbrances, and titles over which the lien of the state of Minnesota with respect to which the levy was made had priority.*

**Sec. 22. [270.706] [RECORDS OF SALE.]**

*The commissioner shall, for the department of revenue, keep a record of all sales of property under section 17 and of redemptions of real property. The record shall set forth the tax for which the sale was made, the dates of seizure and sale, the name of the party assessed and all proceedings in making the sale, the amount of expenses, the names of the purchasers, and the date of the certificate of sale. A copy of the record, or any part thereof, certified by the commissioner shall be evidence in any court of the truth of the facts therein stated.*

**Sec. 23. [270.707] [EXPENSE OF LEVY AND SALE.]**

*The commissioner shall determine the expenses to be allowed in all cases of levy and sale.*

**Sec. 24. [270.708] [APPLICATION OF PROCEEDS OF LEVY.]**

*Subdivision 1. [COLLECTION OF LIABILITY.] Any money realized by proceedings under this chapter, whether by seizure, by surrender under section 270.70 (except pursuant to subdivision 9 thereof), by sale of seized property, or by sale of property redeemed by the state of Minnesota (if the interest of the state of Minnesota in the property was a lien arising under the provisions of section 8), shall be applied as follows:*

*(a) First, against the expenses of the proceedings; then*

*(b) If the property seized and sold is subject to a tax administered by the commissioner of revenue which has not been paid, the amount remaining after applying clause (a) shall next be applied against the tax liability (and, if the tax was not previously assessed, it shall then be assessed); and*

*(c) The amount, if any, remaining after applying clauses (a) and (b) shall be applied against the tax liability in respect of which the levy was made or the sale was conducted.*

*Subd. 2. [SURPLUS PROCEEDS.] Any surplus proceeds remaining after the application of subdivision 1 shall, upon application and satisfactory proof in support thereof, be credited or refunded by the commissioner to the person or persons legally entitled thereto.*

**Sec. 25. [270.709] [AUTHORITY TO RELEASE LEVY AND RETURN PROPERTY.]**

*Subdivision 1. [RELEASE OF LEVY.] It shall be lawful for the commissioner to release the levy upon all or part of the property or rights to property levied upon if the commissioner determines that the release will facilitate the collection of the liability, but the release shall not operate to prevent any subsequent levy.*

*Subd. 2. [RETURN OF PROPERTY.] If the commissioner determines that property has been wrongfully levied upon, it shall be lawful for the commissioner to return:*

*(a) The specific property levied upon, at any time;*

*(b) An amount of money equal to the amount of money levied upon, at any time before the expiration of nine months from the date of the levy; or*

(c) *An amount of money equal to the amount of money received by the state of Minnesota from a sale of the property, at any time before the expiration of nine months from the date of the sale.*

*For purposes of clause (c), if property is declared purchased by the state of Minnesota at a sale pursuant to section 17, subdivision 5 (relating to manner and conditions of sale), the state of Minnesota shall be treated as having received an amount of money equal to the minimum price determined pursuant to section 17, subdivision 5 or, if larger, the amount received by the state of Minnesota from the resale of the property.*

**Sec. 26. [270.71] [ACQUISITION AND RESALE OF SEIZED PROPERTY.]**

*For the purpose of enabling the commissioner of revenue to purchase or redeem seized property in which the state of Minnesota has an interest arising from a lien for unpaid taxes, there is appropriated to the commissioner an amount representing the cost of such purchases or redemptions. Seized property acquired by the state of Minnesota to satisfy unpaid taxes shall be resold by the commissioner. The commissioner shall preserve the value of seized property while it is under his control, including but not limited to the procurement of insurance. For the purpose of refunding the proceeds from the sale of levied or redeemed property which are in excess of the actual tax liability plus costs of acquiring the property, there is hereby created a levied and redeemed property refund account in the agency fund. All amounts deposited into this account are appropriated to the commissioner of revenue. The commissioner shall report quarterly on the status of this program to the chairmen of the house taxes and appropriations committees and senate taxes and tax laws and finance committees.*

**Sec. 27. Minnesota Statutes 1981 Supplement, Section 270.75, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 1, is amended by adding a subdivision to read:**

*Subd. 6. Notwithstanding section 549.09, if judgment is entered upon any tax payable to the commissioner of revenue which has not been paid within the time specified by law for payment, the unpaid judgment shall bear interest at the rate specified in this section from the date judgment is entered until the date of payment.*

**Sec. 28. Minnesota Statutes 1980, Section 290.45, Subdivision 2, is amended to read:**

**Subd. 2. [EXTENSIONS.] ((A)) At the request of the taxpayer, and for good cause shown, the commissioner may ex-**



tend the time for payment of the amount determined as the tax by the taxpayer, or any installment thereof, or any amount determined as a deficiency, for a period not to exceed six months from the date prescribed for the payment of the tax or an installment thereof. In such case the amount in respect of which the extension is granted shall be paid together with interest at the rate specified in section 270.75 on or before the date of the expiration of the period of the extension.

**((B) WHEN ANY PORTION OF THE TAX AS REPORTED BY THE TAXPAYER TOGETHER WITH INTEREST AND PENALTY THEREON, IF ANY, HAS NOT BEEN PAID SIX MONTHS FROM THE DATE PRESCRIBED BY LAW FOR THE PAYMENT THEREOF THE COMMISSIONER MAY EXTEND THE TIME FOR PAYMENT THEREOF FOR A FURTHER PERIOD NOT TO EXCEED 30 MONTHS. WHEN THE AUTHORITY OF THIS PARAGRAPH (B) IS INVOKED, THE EXTENSION SHALL BE EVIDENCED BY WRITTEN AGREEMENT SIGNED BY THE TAXPAYER AND THE COMMISSIONER, STATING THE AMOUNT OF SUCH TAX WITH PENALTY AND INTEREST, IF ANY, AND PROVIDING FOR THE PAYMENT OF SUCH AMOUNT IN REGULAR WEEKLY, SEMI-MONTHLY OR MONTHLY INSTALLMENTS, WHICH AGREEMENT SHALL CONTAIN A CONFESSION OF JUDGMENT FOR SUCH AMOUNT AND FOR ANY UNPAID PORTION THEREOF AND PROVIDING THAT THE COMMISSIONER MAY FORTHWITH ENTER JUDGMENT AGAINST THE TAXPAYER IN THE DISTRICT COURT OF THE COUNTY OF HIS RESIDENCE AS SHOWN UPON HIS TAX RETURN FOR THE UNPAID PORTION OF THE AMOUNT SPECIFIED IN SAID EXTENSION AGREEMENT. THE PRINCIPAL SUM SPECIFIED IN SAID AGREEMENT SHALL BEAR INTEREST AT THE RATE SPECIFIED IN SECTION 270.75 ON ALL UNPAID PORTIONS THEREOF UNTIL THE SAME HAS BEEN FULLY PAID OR THE UNPAID PORTION THEREOF HAS BEEN ENTERED AS A JUDGMENT, WHICH JUDGMENT SHALL BEAR INTEREST AT THE RATE SPECIFIED IN SECTION 270.75. IF IT SHALL APPEAR TO THE SATISFACTION OF THE COMMISSIONER THAT THE TAX REPORTED BY THE TAXPAYER IS IN EXCESS OF THE AMOUNT ACTUALLY OWING BY THE TAXPAYER, THE EXTENSION AGREEMENT OR THE JUDGMENT ENTERED PURSUANT THERETO SHALL BE SO CORRECTED. IF AFTER MAKING SUCH EXTENSION AGREEMENT OR ENTERING JUDGMENT WITH RESPECT THERETO, THE COMMISSIONER SHALL DETERMINE THAT THE TAX AS REPORTED BY THE TAXPAYER IS LESS THAN THE AMOUNT ACTUALLY DUE, THE COMMISSIONER SHALL ASSESS SUCH FURTHER TAX IN ACCORDANCE WITH THE PROVISIONS OF THIS CHAPTER. THE AUTHORITY GRANTED TO THE COMMISSIONER BY THIS PARAGRAPH (B) IS IN ADDITION TO**

ANY OTHER AUTHORITY GRANTED TO THE COMMISSIONER BY LAW TO EXTEND THE TIME OF PAYMENT OR THE TIME FOR FILING A RETURN AND SHALL NOT BE CONSTRUED IN LIMITATION THEREOF.)

Sec. 29. Minnesota Statutes 1980, Section 290.48, Subdivision 3, is amended to read:

Subd. 3. [COLLECTION JEOPARDIZED BY DELAY.] The commissioner may (ALSO) proceed under the provisions of (SUBDIVISION 2) *section 270.70* when he has reasonable grounds for believing that the collection of any taxes, interest, or penalties due under this chapter will be jeopardized by delays incident to other methods of collection; and, in such cases, no preliminary notice and demand shall be required.

Sec. 30. Minnesota Statutes 1980, Section 290.48, Subdivision 4, is amended to read:

Subd. 4. [(TAXPAYER ABOUT TO REMOVE FROM STATE) ASSESSMENT JEOPARDIZED BY DELAY.] If the commissioner has reasonable grounds for believing that a taxpayer is about to remove himself or his property from this state with the purpose of evading the tax imposed by this chapter, *or that the collection of the tax will be jeopardized by delays incident to other methods of collection*, he may immediately declare the taxpayer's taxable year at an end and assess a tax on the basis of his own knowledge or information available to him, mail the taxpayer written notice of the amount thereof, at his last known address, demand its immediate payment; and, if payment is not immediately made, collect the tax by (THE) *any* method prescribed in (SUBDIVISION 2) *chapter 270*, except that it need not await the expiration of the periods of time therein specified.

Sec. 31. Minnesota Statutes 1980, Section 290.48, Subdivision 6, is amended to read:

Subd. 6. [APPEALS.] Either party to an action or a judgment for the recovery of any taxes, interest, or penalties under (SUBDIVISION 1 OR) subdivision 5 may remove the judgment to the supreme court by appeal, as provided for appeals in civil cases.

Sec. 32. Minnesota Statutes 1980, Section 290.48, Subdivision 8, is amended to read:

Subd. 8. [TAX PRESUMED VALID.] The tax, as assessed by the commissioner, with any penalties included therein, shall be presumed to be valid and correctly determined and assessed, and the burden shall be upon the taxpayer to show its incorrectness or invalidity. (THE) *Any* statement filed by the com-

missioner with the clerk of court, (AS PROVIDED HEREIN,) or any other certificate by the commissioner of the amount of the tax and penalties as determined or assessed by him, shall be admissible in evidence and shall establish prima facie the facts set forth therein.

Sec. 33. Minnesota Statutes 1980, Section 290.53, Subdivision 2, is amended to read:

Subd. 2. [FAILURE TO MAKE AND FILE RETURN (, NOT DUE TO WILFUL NEGLIGENCE).] In case of any failure to make and file a return as required by this chapter within the time prescribed by law or prescribed by the commissioner in pursuance of law, (UNLESS IT IS SHOWN THAT SUCH FAILURE IS NOT DUE TO WILFUL NEGLIGENCE,) there shall be added to the tax in lieu of the penalty provided in subdivision 1: ten percent 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 so added to any tax shall be collected at the same time and in the same manner and as a part of the tax, and the amount of said tax together with the amount so added shall bear interest at the rate specified in section 270.75 from the time such tax should have been paid until paid unless the tax has been paid before the discovery of the neglect, in which case the amount so added shall be collected in the same manner as the tax.

For the purposes of this subdivision the amount of any taxes required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax and by the amount of any credit against the tax which may be claimed upon the return.

Sec. 34. Minnesota Statutes 1980, Section 290.53, Subdivision 5, is amended to read:

Subd. 5. [ALLOCATION OF PAYMENTS.] All payments received may, *in the discretion of the commissioner of revenue, be credited first to the oldest liability not secured by a judgment or lien, but in all cases shall be credited first to penalties, next to interest, and then to the tax due.*

Sec. 35. Minnesota Statutes 1980, Section 290.54, is amended to read:

#### 290.54 [TAX A PERSONAL DEBT.]

The tax imposed by this chapter, and interest and penalties imposed with respect thereto, shall become a personal debt of the taxpayer from the time the liability therefor arises, irrespective of when the time for discharging such liability by payment occurs. The debt shall, in the case of the personal representative

of the estate of a decedent and in the case of any fiduciary, be that of such person in his official or fiduciary capacity only unless he shall have voluntarily distributed the assets held in such capacity without reserving sufficient assets to pay such tax, interest, and penalties, in which event he shall be personally liable for any deficiency. This provision shall apply only to cases in which this state is legally competent to impose such personal liability.

(THE TAX IMPOSED BY THIS CHAPTER, AND INTEREST AND PENALTIES IMPOSED WITH RESPECT THERETO, SHALL BECOME A LIEN UPON ALL OF THE PROPERTY, BOTH REAL AND PERSONAL, OF THE TAXPAYER WITHIN THIS STATE, EXCEPT HIS HOMESTEAD, FROM AND AFTER THE FILING BY THE COMMISSIONER OF A NOTICE OF SUCH LIEN IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY IN WHICH SUCH PROPERTY IS SITUATED, OR IN THE CASE OF PERSONAL PROPERTY BELONGING TO AN INDIVIDUAL WHO IS NOT A RESIDENT OF THIS STATE, OR WHICH IS A CORPORATION, PARTNERSHIP, OR OTHER ORGANIZATION, IN THE OFFICE OF THE SECRETARY OF STATE.)

(THE LIEN CREATED UNDER THIS SECTION SHALL BECOME EFFECTIVE WITH RESPECT TO PERSONAL PROPERTY FROM AND AFTER THE DATE OF FILING BY THE COMMISSIONER OF A NOTICE OF SUCH LIEN DESCRIBING THE PROPERTY TO WHICH THE LIEN ATTACHES IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY IN WHICH THE COMMISSIONER BELIEVES THE PROPERTY IS LOCATED AT THE TIME SUCH LIEN IS FILED, AND WITH THE SECRETARY OF STATE.)

(THE LIEN IMPOSED ON PERSONAL PROPERTY BY THIS SECTION, EVEN THOUGH PROPERLY FILED, SHALL NOT BE VALID AS AGAINST A PURCHASER WITH RESPECT TO TANGIBLE PERSONAL PROPERTY PURCHASED AT RETAIL OR AS AGAINST THE PERSONAL PROPERTY LISTED AS EXEMPT IN SECTIONS 550.37, 550.38, AND 550.39.)

Sec. 36. Minnesota Statutes 1981 Supplement, Section 290.92, Subdivision 6, is amended to read:

Subd. 6. [RETURNS, DEPOSITS.] (1) (a) [RETURNS.] Every employer who is required to deduct and withhold tax under subdivision 2a or 3 shall file a return with the commissioner for each quarterly period, on or before the last day of the month following the close of each quarterly period, unless otherwise prescribed by the commissioner. Any tax required to be deducted and withheld during the quarterly period shall be paid with the return unless an earlier time for payment is provid-

ed herein. However, any such return may be filed on or before the tenth day of the second calendar month following such period if such return shows timely deposits in full payment of such taxes due for such period. For the purpose of the preceding sentence, a deposit which is not required to be made within such return period, may be made on or before the last day of the first calendar month following the close of such period. Every employer, in preparing said quarterly return, shall take credit for monthly deposits previously made in accordance with this subdivision.

The return shall be in the form and contain the information prescribed by the commissioner. The commissioner may grant a reasonable extension of time for filing the return and paying the tax, but no extension shall be granted for more than six months.

(b) [ADVANCE DEPOSITS REQUIRED IN CERTAIN CASES.] (i) Unless clause (ii) is applicable, if during any calendar month, other than the last month of the calendar quarter, the aggregate amount of the tax withheld during that quarter under subdivision 2a or 3 exceeds \$200, or beginning January 1, 1982, \$500, the employer shall deposit the aggregate amount with the commissioner within 15 days after the close of the calendar month. (ii) If at the close of any eighth-monthly period the aggregate amount of undeposited taxes is \$3,000 or more, the employer shall deposit the undeposited taxes with the commissioner within three banking days after the close of the eighth-monthly period. For purposes of this subparagraph, the term "eighth-monthly period" means the first three days of a calendar month, the fourth day through the seventh day of a calendar month, the eighth day through the 11th day of a calendar month, the 12th day through the 15th day of a calendar month, the 16th day through the 19th day of a calendar month, the 20th day through the 22nd day of a calendar month, the 23rd day through the 25th day of a calendar month, or the portion of a calendar month following the 25th day of such month.

(c) [OTHER METHODS.] The commissioner shall have the power by rule to prescribe other return periods or deposit requirements. In prescribing the reporting period, the commissioner may classify employers according to the amount of their tax liability and may adopt an appropriate reporting period for each class which he deems to be consistent with efficient tax collection. In no event shall the duration of the reporting period be more than one year, provided that for employers with annual withholding tax liabilities of less than \$1,200 the reporting period shall be no more frequent than quarterly.

(2) If less than the correct amount of such tax is paid to the commissioner, proper adjustments, with respect to both the tax and the amount to be deducted, shall be made, without interest, in such manner and at such times as the commissioner may prescribe. If such underpayment cannot be so adjusted the amount

of the underpayment shall be assessed and collected in such manner and at such times as the commissioner may prescribe.

(3) If any employer fails to make and file any return required by paragraph (1) at the time prescribed therefor, or makes and files a false or fraudulent return, the commissioner shall make for him a return from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a tax on the basis thereof. The amount of tax shown thereon shall be paid to the commissioner at such times as the commissioner may prescribe. Any such return or assessment so made by the commissioner shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto.

(4) If the commissioner, in any case, has reason to believe that the collection of the tax provided for in paragraph (1) of this subdivision, and any added penalties and interest, if any, will be jeopardized by delay, he may immediately assess such tax, whether or not the time otherwise prescribed by law for making and filing the return and paying such tax has expired.

(5) Any assessment under this subdivision shall be made by recording the liability of the employer in the office of the commissioner in accordance with regulations prescribed by the commissioner. Upon request of the employer, the commissioner shall furnish the employer a copy of the record of assessment.

(6) Any assessment of tax under this subdivision shall be made within three and one-half years after the due date of the return required by paragraph (1), or the date the return was filed, whichever is later; except that in the case of a false or fraudulent return or failure to file a return, the tax may be assessed at any time.

(7) (a) Except as provided in (b) of this paragraph, every employer who fails to pay to or deposit with the commissioner any sum or sums required by this section to be deducted, withheld and paid, shall be personally and individually liable to the state of Minnesota for such sum or sums (and any added penalties and interest); and any sum or sums deducted and withheld in accordance with the provisions of subdivision 2a or subdivision 3 shall be held to be a special fund in trust for the state of Minnesota.

(b) If the employer, in violation of the provision of this section, fails to deduct and withhold the tax under this section, and thereafter the taxes against which such tax may be credited are paid, the tax so required to be deducted and withheld shall not be collected from the employer; but this shall in no case

relieve the employer from liability for any penalties and interest otherwise applicable in respect of such failure to deduct and withhold.

(8) Upon the failure of any employer to pay to or deposit with the commissioner within the time provided by paragraphs (1), (2) or (3) of this subdivision any tax required to be withheld in accordance with the provisions of subdivision 2a or subdivision 3, or if the commissioner has assessed a tax pursuant to paragraph (4), such tax shall become immediately due and payable, and the commissioner may deliver to the attorney general a certified statement of the tax, penalties and interest due from such employer. The statement shall also give the address of the employer owing such tax, the period for which the tax is due, the date of delinquency, and such other information as may be required by the attorney general. It shall be the duty of the attorney general to institute legal action in the name of the state to recover the amount of such tax, penalties, interest and costs. The commissioner's certified statement to the attorney general shall for all purposes and in all courts be prima facie evidence of the facts therein stated and that the amount shown therein is due from the employer named in the statement. In event action is instituted as herein provided, the court shall, upon application of the attorney general, appoint a receiver of the property and business of the delinquent employer for the purpose of impounding the same as security for any judgment which has been or may be recovered. Any such action shall be brought within four years and three months after the due date of the return or deposit required by paragraph (1), or the date the return was filed, or deposit made whichever is later; except that in the case of failure to make and file such return or if such return is false or fraudulent, or such deposit is not made such action may be brought at any time.

(9) (THE TAX REQUIRED TO BE WITHHELD UNDER SUBDIVISION 2A OR SUBDIVISION 3 OR PAID TO, OR DEPOSITED WITH THE COMMISSIONER UNDER THIS SUBDIVISION, TOGETHER WITH PENALTIES, INTEREST AND COSTS, SHALL BECOME A LIEN UPON ALL OF THE REAL PROPERTY OF THE EMPLOYER WITHIN THIS STATE, EXCEPT HIS HOMESTEAD, FROM AND AFTER THE FILING BY THE COMMISSIONER OF A NOTICE OF SUCH LIEN IN THE OFFICES OF THE COUNTY RECORDER OF THE COUNTY IN WHICH SUCH REAL PROPERTY IS SITUATED.)

((10)) Either party to an action for the recovery of any tax, interest or penalties under this subdivision may remove the judgment to the supreme court by appeal, as provided for appeals in civil cases.

(11) (10) No suit shall lie to enjoin the assessment or collection of any tax imposed by this section, or the interest and penalties added thereto.

(12) WHEN ANY TAX IS DUE AND PAYABLE AS PROVIDED IN PARAGRAPH (8) THE COMMISSIONER MAY ISSUE HIS WARRANT TO THE SHERIFF OF ANY COUNTY OF THE STATE COMMANDING HIM TO LEVY UPON AND SELL THE REAL AND PERSONAL PROPERTY OF THE EMPLOYER AND TO LEVY UPON THE RIGHTS TO PROPERTY OF THE EMPLOYER WITHIN THE COUNTY AND TO RETURN SUCH WARRANT TO THE COMMISSIONER AND PAY TO HIM THE MONEY COLLECTED BY VIRTUE THEREOF BY A TIME TO BE THEREIN SPECIFIED, NOT LESS THAN 60 DAYS FROM THE DATE OF THE WARRANT. THE SHERIFF SHALL PROCEED THEREUNDER TO LEVY UPON AND SEIZE ANY PROPERTY OF THE EMPLOYER AND TO LEVY UPON THE RIGHTS TO PROPERTY OF THE EMPLOYER WITHIN HIS COUNTY, EXCEPT THE HOMESTEAD AND HOUSEHOLD GOODS OF THE EMPLOYER AND PROPERTY OF THE EMPLOYER NOT LIABLE TO ATTACHMENT, GARNISHMENT, OR SALE ON ANY FINAL PROCESS ISSUED FROM ANY COURT UNDER THE PROVISIONS OF SECTION 550.37, AND SHALL SELL SO MUCH THEREOF AS IS REQUIRED TO SATISFY SUCH TAXES, INTEREST, AND PENALTIES, TOGETHER WITH HIS COSTS; BUT SUCH SALES SHALL, AS TO THEIR MANNER, BE GOVERNED BY THE LAWS APPLICABLE TO SALES OF LIKE PROPERTY ON EXECUTION ISSUED AGAINST PROPERTY UPON A JUDGMENT OF A COURT OF RECORD. THE PROCEEDS OF SUCH SALES, LESS THE SHERIFF'S COSTS, SHALL BE TURNED OVER TO THE COMMISSIONER, WHO SHALL RETAIN SUCH PART THEREOF AS IS REQUIRED TO SATISFY THE TAX, INTEREST, PENALTIES AND COSTS, AND PAY OVER ANY BALANCE TO THE TAXPAYER. ANY ACTION TAKEN BY THE COMMISSIONER PURSUANT TO THIS SUBDIVISION SHALL NOT CONSTITUTE AN ELECTION BY THE STATE TO PURSUE A REMEDY TO THE EXCLUSION OF ANY OTHER REMEDY PROVIDING FOR THE COLLECTION OF TAXES REQUIRED TO BE WITHHELD BY EMPLOYERS.)

Sec. 37. Minnesota Statutes 1981 Supplement, 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 NEGLIGENCE,) 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 *may, in the discretion of the commissioner of revenue, be credited first to the oldest liability not secured by a judgment or lien, but in all cases 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 26, 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. 38. Minnesota Statutes 1980, Section 290.92, Subdivision 23, is amended to read:

Subd. 23. [WITHHOLDING BY EMPLOYER OF DELINQUENT TAXES.] (1) The commissioner may, *within five years after the taxes should have been paid or the return is filed, whichever is later*, give notice to any employer deriving income which has a taxable situs in this state regardless of whether the income is exempt from taxation, that an employee of that employer is delinquent in a certain amount with respect to any state taxes, including penalties, interest and costs. The commissioner can proceed under this subdivision only if the tax is uncontested or if the time for appeal of the tax has expired. The commissioner shall not proceed under this subdivision until the expiration of 30 days after mailing to the taxpayer, at his last known address, a written notice of (a) the amount of taxes, interest, and penalties due from the taxpayer and demand for their payment, and (b) the commissioner's intention to require additional withholding by the taxpayer's employer pursuant to this subdivision. The effect of the notice shall expire (90) 180 days after it has been mailed to the taxpayer provided that the notice may be renewed by mailing a new notice which is in accordance with this subdivision. The renewed notice shall have the effect of reinstating the priority of the original claim. The notice to the taxpayer shall be in substantially the same form as that provided in section 571.41. The notice shall further inform the taxpayer of the wage exemptions contained in section 550.37, subdivision 14. If no statement of exemption is received by the commissioner within 30 days from the mailing of the notice, he may proceed under this subdivision. The notice to the taxpayer's employer may be served by mail or by delivery by an employee of the department of revenue and shall be in substantially the same form as provided in section 571.495. Upon receipt of notice, the employer shall withhold from compensation due or to become due to the employee, the total amount shown by the notice, subject to the provisions of section 571.55. The employer shall continue to withhold each pay period until the total amount shown by the notice is paid

in full. Upon receipt of notice by the employer, the claim of the state of Minnesota shall have priority over any subsequent garnishments or wage assignments. The commissioner may arrange between the employer and the employee for withholding a portion of the total amount due the employee each pay period, until the total amount shown by the notice plus accrued interest has been withheld.

The "compensation due" any employee is defined in accordance with the provisions of section 571.55. The maximum withholding allowed under this subdivision for any one pay period shall be decreased by any amounts payable pursuant to a garnishment action with respect to which the employer was served prior to being served with the notice of delinquency and any amounts covered by any irrevocable and previously effective assignment of wages; the employer shall give notice to the department of the amounts and the facts relating to such assignments within ten days after the service of the notice of delinquency on the form provided by the department of revenue as noted in this subdivision. In crediting amounts withheld against delinquent taxes of an employee, the department shall apply amounts withheld in the following order: penalties, interest, tax and costs.

(2) If the employee ceases to be employed by the employer before the full amount set forth in a notice of delinquency plus accrued interest has been withheld, the employer shall immediately notify the commissioner in writing of the termination date of the employee and the total amount withheld. No employer may discharge any employee by reason of the fact that the commissioner has proceeded under this subdivision. If an employer discharges an employee in violation of this provision, the employee shall have the same remedy as provided in section 571.61, subdivision 2.

(3) The employer shall, by the date prescribed in subdivision 6, remit to the commissioner, on a form and in the manner prescribed by the commissioner, the amount withheld during the calendar quarter under this subdivision. Should any employer, after notice, willfully fail to withhold in accordance with the notice and this subdivision, or willfully fail to remit any amount withheld as required by this subdivision, the employer shall be liable for the total amount set forth in the notice together with accrued interest which may be collected by any means provided by law relating to taxation. No amount required to be paid by an employer by reason of his failure to remit under this subdivision, may be deducted from the gross income of the employer, under sections 290.09, subdivision 4 or 290.01, subdivision 20. Any amount collected from the employer for failure to withhold or for failure to remit under this subdivision shall be credited to the employee's account in the following manner: penalties, interest, tax and costs.

(4) Clauses (1), (2) and (3), except provisions imposing a liability on the employer for failure to withhold or remit, shall

apply to cases in which the employer is the United States or any instrumentality thereof or this state or any municipality or other subordinate unit thereof.

(5) The commissioner shall refund to the employee excess amounts withheld from him under this subdivision. If any excess results from payments by the employer because of wilful failure to withhold or remit as prescribed in clause (3) above, the excess attributable to the employer's payment shall be refunded to the employer.

(6) Employers required to withhold delinquent taxes, penalties, interest and costs under this subdivision shall not be required to compute any additional interest, costs or other charges to be withheld.

(7) *The collection remedy provided to the commissioner by this subdivision shall have the same legal effect as if it were a levy made pursuant to section 270.70.*

Sec. 39. Minnesota Statutes 1980, Section 296.01, Subdivision 8, is amended to read:

Subd. 8. [PERSON.] "Person" means any individual, firm, trust, estate, partnership, association, cooperative association, joint stock company or corporation, public or private, or any representative appointed by order of any court; *or 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 any act prescribed by this chapter.*

Sec. 40. Minnesota Statutes 1981 Supplement, Section 296.12, Subdivision 4, is amended to read:

Subd. 4. [MONTHLY REPORTS; SHRINKAGE ALLOWANCE.] On or before the 23rd day of each month, the persons subject to the provisions of this section shall file in the office of the commissioner at St. Paul, Minnesota, a report in the following manner:

(1) Distributors and special fuel dealers shall report the total number of gallons delivered to them during the preceding calendar month and shall pay the special fuel excise tax due thereon to the commissioner. Credit for the excise tax due or previously paid on special fuel used by the distributor or special fuel dealer for heating his place of business, or special fuel sold for any purpose other than use in licensed motor vehicles and evidenced by an invoice issued at time of sale, may be allowed in computing the tax liability. The invoice must show the true and correct name and address of the purchaser, and the purchaser's signature. The report shall contain such other information as the commissioner may require.

(2) Distributors and special fuel dealers who have elected to pay the special fuel excise tax on all special fuel delivered into the supply tank of an aircraft or licensed motor vehicle as provided in section 296.12, subdivision 3, shall report the total number of gallons delivered into the supply tank of an aircraft or licensed motor vehicle during the preceding calendar month and shall pay the special fuel excise tax due thereon to the commissioner.

(3) Bulk purchasers shall report and pay the special fuel excise tax on all special fuel purchased by them for storage, during the preceding calendar month. In such cases as the commissioner may permit, credit for the excise tax due or previously paid on special fuel not used in aircraft or licensed motor vehicles, may be allowed in computing tax liability. The report shall contain such other information as the commissioner may require.

(4) In computing the special fuel excise tax due under clauses (1), (2), and (3), a deduction of one percent of the quantity of special fuel on which tax is due shall be made for evaporation and loss.

(5) *Each report shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.*

Sec. 41. Minnesota Statutes 1980, Section 296.14, Subdivision 1, is amended to read:

Subdivision 1. [CONTENTS; PAYMENT OF TAX; SHRINKAGE ALLOWANCE.] On or before the twenty-third day of each month, every person who is required to pay gasoline tax or inspection fee on petroleum products and every distributor shall file in the office of the commissioner at St. Paul, Minnesota, a report in a manner approved by the commissioner showing the number of gallons of petroleum products received by him during the preceding calendar month, and such other information as the commissioner may require. The number of gallons of gasoline shall be reported in U.S. standard liquid gallons (231 cubic inches), except that the commissioner may upon written application therefor and for cause shown permit the distributor to report the number of gallons of such gasoline as corrected to a 60 degree Fahrenheit temperature. If such application is granted, all gasoline covered in such application and as allowed by the commissioner must continue to be reported by the distributor on the adjusted basis for a period of one year from the date of the granting of the application. The number of gallons of petroleum products other than gasoline shall be reported as originally invoiced.

Each report shall show separately the number of gallons of aviation gasoline received by him during such calendar month.

Each report shall be accompanied by remittance covering inspection fees on petroleum products and gasoline tax on gasoline received by him during the preceding month; provided that in computing such tax a deduction of three percent of the quantity of gasoline received by a distributor shall be made for evaporation and loss; provided further that at the time of remittance the distributor shall submit satisfactory evidence that one-third of such three percent deduction shall have been credited or paid to dealers on quantities sold to them. The report and remittance shall be deemed to have been filed as herein required if post-marked on or before the twenty-third day of the month in which payable.

*Each report shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.*

Sec. 42. Minnesota Statutes 1980, Section 296.17, Subdivision 11, is amended to read:

Subd. 11. [REPORTS.] Every motor carrier subject to the road tax shall, on or before the last day of April, July, October and January, file with the commissioner such reports of his operations during the previous three months as the commissioner may require and such other reports from time to time as the commissioner may deem necessary. The commissioner by regulation may exempt from the reporting requirements of this section those motor carriers all or substantially all of whose mileage is within this state, or states with which Minnesota has reciprocity and require in such instances an annual affidavit attesting to the intrastate or substantially intrastate character of their operations, provided that the enforcement of subdivisions 7 to 22 is not adversely affected thereby and that the commissioner is satisfied that an equitable amount of motor fuel is purchased within this state by such carriers.

*Each report shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.*

Sec. 43. Minnesota Statutes 1980, Section 297A.33, Subdivision 2, is amended to read:

Subd. 2. If the commissioner has reason to believe that the person required to file the return is about to remove himself or his property from this state with the purpose of evading the tax and penalties imposed by sections 297A.01 to 297A.44, or that the collection of such tax will be jeopardized by delays incident to other methods of collection, he may immediately declare such person's reporting period at an end and assess a tax on the basis of his own knowledge or information available to him, demand its immediate payment; and, if payment is not immediately made, collect the tax by any method prescribed in (THIS) chapter

270. It shall not be a defense to any assessment made under this section that the tax period has not terminated, or that the time otherwise allowed by law for filing a return has not expired, or that the notices otherwise required by law for making an assessment have not been given, or that the time otherwise allowed by law for taking or prosecuting an appeal or for paying the tax has not expired.

Sec. 44. Minnesota Statutes 1980, Section 297A.39, Subdivision 2, is amended to read:

Subd. 2. In case of any failure to make and file a return within the time prescribed by sections 297A.01 to 297A.44 or an extension thereof, (UNLESS IT IS SHOWN THAT SUCH FAILURE IS NOT DUE TO WILFUL NEGLIGENCE,) there shall be added to the tax in lieu of the ten percent specific penalty provided in subdivision 1 ten percent 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. If the penalty as computed does not exceed \$10, a minimum penalty of \$10 shall be assessed. The amount so added to any 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.

Sec. 45. Minnesota Statutes 1980, Section 297A.39, Subdivision 5, is amended to read:

Subd. 5. All payments received may, in the discretion of the commissioner of revenue, be credited first to the oldest liability not secured by a judgment or lien, but in all cases shall be credited first to penalties, next to interest, and then to the tax due.

Sec. 46. Minnesota Statutes 1980, Section 508.25, is amended to read:

#### 508.25 [RIGHTS OF PERSON HOLDING CERTIFICATE OF TITLE.]

Every person receiving a certificate of title pursuant to a decree of registration and every subsequent purchaser of registered land who receives a certificate of title in good faith and for a valuable consideration shall hold the same free from all encumbrances and adverse claims, excepting only such estates, mortgages, liens, charges, and interests as may be noted in the last certificate of title in the office of the registrar, and also excepting any of the following rights or encumbrances subsisting against the same, if any:



(1) Liens, claims, or rights arising or existing under the laws or the constitution of the United States, which this state cannot require to appear of record;

(2) The lien of any tax or special assessment for which the land has not been sold at the date of the certificate of title;

(3) Any lease for a period not exceeding three years when there is actual occupation of the premises thereunder;

(4) All rights in public highways upon the land;

(5) Such right of appeal, or right to appear and contest the application, as is allowed by this chapter;

(6) The rights of any person in possession under deed or contract for deed from the owner of the certificate of title;

*(7) Liens or judgments, notwithstanding section 508.63, arising under the laws of this state for the nonpayment of any tax administered by the commissioner of revenue.*

Sec. 47. Minnesota Statutes 1980, Section 559.21, is amended by adding a subdivision to read:

*Subd. 5. When required by and in the manner provided in section 8, subdivision 7, the notice required by this section shall also be given to the commissioner of revenue.*

Sec. 48. Minnesota Statutes 1980, Section 580.15, is amended to read:

#### 580.15 [PERPETUATING EVIDENCE OF SALE.]

Any party desiring to perpetuate the evidence of any sale made in pursuance of this chapter may procure:

(1) An affidavit of the publication of the notice of sale and of any notice of postponement to be made by the printer of the newspaper in which the same was inserted or by some person in his employ knowing the facts;

(2) An affidavit or return of service of such notice upon the occupant of the mortgaged premises to be made by the officer or person making such service or, in case the premises were vacant or unoccupied at the time the service must be made, an affidavit or return showing that fact, to be made by the officer or person attempting to make such service;

(3) An affidavit by the person foreclosing the mortgage, or his attorney, or someone knowing the facts, setting forth the

facts relating to the military service status of the owner of the mortgaged premises at the time of sale.

(4) An affidavit by the person foreclosing the mortgage, or his attorney, or someone having knowledge of the facts, setting forth the fact of service of notice of sale upon the secretary of the treasury of the United States or his delegate in accordance with the provisions of Section 7425 of the Internal Revenue Code of 1954 as amended by Section 109 of the Federal Tax Lien Act of 1966, and also setting forth the fact of service of notice of sale upon the commissioner of revenue of the state of Minnesota in accordance with the provisions of section 8, subdivision 7. Any such affidavit recorded prior to May 16, 1967 shall be effective as prima facie evidence of the facts therein contained as though recorded subsequent to May 16, 1967.

Such affidavits and returns shall be recorded by the county recorder and they and the records thereof, and certified copies of such records, shall be prima facie evidence of the facts therein contained.

The affidavit provided for in clause (3) hereof may be made and filed for record for the purpose of complying with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, passed by the Congress of the United States and approved on October 17, 1940, and may be made and filed for record at any time subsequent to the date of the mortgage foreclosure sale.

#### Sec. 49. [REPEALER.]

*Minnesota Statutes 1980, Sections 290.48, Subdivisions 1 and 9; 290.51; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 290.48, Subdivision 2, are repealed.*

#### Sec. 50. [EFFECTIVE DATE.]

*This article is effective July 1, 1982, but shall not apply to any tax the collection of which is barred by a statute of limitations on July 1, 1982.*

### ARTICLE III

Section 1. Minnesota Statutes 1980, Section 474.06, is amended to read:

#### 474.06 [MANNER OF ISSUANCE OF BONDS; INTEREST RATE.]

Bonds authorized under this chapter shall be issued in accordance with the provisions of chapter 475 relating to bonds payable from income of revenue producing conveniences, except that public sale shall not be required, and the bonds may mature at any time or times in such amount or amounts within 30 years

from date of issue and may be sold at a price equal to such percentage of the par value thereof, plus accrued interest, and bearing interest at such rate or rates, (NOT EXCEEDING NINE PERCENT PER YEAR,) as may be agreed by the contracting party, the purchaser, and the municipality or redevelopment agency, notwithstanding any limitation of interest rate or cost or of the amounts of annual maturities contained in any other law. When bonds authorized under this chapter are issued, they shall state whether they are issued for a project defined in section 474.02, subdivisions 1, 1a, 1b, or 1c. *The rate of interest payable on bonds issued pursuant to this section after December 31, 1985, shall not exceed nine percent per year.*

Sec. 2. Minnesota Statutes 1980, Section 475.55, is amended to read:

475.55 [EXECUTION; NEGOTIABILITY; INTEREST RATES.]

Subdivision 1. [INTEREST; FORM.] All obligations shall be signed by officers authorized by resolution of the governing body or by persons authorized to sign on behalf of a bank designated by the resolution as authenticating agent, and shall express the amount and the terms of payment. Interest on obligations authorized by resolution before (DECEMBER 31, 1982) *January 1, 1986* shall not exceed (THE RATE OF 12 PERCENT PER ANNUM, PAYABLE HALF YEARLY. INTEREST ON OBLIGATIONS AUTHORIZED THEREAFTER SHALL NOT EXCEED THE RATE OF NINE PERCENT PER ANNUM,) *for greater of (a) the rate determined pursuant to subdivision 4 for the month in which the resolution authorizing the obligations was adopted, or (b) the rate determined pursuant to subdivision 4 for the month in which the bonds are sold, or (c) the rate of ten percent per annum, payable half yearly. Interest on obligations issued after December 31, 1985, shall not exceed nine percent per year.* All obligations shall be negotiable investment securities as provided in the uniform commercial code, chapter 336, article 8. The validity of an obligation shall not be impaired by the fact that one or more officers authorized to execute it shall have ceased to be in office before delivery to the purchaser or shall not have been in office on the formal issue date of the obligation. Every obligation shall be signed manually by one officer or authenticating agent. Other signatures and the seal of the issuer may be printed, lithographed, stamped or engraved thereon and on any interest coupons to be attached thereto. The seal need not be used.

Subd. 2. [SUPERSESSION.] The provisions of (SUBDIVISION 1) *this section* shall supersede any (LOWER MAXIMUM) interest rate fixed by any other law or a city charter with respect to obligations of the state or any municipality or governmental or public subdivision, district, corporation, com-

mission, board, council, or authority of whatsoever kind, including warrants or orders issued in evidence of allowed claims for property or services furnished to the issuer, but shall not limit the interest on any obligation issued pursuant to a law or charter authorizing the issuer to determine the rate or rates of interest.

Subd. 3. [SPECIAL ASSESSMENTS.] Notwithstanding any contrary provisions of law or charter, special assessments pledged to the payment of obligations may bear interest at the rate the governing body by resolution determines, not exceeding the greater of (a) the maximum interest rate per annum which the obligations may bear under the provisions of (SUBDIVISIONS 1 AND 2 PLUS ONE PERCENT) *this section for the month in which the resolution authorizing the special assessment was adopted* or (b) the maximum interest rate permitted to be charged against the assessments under the law or city charter pursuant to which the assessments were levied.

Subd. 4. [RATE DETERMINATION.] *On or before the 20th day of each month prior to December, 1985, the commissioner of finance shall determine the most recently published yield for the Bond Buyer's Index of 20 Municipals. This rate plus one percent and rounded to the next highest percent per annum shall be the rate for the next succeeding month. The commissioner of finance shall publish the maximum rate in the state register each month.*

Subd. 5. [INTEREST.] *Obligations which are payable wholly or partly from the proceeds of special assessments or which are not secured by general obligations of the municipality may bear interest at a rate one percent greater than the maximum interest rate permitted pursuant to subdivision 1.*

Sec. 3. Minnesota Statutes 1980, Section 475.60, Subdivision 2, is amended to read:

Subd. 2. [REQUIREMENTS WAIVED.] The requirements as to public sale shall not apply to:

(1) Obligations issued under the provisions of a home rule charter or of a law specifically authorizing a different method of sale, or authorizing them to be issued in such manner or on such terms and conditions as the governing body may determine;

(2) Obligations sold by an issuer in an amount not exceeding the total sum of (\$200,000) \$300,000 in any three month period;

(3) Obligations issued by a governing body other than a school board in anticipation of the collection of taxes or other revenues appropriated for expenditure in a single year, if sold in accordance with the most favorable of two or more proposals solicited privately; and

(4) Obligations sold to any board, department, or agency of the United States of America or of the state of Minnesota, in accordance with rules or regulations promulgated by such board, department, or agency.

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day after final enactment, provided that for obligations authorized by resolution prior to the first month for which a rate is determined pursuant to section 2, subdivision 4, the maximum rate shall be 12 percent per annum.*

ARTICLE IV

Section 1. Minnesota Statutes 1980, Section 290.50, is amended by adding a subdivision to read:

*Subd. 6. [WITHHOLDING OF REFUNDS FROM CHILD SUPPORT DEBTORS.] Upon a finding by a court of this state that a person obligated to pay child support is delinquent in making payments, the amount of child support unpaid and owing shall be withheld from a refund due the person under this section. The public agency responsible for child support enforcement or the parent or guardian of a child for whom the support is owed may petition the district or county court for an order providing for the withholding of the amount of child support unpaid and owing as determined by court order. The person from whom the refund may be withheld shall be notified of the petition pursuant to the rules of civil procedure prior to the issuance of an order pursuant to this subdivision. The order may be granted on a showing to the court that required support payments have not been made when they were due.*

*On order of the court, the support money shall be withheld by the commissioner from the refund due to the person obligated to pay the support and the amount withheld shall be remitted to the public agency responsible for child support enforcement or to the parent or guardian petitioning on behalf of the child, provided that any delinquent tax obligations of the taxpayer owed to the revenue department shall be satisfied first. Any amount received by the responsible public agency or the petitioning parent or guardian in excess of the amount of public assistance expended for the benefit of the child to be supported, or the amount of any support that had been the subject of the claim pursuant to this subdivision which has been paid by the taxpayer prior to the diversion of the refund, shall be remitted to the person entitled to the money. If the refund is based on a joint or combined return, the portion of the refund that shall be remitted to the petitioner shall be the proportion of the total refund that equals the proportion of the total federal adjusted gross income of the spouses that is the federal adjusted gross income of the spouse who is delinquent in making the child support payments.*

*A petition filed pursuant to this subdivision shall be in effect with respect to any refunds due under this section during a period of one year from the date when the petition was filed. If a petition is filed pursuant to this subdivision and a claim is made pursuant to chapter 270A with respect to the same individual's refund and notices of both are received prior to the time when payment of the refund is made on either claim, the commissioner shall transmit the claims to the court that issued the order under this subdivision. The court shall order that the claim relating to the liability that accrued first in time shall be paid first; any amount of the refund remaining shall then be applied to the other claim. The provisions of section 290.61 shall not prohibit the exchange of information among the department, the petitioner, and the court to the extent necessary to accomplish the intent of this subdivision. Not later than five days after the court has notified the department of its withholding order, the department shall send a written notification of the order to the person to whom the refund would otherwise be paid.*

**Sec. 2. [EFFECTIVE DATE.]**

*This article is effective the day following final enactment and shall terminate June 30, 1984.*

**ARTICLE V**

Section 1. Minnesota Statutes 1981 Supplement, Section 10A.31, Subdivision 5, is amended to read:

Subd. 5. In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:

(1) 21 percent for the offices of governor and lieutenant governor together;

(2) 3.6 percent for the office of attorney general;

(3) 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;

(4) In each calendar year during the period in which state senators serve a four year term, 23-1/3 percent for the office of state senator and 46-2/3 percent for the office of state representative;

(5) In each calendar year during the period in which state senators serve a two year term, 35 percent each for the offices of state senator and state representative;

(6) To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribu-

tion of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive moneys from his party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula:

For each county within his district the candidate's share of the dollars allocated in that county to his party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in his district for all candidates of his party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of his party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.

The sum of all the county shares calculated in the formula above is the candidate's share of his party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, "last general election" means the last general election in which the name of a candidate of that party appeared on the ballot in each voting precinct in the state.

*In a year in which the first election after a legislative reapportionment is held, "his district" means the newly drawn district, and voting data from the last general election will be applied to the area encompassing the newly drawn district notwithstanding that the area was in a different district in the last general election.*

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Money from a party account not distributed to candidates for state senator and representative in any election year shall be returned to the general fund of the state. Money from a party account not distributed to candidates for other offices in an election year shall be returned to the party account for reallocation to candidates as provided in clauses (1) to (6) of this subdivision in the following year. Moneys from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 2, is amended to read:

Subd. 2. [TRADE OR BUSINESS EXPENSES; EXPENSES FOR PRODUCTION OF INCOME.] (a) In General. There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered;

(2) Traveling expenses (including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances) while away from home in the pursuit of a trade or business; and

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. For purposes of the preceding sentence, the place of residence of a member of congress within the state shall be considered his home, but amounts expended by such members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of \$3,000.

(b) Expenses for Production of Income. In the case of an individual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year.



- (1) For the production or collection of income;
- (2) For the management, conservation, or maintenance of property held for the production of income; or
- (3) In connection with the determination, collection, or refund of any tax.

(c) *Actual* campaign expenditures in an amount not to exceed (THE LIMITS SET OUT IN SECTION 210A.22) *one-third of the salary of the office sought, for the year the election is held, by the candidate, but no less than \$100*, not (SUBSEQUENTLY) reimbursed, which have been personally paid by a candidate for public office (IF THE CANDIDATE HAS COMPLIED WITH THE EXPENDITURE LIMITATIONS SET OUT IN SECTION 210A.22, EVEN THOUGH THE CANDIDATE'S EXPENDITURES ARE LIMITED UNDER OTHER STATE OR FEDERAL LAWS);

(d) No deduction shall be allowed under this subdivision for any contribution or gift which would be allowable as a deduction under section 290.21 were it not for the percentage limitations set forth in such section;

(e) All expense money paid by the legislature to legislators;

(f) The provisions of section 280A (disallowing certain expenses in connection with the business use of the home and rental of vacation homes) of the Internal Revenue Code of 1954, as amended through December 31, 1979, shall be applicable in determining the availability of any deduction under this subdivision.

(g) Entertainment, amusement, or recreation expenses shall be allowed under this subdivision only to the extent that they qualify as a deduction under section 274 of the Internal Revenue Code of 1954, as amended through December 31, 1979.

### Sec. 3. [REPEALER.]

*Minnesota Statutes 1980, Section 210A.22, is repealed.*

## ARTICLE VI

Section 1. Minnesota Statutes 1981 Supplement, Section 273.13, Subdivision 9, is amended to read:

Subd. 9. [CLASS 4A, 4B (AND), 4C, AND 4D.] (1) 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) *as otherwise provided in this subdivision.*

(2) 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).

(3) Commercial and industrial property, *except as provided in this subdivision*, 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) of 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 (.), *and in the case of other 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.

(4) *Industrial employment property defined in section 2, during the period provided in section 2, shall constitute class 4d and shall be valued and assessed at 20 percent of the first \$50,000 of market value and 21.5 percent of the remainder.*

Sec. 2. [273.1312] [DESIGNATION OF ENTERPRISE ZONES.]

*Subdivision 1. [DEFINITIONS.] For purposes of this section:*

(1) *"Commissioner" means the commissioner of energy, planning and development.*

(2) *"Enterprize zone" means an area in the state designated as such by the commissioner upon proper application by the governing body of the area in which it is located.*

(3) *"Governing body" means the county board of a county except with respect to an area in a city, whose governing body is the city council or other body designated by its charter, or an area constituting part or all of an Indian reservation, whose governing body is that tribal or federal agency recognized as such by the United States secretary of the interior.*

(4) *"HUD" means the United States secretary of housing and urban development or his delegate or successor.*

(5) *"Indian reservation" means an area determined to be such by the United States secretary of the interior.*

(6) *"SMSA" means a standard metropolitan statistical area as defined in section 103A(1)(4)(B) of the Internal Revenue Code of 1954, as amended through December 31, 1981.*

*Subd. 2. [DESIGNATION.] The commissioner shall designate an area as an enterprise zone if (i) an application is made in the form and manner and containing the information prescribed by the commissioner's rules; (ii) the application is made or approved by the governing body of the area; and (iii) the area is determined by the commissioner to be eligible for designation under subdivision 4.*

*Subd. 3. [DURATION.] The designation of an area as an enterprise zone shall be effective from the date of designation to 12 years thereafter.*

*Subd. 4. [ELIGIBILITY REQUIREMENTS.] An area is eligible for designation if:*

*(1) Its boundary is continuous and includes, if feasible, proximately located vacant or underutilized lands or buildings conveniently accessible to residents of the area.*

*(2) Its population as determined under the most recent federal decennial census is at least (i) 4,000 if any of the area is located within an SMSA with a population of 50,000 or more, or (ii) 2,500 in any other case unless the area is an Indian reservation, for which no minimum population is required.*

*(3) (a) The proposed zone is located within an economic hardship area, as established by meeting three or more of the following criteria:*

*(1) the percentage of total residential housing units within the zone which was constructed prior to 1950 is 70 percent or greater;*

*(2) the percentage of households within the zone that fall below the poverty level, as determined by the United States census bureau, is 20 percent or greater;*

*(3) the total number of persons residing within the zone has declined by ten percent or more over the ten years preceding application;*

*(4) for the last full year for which data is available, the percentage of the work force of the jurisdiction of the governing body of the area in which the zone is located engaged in manufacturing is less than the percentage of the work force of the state engaged in manufacturing;*

*(5) the jurisdiction of the governing body of the area in which the zone is located has recently experienced a significant employment reduction at a federal military installation within the SMSA in which it is located; or*

(b) *The area is so designated under federal legislation providing for federal tax benefits to employers or employees in enterprise zones similar to the state tax benefits set forth in this act; and*

(4) *The governing body of the area seeking to be designated as an enterprise zone, by resolution, agrees to follow a course of action, during the period for which the designation is effective, designed to promote economic development in the area. The program may be implemented by governmental action, by private entities, or both, and may include but is not limited to:*

(a) *Reduction or abatement of real property taxes of industrial land and facilities according to section 3;*

(b) *Issuance of revenue bonds or use of federal funds available to finance loans for private industrial and housing facilities;*

(c) *Issuance of bonds and use of taxes, tax increments, and available federal funds to finance public facilities in the area;*

(d) *Increase in the level or efficiency of governmental services;*

(e) *Commitments from public or private entities in the area to provide jobs, job training, and technical, financial, or other assistance to employees and residents of the area.*

*Subd. 5. [LIMITATION.] No area shall be designated as an enterprise zone after December 31, 1996.*

### **Sec. 3. [273.1313] [TAX CLASSIFICATION OF INDUSTRIAL EMPLOYMENT PROPERTY.]**

*Subdivision 1. [DEFINITIONS.] (1) Terms used in this section have the meanings given them in this subdivision.*

(2) *"Commissioner" means the commissioner of revenue.*

(3) *"Industrial employment property" means taxable property, excluding land but including buildings, structures, fixtures, and improvements that satisfy each of the following conditions:*

(a) *The property is located within an enterprise zone designated according to section 2.*

(b) *The primary purpose and prospective use of the property is (i) the manufacture or processing of goods or materials by physical or chemical change, or (ii) the provision of office, engineering, research and development, warehousing, parts dis-*

tribution, or other facilities that are related to a manufacturing or processing operation conducted by the user.

(c) The user will own the property or occupy it under a lease requiring the user to pay property taxes on it as if the user were the owner.

(c) The property is classified as industrial employment property by the procedure and subject to the conditions provided in this section, before it is first placed in use.

(4) "Market value", as applied to industrial employment property on any particular parcel of land, means the value of all taxable property situated there except the land, as annually determined pursuant to section 273.12, less (i) the market value of all property existing at the time of application for classification, as last assessed prior to the time of application, and (ii) any increase in the market value of the property referred to in clause (i) as assessed in each year after the industrial employment property is first placed in service. In each year, any change in the values of the industrial employment property and the other property on the land shall be deemed to be proportionate unless caused by a capital improvement or loss.

(5) "Municipality" means any home rule charter or statutory city or county, but a county may not exercise the powers granted in this section with reference to property situated within a city.

Subd. 2. [PROGRAM.] (1) The governing body of any municipality which contains a designated enterprise zone as provided by section 2 may by resolution establish a program for classification of new industrial property or improvements to existing property as industrial employment property pursuant to the provisions of this section, if it finds that the program is needed to facilitate and encourage the renewal or addition of industrial facilities to provide or preserve employment opportunities for its citizens. Applications for classification under the program shall be filed with the municipal clerk or auditor in a form prescribed by the commissioner, with additions as may be prescribed by the municipal governing body. The application shall contain a legal description of the parcel of land on which the facility is to be situated or improved; a general description of the facility or improvement and its proposed use, the equipment proposed to be used in connection with it (including equipment exempt from taxation under existing law), the probable time schedule for undertaking the construction or improvement, and information regarding the matters referred to in paragraph (4); the market value and the assessed value of the land and of all other taxable property then situated on it, according to the most recent assessment; and an estimate of the probable cost of the new construction or improvement and

the market value of the new or improved facility (excluding land) when completed.

(2) Upon receipt of an application the municipal clerk or auditor, subject to any prior approval required by the resolution establishing the program, shall furnish a copy to the assessor for the property and to the governing body of each school district and other public body authorized to levy taxes on the property, and shall publish a notice in the official newspaper of the time and place of a hearing to be held by the governing body on the application, not less than 30 days after the notice is published, stating that the applicant, the assessor, representatives of the affected taxing authorities, and any taxpayer of the municipality may be heard or may present their views in writing at or before the hearing. The hearing may be adjourned from time to time, but the governing body shall take action on the application by resolution within 30 days after the hearing. If disapproved, the reasons shall be set forth in the resolution, and the applicant may appeal to the commissioner within 30 days thereafter, but only on the ground that the determination is arbitrary, in relation to prior determinations as to classification under the program, or based upon a mistake of law. If approved, the resolution shall include determinations as to the matters set forth in paragraph (4), and the clerk or auditor shall transmit it to the commissioner.

(3) Within 60 days after receipt of an approved application or an appeal from the disapproval of an application, the commissioner shall take action on it. The commissioner shall approve each application approved by the governing body if he finds that it complies with the provisions of this section. If he disapproves the application, or finds grounds exist for appeal of a disapproved application, he shall transmit the finding to the governing body and the applicant. When grounds for appeal have been determined to exist, the governing body shall reconsider and take further action on the application within 30 days after receipt of the commissioner's notice and serve written notice of the action upon the applicant. The applicant, within 30 days after receipt of notice of final disapproval by the commissioner or the governing body, may appeal from the disapproval to a court of competent jurisdiction.

(4) An application shall not be approved unless the governing body finds and determines that the construction or improvement of the facility:

(a) Is reasonably likely to create new employment or prevent a loss of employment in the municipality;

(b) Is not likely to have the effect of transferring existing employment from one or more other municipalities within the state;

(c) *Is not likely to cause the total market value of industrial employment property within the municipality to exceed five percent of the total market value of all taxable property within the municipality; or if it will, the resulting limitation upon the increase of the assessed value of all taxable property within the municipality, considering the amount of additional municipal services likely to be required for the industrial employment property, is not likely to substantially impede the operation or the financial integrity of the municipality or any other public body levying taxes on property in the municipality; and*

(d) *Will not result in the reduction of the assessed value of existing property within the municipality owned by the applicant, through abandonment, demolition, or otherwise, without provision for the restoration of the existing property within a reasonable time in a manner sufficient to restore the assessed valuation.*

**Subd. 3. [CLASSIFICATION.]** *Property shall be classified as industrial employment property and assessed as provided for class 4d property in section 273.13, subdivision 9, clause (4), for taxes levied in the year in which the classification is approved and in each year thereafter to and including the 12th year after the industrial employment property is completed. If the classification is revoked, the revocation is effective for taxes levied in the next year after revocation.*

**Subd. 4. [REVOCATION.]** *The governing body of the municipality may request the commissioner to approve the revocation of a classification pursuant to this section if it finds and determines by resolution, after hearing upon notice mailed to the applicant by certified mail at least 60 days before the hearing, that:*

(a) *The construction or improvement of the facility has not been completed within two years after the approval of the classification, or any longer period that may have been allowed in the approving resolution or may be necessary due to circumstances not reasonably within the control of the applicant; or*

(b) *The applicant has not proceeded in good faith with the construction or improvement of the facility, or with its operation, in a manner which is consistent with the purpose of this section and is possible under circumstances reasonably within the control of the applicant.*

**Subd. 5. [HEARING.]** *Upon receipt of the request, the commissioner shall notify the applicant and the governing body by certified mail of a time and place, not less than 30 days after receipt, at which the applicant may be heard and the commissioner will determine whether the facts and circumstances are grounds for revocation as recommended by the governing body. If the commissioner revokes the classification, the applicant may*

*appeal from the commissioner's order to a court of competent jurisdiction at any time within 30 days after revocation.*

Sec. 4. [EFFECTIVE DATE.]

*This article is effective July 1, 1983.*

ARTICLE VII

Section 1. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, 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, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income 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 subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501 to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) and sections 501 to 507, of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 shall be effective at the same time that they become effective for federal income tax purposes.

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981, the amount allowed under section 167 of the Internal Revenue Code;

(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 40 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;

(19) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

(20) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

(21) 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 353.028, 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; (AND)

(22) For taxable years beginning after December 31, 1980 but before January 1, 1983, in the case of section 179 property within the meaning of the Internal Revenue Code of 1954, the amount allowed as a deduction under section 179 of the Internal Revenue Code; and

*(23) Expenses and depreciation attributable to property subject to section 3 which has not been registered.*

(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 60 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 or out of state loss carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(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) 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, 1986

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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) 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 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a) (21);

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

(23) Interest earned on a contract for deed entered into for the purchase of property for agricultural use if the rate of interest set in the contract is no more than eight percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property purchased under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983;

(24) For the taxable year beginning after December 31, 1980, but before January 1, 1982, an amount equal to 85 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. For the taxable year beginning after December 31, 1981 but before January 1, 1983, 83 percent of the deduction allowed under section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981. The depreciation adjustments made to basis in the case of recovery property within the meaning of section 168 of the Internal Revenue Code of 1954 as amended through December 31, 1981 shall be the depreciation adjustments made for federal income tax purposes under the Internal Revenue Code of 1954, as amended through December

31, 1981. Adoption of this provision shall not be construed as indicating the intent of the legislature to enact provisions authorizing amortization of the amount of depreciation not excludable under this clause; and

(25) For taxable years beginning after December 31, 1980 but before January 1, 1983, an amount equal to the deduction allowed under section 179 of the Internal Revenue Code of 1954 as amended through December 31, 1981.

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person 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 ap-



propriate 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 1981 Supplement, Section 290.09, Subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] (a) The following deductions from gross income shall be allowed in computing net income, provided that any item which was deducted in arriving at gross income under the provisions of section 290.01, subdivision 20, shall not be again deducted under this section.

(b) Property taxes may not be deducted under this section if

(1) The taxes are attributable to a trade or business carried on by an individual, or

(2) The taxes are expenses for the production of income which are paid or incurred by an individual; and which are not allowed as a deduction under section 164 of the Internal Revenue Code of 1954, as amended through December 31, 1980.

(c) *Interest and depreciation attributable to rental residential property may not be deducted under this section if the property does not comply with the requirements of section 3.*

Sec. 3. [CITY OF MINNEAPOLIS; REGISTRATION OF RESIDENTIAL RENTAL PROPERTY.]

*Subdivision 1. [MUNICIPAL ORDINANCE; DEDUCTIONS DISALLOWED.] The governing body of the city of Minneapolis may by ordinance require the registration of all rental property used in whole or in part for residential housing and all transfers of that property. If a registration ordinance is adopted, a taxpayer who receives rental income from residential housing property located in Minneapolis may not deduct interest and depreciation pursuant to section 290.01, subdivision 20, or 290.09, on that property until a copy of the certificate provided for in subdivision 3 is filed annually with the taxpayer's Minnesota income tax return. In the case of a partnership, a copy of the certificate shall be filed with the partnership's return. No deduction shall be allowed for any period during which the property is not registered as required by the ordinance. In the event that the period of non-compliance does not cover an entire taxable year, the deductions shall be denied at the rate of one-twelfth for each full month the property is not in compliance. The amount of the deduction denied shall not exceed the lesser of \$200 for each unregistered rental residential unit or \$2,000 for each building for any taxable year; provided that*

*in no event shall the amount of the deduction denied be less than one-twelfth of the sum of the deductions for interest and depreciation with respect to the property. The city must provide the department of revenue with a copy of the ordinance within ten days of the effective date of the ordinance. Deductions shall not be disallowed until the department has received a copy of the ordinance. The department shall include in its instructions to taxpayers a notice of the restriction established in this section. If the deduction has been disallowed because of a negligent failure to file a copy of the certificate by a taxpayer who had filed a copy for a prior year, the taxpayer may file an amended return with a copy of the certificate and the deduction shall be allowed and the tax liability adjusted accordingly. Notice to taxpayers of the requirement for registration of rental housing property shall be included in the property tax statement for property located in a municipality which has enacted an ordinance under this section.*

*Subd. 2. [REQUIREMENTS FOR ORDINANCE.] An ordinance adopted under subdivision 1 shall require identifying information judged necessary by the city and the department of revenue to administer the ordinance.*

*The ordinance shall provide that all property must be registered within 60 days of the effective date of the ordinance, except that property transferred or sold within or subsequent to that period, whether the sale is by warranty deed, quit-claim deed, contract for deed or any other method of sale must be registered within 20 days after transfer. Registrations are not assignable. A certificate issued pursuant to subdivision 3 is valid for an owner until the owner's interest in the property changes. The city may provide that violation of the ordinance is a misdemeanor. The city may charge a fee to cover the costs of administering its ordinance.*

*Subd. 3. [CERTIFICATE.] The city shall provide a certificate of registration to the owner at the time of registration. The certificate shall include at least the following information: (a) name, address, and social security number, or Minnesota tax identification number, of the owner registering the property; (b) the owner's interest in the property; (c) the street address of the property; (d) the date of registration; and (e) the date of the most recent purchase or transfer of the property.*

#### **Sec. 4. [APPLICABILITY.]**

*On its effective date, section 3 applies to the city of Minneapolis.*

#### **Sec. 5. [EFFECTIVE DATE.]**

*This article is effective for taxable years beginning after December 31, 1982.*

## ARTICLE VIII

Section 1. Minnesota Statutes 1981 Supplement, 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.20 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 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 other than vendor payments under the medical assistance program or the general assistance medical care 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 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. 2. [EFFECTIVE DATE.]**

*Section 1 is effective for claims based on rent paid in 1982 and thereafter.*

**ARTICLE IX**

Section 1. Laws 1981, Third Special Session Chapter 2, Article III, Section 6, is amended to read:

**Sec. 6. [290.068] [CREDIT FOR RESEARCH AND EXPERIMENTAL EXPENDITURES.]**

Subdivision 1. [CREDIT ALLOWED.] In addition to the deduction provided in section 290.09, a credit shall be allowed *against the tax imposed by this chapter for the taxable year equal to (TEN PERCENT OF RESEARCH AND EXPERIMENTAL EXPENDITURES PAID OR INCURRED IN MINNESOTA DURING THE TAXABLE YEAR.)*

(a) *12.5 percent of the first \$2 million of the excess (if any) of*

(1) *the qualified research expenses for the taxable year, over*

(2) *the base period research expenses; and*

(b) *6.25 percent on all of such excess expenses over \$2 million.*

Subd. 2. [(DEFINITION) DEFINITIONS.] For purposes of this section, *the following terms have the meanings given.*

(a) *"Qualified research (AND EXPERIMENTAL EXPENDITURES) expenses" means (EXPENDITURES INCURRED IN MINNESOTA WHICH QUALIFY FOR THE DEDUCTION PROVIDED IN SECTION 290.09, SUBDIVISION 18, TO THE EXTENT THE EXPENDITURES EXCEED THE AVERAGE OF THE THREE PRECEDING TAXABLE YEARS' QUALIFYING EXPENDITURES UNDER SECTION 290.09, SUBDIVISION 18, INCURRED IN MINNESOTA. IF THE TAXPAYER HAS NOT CONDUCTED TRADE OR BUSINESS IN MINNESOTA FOR THE THREE PRECEDING TAXABLE YEARS, THE AVERAGE EXPENDITURES INCURRED SHALL BE DETERMINED BY DIVIDING THE EXPENDITURES BY THE LESSER NUMBER OF COMPLETE PRIOR TAXABLE YEARS. IF THERE HAS BEEN LESS THAN ONE PRIOR TAXABLE YEAR OF TRADE OR*

BUSINESS CONDUCTED IN MINNESOTA THE AVERAGE EXPENDITURES FOR THE THREE PRECEDING TAXABLE YEARS SHALL BE ZERO) (i) qualified research expenses as defined in section 44F(b) and (e) of the Internal Revenue Code, except it shall not include expenses incurred for basic research conducted outside the state of Minnesota pursuant to section 44F(e); or (ii) contributions to a nonprofit corporation established and operated pursuant to the provisions of chapter 317 for the purpose of promoting the establishment and expansion of business in this state, provided the contributions are invested by the nonprofit corporation for the purpose of providing funds for small, technologically innovative enterprises in Minnesota during the early stages of their development.

(b) "Qualified research" means qualified research as defined in section 44F(d) of the Internal Revenue Code, except that the term shall not include qualified research conducted outside the state of Minnesota.

(c) "Base period research expenses" means base period research expenses as defined in section 44F(c) of the Internal Revenue Code, except that "December 31, 1981" shall be substituted for "June 30, 1981" in subparagraph (B) of paragraph (2) and the definitions contained in clauses (a) and (b) shall apply.

(d) "Internal Revenue Code" means the Internal Revenue Code of 1954, as amended through December 31, 1981.

Subd. 3. [LIMITATIONS; CARRYBACK AND CARRY-OVER.] (a)(1) The credit for the taxable year shall not exceed (\$300,000 OR TEN PERCENT OF) the liability for tax (, WHICHEVER IS LESS). "Liability for tax" for purposes of this section means the tax imposed under this chapter for the taxable year reduced by the sum of the credits allowed under section 290.06, except the credit allowed under section 290.06, subdivision 13.

(2) In the case of an individual who

(A) owns an interest in an unincorporated business,

(B) is a partner in a partnership,

(C) is a beneficiary of an estate or trust, or

(D) is a shareholder in a small business corporation, having a valid election in effect under section 1372 of the Internal Revenue Code, the credit allowed for the taxable year shall not exceed the lesser of the amount determined under clause (1) for the taxable year or an amount (separately computed with respect to such person's interest in the trade or business or entity) equal to the amount of tax attributable to that portion of a person's

*taxable income which is allocable or apportionable to the person's interest in the trade or business or entity.*

(b) If the amount of the credit determined under (SUBDIVISION 2) this section for any taxable year exceeds (THIS) the limitation under clause (a), the excess shall be a research credit carryback to each of the three preceding taxable years and a research credit carryover to each of the (SEVEN) 15 succeeding taxable years (, PROVIDED THE AGGREGATE OF THE CREDIT FOR THE TAXABLE YEAR AND ANY CARRY-OVER AND CARRYBACK CREDITS SHALL NOT EXCEED \$300,000 OR TEN PERCENT OF THE LIABILITY FOR TAX, WHICHEVER IS LESS). The entire amount of the excess unused credit for the taxable year shall be carried first to the earliest of the taxable years to which the credit may be carried and then to each successive year to which the credit may be carried. *The amount of the unused credit which may be added under this clause shall not exceed the taxpayer's liability for tax less the research credit for the taxable year.*

*Subd. 4. [SMALL BUSINESS CORPORATIONS; PARTNERSHIPS.] In the case of small business corporations, having a valid election in effect, under section 1372 of the Internal Revenue Code of 1954, estates and trusts, and partnerships, the credit shall be allocated in the same manner provided by section 44F(f)(2) of the Internal Revenue Code.*

*Subd. 5. [ADJUSTMENTS; ACQUISITIONS AND DISPOSITIONS.] If a taxpayer acquires or disposes of the major portion of a trade or business or the major portion of a separate unit of a trade or business in a transaction with another taxpayer, the taxpayer's qualified research expenses and base period shall be adjusted in the same manner provided by section 44F(f)(3) of the Internal Revenue Code, except that "December 31, 1980" shall be substituted for "June 30, 1980."*

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1981.*

## ARTICLE X

Section 1. Minnesota Statutes 1981 Supplement, Section 290.06, Subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL ENERGY CREDIT.] A credit of 20 percent of the first \$10,000 of renewable energy source expenditures, including the expenditures described in clauses (a), (b) and (d) if made by an individual taxpayer on a Minnesota building of six dwelling units or less and expenditures for biomass conversion equipment described in clause (c), may be de-

ducted 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, (1980) 1981, and any regulations promulgated pursuant thereto, provided that, after December 31, 1980, any solar collector included in the claimed expenditure is certified by the 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; 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 adopted by the commissioner of revenue in cooperation with the 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) 1987.

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, (1980) 1981. "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) and (10), (d) (1) to (3), and (e), of the Internal Revenue Code of 1954, as amended through December 31, (1980) 1981, and any regulations promulgated pursuant thereto.

The commissioner of revenue in cooperation with the commissioner of energy, planning and development shall 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 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 department of energy, planning and development who receive information furnished by a taxpayer for purposes of claiming this credit.

The commissioner of energy, planning and development shall 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 commissioner of energy, planning and development may 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) 1986.

## ARTICLE XI

**Section 1. [DULUTH; BONDS; PURCHASE OF EQUIPMENT.]**

*The Duluth city council may by ordinance provide for the annual issuance of general obligation bonds in a principal amount not to exceed \$2,000,000 annually for three years to provide funds to purchase capital equipment for the city. For purposes of this law, "capital equipment" means any equipment having an estimated useful life of at least five years. The issuance of the bonds shall be subject to Minnesota Statutes, Chapter 475, except that no election shall be required except as provided in section 2, or as required by the Duluth City Charter, Section 52.*

**Sec. 2. [REVERSE REFERENDUM.]**

*The city council of Duluth, prior to the issuance of any bonds authorized by section 1, shall adopt a resolution stating the amount, purpose and, in general, the security to be provided for the bonds, and shall publish the resolution once each week for two consecutive weeks in the medium of official and legal publication of the city. The bonds may be issued without the submission of the question of their issuance to the voters of the city unless within 21 days after the second publication of the resolution a petition requesting a referendum signed by at least ten percent of those voting in the last general election is filed with the city clerk. If a petition is filed, no bonds shall be issued unless approved by a majority of the voters of the city voting on the question of their issuance at a regular or special election.*

**Sec. 3. [LOCAL APPROVAL.]**

*Sections 1 and 2 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of Duluth but no bonds shall be issued pursuant to this act after April 1, 1985.*

## ARTICLE XII

**Section 1. [BONDS FOR BLOOMINGTON COURT FACILITY.]**

*The city of Bloomington may issue general obligation bonds for the acquisition, construction or betterment of a court building and court related facilities, and parking for them, under Minnesota Statutes, Chapter 475, except as otherwise provided in this act. Before issuance of bonds, the city shall give three weeks published notice of the issuance. If a number of voters in the city equal 10 percent of those who voted for candidates for governor at the last gubernatorial election present a petition*

*within six weeks of the first published notice to the city clerk requesting that the matter be submitted to popular vote, it shall be submitted at the next general election. If a majority of those voting on the question approve it or if no petition is presented within the prescribed time the city may issue the bonds and levy a tax in accordance with Minnesota Statutes, Section 475.61, to service the debt.*

**Sec. 2. [HENNEPIN COUNTY; LEASE AUTHORIZATION.]**

*The county of Hennepin and the city of Bloomington may enter into contracts for terms not to exceed ten years and may enter into leases in connection with court and court related activities. The term of any lease entered into by the county of Hennepin with the city of Bloomington shall not exceed the period required to service the debt on the bonds authorized by section 1. Lease payments shall be irrevocably pledged to the payment of the debt. Upon the retirement of the debt created under section 1, the city may lease space in the court building and related facilities to the county as the county may need for court purposes for periods not to exceed five years. If the city and the county deem it to be in the best interests of the public served by the facilities, the county may purchase them after retirement of the debt, or upon guaranteeing the servicing of the debt, at mutually agreed upon terms.*

**Sec. 3. [SUITABILITY OF COURT FACILITIES.]**

*Nothing herein shall be construed to limit or restrict the Chapter 475 but shall not be subject to any interest or debt limits prescribed by that chapter or other law. The interest rate shall not exceed the published yield for the Bond Buyer's Index of 20 municipals for the previous month plus one percent and rounded to the next highest percent per annum. Minnesota Statutes, Section 641.23, shall not be deemed to impose a limitation on the amount of bonds that may be issued pursuant to this section.*

**Sec. 4. [RELOCATION OF MUNICIPAL COURT.]**

*Notwithstanding the provisions of Minnesota Statutes, Section 488A.01, Subdivision 9, the county of Hennepin may relocate the municipal court serving the city of Bloomington and thereupon shall provide suitable quarters for the holding of regular terms of court in a southern suburban location within the county as may be designated by a majority of the judges of the court. All functions of the court may be discharged, including both court and jury trials of civil and criminal matters, at the location designated pursuant to this section. Nothing in this section shall be construed to reduce the level of services to the residents of the city of Bloomington.*

**Sec. 5. [LAKE COUNTY; JAIL BONDS.]**

*Lake County may issue bonds for a county jail and levy an ad valorem tax for the payment of their principal and interest at whatever rate is necessary notwithstanding any contrary provision of Minnesota Statutes, Section 641.23 or other law. The bonds shall be issued in accordance with Minnesota Statutes, Chapter 475 but shall not be subject to any interest or debt limits prescribed by that chapter or other law. The interest rate shall not exceed the published yield for the Bond Buyer's Index of 20 municipals for the previous month plus one percent and rounded to the next highest percent per annum. Minnesota Statutes, Section 641.23, shall not be deemed to impose a limitation on the amount of bonds that may be issued pursuant to this section.*

**Sec. 6. [FIRE PROTECTION LEVY: TOWNS OF ERIN, FOREST, WEBSTER, AND WHEATLAND.]**

*The provisions of Minnesota Statutes, Section 368.85, Subdivision 6, limiting the levy of a town for the support of a fire protection district shall not apply to the levies of the towns of Erin, Forest, Webster, and Wheatland in Rice County for the purposes of providing fire protection.*

**Sec. 7. [RICE LAKE; EXCESS LEVY.]**

*Notwithstanding any contrary provision of other law, the town board of Rice Lake may levy for taxes payable in 1982 the sum of \$20,000 to meet the cost of construction of a fire hall. The levy shall be in addition to the 1981 levy of \$118,000 for taxes payable in 1982 previously authorized for the town. No penalty shall be imposed on this levy pursuant to Minnesota Statutes, Section 275.51, Subdivision 4.*

**Sec. 8. [CLEARWATER COUNTY LEVY LIMIT INCREASE.]**

*Any limitation imposed upon the levy of Clearwater County by Minnesota Statutes, Sections 275.50 to 275.56, shall be increased for taxes levied in 1982, payable 1983 and subsequent years by an amount authorized by the county board, not to exceed one mill, to cover the expenses of the agricultural society as authorized by Minnesota Statutes, Section 38.27.*

**Sec. 9. [EFFECTIVE DATE.]**

*Sections 1 to 4 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the city council of the city of Bloomington and the board of county commissioners of Hennepin county.*

*Section 5 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of Lake County.*

*Section 6 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing bodies of Erin, Forest, Webster, and Wheatland in Rice County.*

### ARTICLE XIII

Section 1. Minnesota Statutes 1981 Supplement, Section 298.75, is amended to read:

#### 298.75 [(GRAVEL) AGGREGATE MATERIAL REMOVAL; PRODUCTION TAX.]

Subdivision 1. [DEFINITIONS.] *Except as may otherwise be provided, the following words, when used in this section, shall have the meanings herein ascribed to them.*

(1) *"Aggregate material" shall mean non-metallic natural mineral aggregate including, but not limited to sand, silica sand, gravel, building stone, crushed rock, limestone, and granite. Aggregate material shall not include dimension stone and dimension granite.*

(2) *"Person" shall mean any individual, firm, partnership, corporation, organization, trustee, association, or other entity.*

(3) *"Operator" shall mean any person engaged in the business of removing aggregate material from the surface or subsurface of the soil, for the purpose of sale, either directly or indirectly, through the use of the aggregate material in a marketable product or service.*

(4) *"Extraction site" shall mean a pit, quarry, or deposit containing aggregate material and any contiguous property to the pit, quarry, or deposit which is used by the operator for stockpiling the aggregate material.*

Subd. 2. A county (MAY) shall impose upon every (PERSON, FIRM, CORPORATION OR ASSOCIATION, HEREAFTER REFERRED TO AS (") operator, (") engaged in the business of removing (GRAVEL) aggregate material for sale from (GRAVEL PITS) a pit, quarry, or (DEPOSITS) deposit, a production tax (IN AN AMOUNT NOT TO EXCEED) equal to ten cents per cubic yard or seven cents per ton of (GRAVEL) aggregate material removed except that the county board may, in its discretion, decide not to impose this tax if it determines that in the previous year operators removed less than 20,000 tons or 14,000 cubic yards of aggregate material from that county. (FOR PURPOSES OF THIS SECTION, GRAVEL SHALL INCLUDE SAND AND LIMESTONE) The tax shall be imposed when the aggregate material is transported from the extraction site or sold, when in the case of storage the stockpile

*is within the state of Minnesota and the highways are not used for transporting the aggregate material.*

*In the event that the aggregate material is transported directly from the extraction site to a waterway, railway, or another mode of transportation other than a highway, road or street, the tax imposed by this section shall be apportioned equally between the county where the aggregate material is extracted and the county to which the aggregate material is originally transported. If that destination is not located in Minnesota, then the county where the aggregate material was extracted shall receive all of the proceeds of the tax.*

Subd. (2) 3. By the 14th day following the last day of each calendar quarter (IN EACH COUNTY IN WHICH A TAX IS IMPOSED PURSUANT TO THIS SECTION OR ANY SPECIAL LAW), every operator shall make and file with the county auditor of the county in which the (GRAVEL) *aggregate material* 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) *aggregate material* removed during the preceding calendar quarter. The report shall be accompanied by a remittance of the amount of tax due.

*If any of the proceeds of the tax is to be apportioned as provided in subdivision 2, the operator shall also include on the report any relevant information concerning the amount of aggregate material transported, the tax and the county of destination. The county auditor shall notify his county treasurer of the amount of such tax and the county to which it is due. The county treasurer shall remit the tax to the appropriate county within 30 days.*

Subd. (3) 4. If any operator fails to make the report required by subdivision (2) 3 or files an erroneous report, the county auditor shall, by the fifth working day after the date 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.

Subd. (4) 5. Failure to file the report shall result in a penalty of \$5 for each of the first 30 days, beginning on the 14th day after the date when the county auditor has sent notice to the (TAXPAYER) *operator* as provided in subdivision (3) 4, during which the report is overdue and no statement of objection has been filed. For each subsequent day during which the report is overdue and no statement of objection has been filed, a penalty of \$10 shall be assessed against the (PERSON) *operator* who is

required to file the report. The penalties imposed by this subdivision shall be collected as part of the tax. If neither the report nor a statement of objection has been filed after more than 60 days have elapsed from the date when the notice was sent, the (PERSON) operator who is required to file the report is guilty of a misdemeanor.

Subd. (5) 6. It is a misdemeanor for any operator to remove (GRAVEL) *aggregate material* from a pit, *quarry*, or deposit unless all taxes due under this section for the *previous reporting period* have been paid or objections thereto have been filed pursuant to subdivision (3) 4.

Subd. (6) 7. All moneys collected as taxes under this section shall be deposited in the county treasury and credited as follows, for expenditure by the county board:

(a) Sixty percent to the county road and bridge fund for expenditure for the maintenance, construction and reconstruction of roads (TRAVELED BY VEHICLES HAULING GRAVEL), *highways and bridges*;

(b) Thirty percent to the (TOWN) road and bridge fund of those towns as determined by the county board and to the general fund or other designated fund of those cities as determined by the county board, (FOR EXPENDITURE) to be expended for maintenance, construction and reconstruction of roads (TRAVELED BY VEHICLES HAULING GRAVEL, IN A MANNER DETERMINED BY THE COUNTY), *highways and bridges*; and

(c) Ten percent to a special reserve fund which is hereby established, for expenditure for the restoration of abandoned (GRAVEL) pits, *quarries*, or deposits located upon (LANDS TO WHICH THE COUNTY HOLDS TITLE OR UPON) *public and tax forfeited lands* within the county.

*In the event that there are no abandoned pits, quarries or deposits located upon public or tax forfeited lands within the county, this portion of the tax shall be deposited in the county road and bridge fund for expenditure for the maintenance, construction and reconstruction of roads, highways and bridges.*

## Sec. 2. [VALIDATION OF COLLECTIONS IN CLAY COUNTY.]

*All collections of taxes imposed upon gravel removed from a pit or deposit by the county of Clay after the date of the resolution by the Clay county board which increased the rate of tax from five to ten cents per cubic yard are hereby validated.*

## Sec. 3. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Section 298.76, is repealed.*

Sec. 4. [EFFECTIVE DATE.]

*This article is effective January 1, 1983.*

ARTICLE XIV

Section 1. Minnesota Statutes 1980, Section 273.13, Subdivision 17d, is amended to read:

Subd. 17d. [NEIGHBORHOOD REAL ESTATE TRUSTS.] When a (STRUCTURE, CONSISTING OF ONE OR MORE DWELLING UNITS, IS) *parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, are owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by (A) lower income (FAMILY AS DEFINED BY SECTION 8 OF THE UNITED STATES HOUSING ACT OF 1937, AS AMENDED) families, the (STRUCTURE) land and improvements, if any, shall be assessed at 20 percent of the market value. This subdivision shall not apply to any portion of the (STRUCTURE) land or improvements used for nonresidential purposes.*

*For purposes of this subdivision, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area as determined by the U.S. Secretary of Housing and Urban Development.*

For purposes of this subdivision, neighborhood real estate trust means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics: (a) it is a nonprofit corporation organized under chapter 317; (b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws; (c) it limits membership with voting rights to residents of the designated community; and (d) it has a board of directors consisting of at least seven directors, 60 percent of whom are (VOTING) members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxes levied in 1982, payable in 1983 and thereafter.*

ARTICLE XV

Section 1. Minnesota Statutes 1980, Section 168.012, is amended by adding a subdivision to read:



*Subd. 10. If a vehicle is used for a purpose which would make it exempt pursuant to subdivision 1 but title is held by a seller or a vendor or is assigned to a third party under a lease purchase agreement or installment sale permitted under section 465.71, exemption shall be determined by the use rather than the holder of the title.*

**Sec. 2. Minnesota Statutes 1981 Supplement, Section 297A.25, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, 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 there-

after 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, *including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71*, 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 taccomite, 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 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.

(s) 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.

(t) 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.

(u) 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.

(v) 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.

(w) 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.

(x) 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).

(y) 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.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 3. Minnesota Statutes 1980, Section 297B.03, is amended to read:

#### 297B.03 [EXEMPTIONS.]

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) Purchase or use, *including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71*, of any motor vehicle by any person described in and subject to the conditions provided in section 297A.25, subdivision 1, clauses (j), (p) and (s).

(2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person moved his residence to the state of Minnesota.

(3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.

(4) Purchase or use of any motor vehicle previously registered in the state of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of sections 351 or 721 of the Internal Revenue Code of 1954, as amended through December 31, 1974.

Sec. 4. Minnesota Statutes 1980, Section 465.71, is amended to read:

465.71 [INSTALLMENT PURCHASES AND LEASE PURCHASES OF PROPERTY; HOME RULE CHARTER AND STATUTORY CITIES; COUNTIES, SCHOOL DISTRICTS.]

A (SECOND, THIRD OR FOURTH CLASS) home rule charter city, *statutory city, county, or school district* may purchase real or personal property under an installment contract, or *lease personal property with an option to purchase under a lease purchase agreement*, by which contract or agreement title is retained by the seller or vendor or assigned to a third party as security for the purchase price, *including interest, if any*, but such purchases are subject to statutory and charter provisions applicable to the purchase of real or personal property. *For purposes of the bid requirements contained in section 471.345, "the amount of the contract" shall include the total of all lease payments for the entire term of the lease under a lease-purchase agreement. The obligation created by a lease purchase agreement shall not be included in the calculation of net debt for purposes of section 475.53, and shall not constitute debt under any other statutory provision. No election shall be required in connection with the execution of a lease purchase agreement authorized by this section. The city, county, or school district shall have the right to terminate a lease purchase agreement at the end of any fiscal year during its term.*

## ARTICLE XVI

Section 1. Minnesota Statutes 1980, Section 273.42, as amended by Laws 1981, First Special Session Chapter 1, Article II, Section 15, is amended to read:

273.42 [RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT; PROPERTY TAX CREDIT.]

Subdivision 1. The property set forth in section 273.37, subdivision 2, consisting of transmission lines of less than 69 kv and transmission lines of 69 kv and above located in an unorganized township, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average rate of taxes levied for all purposes throughout the county and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited (, 35) *as follows: 50 percent*

to the general revenue fund of the county (,) and 50 percent to the general school fund of the county, (AND 15 PERCENT TO THE TOWNSHIPS WITHIN THE COUNTY IN WHICH THE LINES ARE LOCATED. THE AMOUNT AVAILABLE FOR DISTRIBUTION TO THE TOWNSHIPS SHALL BE DIVIDED AMONG THE TOWNSHIPS IN THE SAME PROPORTION THAT THE LENGTH OF TRANSMISSION LINE IN EACH TOWNSHIP BEARS TO THE TOTAL LENGTH OF TRANSMISSION LINE IN THE COUNTY) *except that if there are high voltage transmission lines as defined in section 116C.52, the construction of which was commenced after July 1, 1974 and which are located in unorganized townships within the county, then the distribution of taxes within this subdivision shall be credited as follows: 50 percent to the general revenue fund of the county, 40 percent to the general school fund of the county and 10 percent to a utility property tax credit fund, which is hereby established.*

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 (,) or 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 (,) or township (OR UNORGANIZED TOWNSHIP) pursuant to section 273.36. *In the case of property owners in unorganized townships, the property tax credit shall be determined by multiplying a fraction, the numerator of which is the length of the qualifying high voltage transmission line which runs over the parcel and the denominator of which is the total length of the qualifying high voltage transmission line running over all property within all the unorganized townships within the county, by the total utility property tax credit fund amount available within the county for that year pursuant to section 273.42, subdivision 1.* 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 demoninator 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.

*If, after the county auditor has computed the credit to those qualifying property owners in unorganized townships, there is money remaining in the utility property tax credit fund, then that excess amount in the fund shall be returned to the general school fund of the county.*

Sec. 2. Minnesota Statutes 1980, Section 273.425, is amended to read:

#### 273.425 [ADJUSTMENT OF LEVY.]

When preparing tax lists pursuant to section 275.28 for each levy year for which credits will be payable under section 273.42, the county auditor shall deduct from the assessed valuation of the property within the county an amount equal to ten percent of the assessed valuation of transmission lines with respect to which a credit is to be paid and which are valued pursuant to section 273.36. The mill rate necessary to be applied to this reduced total valuation in order to raise the required amount of tax revenue for the local taxing authorities shall be applied to the value of all taxable property in the county, including the entire valuation of those transmission lines. The proceeds of the tax levied against the excluded ten percent of the value of those transmission lines shall be available for purposes of funding of the credit provided in section 273.42. If the amount of that portion of the levy exceeds the amount necessary to fund the credits, the excess shall be distributed to the taxing districts within which the affected property is located in proportion to their respective mill rates, to be used for general levy purposes.

#### Sec. 3. [EFFECTIVE DATE.]

*This article is effective for taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

### ARTICLE XVII

Section 1. Minnesota Statutes 1980, Section 278.01, is amended to read:

**278.01 [DEFENSE OR OBJECTION TO TAX ON LAND;  
SERVICE AND FILING.]**

Subdivision 1. [DETERMINATION OF VALIDITY.] Any person having any estate, right, title, or interest in or lien upon any parcel of land, who claims that such property has been partially, unfairly, or unequally assessed in comparison with other property in the city or county, or that the parcel has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied or by the tax court by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of service, in the office of the clerk of the district court before the first day of June of the year in which the tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. *A copy of the petition shall also be sent to the school board of the school district in which the property is located.* A petition for determination under this section may be transferred by the district court to the tax court. An appeal may also be taken to the tax court under chapter 271 at any time following receipt of the valuation notice required by section 273.121 but prior to June 1 of the year in which the taxes are payable.

Subd. 2. [HOMESTEADS.] Any person having any estate, right, title or interest in or lien upon any parcel which is classified as homestead under the provisions of section 273.13, subdivisions 6, 6a, 7, 7b, 10 or 12, who claims that said parcel has been assessed at a valuation which exceeds by ten percent or more the valuation which the parcel would have if it were valued at the average assessment/sales ratio for real property in the same class, in that portion of the county in which that parcel is located, for which the commissioner is able to establish and publish a sales ratio study as determined by the applicable real estate assessment/sales ratio study published by the commissioner of revenue, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied or by the tax court by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court before the first day of June of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor. *A copy of the petition shall also be sent to the*

*school board of the school district in which the property is located. A petition for determination under this section may be transferred by the district court to the tax court.*

Subd. 3. [EXCEPTION.] The procedures established by this section (SHALL NOT BE) *are not* available to contest the validity or amount of any special assessment made pursuant to chapters 429, 430, any special law or city charter.

Sec. 2. Minnesota Statutes 1980, Section 278.05, Subdivision 2, is amended to read:

Subd. 2. [RESPONSIBLE ATTORNEY; SCHOOL DISTRICT REPRESENTATIVES.] If the property on which the taxes have been levied is located in a home rule charter or statutory city or town which employs its own certified assessor, the attorney for that governmental unit may, within 20 days after receipt by the county auditor of the copy of the petition forwarded by the county auditor, give notice to the county attorney and to the petitioner or his attorney that the home rule charter or statutory city or town is taking charge of and prosecuting the proceeding. If the attorney for the home rule charter or statutory city or town does not give notice, the attorney of the county in which these taxes are levied shall take charge of and prosecute the proceedings, but the county board may employ any other attorney to assist him. *If the school board has responded within 30 days of receipt to a notice provided pursuant to section 1, indicating that it desires to be notified of further proceedings in the case, a representative of the school district in which the property is located shall be notified of all proceedings and all offers to reduce valuations and shall be given an opportunity to appear and testify on any trial of the issues raised.*

## ARTICLE XVIII

Section 1. Minnesota Statutes 1980, Section 274.19, Subdivision 3, is amended to read:

Subd. 3. Not later than July 15 in the year of assessment the county treasurer shall mail to the taxpayer a statement of tax due on class 2a property. The taxes shall be due on the last day of August. Taxes remaining unpaid after the due date shall be deemed delinquent, and a penalty of eight percent shall be assessed and collected as part of the unpaid taxes. On September (10) 30 the county treasurer shall make a list of taxes remaining unpaid and shall certify the list immediately to the clerk of district court, who shall issue warrants to the sheriff for collection.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxes payable in 1982 and thereafter.*

## ARTICLE XIX

Section 1. Minnesota Statutes 1981 Supplement, Section 272.-46, is amended to read:

**272.46 [AUDITOR TO FURNISH STATEMENT OF TAX LIENS AND TAX SALES; FEES; APPLICATION.]**

*Subdivision 1. [CERTIFICATION OF TAX LIENS.]* 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 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.

*Subd. 2. [AUDITOR TO COMBINE LEGAL DESCRIPTIONS.]* The county auditor, upon written application of any person, shall for property tax purposes only, combine legal descriptions, as defined in section 272.195, of contiguous parcels to which the applicants hold title.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 273.11, Subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 2, 6 and 7 or section 273.17, subdivision 1, all property shall be valued at its market value. *The market value as determined pursuant to this section shall be stated such that any amount under \$100 is rounded up to \$100 and any amount exceeding \$100 shall be rounded to the nearest \$100.* 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. 3. Minnesota Statutes 1980, Section 282.014, is amended to read:

**282.014 [COMPLETION OF SALE AND CONVEYANCE.]**

Upon compliance by the purchaser with the provisions of sections 282.011 to 282.015 and with the terms and conditions of the sale, and upon full payment for the land, *plus a \$10 fee in addition to the sale price*, the sale shall be complete and a conveyance of the land shall be issued to the purchaser as provided by the appropriate statutes according to the status of the land upon forfeiture.

Sec. 4. Minnesota Statutes 1980, Section 282.09, Subdivision 1, is amended to read:

Subdivision 1. [MONEYS PLACED IN FUND.] The county auditor and county treasurer shall place all moneys received through the operation of sections 282.01 to 282.13 in a fund to be known as the forfeited tax sale fund and all disbursements and costs shall be charged against that fund, when allowed by the county board. Members of the county board may be paid a per diem pursuant to section 375.055, subdivision 1, and reimbursed for their necessary expenses, and may receive mileage as now or hereafter fixed by law. Compensation of a land commissioner and his assistants, if a land commissioner is appointed, shall be in such amount as shall be determined by the county board. The county auditor shall receive 50 cents for each certificate of sale, each contract for deed and each lease executed by him, and in counties where no land commissioner is appointed such additional annual compensation, not exceeding \$300, as shall be fixed by the county board. Compensation of any other clerical help that may be needed by the

county auditor or land commissioner shall be in such amount as shall be determined by the county board. All compensation provided for herein shall be in addition to other compensation allowed by law. (OUT OF THE GROSS PROCEEDS IN THIS FUND THERE SHALL BE PAID TO THE STATE, IN ADDITION TO ANY DISTRIBUTION OF NET PROCEEDS THEREFROM, A FEE OF \$3 FOR EACH AND EVERY STATE DEED HEREAFTER ISSUED OR REISSUED BY THE COMMISSIONER OF REVENUE PURSUANT TO THE SALE OF ANY TAX-FORFEITED LANDS.) Fees so charged *in addition to the fee imposed in section 3* shall be included in the annual settlement by the county auditor as hereinafter provided. On or before February 1 in each year, the commissioner of revenue shall certify to the commissioner of finance, by counties, the total number of state deeds issued and reissued during the preceding calendar year for which such fees are charged and the total amount thereof. When disbursements are made from the fund for repairs, refundments, expenses of actions to quiet title, or any other purpose which particularly affects specific parcels of forfeited lands, the amount of such disbursements shall be charged to the account of the taxing districts interested in such parcels. The county auditor shall make an annual settlement of the net proceeds received from sales and rentals by the operation of sections 282.01 to 282.13, at the regular March settlement, for the preceding calendar year.

Sec. 5. [297.041] [SALES TO INDIAN TRIBES.]

*Subdivision 1. [WHOLESALEERS.] Any wholesaler who furnishes a surety bond in a sum satisfactory to the commissioner shall be permitted to set aside, without affixing the stamps required by this chapter, that part of his stock necessary for the conduct of his business in making sales to the established governing body of any Indian tribe recognized by the United States Department of Interior. The unstamped stock shall be kept separate and apart from stamped stock. Every wholesaler shall, at the time of shipping or delivering any of the unstamped stock to an Indian tribal organization, make a true duplicate invoice which shall show the complete details of the sale or delivery and shall transmit the duplicate to the commissioner not later than the fifteenth day of the following calendar month. Failure to comply with the requirements of this section shall cause the commissioner to revoke the permission granted to the wholesaler to maintain a stock of goods which may be unstamped. The commissioner may also revoke this permission to maintain a stock of unstamped goods for sale to a specific Indian tribal organization when it appears that sales of unstamped cigarettes to persons who are not enrolled members of a recognized Indian tribe are taking place, or have taken place, within the exterior boundaries of the reservation occupied by that tribe.*

*Subd. 2. [RETAILERS.] Retailers who are Indian tribal organizations may maintain unstamped stock intended for sale to qualified purchasers.*

*Subd. 3. [QUALIFIED PURCHASERS.] A qualified purchaser of unstamped cigarettes means only an enrolled member of the Indian tribe which is offering the cigarettes for sale.*

*Subd. 4. [SALES TO NONQUALIFIED BUYERS.] Any retailer who sells or otherwise disposes of any unstamped cigarettes other than to a qualified purchaser shall collect from the buyer or transferee the tax imposed by section 297.02, subdivision 1, and remit the tax to the department of revenue at the same time and manner as required by section 297.07. In the event the retailer fails to collect the tax from the buyer or transferee, or fails to remit the tax, the retailer shall be personally responsible for the tax and the commissioner may seize any cigarettes destined to be delivered to the retailer. The cigarettes so seized shall be considered contraband and be subject to the procedures outlined in section 297.08, subdivision 3. The proceeds of the sale of any such cigarettes may, after deducting all costs and expenses, be applied to any tax liability owed by the retailer.*

*The provisions of this section shall not relieve the buyer or possessor of unstamped cigarettes from personal liability for the tax.*

**Sec. 6. [EFFECTIVE DATE.]**

*Section 5 is effective January 1, 1983.*

**ARTICLE XX**

Section 1. Minnesota Statutes 1981 Supplement, 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 sections 290.612 and 302A.821. 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. Prior to the release of any information to any official of the United States or any other state 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 com-

missioner 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.

*In order to facilitate processing of returns and payments of taxes required by this chapter, the commissioner may contract with outside vendors and may disclose private and nonpublic data to the vendor. The data disclosed will be administered by the vendor consistent with this section.*



Sec. 2. Minnesota Statutes 1980, Section 297A.43, is amended to read:

**297A.43 [CONFIDENTIAL NATURE OF 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 disclosed in any report or return required by sections 297A.01 to 297A.44, or any information concerning the affairs of the person making the return acquired from his records, officers, or employees while examining or auditing under the authority of sections 297A.01 to 297A.44, except in connection with a proceeding involving taxes due under this chapter from the taxpayer making such report or return or to comply with the provisions of section 297A.431 or where a question arises as to the proper tax applicable, that is, sales or use tax. In the latter instance, the commissioner may furnish information to a buyer and a seller with respect to the specific transaction in question. 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 contents thereof. Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

The commissioner may enter into an agreement with the commissioner or other taxing officials of another state for the interpretation and administration of the acts of their several states providing for the collection of a sales and/or use tax for the purpose of promoting fair and equitable administration of such acts and to eliminate double taxation.

Notwithstanding the above provisions of this section, the commissioner, at his discretion, in order to implement the purposes of this chapter, may furnish information on a reciprocal basis to the taxing officials of another state, or to the taxing officials of any municipality of the state of Minnesota which has a local sales and/or use tax.

*In order to facilitate processing of returns and payments of taxes required by this chapter, the commissioner may contract with outside vendors and may disclose private and nonpublic data to the vendor. The data disclosed will be administered by the vendor consistent with this section.*

**Sec. 3. [EFFECTIVE DATE.]**

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

**ARTICLE XXI**

Section 1. Minnesota Statutes 1981 Supplement, Section 273.11, Subdivision 7, is amended to read:

Subd. 7. [AGRICULTURAL LAND.] *Tillable agricultural land shall be valued at the lesser of its market value or the value which could be derived from capitalizing its free market gross rental rate (CAPITALIZED) as determined for that grade of land at a rate of (5.8) 5.6 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) and shall determine a farm rental value to be used for the assessment of each grade. The values so determined shall be presented to township boards of review at their annual meetings held pursuant to section 274.01 in the year prior to that in which those values might be used in determining tillable agricultural land values. The boards of review and any property owners may present their comments on the values, including any evidence indicating that the values are inaccurate, by December 1 of the year when the values were presented to the board. The county assessor shall make his final determination of assessed valuations for January 2 of the subsequent year based on his determinations of the farm rental values as modified by any comments of board members or other property owners that he finds persuasive. Nontillable agricultural land and buildings on agricultural land shall be valued in the usual manner.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment for valuations for taxes levied in 1983, payable in 1984 and thereafter.*

ARTICLE XXII

Section 1. Minnesota Statutes 1980, Section 273.111, Subdivision 9, is amended to read:

Subd. 9. When real property which is being, or has been valued and assessed under this section (IS SOLD OR) no longer qualifies under subdivisions 3 and 6, the portion (SOLD) *no longer qualifying* shall be subject to additional taxes, in the amount equal to the difference between the taxes determined in accordance with subdivision 4, and the amount determined under subdivision 5, provided, however, that the amount determined under subdivision 5 shall not be greater than it would have been had the actual bona fide sale price of the real property at an arms length transaction been used in lieu of the market value determined under subdivision 5. Such additional taxes shall be extended against the property on the tax list for the current year, provided, however, that no interest or penalties shall be levied on such additional taxes if timely paid, and provided further, that such additional taxes shall only be levied with respect to the last three years that the said property has been valued and assessed under this section.

Sec. 2. Minnesota Statutes 1980, Section 273.111, Subdivision 11, is amended to read:

Subd. 11. The payment of special local assessments levied after the date of Extra Session Laws 1967, Chapter 60, for improvements made to any real property described in subdivision 3 together with the interest thereon shall, on timely application as provided in subdivision 8, be deferred as long as such property meets the conditions contained in subdivisions 3 and 6. If special assessments against the property have been deferred pursuant to this subdivision, the governmental unit shall file with the county recorder in the county in which the property is located a certificate containing the legal description of the affected property and of the amount deferred. When such property (IS SOLD OR) no longer qualifies under subdivisions 3 and 6, all deferred special assessments plus interest shall be payable within 90 days. Penalty shall not be levied on any such special assessments if timely paid. If not paid within such 90 days, the county auditor shall include such deferred special assessments plus a ten percent penalty on the tax list for the current year.

Sec. 3. Minnesota Statutes 1980, Section 273.111, is amended by adding a subdivision to read:

*Subd. 11a. When real property qualifying under subdivisions 3 and 6 is sold, no additional taxes or deferred special assessments plus interest shall be extended against the property provided the property continues to qualify pursuant to subdivisions 3 and 6, and provided the new owner files an application for continued deferment within 30 days after the sale.*

*For purposes of meeting the income requirements of subdivision 6, the property purchased shall be considered in conjunction with other qualifying property owned by the purchaser.*

Sec. 4. [EFFECTIVE DATE.]

*This article is effective for sales of qualifying property made after the day of final enactment.*

## ARTICLE XXIII

Section 1. Minnesota Statutes 1980, Section 273.121, is amended to read:

273.121 [VALUATION OF REAL PROPERTY, NOTICE.]

Any county assessor or city assessor having the powers of a county assessor, valuing or classifying taxable real property shall in each year notify those persons whose property is to be assessed or reclassified that year if the person's address is

known to the assessor, otherwise the occupant of the property. *In the case of property owned by a married couple in joint tenancy or tenancy in common, the assessor shall not deny the 3b or 3c property classification in whole or in part if only one of the spouses is occupying the property and the other spouse is absent due to divorce or separation, or is a resident of a nursing home or a boarding care facility.* The notice shall be in writing and shall be sent by ordinary mail at least ten days before the meeting of the local board of review or equalization. It shall contain the amount of the valuation in terms of market value, the new classification, the assessor's office address, and the dates, places, and times set for the meetings of the local board of review or equalization and the county board of equalization. If the assessment roll is not complete, the notice shall be sent by ordinary mail at least ten days prior to the date on which the board of review has adjourned. The assessor shall attach to the assessment roll a statement that the notices required by this section have been mailed. Any such assessor who is not provided sufficient funds from his governing body to provide such notices, may make application to the commissioner of revenue to finance such notices. The commissioner of revenue shall conduct an investigation and if he is satisfied that the assessor does not have the necessary funds, issue his certification to the commissioner of finance of the amount necessary to provide such notices. The commissioner of finance shall issue a warrant for such amount and shall deduct such amount from any state payment to such county or municipality. The necessary funds to make such payments are hereby appropriated. Failure to receive the notice shall in no way affect the validity of the assessment, the resulting tax, the procedures of any board of review or equalization, or the enforcement of delinquent taxes by statutory means.

Sec. 2. Minnesota Statutes 1980, Section 273.13, Subdivision 7c, is amended to read:

Subd. 7c. [TOWNHOUSES; COMMON AREAS; CONDOMINIUMS; COOPERATIVES.] (a) Townhouse property shall be classified and valued as is other property under this section except that the value of the townhouse property shall be increased by the value added by the right to use any common areas in connection with the townhouse development. The common areas of the development shall not be separately taxed. The total value of the townhouse property, including the value added as provided herein, shall have the benefit of homestead treatment or other special classification if the townhouse otherwise qualifies.

(b) Condominium property qualifying as a homestead under section 515A.1-105 and property owned by a cooperative association that qualifies as a homestead under section 273.133 shall have the benefit of homestead treatment or other special classification if the condominium or cooperative association property otherwise qualifies. In the event that the condominium or co-

*operative association property is owned by the occupant and used for the purposes of a homestead but is located upon land which is leased, that leased land shall be valued and assessed as if it were homestead property within the scope of class 3c or 3cc, whichever is applicable, if all of the following criteria are met:*

(1) *The occupant is using the property as his permanent residence;*

(2) *The occupant or the cooperative association is paying the ad valorem property taxes and any special assessments levied against the land and structure;*

(3) *The occupant or the cooperative association has signed a land lease; and*

(4) *The term of the land lease is at least 50 years, notwithstanding the fact that the amount of the rental payment may be renegotiated at shorter intervals.*

Sec. 3. Minnesota Statutes 1980, Section 278.05, Subdivision 4, is amended to read:

Subd. 4. [SALES RATIO STUDIES AS EVIDENCE.] The sales ratio studies published by the department of revenue, or any part of the studies, or any copy of the studies or records accumulated to prepare the studies which is prepared by the commissioner of revenue for the equalization aid review committee for use in determining school aids shall be admissible in evidence as a public record without the laying of a foundation. *Additional evidence relevant to the sales ratio study is also admissible.*

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective for property taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

#### ARTICLE XXIV

Section 1. [OLMSTED COUNTY RECORDER'S FEES.]

*The Olmsted County recorder may waive the security deposit requirement of Minnesota Statutes, Section 386.78, and extend credit for the payment of charges to financial institutions and attorneys.*

Sec. 2. [SOUTH ST. PAUL; PORT AUTHORITY.]

*The governing body of the city of South St. Paul may exercise all the powers of a port authority provided by Minnesota Statutes, Chapter 458, including the powers given to the port authority of the city of St. Paul under that chapter.*

**Sec. 3. [LOCAL APPROVAL; EFFECTIVE DATE.]**

*Section 1 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Olmsted County board.*

*Section 2 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of South St. Paul.*

**ARTICLE XXV****Section 1. [HOTEL AND MOTEL TAX.]**

*A tax, supplemental to the general sales tax imposed by Minnesota Statutes, Chapter 297A, is imposed on transient lodging in the city of St. Paul at a rate equal to three percent of the consideration paid for lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp or for the granting of any similar license to use real property. The tax does not apply to a rental or lease for 30 or more days continuously. This tax supersedes any similar tax imposed pursuant to city charter. The tax shall be collected by and its proceeds paid to the city. At least 25 percent of the revenues generated by the tax shall be used for the payment of the bonds and any interest or premium on the bonds authorized by section 2.*

**Sec. 2. [BONDING AUTHORITY; PLEDGE OF SECURITY.]**

*The city of Saint Paul may, by resolution, authorize, issue and sell general obligation or special obligation bonds in an amount not to exceed \$4,000,000 to finance any expenditure for the repair, remodeling, equipping, construction, reconstruction and betterment of the civic center parking ramp. Except as provided by this section the bonds shall be authorized, issued and sold in the same manner and subject to the conditions provided in Minnesota Statutes, Chapter 475. Any special tax imposed by section 1 in the city of Saint Paul, any tax increment generated by private development in, and net revenues from, the operation of the civic center complex shall be pledged in whole or in part to the payment of the bonds authorized by this article and the interest and any premium on them. When any revenues, tax increment, or any special tax imposed by the city are pledged in whole or part for the repayment of general obligation bonds authorized by this article, including any interest or premium on them, the estimated collections of the revenues or taxes pledged shall be deducted from the general ad valorem taxes otherwise required to be levied before the issuance of the bonds under Minnesota Statutes, Section 475.61, Subdivision 1, or the collections of them may be certified annually to reduce or cancel the initial tax levies in accordance with Minnesota Statutes, Section 475.61, Subdivision 1 or 3. Notwithstanding any contrary provision of Minne-*

*sota Statutes, Chapter 475, or any other law or charter provision, the bonds may be authorized, issued and sold without a vote of the electorate and without limit as to interest rate and the issue shall not be included in the net debt or per capita tax limitations of the city. If the bonds are special obligation bonds, the city may exercise any of the powers granted an authority for issuing revenue bonds under Minnesota Statutes, Section 273.77, paragraph (c).*

### Sec. 3. [STATUTORY EXCEPTION.]

*The taxes imposed by this article are effective notwithstanding Minnesota Statutes, Section 477A.016, or other law.*

### Sec. 4. [LEASE, DISPOSITION AND EXEMPTION OF PROPERTY; TRANSFER OF LIQUOR LICENSE.]

*Notwithstanding any contrary provision of law or charter, the civic center authority and the city of St. Paul may license or lease the operation of the civic center complex or any part thereof for any period of time by agreement in which the city retains title to the property and requires operation of the civic center complex for the public purposes contemplated in Laws 1967, Chapter 459, as amended by Laws 1969, Chapter 1138. The use and operation of the property, whether by the civic center authority or its licensee or lessee is declared a use, lease or occupancy for public, governmental, and municipal purposes, and the property shall be exempt from taxation by the state or any political subdivision of the state during such use. The city may lease or sell land, including air rights, and improvements thereon which are a part of the civic center complex no longer required for civic center purposes upon the determination by the authority that private development and usage is compatible with operation of the civic center. The land disposition shall be in the manner provided by Minnesota Statutes, Section 458.196, and the land so disposed of shall be subject to all applicable taxes and assessments as if the property were privately owned. The city may issue or transfer the additional liquor license authorized by Laws 1969, Chapter 783, at the civic center to the operational licensee or lessee in lieu of its food catering contractor.*

### Sec. 5. [ADMINISTRATION; BOND SECURITY.]

*The authority shall be responsible for the repair or betterments to be carried out with the proceeds of bonds authorized in section 2. The authority shall receive all rents or fees from a lease or license of civic center facilities. The authority shall monitor operation by any lease or license of civic center facilities. The provisions of Laws 1969, Chapter 1138, Section 3, are hereby amended to the extent necessary for implementation of any lease or license authorized under section 2.*

## Sec. 6. [EMPLOYMENT RIGHTS.]

*In the event of a lease or license, permanent, full-time civic center employees shall be protected in their rights, including retirement benefits, in accordance with city civil service rules and the terms of their collective bargaining agreement, the city shall provide police protection equal to or greater than that provided in 1981 and the civic center authority shall reserve the right in any such lease or license to disapprove any event sponsored at the civic center complex.*

## Sec. 7. [EFFECTIVE DATE.]

*This article is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of St. Paul.*

## ARTICLE XXVI

Section 1. Minnesota Statutes 1980, Section 270.75, is amended by adding a subdivision to read:

*Subd. 6. The provisions of this section shall not apply to interest payable on timely paid installment payments of estate tax permitted under sections 291.11, subdivision 1, or 291.132, subdivision 2.*

Sec. 2. Minnesota Statutes 1980, Section 291.015, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 2, is amended to read:

## 291.015 [DETERMINATION OF MINNESOTA TAXABLE ESTATE.]

The Minnesota taxable estate of a decedent shall be the Minnesota gross estate less the sum of:

(1) The exemptions and deductions allowed pursuant to sections 291.05, 291.051, 291.065, 291.07, and 291.08; and

(2) The sum of

\$225,000 for decedents dying (AFTER JUNE 30,) in 1982;

\$275,000 for decedents dying in 1983;

\$325,000 for decedents dying in 1984;

\$400,000 for decedents dying in 1985;

\$500,000 for decedents dying in 1986;



\$600,000 for decedents dying in 1987 and

thereafter,

multiplied by a fraction, not greater than one, the numerator of which shall be the value of the Minnesota gross estate and the denominator of which shall be the value of the federal gross estate.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 291.03, Subdivision 3, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 3, is amended to read:

Subd. 3. [1982.] In the case of a decedent dying (AFTER JUNE 30,) *in* 1982, subdivision 1, clause (1), shall be applied by substituting for the rates prescribed therein the following rates:

- 7 percent on the first \$75,000,
- 8 percent on the next \$100,000 or part thereof,
- 9 percent on the next \$100,000 or part thereof,
- 10 percent on the next \$200,000 or part thereof,
- 11 percent on the next \$500,000 or part thereof,
- 12 percent on the excess.

Sec. 4. Minnesota Statutes 1980, Section 291.051, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 4, is amended to read:

Subdivision 1. For the purpose of section 291.015, clause (1), the Minnesota taxable estate shall be determined by deducting from the Minnesota gross estate the value of any interest in property other than a terminable interest for which no deduction is allowed under section 2056((B)) of the Internal Revenue Code, which passes or has passed from the decedent to his surviving spouse, but only to the extent that the interest is included in determining the value of the Minnesota gross estate and is not exempt from estate tax under sections 291.05 or 291.065. An interest in property shall be considered as passing from the decedent to his surviving spouse if it is considered as so passing under Section 2056((C)) of the Internal Revenue Code.

Sec. 5. Minnesota Statutes 1980, Section 291.09, Subdivision 1a, as amended by Laws 1981, Third Special Session Chapter 2, Article VI, Section 5, is amended to read:

Subd. 1a. In all instances in which a decedent dies after December 31, 1979 and before January 1, 1981 leaving a federal gross estate in excess of \$161,000 and in all instances in which a decedent dies after December 31, 1980 and before (JULY) *January 1, 1982* leaving a federal gross estate in excess of \$175,000, and the decedent has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return.

In the case of a decedent dying after (JUNE 30, 1982) *December 31, 1981* who has an interest in property with a situs in Minnesota, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return in the following instances:

A Minnesota estate tax return

In the case of a decedent dying in	shall be filed if the federal gross estate equals or exceeds
1982 .....	\$225,000
1983 .....	275,000
1984 .....	325,000
1985 .....	400,000
1986 .....	500,000
1987 and thereafter .....	600,000

The return shall be accompanied by a federal estate tax return and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 6. Minnesota Statutes 1980, Section 291.15, is amended to read:

291.15 [INTEREST.]

((1)) *Subdivision 1.* If (SUCH) *the* tax is not paid within nine months from the accruing thereof, interest shall be charged and collected thereon at the rate specified in section 270.75 from the due date until the date the tax is paid. In the event a person or corporation upon proper authorization makes a payment to be applied against the tax thereafter, no interest shall accrue on the amount so paid. All payments shall be applied first to penalties, next to interest and then upon principal.

**((2) IN THE EVENT THAT) Subd. 2.** *If the amount applied against the tax exceeds the tax as determined by the commissioner of revenue, the commissioner shall upon proper application order the refundment without interest. The commissioner of finance shall cause (SUCH) the refund to be paid out of the proceeds of the tax imposed by this chapter, and so much of (SAID) the proceeds as are sufficient to make the refund are hereby appropriated.*

*Subd. 3. Interest shall be paid on installment payments of the tax authorized under section 291.11, subdivision 1, or 291.-132, subdivision 2, at the rate of interest in effect pursuant to section 270.75 nine months following the date of death.*

**Sec. 7.**

*Any interest paid on installment payments of estate taxes under the provisions of Laws 1981, Third Special Session Chapter 2, Article III, Section 1, at a higher rate than the rate provided in section 6 shall be credited to interest subsequently required to be paid by the taxpayer.*

**Sec. 8.** Laws 1981, Third Special Session Chapter 2, Article VI, Section 8, is amended to read:

**Sec. 8. [EFFECTIVE DATE.]**

*Sections 1 to 7 are effective for estates of decedents dying after (JUNE 30, 1982) December 31, 1981, provided that the provisions of PL 97-34 that are made retroactive pursuant to section 421(k)(5) shall be effective for estates of decedents dying after December 31, 1979.*

**Sec. 9. [EFFECTIVE DATE.]**

*Sections 1 to 8 are effective the day following final enactment.*

**ARTICLE XXVII**

**Section 1.** Minnesota Statutes 1980, Section 105.482, Subdivision 1, is amended to read:

**Subdivision 1. [PURPOSE.]** *The public health, safety, and welfare is promoted by the orderly repair and restoration of dams serving the public interest and by the use of existing dams and potential dam sites for hydroelectric or hydromechanical power generation wherever that use is economically justified and environmentally sound. In furtherance of this objective, it is the purpose of this section to facilitate the repair and restoration of dams owned by the state and local governmental units and to investigate and analyze hydroelectric or hydromechanical*

generating capability of publicly owned dams and potential dam sites.

Sec. 2. Minnesota Statutes 1980, Section 105.482, is amended by adding a subdivision to read:

*Subd. 8. [HYDROPOWER GENERATION POLICY; LEASING OF DAMS AND DAM SITES.] Consistent with laws relating to dam construction, reconstruction, repair, and maintenance, the legislature finds that the public health, safety, and welfare of the state is also promoted by the use of state waters to produce hydroelectric or hydromechanical power. Further, the legislature finds that the leasing of existing dams and potential dam sites primarily for such power generation is a valid public purpose. A local governmental unit, or the commissioner of natural resources with the approval of the state executive council, may provide pursuant to a lease or development agreement for the development and operation of dams, dam sites, and hydroelectric or hydromechanical power generation plants owned by the respective government by an individual, a corporation, an organization, or other legal entity upon such terms and conditions as the local governmental unit or the commissioner may negotiate for a period not to exceed 50 years. If the dam, dam site or power generation plant is located in or contiguous to a city or town, other than the lessor governmental unit, the lease or agreement shall not be effective unless it is approved by the governing body of such city or town. For purposes of this subdivision, city means a statutory or home rule charter city.*

Sec. 3. Minnesota Statutes 1980, Section 105.482, is amended by adding a subdivision to read:

*Subd. 9. [CONTENTS OF DEVELOPMENT AGREEMENT.] An agreement for the development or redevelopment of a hydropower site may contain, but need not be limited to, the following provisions:*

*(a) Length of the development agreement, subject to negotiations between the parties but not more than 50 years, and conditions for extension, modification, or termination;*

*(b) Provisions for a performance bond on the developer, or, certification that the equipment and its installation have a design life at least as long as the lease;*

*(c) Provisions to assure adequate maintenance and safety in the impoundment structures, if any, and to assure access to recreational sites, if any.*

Sec. 4. 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. 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.

(18) *To the extent provided by section 5, real and personal property used or to be used primarily for the production of hydroelectric or hydromechanical power on a site owned by the state or a local governmental unit which is developed and operated pursuant to the provisions of sections 1 to 3.*

**Sec. 5. [295.44] [HYDROPOWER FACILITIES; EXEMPTION; TAXATION IN LIEU OF PROPERTY TAXATION.]**

*Subdivision 1. [EXEMPTION.] Notwithstanding the provisions of sections 272.01, subdivision 2, 272.02, subdivision 5,*

and 273.19, subdivision 1, real or personal property used or to be used primarily for the production of hydroelectric or hydro-mechanical power on a site owned by the state or a local governmental unit and developed and operated pursuant to sections 1 to 3 shall be exempt from property taxation for the five calendar years succeeding the year in which the development agreement is executed.

*Subd. 2. [GROSS EARNINGS TAX.] On or before March first of each year, every lessee or operator of a hydropower facility pursuant to sections 1 to 3 shall pay into the treasury of the county where the hydropower facility is principally located ten percent of the gross earnings of the facility for the preceding calendar year. This tax shall be in lieu of all ad valorem taxes upon the real or personal property of the hydropower facility for the calendar year, and the tax shall be imposed for as long as the property is exempt from property taxation under subdivision 1.*

*Subd. 3. [PROCEEDS; DISTRIBUTION.] The county auditor shall distribute the proceeds of the gross earnings tax to the taxing districts in which the hydropower facility is located. The proceeds shall be apportioned on the basis of the mill rates of the respective taxing districts. If the facility consists of two or more parcels of property which are located in different taxing districts, the proceeds of the tax shall first be apportioned on the basis of the market value of the respective parcels in each of the taxing districts and then apportioned on the basis of the respective taxing districts' mill rates.*

*Subd. 4. [CALCULATION OF LEVY LIMITS.] In calculating the levy limits pursuant to sections 275.50 to 275.515, the amount of any proceeds of the gross receipts tax distributed to a governmental subdivision shall be deducted from the levy limitation determined under section 275.51, subdivision 3e for the year following the year in which the distribution was received.*

#### Sec. 6. [EFFECTIVE DATE.]

*This article is effective the day following final enactment.*

### ARTICLE XXVIII

Section 1. Minnesota Statutes 1981 Supplement, Section 290.081, is amended to read:

#### 290.081 [INCOME OF NONRESIDENTS, RECIPROCITY.]

(a) The compensation received for the performance of personal or professional services within this state by an individual who resides and has his place of abode and place to which he



customarily returns at least once a month in another state, shall be excluded from gross income to the extent such compensation is subject to an income tax imposed by the state of his residence; provided that such state allows a similar exclusion of compensation received by residents of Minnesota for services performed therein, or

(b) Whenever a nonresident taxpayer has become liable for income taxes to the state where he resides upon his net income for the taxable year derived from the performance of personal or professional services within this state and subject to taxation under this chapter, there shall be allowed as a credit against the amount of income tax payable by him under this chapter, such proportion of the tax so paid by him to the state where he resides as his gross income subject to taxation under this chapter bears to his entire gross income upon which the tax so paid to such other state was imposed; provided, that such credit shall be allowed only if the laws of such state grant a substantially similar credit to residents of this state subject to income tax under such laws, or

(c) If any taxpayer who is a resident of this state, or a domestic corporation or corporation commercially domiciled therein, has become liable for taxes on or measured by net income to another state or a province or territory of Canada upon, if the taxpayer is an individual, *or if the taxpayer is an athletic team and all of the team's income is apportioned to Minnesota*, any income, or if it is a corporation, estate, or trust, upon income derived from the performance of personal or professional services within such other state or province or territory of Canada and subject to taxation under this chapter he or it shall be entitled to a credit against the amount of taxes payable under this chapter, of such proportion thereof, as such gross income subject to taxation in such state or province or territory of Canada bears to his entire gross income subject to taxation under this chapter; provided (1) that such credit shall in no event exceed the amount of tax so paid to such other state or province or territory of Canada on the gross income earned within such other state or province or territory of Canada and subject to taxation under this chapter, and (2) that such credit shall not be allowed if such other state or province or territory of Canada allows residents of this state a credit against the taxes imposed by such state or province or territory of Canada for taxes payable under this chapter substantially similar to the credit provided for by paragraph (b) of this section, and (3) the allowance of such credit shall not operate to reduce the taxes payable under this chapter to an amount less than would have been payable if the gross income earned in such other state or province or territory of Canada had been excluded in computing net income under this chapter.

(d) The commissioner shall by regulation determine with respect to gross income earned in any other state the applicable

clause of this section. When it is deemed to be in the best interests of the people of this state, the commissioner may determine that the provisions of clause (a) shall not apply.

(e) "Tax So Paid" as used in this section means taxes on or measured by net income payable to another state or province or territory of Canada on income earned within the taxable year for which the credit is claimed, provided that such tax is actually paid in that taxable year, or subsequent taxable years.

(f) For the purposes of clause (a), whenever the Wisconsin tax on Minnesota residents which would have been paid Wisconsin without clause (a) exceeds the Minnesota tax on Wisconsin residents which would have been paid Minnesota without clause (a), or vice versa, then the state with the net revenue loss resulting from clause (a) shall receive from the other state the amount of such loss. This provision shall be effective for all years beginning after December 31, 1972. The data used for computing the loss to either state shall be determined on or before September 30 of the year following the close of the previous calendar year.

Interest shall be payable on all delinquent balances relating to taxable years beginning after December 31, 1977. The commissioner of revenue is authorized to enter into agreements with the state of Wisconsin specifying the reciprocity payment due date, conditions constituting delinquency, interest rates, and a method for computing interest due on any delinquent amounts.

If an agreement cannot be reached as to the amount of the loss, the commissioner of revenue and the taxing official of the state of Wisconsin shall each appoint a member of a board of arbitration and these members shall appoint the third member of the board. The board shall select one of its members as chairman. Such board may administer oaths, take testimony, subpoena witnesses, and require their attendance, require the production of books, papers and documents, and hold hearings at such places as are deemed necessary. The board shall then make a determination as to the amount to be paid the other state which determination shall be final and conclusive.

Notwithstanding the provisions of section 290.61, the commissioner may furnish copies of returns, reports, or other information to the taxing official of the state of Wisconsin, a member of the board of arbitration, or a consultant under joint contract with the states of Minnesota and Wisconsin for the purpose of making a determination as to the amount to be paid the other state under the provisions of this section. Prior to the release of any information under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290.17, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article 3, Section 13, 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) (a) 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 (;).

(b) *In the case of an individual who is a nonresident of Minnesota and who is an athlete or entertainer, income from compensation for labor or personal services performed within this state shall be determined in the following manner.*

(i) *The amount of income to be assigned to Minnesota for an individual who is a nonresident salaried athletic team employee shall be determined by using a fraction in which the denominator contains the total number of days in which the individual is under a duty to perform for the employer, and the numerator is the total number of those days spent in Minnesota. In order to eliminate the need to file state or provincial income tax returns in several states or provinces, Minnesota will exclude from income any income assigned to Minnesota under the provisions of this clause for a nonresident athlete who is employed by an athletic team whose operations are not based in this state if the state or province in which the athletic team is based provides a similar income exclusion. If the state or province in which the athletic team's operations are based does not have an income tax on an individual's personal service income, it will be deemed that that state or province has a similar income exclusion. As used in the preceding sentence, the term "province" means a province of Canada.*

(ii) *The amount of income to be assigned to Minnesota for an individual who is a nonresident, and who is an athlete not listed in clause (i), or who is an entertainer, for that person's athletic or entertainment performance in Minnesota shall be determined by assigning to this state all income from performances or athletic contests in 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 busi-

ness 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), nor shall it apply to income from the operation of a farm which is subject to the provisions of clause (2). 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.

If the trade or business carried on wholly or partly in Minnesota is part of a unitary business, the entire income of that unitary business shall be subject to apportionment under section 290.19. The term "unitary business" shall mean a number of business activities or operations which are of mutual benefit, dependent upon, or contributory to one another, individually or as a group. Unity shall be presumed whenever there is unity

of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction. Unity of ownership will not be deemed to exist unless the corporation owns more than 50 percent of the voting stock of the other corporation.

The entire income of a unitary business, including all income from each activity, operation or division, shall be subject to apportionment as provided in section 290.19. None of the income of a unitary business shall be considered as derived from any particular source and none shall be allocated to any particular place except as provided by the applicable apportionment formula.

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 290.08, subdivision 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 non-resident 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, 409 or 409A 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. 3. Minnesota Statutes 1980, Section 290.19, Subdivision 1, is amended to read:

Subdivision 1. [COMPUTATION, BUSINESS CONDUCTED PARTLY WITHIN STATE; APPORTIONMENT.] The taxable net income from a trade or business carried on partly within and partly without this state shall be computed by deducting from the gross income of such business, wherever derived, deductions of the kind permitted by section 290.09, so far as connected with or allocable against the production or receipt of such income. The remaining net income shall be apportioned to Minnesota as follows:

(1) If the business consists of the mining, producing, smelting, refining, or any combination of these activities of copper and nickel ores, or of the manufacture of personal property and the sale of said property within and without the state, the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(a) The percentage which the sales made within this state is of the total sales wherever made;

(b) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned or rented and, used by the taxpayer in connection with such trade or business during the tax period; and,

(c) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(d) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (1) (a), 15 percent of the percentage determined under clause (1) (b), and 15 percent of the percentage determined under clause (1) (c);

(2) (a) In all other cases the remainder shall be apportioned to Minnesota on the basis of the percentage obtained by taking the arithmetical average of the following three percentages:

(1) The percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted;

(2) The percentage which the total tangible property, real, personal, and mixed, owned or rented, and used by the taxpayer in this state during the tax period in connection with such trade or business is of the total tangible property, real, personal, or mixed, wherever located, owned, or rented, and used by the taxpayer in connection with such trade or business during the tax period; and

(3) The percentage which the taxpayer's total payrolls paid or incurred in this state or paid in respect to labor performed in this state in connection with such trade or business is of the taxpayer's total payrolls paid or incurred in connection with such entire trade or business;

(4) The percentage of such remainder to be assigned to this state shall not be in excess of the sum of the following percentages: 70 percent of the percentage determined under clause (2) (a) (1), 15 percent of the percentage determined under clause (2) (a) (2), and 15 percent of the percentage determined under clause (2) (a) (3);

(b) If the methods prescribed under clause (2) (a) will not properly reflect taxable net income assignable to the state, there may be used, if practicable and if such use will properly and fairly reflect such income, the percentage which the sales, gross earnings, or receipts from business operations, in whole or in part, within this state bear to the total sales, gross earnings, or receipts from business operations wherever conducted; or the separate or segregated accounting method; *however, for athletic teams when the visiting team does not share in the gate receipts, all of the team's income is apportioned to the state in which the team's operation is based;*

(3) The sales, payrolls, earnings, and receipts referred to in this section shall be those for the taxable year in respect of which the tax is being computed. The property referred to in this section shall be the average of the property owned or used by the taxpayer during the taxable year in respect of which the tax is being computed.

Sec. 4. Minnesota Statutes 1980, Section 290.92, Subdivision 4a, is amended to read:

Subd. 4a. [TAX WITHHELD FROM NONRESIDENTS.]  
(1) ["WAGES" PAID TO NONRESIDENT EMPLOYEES.]  
For the purposes of this section: The term "wages" means all remuneration taxable under this chapter including all remunera-

tion paid to a nonresident employee for services performed in this state.

(2) ["EMPLOYER", "WAGES" AND "EMPLOYEE" CONCERNING NONRESIDENTS.] Notwithstanding any other provision of this section, under rules and regulations to be prescribed by the commissioner of revenue, for purposes of this section any person having control, receipt, custody, disposal or payment of compensation taxable under this chapter and earned by a nonresident for personal services, shall be deemed an employer, any compensation taxable under this chapter and earned by a nonresident for personal services shall be deemed wages, and a nonresident entitled to compensation taxable under this chapter and earned by him for personal services shall be deemed an employee.

*When compensation for personal services is paid to a corporation in which all or substantially all of the shareholders are individual entertainers, performers or athletes who gave an entertainment or athletic performance in this state for which the compensation was paid, the compensation shall be deemed wages of the individual entertainers, performers or athletes and shall be subject to the provisions of this section. Advance payments of compensation for personal services to be performed in Minnesota shall be deemed wages and subject to the provisions of this section. The individual, and not the corporation, shall be subject to the Minnesota income tax as provided in this chapter on the compensation for personal services.*

(3) [NONRESIDENTS, EMPLOYER'S DUTY.] The employer of any employee domiciled in a state with which Minnesota has reciprocity under section 290.081 is not required to withhold under this chapter from the wages earned by such employee in this state.

#### Sec. 5. [EFFECTIVE DATE.]

*Section 2 is effective for taxable years ending after the date of final enactment. Sections 1, 3, and 4 are effective the day after final enactment.*

### ARTICLE XXIX

Section 1. Minnesota Statutes 1980, Section 290.06, is amended by adding a subdivision to read:

*Subd. 15. [CORPORATIONS; CREDIT.] A corporation doing business in Minnesota which:*

(1) *purchases less than 20 percent of the value of its raw materials from other members of the unitary group;*



(2) sells less than 15 percent of the value of its final products to other members of the unitary group;

(3) has total sales in Minnesota of less than 1/10 of one percent of the total sales of the unitary group;

(4) has more than 40 percent of its employees in Minnesota; and

(5) is a separate corporate entity;

shall be granted a credit equal to the difference in the amount of tax computed on a combined report under section 290.34, subdivision 2, and the amount of tax computed for that corporation only. This credit is not refundable. This credit applies only to a corporation if the inclusion of the corporation in a combined report would result in that corporation being liable for a state income tax in excess of four percent of its total sales in Minnesota and if the main manufacturing plant of that corporation is located within the city limits of the county seat of a county that, based on the 1980 federal census, contains between 11,500 and 13,000 people.

Sec. 2. Minnesota Statutes 1980, Section 290.095, Subdivision 3, is amended to read:

Subd. 3. [CARRYOVER AND CARRYBACK.] (a) Except as provided in clause (d) or subdivision 8, a net operating loss for any taxable year shall be:

(1) A net operating loss carryback to each of the three taxable years preceding the taxable year of such loss, and

(2) A net operating loss carryover to each of the five taxable years following the taxable year of such loss.

(b) The entire amount of the net operating loss for any taxable year shall be carried to the earliest of the taxable years to which, by reason of subdivision 3, clause (a) or (d), such loss may be carried. The portion of such loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of such loss over the sum of the taxable net income, adjusted by the modifications specified in subdivision 4, for each of the prior taxable years to which such loss may be carried.

(c) Where a corporation does business both within and without Minnesota, and apports its income under the provisions of section 290.19, the net operating loss deduction shall be allowed to the extent of the apportionment ratio of the loss year, or the year to which the loss is carried, whichever is smaller.

(d) Where a corporation files a combined report which reflects the entire unitary business as provided in section 290.34,

*subdivision 2, the corporation shall not be allowed a net operating loss carryback to a year in which it did not file a combined report. The number of taxable years for which a net operating loss carryover is allowed shall be increased by the number of taxable years for which a net operating loss carryback is not allowed under this clause.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 290.21, Subdivision 4, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 14, is amended to read:

Subd. 4. (a) 85 percent of dividends received by a corporation during the taxable year from another corporation, when the corporate stock with respect to which dividends are paid does not constitute the stock in trade of the taxpayer or would not be included in the inventory of the taxpayer, or does not constitute property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or when the trade or business of the taxpayer does not consist principally of the holding of the stocks and the collection of the income and gains therefrom. The remaining 15 percent shall be allowed if the recipient owns 80 percent or more of all the voting stock of such other corporation, and the dividends were paid from income arising out of business done in this state by the corporation paying such dividends; but if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the remainder shall be allowed as a deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof; the burden shall be on the taxpayer of showing that the amount of remainder claimed as a deduction has been received from income arising out of business done in this state,

(b) if the trade or business of the taxpayer consists principally of the holding of the stocks and the collection of the income and gains therefrom, dividends received by a corporation during the taxable year from another corporation, if the recipient owns 80 percent or more of all the voting stock of such other corporation, from income arising out of business done in this state by the corporation paying such dividends; but, if the income out of which the dividends are declared was derived from business done within and without this state, then so much of the dividends shall be allowed as deduction as the amount of the taxable net income of the corporation paying the dividends assignable or allocable to this state bears to the entire net income of the corporation, such rate being determined by the returns under this chapter of the corporation paying such dividends for the taxable year preceding the distribution thereof. The burden shall be on the taxpayer of showing that the amount of dividends claimed as a

deduction has been received from income arising out of business done in this state.

(c) The dividend deduction provided in this subdivision shall be allowed only with respect to dividends that are included in a corporation's Minnesota taxable net income for the taxable year.

(d) (IN THE CASE OF A CORPORATION, WHICH IS PERMITTED OR REQUIRED TO FILE A COMBINED REPORT UNDER SECTION 290.34, SUBDIVISION 2, DIVIDENDS SHALL BE EXCLUDED FROM THE INCOME OF THE RECIPIENT TO THE EXTENT THE DIVIDENDS ARE ALREADY INCLUDED AS INCOME ON THE COMBINED REPORT.) *If dividends received by a corporation that does not have nexus with Minnesota under the provisions of Public Law 86-272 are included as income on the return of an affiliated corporation permitted or required to file a combined report under section 290.34, subdivision 2, then for purposes of this subdivision the determination as to whether the trade or business of the corporation consists principally of the holding of stocks and the collection of income and gains therefrom shall be made with reference to the trade or business of the affiliated corporation having a nexus with Minnesota.*

Sec. 4. Minnesota Statutes 1980, Section 290.34, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 15, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, CONSOLIDATED STATEMENTS.] When a corporation which is required to file an income tax return is affiliated with or related to any other corporation through stock ownership by the same interests or as parent or subsidiary corporations, or has its income regulated through contract or other arrangement, the commissioner of revenue may permit or require such combined report as, in his opinion, (ARE) is necessary in order to determine the taxable net income (RECEIVED BY) of any one of the affiliated or related corporations. For purposes of computing either the arithmetic average or weighted apportionment formulas under section 290.19, subdivision 1 for each corporation involved, the numerator of the fraction shall be that corporation's sales, property, (OR) and payroll in Minnesota and the denominator shall be the total sales, payroll, and property of all the corporations shown on the combined report. The combined report shall reflect the income of the entire unitary business as provided in section 290.17, subdivision 2, clause (4). The combined report shall reflect income only from corporations created or organized in the United States or under the laws of the United States or of any state. (SPECIFICALLY, IT IS THE INTENT OF THE LEGISLATURE TO ADOPT THE COMBINED REPORTING METHOD PROVIDED IN BUTLER BROTHERS V. MCCOLGAN, 111 P. 2D 334, AND 315 U.S. 501, AND EDISON CALIFORNIA STORES V. MCCOLGAN, 183

P. 2D 16 AND TO TREAT ALL INCOME AS BUSINESS INCOME TO THE MAXIMUM EXTENT ALLOWABLE UNDER *MOBILE OIL CORPORATION V. COMMISSIONER OF TAXES OF VERMONT*, 445 U.S. 425.) *all intercompany transactions between companies which are contained on the combined report shall be eliminated.* This subdivision shall not apply to insurance companies whose income is determined under section 290.35.

Sec. 5. Laws 1981, Third Special Session Chapter 2, Article III, Section 22, is amended to read:

Sec. 22. [EFFECTIVE DATE.]

Sections 1 and 19 to 21 are effective February 1, 1982. The provision of section 2 relating to commodity tax straddles and section 7 are effective for taxable years beginning after December 31, 1980. The provisions of section 2 relating to the exclusion of dividend and interest income are effective for taxable years beginning after December 31, 1981. Section 2, clauses (a) (22), (b) (24), the portion of clause (a) (16) relating to recovery property, (b) (25), and sections 8, 11, and 12 are effective for property placed in service after December 31, 1980 in taxable years ending after that date. Section 2, clauses (a) (17), (b) (2), the portion of clause (a) (16) relating to gain from the sale or disposition of property and section 9 are effective for the sale or other disposition of property after June 30, 1982. Section 6 is effective for taxable years beginning after December 31, 1981. Section 10 is effective for the sale or other disposition of property after December 31, 1982. *For taxpayers subject to tax under Minnesota Statutes, Chapter 290, sections 13, 14, and 15 are effective for (INCOME EARNED AFTER DECEMBER 31, 1981) taxable years beginning after June 30, 1981.* Section 16 is effective for taxable years beginning after December 31, 1981. Sections 17 and 18 are effective for petitions filed after January 31, 1982.

Sec. 6. [REPORT TO LEGISLATURE.]

*The commissioner shall submit a report to the senate and house tax committees on March 1, 1983 and March 1, 1984 concerning the effect of the amendment to section 290.21, subdivision 4, contained in section 3. Specifically the report shall disclose, notwithstanding section 290.61, the number of corporations affected, what the effect would be without the provision, and the tax dollar amount involved since the effective date of the provision.*

Sec. 7. [EFFECTIVE DATE.]

*Sections 1, 2, 4, and 5 are effective for taxpayers subject to the tax under Minnesota Statutes, Chapter 290 for taxable years beginning after June 30, 1981. Section 3 is effective for taxable years beginning after December 31, 1982.*

## ARTICLE XXX

Section 1. Minnesota Statutes 1981 Supplement, Section 298.225, is amended to read:

## 298.225 [APPROPRIATION.]

If a taconite producer ceases beneficiation operations, either temporarily or permanently, and if the recipients of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (4) and (5)(b) to (8), would receive decreased distributions as a result thereof, then the distribution to these recipients in each of the two years immediately following the year in which operations ceased shall be equal to the amount they received in the last full year before operations ceased. There is hereby appropriated to the commissioner of revenue from the taconite environmental protection fund and the northeast Minnesota economic protection fund in equal proportions the amount needed to make the above payments.

If a taconite producer (, WHICH) ceases beneficiation operations (EITHER TEMPORARILY OR) permanently (,) and is required by a special law to make bond payments for a school district, the northeast Minnesota economic protection fund shall assume the payments of the taconite producer if the producer ceases to make the needed payments. There is hereby appropriated from the northeast Minnesota economic protection fund to the commissioner of revenue the amounts needed to make these school bond payments.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 298.24, Subdivision 3, is amended to read:

Subd. 3. (a) A credit in the amount of (THREE) *not to exceed four* cents per gross ton of (MERCHANTABLE) *taxable* iron ore concentrate produced shall be allowed against the tax imposed by subdivision 1, with respect to the production of iron ore concentrate from taconite plants which, together with the lands upon which they are located and lands used in connection with the mining, quarrying and concentration of taconite and buildings, machinery, equipment and other fixtures used in the production of taconite, and notwithstanding the provisions of section 298.25, have by law been made subject to direct taxes for the payment of principal and interest on bonds issued by a school district or city (; PROVIDED HOWEVER, THAT).

(b) *Notwithstanding clause (a), a credit of not to exceed seven cents shall be allowed a producer for the payment of taxes for bonds, and interest on them, issued by Independent School District 703, for which the producer's property has been made subject to direct taxes.*

(c) *The credit allowed in this subdivision shall be allowed against taxes payable in the calendar years following the issuance and sale of the bonds until the total credit allowed in all years equals the total liability of the producer for direct taxes for the payment of the bonds and interest. If necessary to equal the total liability of the producer, the credit may be taken in years after the years when the taxes for the bond principal and interest were paid.*

The (TOTAL) amount of credit allowable hereunder in any year with respect to production from any plant subjected to (SUCH) direct taxes shall not exceed the amount of the direct taxes levied in the prior year against (SUCH) the plant (AND PAYABLE AFTER JANUARY 1, 1969, AND UNTIL SAID BONDS) for the bonds and interest and the indebtedness secured thereby (HAVE BEEN PAID IN FULL), except if the credit allowed does not equal the amount levied in the prior year, then the unused credits of prior years may be used for the deficiency.

### Sec. 3. [INDEPENDENT SCHOOL DISTRICTS 319 AND 703; BONDS.]

*Subdivision 1. Independent School District 319 may issue bonds in an aggregate principal amount not exceeding \$850,000 and Independent School District 703 may issue bonds in an aggregate principal amount not exceeding \$5,480,000, in addition to any bonds already issued or authorized, to provide funds to construct, equip, furnish, remodel, rehabilitate, and acquire land for school facilities and buildings. They may spend the proceeds of the bond sale for those purposes and any architects', engineers', and legal fees incidental to those purposes or the sale. Except as permitted by this section, the bonds shall be authorized, issued, sold, executed, and delivered in the manner provided by Minnesota Statutes, Chapter 475. A resolution of the board levying taxes for the payment of the bonds and interest on them as authorized by this section and pledging the proceeds of the levies for the payment of the bonds and interest on them shall be deemed to be in compliance with the provisions of chapter 475 with respect to the levying of taxes for their payment.*

*Subd. 2. Taconite plants, lands containing taconite, and lands where taconite plants are located or which are used in connection with them and the buildings, machinery, equipment, and other fixtures used in the production of taconite, as defined in Minnesota Statutes, Sections 298.23 to 298.28, located in the school district are made subject to taxes for payment of 90 percent of the principal and interest on the bonds issued under authority of this section, notwithstanding any contrary provision of sections 298.23 to 298.28. If the properties are all owned by one person, corporation, partnership or joint venture, it shall not be necessary to make any determination of their value. If the properties are owned by more than one person, corporation,*

partnership or joint venture, the taxes shall be apportioned annually among them by the county auditor on the basis of their relative values, upon investigation of the facts as the auditor deems necessary. Taxes levied in accordance with subdivisions 2 to 4 shall be collected in the same manner as taxes levied by a school district upon real property subject to taxation but any portion of taxes levied for the payment of installments of principal and interest of bonds may be paid without penalty on or before October 31 of the year in which the taxes become due and payable if the installment of principal and interest is not due until more than 60 days thereafter.

*Subd. 3.* After the sale and before the delivery of any bonds under authority of this section, the school board shall, by resolution, levy upon all of the property described in subdivision 2 located in the school district a direct, general tax for each year of the term of the bonds in amounts that, if collected in full, will produce 90 percent of the amounts needed to meet when due the principal and interest payments on the bonds. A copy of the resolution shall be filed and the taxes levied shall be collected as nearly as possible as specified in Minnesota Statutes, Section 475.61.

*Subd. 4.* Bonds issued under authority of this section shall be the general obligations of the school district, for which its full faith and credit and unlimited taxing powers shall be pledged. If there are any deficiencies in the collections of the taxes levied pursuant to subdivision 3, and they are not made good as provided by section 298.225, they shall be made good by general levies, not subject to limit, on all taxable properties in the district in accordance with Minnesota Statutes, Section 475.74. If any deficiency levies are necessary, the school board may effect a temporary loan or loans on certificates of indebtedness issued in anticipation of them to meet payments of principal or interest on the bonds due or about to become due.

*Subd. 5.* In addition to the levies made in accordance with subdivisions 2 and 3, the school board shall at the same time by resolution levy on all property in the school district subject to the general ad valorem school tax levies, and not subject to taxation under Minnesota Statutes, Sections 298.23 to 298.28, a direct annual, ad valorem tax for each year of the term of the bonds in amounts that, if collected in full, will produce the amounts needed to meet when due ten percent of the principal and interest payments on the bonds. A copy of the resolution shall be filed, and the necessary taxes shall be extended, assessed, collected, and remitted in accordance with Minnesota Statutes, Section 475.61.

*Subd. 6.* The lien imposed by taxes levied by Independent School District 319 upon the properties described in subdivision 2 shall be subordinate to all mortgages or other encumbrances of record and on file on the effective date of this section.

*Subd. 7. Taxes levied pursuant to this section shall be disregarded in the calculation of any other tax levies or limits on tax levies provided by other law.*

*Subd. 8. Bonds may be issued under authority of this section notwithstanding any limitations upon the indebtedness of a district, and their amounts shall not be included in computing the indebtedness of a district for any purpose, including the issuance of subsequent bonds and the incurring of subsequent indebtedness.*

*Subd. 9. This section is effective for Independent School District 319 the day after its governing body complies with Minnesota Statutes, Section 645.021, Subdivision 3 and for Independent School District 703 the day after its governing body complies with Minnesota Statutes, Section 645.021, Subdivision 3.*

#### Sec. 4. [INDEPENDENT SCHOOL DISTRICT 710.]

*Subdivision 1. Commencing with taxes payable in 1983, the commissioner of revenue shall deduct and annually pay to Independent School District 710 an amount equal to four cents per gross ton of taxable iron concentrate produced but not less than \$240,000 annually from the taxes paid pursuant to sections 298.23 to 298.28 by a person, corporation, partnership, operator, joint venture or other owner of a taconite plant and taconite properties located within the school district. The deduction shall be made from the amount which would otherwise have been distributed to the northeast Minnesota economic protection fund in the apportionment fund in the state treasury under section 298.28, subdivision 1. A sum is annually appropriated to the commissioner from the proceeds of the taxes sufficient to make the payments required by this section.*

*Subd. 2. If the producer described in subdivision 1 ceases operations or decreases its operations so that the amount of the deduction of four cents per gross ton of concentrate produced is insufficient to raise \$240,000 annually, then the difference between the deduction of four cents per gross ton of concentrate produced and \$240,000 shall be paid as provided in section 298.225.*

*Subd. 3. The revenue received pursuant to this section by Independent School District 710 shall be deposited in the bond redemption fund of the district and shall be used only to retire the bonds issued on May 1, 1981 in the amount of \$6,000,000.*

*Subd. 4. The deduction and payment provided in subdivisions 1 and 2 shall terminate upon maturity or payment of the last of those bonds.*



*Subd. 5. This section is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of Independent School District 710.*

**Sec. 5. [EFFECTIVE DATE.]**

*The credit provided by section 2 shall be allowed for direct taxes levied in 1982 and thereafter and payable in 1983 and thereafter. Except as otherwise provided in this article, this article is effective the day after final enactment.*

**ARTICLE XXXI**

**Section 1. [290.521] [ACTION TO ENJOIN INCOME TAX RETURN PREPARERS.]**

*Subdivision 1. [AUTHORITY TO SEEK INJUNCTION.] A civil action in the name of the state of Minnesota to enjoin any person who is an income tax return preparer doing business in this state from further engaging in any conduct described in subdivision 2 or from further acting as an income tax return preparer may be commenced at the request of the commissioner of revenue. Any action under this section shall be brought by the attorney general in the district court for the judicial district in which the income tax return preparer resides or has his principal place of business, or in which the taxpayer with respect to whose income tax return the action is brought resides. The court may exercise its jurisdiction over the action separate and apart from any other action brought by the state of Minnesota against the income tax return preparer or any taxpayer.*

*Subd. 2. [ADJUDICATION AND DECREES.] In any action under subdivision 1, if the court finds:*

*(a) that an income tax return preparer has:*

*(1) engaged in any conduct subject to the civil penalty under section 2,*

*(2) misrepresented his eligibility to practice before the department of revenue, or otherwise misrepresented his experience or education as an income tax return preparer,*

*(3) guaranteed the payment of any tax refund or the allowance of any tax credit, or*

*(4) engaged in any other fraudulent or deceptive conduct which substantially interferes with the proper administration of the provisions of this chapter, and*

*(b) that injunctive relief is appropriate to prevent the recurrence of such conduct,*

*the court may enjoin the person from further engaging in such conduct. If the court finds that an income tax return preparer has continually or repeatedly engaged in any conduct described in clauses (1) through (4) of clause (a) of this subdivision, and that an injunction prohibiting such conduct would not be sufficient to prevent the person's interference with the proper administration of this chapter, the court may enjoin the person from acting as an income tax return preparer. The court may not under this section enjoin the employer of an income tax return preparer for conduct described in clauses (1) through (4) of clause (a) of this subdivision engaged in by one or more of the employer's employees unless the employer was also actively involved in such conduct.*

**Subd. 3. [INCOME TAX RETURN PREPARER DEFINED.]** *For purposes of this section and section 2, the term "income tax return preparer" means any person who prepares for compensation, or who employs one or more persons to prepare for compensation, any return of tax imposed by this chapter, or any claim for refund of tax imposed by this chapter. For purposes of the preceding sentence, the preparation of a substantial portion of a return or claim for refund shall be treated as if it were the preparation of the return or claim for refund.*

*A person shall not be an income tax return preparer merely because the person:*

*(a) furnishes typing, reproducing, or other mechanical assistance,*

*(b) prepares a return or claim for refund of the employer, or an officer or employee of the employer, by whom he is regularly and continuously employed,*

*(c) prepares as a fiduciary a return or claim for refund of any person, or*

*(d) prepares a claim for refund for a taxpayer in response to any tax order issued to the taxpayer.*

**Sec. 2. [290.523] [UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY INCOME TAX RETURN PREPARER.]**

**Subdivision 1. [WILFUL UNDERSTATEMENT OF LIABILITY.]** *If any part of any understatement of liability with respect to any return or claim for refund is due to a wilful attempt in any manner to understate the liability for a tax by a person who is an income tax return preparer with respect to the return or claim, the person shall pay to the commissioner a penalty of \$500 with respect to the return or claim. The penalty under this section may not be assessed against the employer of an in-*

come tax preparer unless the employer was actively involved in the wilful attempt to understate the liability for a tax. This penalty shall be considered to be an income tax liability and may be assessed at any time as provided in section 290.49, subdivision 6. In any proceeding involving the issue of whether or not an income tax return preparer has wilfully attempted in any manner to understate the liability for tax, the burden of proof in respect of the issue shall be upon the commissioner, and the return of the taxpayer may be disclosed to the income tax return preparer notwithstanding section 290.61.

**Subd. 2. [UNDERSTATEMENT OF LIABILITY DEFINED.]** For purposes of this section, the term "understatement of liability" means any understatement of the net amount payable with respect to any tax imposed by this chapter, or any overstatement of the net amount creditable or refundable with respect to any such tax. The determination of whether or not there is an understatement of liability shall be made without regard to any administrative or judicial action involving the taxpayer.

**Sec. 3. [290A.111] [ACTION TO ENJOIN PROPERTY TAX REFUND RETURN PREPARERS.]**

**Subdivision 1. [AUTHORITY TO SEEK INJUNCTION.]** A civil action in the name of the state of Minnesota may be commenced in the same manner and pursuant to the same authority as provided in section 1, subdivision 1, to enjoin any person who is a property tax refund return preparer doing business in this state from further engaging in any conduct described in subdivision 2 or from further acting as a property tax refund return preparer.

**Subd. 2. [ADJUDICATION AND DECREES.]** In any action under subdivision 1, if the court finds:

(a) that a property tax refund return preparer has:

(1) engaged in any conduct subject to the criminal penalty provided by section 290A.11, subdivision 2, or subject to the civil penalty under section 4,

(2) misrepresented his eligibility to practice before the department of revenue, or otherwise misrepresented his experience or education as a property tax refund return preparer,

(3) guaranteed the payment of any property tax refund or the allowance of any property tax refund credit against income tax,

(4) engaged in any other fraudulent or deceptive conduct which substantially interferes with the proper administration of the provisions of this chapter,

*the court may decree appropriate injunctive relief pursuant to the authority granted in section 1, subdivision 2.*

**Subd. 3. [PROPERTY TAX REFUND RETURN PREPARER DEFINED.]** *For purposes of this section and section 4, the term "property tax refund return preparer" shall have the same meaning as the term "income tax return preparer" as defined in section 1, subdivision 3, to the extent that the definition applies to the preparation of a claim for relief under this chapter.*

**Sec. 4. [290A.112] [OVERSTATEMENT OF TAXPAYER'S CLAIM BY PROPERTY TAX REFUND RETURN PREPARER.]**

**Subdivision 1. [WILFUL OVERSTATEMENT OF CLAIM.]** *If any part of an excessive claim with respect to any property tax refund return is due to a wilful attempt in any manner to overstate the claim for relief allowed under this chapter by a person who is a property tax refund return preparer with respect to the return, the person shall pay to the commissioner a penalty of \$500 with respect to the return. The penalty under this section may not be assessed against the employer of a property tax refund return preparer unless the employer was actively involved in the wilful attempt to overstate the claim for property tax refund. This penalty shall be considered to be an income tax liability and may be assessed at any time as provided in section 290.49, subdivision 6. In any proceeding involving the issue of whether or not a property tax refund return preparer has wilfully attempted in any manner to overstate the property tax refund claim, the burden of proof in respect of the issue shall be upon the commissioner and the claim of the claimant may be disclosed to the property tax refund return preparer notwithstanding section 290A.17.*

**Subd. 2. [OVERSTATEMENT OF CLAIM DEFINED.]** *For purposes of this section, the term "overstatement of claim" means any overstatement of the net amount refundable, or the net amount creditable against income tax, with respect to any claim for property tax relief provided by this chapter. The determination of whether or not there is an overstatement of a claim shall be made without regard to any administrative or judicial action involving the claimant.*

**Sec. 5. [EFFECTIVE DATE.]**

*Sections 1 to 4 apply to documents prepared after December 31, 1982.*

## ARTICLE XXXII

Section 1. Minnesota Statutes 1980, Section 473H.02, Subdivision 2, is amended to read:

Subd. 2. "Agricultural preserve" or "preserve" means a land area (COVENANTED) *created and restricted* according to section 473H.05 to remain in agricultural use.

Sec. 2. Minnesota Statutes 1980, Section 473H.02, is amended by adding a subdivision to read:

*Subd. 11. "County recorder" means registrar of titles for the purposes of registered property.*

Sec. 3. Minnesota Statutes 1980, Section 473H.04, Subdivision 1, is amended to read:

Subdivision 1. (ON OR BEFORE JANUARY 1, 1981) Each authority in the metropolitan area having land classified agricultural pursuant to section 273.13 shall certify by resolution using appropriate maps which lands, if any, are eligible for designation as agricultural preserves. Maps shall be in sufficient detail to identify eligible lands by property boundaries. (NOTIFICATION OF THE CERTIFICATION SHALL BE PUBLISHED) *At least two weeks before the resolution is to be adopted, the authority shall publish notice of its intended action in a newspaper having a general circulation within the area of jurisdiction of the authority. No additional lands shall qualify for designation as agricultural preserves until the authority certifies qualification.*

Sec. 4. Minnesota Statutes 1980, Section 473H.04, Subdivision 2, is amended to read:

Subd. 2. Land shall cease to be eligible for designation as an agricultural preserve when the comprehensive plan and zoning for the land have been amended so that the land is no longer planned for long term agricultural use and is no longer zoned for long term agricultural use, evidenced by a maximum residential density permitting more than one unit per 40 acres. When changes have been made, the authority shall certify by resolution and appropriate maps which lands are no longer eligible. (NOTIFICATION OF THE DECERTIFICATION SHALL BE PUBLISHED) *At least two weeks before the resolution is to be adopted, the authority shall publish a notice of its intended action in a newspaper having a general circulation within the area of jurisdiction of the authority.*

Sec. 5. Minnesota Statutes 1980, Section 473H.05, Subdivision 1, is amended to read:

Subdivision 1. An owner or owners of certified long term agricultural land may apply to the authority with jurisdiction over the land on forms provided by the commissioner of agriculture for the creation of an agricultural preserve at any time. *If the land to be placed in a preserve is registered property, the*

owner shall submit the owner's duplicate certificate of title together with the application. Land for which application is received prior to March 1 of any year shall be assessed pursuant to section 473H.10 for taxes payable in the following year. Land for which application is received on or after March 1 of any year shall be assessed pursuant to section 473H.10 in the following year. The application shall contain at least the following information and such other information as the commissioner deems necessary:

(a) Legal description of the area proposed to be designated (OR) and parcel identification numbers (AS) if so designated by the county auditor;

(b) Name and address of owner;

(c) An affidavit by the authority evidencing that the land is certified long term agricultural land at the date of application;

(d) A witnessed signature of the owner covenanting that the land shall be kept in agricultural use, and shall be used in accordance with the provisions of sections 473H.02 to 473H.17 which exist on the date of application;

(e) A statement that the restrictive covenant shall be binding on the owner or his successor or assignee, and shall (BE AN EASEMENT RUNNING) run with the land (;

((F) DATE OF APPLICATION AND DATE THAT DESIGNATION IS EFFECTUATED).

Sec. 6. Minnesota Statutes 1980, Section 473H.05, is amended by adding a subdivision to read:

*Subd. 3. [REGISTERED PROPERTY.] In the case of registered property, the applicant shall submit the owner's duplicate certificate at the time the application is made to the authority. The county recorder shall memorialize the restrictive covenant upon the certificate of title and owner's duplicate certificate of title. When the property or any portion of it ceases to be an agricultural preserve in accordance with section 473H.08 and the passage of the required time period, section 473H.09 or 473H.15, the county recorder upon presentation of the owner's duplicate certificate of title shall cause the restrictive covenant to be cancelled upon the effective date of the expiration, termination or taking.*

Sec. 7. Minnesota Statutes 1980, Section 473H.06, Subdivision 1, is amended to read:

*Subdivision 1. Upon receipt of an application, the authority shall determine if all material required in section 473H.05 has*

*been submitted and, if so, shall determine that the application is complete. When used in this chapter, the term "date of application" means the date the application is determined complete by the authority. Within five days of the date of application, the authority shall forward (COPIES OF) the completed and signed application to the county recorder, together with the owner's duplicate certificate of title in the case of registered property, and copies to the county auditor, the county assessor, the metropolitan council, and the county soil and water conservation district.*

Sec. 8. Minnesota Statutes 1980, Section 473H.06, Subdivision 2, is amended to read:

Subd. 2. The county recorder shall (FILE AND) record the restrictive covenant *and return it to the applicant. If the property is registered property, the recorder shall memorialize the restrictive covenant upon presentation of the owner's duplicate certificate of title. The authority shall be notified by the recorder that the covenant has been recorded or memorialized.*

Sec. 9. 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, *the department of agriculture,* and such other agencies as the council deems appropriate.

Sec. 10. Minnesota Statutes 1980, Section 473H.08, Subdivision 4, is amended to read:

Subd. 4. Upon receipt of the notice provided in subdivision 2, or upon notice served by the authority as provided in subdivision 3, the authority *shall forward the original notice to the county recorder for recording and shall notify the (COUNTY RECORDER,) county auditor, county assessor, the metropolitan council, and the county soil and water conservation district of the date of expiration. Designation as an agricultural preserve and all benefits and limitations accruing through sections 473H.02 to 473H.17 for the preserve shall cease on the date of expiration. The restrictive covenant filed with the application shall terminate on the date of expiration.*

Sec. 11. Minnesota Statutes 1980, Section 473H.14, is amended to read:

#### 473H.14 [ANNEXATION PROCEEDINGS.]

Agricultural preserve land within a township shall not be annexed to a municipality pursuant to chapter 414, without a spe-

cific finding by the Minnesota municipal board that either (a) the expiration period as provided for in section 473H.08 has begun; (b) the (SURVIVING UNIT OF GOVERNMENT) *township* due to size, tax base, population or other relevant factors would not be able to provide normal governmental functions and services; or (c) the agricultural preserve would be completely surrounded by lands within a municipality.

This section shall not apply to annexation agreements approved by the Minnesota municipal board prior to creation of the preserve.

Sec. 12. Minnesota Statutes 1980, Section 473H.15, is amended by adding a subdivision to read:

*Subd. 10. The agricultural preserve designation and all benefits and limitations accruing through sections 473H.02 to 473H.17 for the preserve and the restrictive covenant for that portion of the preserve taken, shall cease on the date the final certificate is filed with the clerk of district court in accordance with section 117.205.*

Sec. 13. Minnesota Statutes 1980, Section 473H.16, Subdivision 3, is amended to read:

*Subd. 3. Any owner who fails to implement corrective measures to the satisfaction of the authority within one year of notice from the authority shall be subject to a (FINE) civil penalty of not more than \$1,000. The authority may recover the penalty by a civil action in a court of competent jurisdiction.*

Sec. 14. [473H.18] [TRANSFER FROM AGRICULTURAL PROPERTY TAX LAW TREATMENT.]

*When land which has been receiving the special agricultural valuation and tax deferment provided in section 273.111 becomes an agricultural preserve pursuant to sections 473H.02 to 473H.17, the recapture of deferred tax and special assessments, as provided in section 273.111, subdivisions 9 and 11, shall not be made. Special assessments deferred under section 273.111, at the date of commencement of the preserve, shall continue to be deferred for the duration of the preserve. All special assessments so deferred shall be payable within 90 days of the date of expiration unless other terms are mutually agreed upon by the authority and the owner. In the event of early termination of a preserve or a portion of it under section 473H.09, all special assessments accruing to the terminated portion plus interest shall be payable within 90 days of the date of termination unless otherwise deferred or abated by executive order of the governor. In the event of a taking under section 473H.15 all special assessments accruing to the taken portion plus interest shall be payable within 90 days of the date the final certificate is filed with the clerk of district court in accordance with section 117.205.*



Sec. 15. [APPLICATION.]

*This article applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.*

Sec. 16. [EFFECTIVE DATE.]

*This article is effective the day following final enactment.*

ARTICLE XXXIII

Section 1. [273.123] [REASSESSMENT OF HOMESTEAD PROPERTY DAMAGED BY A DISASTER.]

Subdivision 1. [DEFINITIONS.]

*For purposes of this section (a) "disaster or emergency" means*

(1) *a major disaster as determined by the president of the United States;*

(2) *a natural disaster as determined by the secretary of agriculture;*

(3) *a disaster as determined by the administrator of the small business administration; or*

(4) *a tornado, storm, flood, earthquake, landslide, explosion, fire or similar catastrophe, as a result of which a local emergency is declared pursuant to section 12.29.*

(b) *"disaster or emergency area" means an area*

(1) *in which the president of the United States, the secretary of agriculture, or the administrator of the small business administration has determined that a disaster exists pursuant to federal law or in which a local emergency has been declared pursuant to section 12.29; and*

(2) *for which an application by the local unit of government requesting property tax relief under this section has been received by the governor and approved by the executive council.*

(c) *"homestead property" means homestead dwelling located on property classified pursuant to section 273.13, subdivision 6, 6a, 7, 7b, 7d, or 14a, including mobile homes and sectional homes used as homesteads and taxed pursuant to section 273.13, subdivision 3, clause (b), (c), or (d).*

**Subd. 2. [REASSESSMENT OF HOMESTEAD PROPERTY.]**

*The county assessor shall reassess all homestead property located within a disaster or emergency area which is physically damaged by the disaster or emergency and shall adjust the valuation for taxes payable the following year to reflect the loss in market value caused by the damage as follows: Subtract the market value of the property as reassessed from the market value of the property as assessed for January 1 of the year in which the disaster or emergency occurred; multiply the remainder by a fraction, the numerator of which is the number of full months remaining in the year on the date the disaster or emergency occurred, and the denominator of which is 12; subtract the product of the calculation from the market value of the property as assessed for January 1 of the year in which the disaster or emergency occurred; the remainder is the estimated market value to be used for taxes payable the following year. The assessor shall report to the county auditor the assessed value based on the assessment of January 1 of the year in which the disaster or emergency occurred and the assessed value based on the reassessment made pursuant to this subdivision.*

**Subd. 3. [COMPUTATION OF MILL RATES.]** *When computing mill rates, the county auditor shall use the valuation reported by the assessor for the assessment made on January 1 of the year in which the disaster or emergency occurred.*

**Subd. 4. [STATE REIMBURSEMENT.]** *The county auditor shall calculate the tax on the property described in subdivision 2 based on the assessment made on January 1 of the year in which the disaster or emergency occurred. The difference between the tax determined on the January 1 assessed value and the tax actually payable based on the reassessed value determined under subdivision 2 shall be reimbursed to each taxing jurisdiction in which the damaged property is located. The amount shall be certified by the county auditor and reported to the commissioner of revenue. The commissioner shall make the payments to the taxing jurisdictions containing the property at the time distributions are made pursuant to section 273.13, subdivision 15a, in the same proportion that the ad valorem tax is distributed.*

**Subd. 5. [COMPUTATION OF CREDITS.]** *The amounts of any homestead, agricultural, or similar credits or tax relief which reduce the gross tax shall be computed upon the reassessed value determined under subdivision 2. For purposes of the property tax refund, property taxes payable, as defined in section 290A.03, subdivision 13, and net property taxes payable, as defined in section 290A.04, subdivision 2d, shall be computed upon the reassessed value determined under subdivision 2.*

**Subd. 6. [APPROPRIATION.]** *There is annually appropriated from the general fund to the commissioner of revenue*

*an amount necessary to make the payments required by this section.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

ARTICLE XXXIV

Section 1. Minnesota Statutes 1981 Supplement, 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 *other than manufactured homes used for residential purposes for a continuous period of 30 days or more*, 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; church organization. *Notwithstanding section 297A.25, subdivision 1, clause (a), taxable food or meals include, but is not limited to, the following:*

(i) *heated food or drinks;*

(ii) *sandwiches prepared by the retailer;*

(iii) *single sales of prepackaged ice cream or ice milk novelties prepared by the retailer;*

(iv) *hand-prepared or dispensed ice cream or ice milk products including cones, sundaes, and snow cones;*

(v) *soft drinks and other beverages prepared or served by the retailer;*

(vi) *gum;*

(vii) *ice;*

(viii) *all food, except candy, sold in vending machines;*

(ix) *party trays prepared by the retailers; and*

(x) *all meals and single servings of packaged snack food, single cans or bottles of pop, sold in restaurants and bars;*

(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 1981 Supplement, Section 297A.25, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, 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) *and* 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, 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 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.

(s) 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.

(t) 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.

(u) 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.

(v) 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.

(w) 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.

(x) 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).

(y) 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.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

Sec. 3. [EFFECTIVE DATE.]

*The provisions of section 1 relating to the leasing of manufactured homes are effective retroactive to January 1, 1972; provided, however, that the department of revenue shall not entertain any refund claims to those taxpayers who have paid the sales tax on those rentals. The rest of this article is effective the day after final enactment.*

ARTICLE XXXV

Section 1. Minnesota Statutes 1981 Supplement, Section 275.-50, Subdivision 2, is amended to read:

Subd. 2. [GOVERNMENTAL SUBDIVISION.] "Governmental subdivision" means (ANY) a county, home rule charter city, statutory city, or town (OR SPECIAL TAXING DISTRICT DETERMINED BY THE DEPARTMENT OF REVENUE) except a town that has a population of less than 5,000 according to the most recent federal census, provided that the population of an incorporated municipality located within the boundaries of a town is not included in the population of the town. The term does not include school districts or the metropolitan transit commission created pursuant to section 473.404.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 477A.-04, Subdivision 2, is amended to read:

Subd. 2. Beginning in calendar year (1983) 1984 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 capita if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent.

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective for taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

## ARTICLE XXXVI

Section 1. Minnesota Statutes 1980, Section 273.133, is amended by adding a subdivision to read:

*Subd. 3. [LEASEHOLD COOPERATIVES.] When one or more dwellings or one or more buildings which each contains several dwelling units is owned by a nonprofit corporation subject to the provisions of chapter 317 or a limited partnership which corporation or partnership operates the property in conjunction with a cooperative association, homestead treatment, as provided under section 273.13, subdivision 7, may be claimed for each dwelling unit occupied by a member of the cooperative. To qualify for the treatment provided by this subdivision, the following conditions shall be met: (a) the cooperative association must be organized under sections 308.05 to 308.18; (b) the cooperative association must have a lease for occupancy of the property for a term of at least 20 years; (c) the cooperative association must have a right under a written agreement with the owner to purchase the property if the owner proposes to sell it; if the cooperative association does not purchase the property when it is offered for sale, the owner may not subsequently sell the property to another purchaser at a price lower than the price at which it was offered for sale to the cooperative association unless the cooperative association approves the sale; and (d) if a limited partnership owns the property, it must include as the managing general partner either the cooperative association or a nonprofit organization operating under the provisions of chapter 317. Homestead treatment shall be afforded to units occupied by members of the cooperative association and the units shall be assessed as provided in subdivision 1, provided that any unit not so occupied shall be classified and assessed pursuant to section 273.13, subdivision 19. No more than three acres of land shall, for assessment purposes, be included with each dwelling unit that qualifies for homestead treatment under this subdivision.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290A.03, Subdivision 12, is amended to read:

*Subd. 12. [GROSS RENT.] "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any utilities, services, furniture, or furnishings furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of sections 290A.01 to 290A.20.*

If the landlord does not supply the charges for any utilities, furniture, or furnishings furnished by him, or if the charges appear to be incorrect the commissioner may apply a percentage

determined from samples of similar gross rents paid solely for the right of occupancy.

Any amount paid by a claimant residing in property assessed pursuant to section 273.133 for occupancy in that property shall be excluded from gross rent for purposes of this chapter. However, property taxes imputed to the homestead of the claimant or the dwelling unit occupied by the claimant that qualifies for homestead treatment pursuant to section 273.133 shall be included within the term "property taxes payable" as defined in subdivision 13, notwithstanding the fact that ownership is not in the name of the claimant.

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective for taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

ARTICLE XXXVII

Section 1. Minnesota Statutes 1980, Section 474.02, Subdivision 1b, is amended to read:

Subd. 1b. In furtherance of the purpose specified in sections 301A.02 and 474.01, the term "project" shall include any properties, real or personal, (LOCATED OUTSIDE THE METROPOLITAN AREA DEFINED IN SECTION 473.122.) used or useful for the promotion of tourism in the state. (SUCH) Properties may include hotels, motels, lodges, resorts, recreational facilities of the type which may be acquired under section 471.-191, and related facilities. (THE PROVISIONS OF THIS SUBDIVISION SHALL NOT APPLY TO MUNICIPALITIES LOCATED IN WHOLE OR IN PART IN THE METROPOLITAN AREA AS DEFINED IN SECTION 473.122.)

Sec. 2. Minnesota Statutes 1981 Supplement, Section 474.03, is amended to read:

474.03 [POWERS.]

Any municipality or redevelopment agency, in addition to the powers prescribed elsewhere by the laws of this state, shall have the power to:

(1) Acquire, construct, and hold any lands, buildings, easements, water and air rights, improvements to lands and buildings, and capital equipment to be located permanently or used exclusively on a designated site and solid waste disposal and pollution control equipment, and alternative energy equipment and inventory, regardless of where located, which are deemed necessary in connection with a project to be situated within the

state, whether wholly or partially within or without the municipality or redevelopment agency, and construct, reconstruct, improve, better, and extend such project;

(2) Issue revenue bonds, in anticipation of the collection of revenues of such project, to finance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension thereof and, in the case of an alternative energy project, in addition to the other powers granted by this chapter, to finance the acquisition and leasing or sale of equipment and products to others;

(3) Issue revenue bonds to pay, purchase or discharge all or any part of the outstanding indebtedness of a contracting party engaged primarily in the operation of one or more non-profit hospitals or nursing homes, theretofore incurred in the acquisition or betterment of its existing hospital or nursing home facilities, including, to the extent deemed necessary by the governing body of the municipality or redevelopment agency, any unpaid interest on such indebtedness accrued or to accrue to the date on which such indebtedness is finally paid; and any premium the governing body of the municipality or redevelopment agency determines to be necessary to be paid to pay, purchase or defease such outstanding indebtedness; if revenue bonds are issued for this purpose, the refinancing and the existing properties of the contracting party shall be deemed to constitute a project under section 474.02, subdivision 1c. Industrial revenue bonds shall only be available under this provision if the commissioner of securities and real estate has been shown that a reduction in debt service charges to patients and third party payors will occur. All reductions in debt service charges pursuant to this program shall be passed on to patients and third party payors. These industrial revenue bonds may not be used for any purpose not consistent with the provisions of sections 145.832 to 145.845 or chapter 256B;

Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent now permitted by law;

(4) Enter into a revenue agreement with any person, firm, or public or private corporation or federal or state governmental subdivision or agency in such manner that payments required thereby to be made by the contracting party shall be fixed, and revised from time to time as necessary, so as to produce income and revenue sufficient to provide for the prompt payment of principal of and interest on all bonds issued hereunder when due, and the revenue agreement shall also provide that the contracting party shall be required to pay all expenses of the operation and maintenance of the project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assess-

ments levied upon or with respect to the project and payable during the term of the revenue agreement, during which term a tax shall be imposed and collected pursuant to the provisions of section 272.01, subdivision 2, for the privilege of using and possessing the project, in the same amount and to the same extent as though the contracting party were the owner of all real and personal property comprising the project;

(5) Pledge and assign to the holders of such bonds or a trustee therefor all or any part of the revenues of one or more projects and define and segregate such revenues or provide for the payment thereof to a trustee, whether or not such trustee is in possession of the project under a mortgage or otherwise;

(6) Mortgage or otherwise encumber such projects in favor of the municipality or redevelopment agency, the holders of such bonds, or a trustee therefor, provided that in creating any such mortgages or encumbrances a municipality or redevelopment agency shall not have the power to obligate itself except with respect to the project;

(7) Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, or in order to secure the payment of its bonds; including, but without limitation, a contract entered into prior to the construction of the project authorizing the contracting party, subject to such terms and conditions as the municipality or redevelopment agency shall find necessary or desirable and proper, to provide for the construction, acquisition, and installation of the buildings, improvements, and equipment to be included in the project by any means available to the contracting party and in the manner determined by the contracting party and without advertisement for bids as may be required for the construction or acquisition of other municipal facilities;

(8) Enter into and perform such contracts and agreements with other municipalities, political subdivisions, and state agencies, authorities, and institutions as the respective governing bodies of the same may deem proper and feasible for or concerning the planning, construction, lease, purchase, mortgaging or other acquisition, and the financing of a project, and the maintenance thereof, including an agreement whereby one municipality issues its revenue bonds in behalf of one or more other municipalities pursuant to revenue agreements with the same or different contracting parties, which contracts and agreements may establish a board, commission, or such other body as may be deemed proper for the supervision and general management of the facilities of the project; provided, no municipality or redevelopment agency shall enter into or perform any contract or agreement with any school district under which the municipality or redevelopment agency issues its revenue

bonds or otherwise provides for the construction of school facilities and the school leases or otherwise acquires these facilities;

(9) Accept from any authorized agency of the federal government loans or grants for the planning, construction, acquisition, leasing, purchase, or other provision of any project, and enter into agreements with such agency respecting such loans or grants;

(10) Sell and convey all properties acquired in connection with such projects, including without limitation the sale and conveyance thereof subject to such mortgage as herein provided, and the sale and conveyance thereof under an option granted to the lessee of the project, for such price, and at such time as the governing body of the municipality or redevelopment agency may determine, provided, however, that no sale or conveyance of such properties shall ever be made in such manner as to impair the rights or interests of the holder, or holders, of any bonds issued under the authority of this chapter;

(11) Issue revenue bonds to refund, in whole or in part, bonds previously issued by such municipality or redevelopment agency under authority of this chapter;

(12) If so provided in the revenue agreement, terminate the agreement and re-enter or repossess the project upon the default of the contracting party, and operate, lease, or sell the project in such manner as may be authorized or required by the provisions of the revenue agreement or of the resolution or indenture securing the bonds issued for the project; any revenue agreement which includes provision for a conveyance of real estate to the contracting party may be terminated in accordance with the revenue agreement, notwithstanding that such revenue agreement may constitute an equitable mortgage provided that no municipality or redevelopment agency shall have power otherwise to operate any project referred to in this chapter as a business or in any manner whatsoever, and nothing herein authorizes any municipality or redevelopment agency to expend any funds on any project herein described, other than the revenues of such projects, or the proceeds of revenue bonds and notes issued hereunder, or other funds granted to the municipality or redevelopment agency for the purposes herein contemplated, except as may be otherwise permitted by law and except to enforce any right or remedy under any revenue agreement or related agreement for the benefit of the bondholders or for the protection of any security given in connection with a revenue agreement, provided that the public cost of redevelopment of land paid by a city or its redevelopment agency shall not be deemed part of the cost of any project situated on such land;

(13) Invest or deposit, or authorize a trustee to invest or deposit, any money on hand in funds or accounts established in connection with a project or payment of bonds issued therefor, to the extent they are not presently needed for the purposes for which such funds or accounts were created, in accordance with section 471.56, as amended; (AND)

(14) Waive or require the furnishing of a contractors payment and performance bond of the kind described in section 574.26 and if such bond shall be required, then the provisions of chapter 514 relating to liens for labor and materials, shall not be applicable in respect of any work done or labor or materials supplied for the project, and if such bond be waived then the said provisions of chapter 514 shall apply in respect of work done or labor or materials supplied for the project; *and*

*(15) Exempt from property taxes on a nonresidential building constructed for sale or rent in a project until the building is first sold, occupied or rented, whichever occurs first, up to a maximum of four years, provided that the exemption must be provided before October 10 of the levy year.*

### Sec. 3. [EFFECTIVE DATE.]

*Section 2 is effective for property taxes levied in 1982 and thereafter, payable in 1983 and thereafter.*

## ARTICLE XXXVIII

Section 1. Minnesota Statutes 1980, Section 273.73, Subdivision 10, is amended to read:

Subd. 10. [REDEVELOPMENT DISTRICT.] (a) "Redevelopment district" means a type of tax increment financing district consisting of a project, or portions of a project, within which the authority finds by resolution that one of the following conditions, reasonably distributed throughout the district, exists:

(1) *70 percent of the (LAND IS PREDOMINANTLY) parcels in the district are occupied by buildings, streets, utilities or other improvements and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance; or*

(2) *70 percent of the (LAND IS PREDOMINANTLY) parcels in the district are occupied by buildings, streets, utilities or other improvements and 20 percent of the buildings are structurally substandard and an additional 30 percent of the buildings are found to require substantial renovation or clearance in order to remove such existing conditions as: inadequate street layout, incompatible uses or land use relationships, overcrowding of buildings on the land, excessive dwelling unit*



density, obsolete buildings not suitable for improvement or conversion, or other identified hazards to the health, safety and general well being of the community ; or

(3) *Less than 70 percent of the (LAND IS NOT PREDOMINANTLY) parcels in the district are occupied by buildings, streets, utilities or other improvements, but due to unusual terrain or soil deficiencies requiring substantial filling, grading or other physical preparation for use at least 80 percent of the total acreage of such land has a fair market value upon inclusion in the redevelopment district which, when added to the estimated cost of preparing (THE) that land for (USE, INCLUDING UTILITIES) development, excluding costs directly related to roads as defined in section 160.01 and local improvements as described in section 429.021, subdivision 1, clauses 1 to 7, 11 and 12, and section 430.01, if any, exceeds its anticipated fair market value after completion of said preparation; provided that no parcel shall be included within a redevelopment district pursuant to this paragraph (3) unless the authority has concluded an agreement or agreements for the development of at least 50 percent of the acreage having the unusual soil or terrain deficiencies, which agreement provides recourse for the authority should the development not be completed; or*

(4) *The property consists of underutilized air rights existing over a public street, highway or right-of-way; or*

(5) *The property consists of vacant, unused, underused, inappropriately used or infrequently used railyards, rail storage facilities or excessive or vacated railroad rights-of-way.*

(b) For purposes of this subdivision, "structurally substandard" shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance. ("PREDOMINANTLY OCCUPIED" SHALL MEAN AT LEAST 50 PERCENT OF THE PARCELS COMPRISING AT LEAST 50 PERCENT OF THE ACREAGE. PERCENT OF THE PARCELS COMPRISING AT LEAST 50 PERCENT OF THE ACREAGE.) "Parcel" shall mean a tract or plat of land established prior to the certification of the district as a single unit for purposes of assessment.

Sec. 2. Minnesota Statutes 1980, Section 273.73, Subdivision 13, is amended to read:

Subd. 13. [ADMINISTRATIVE EXPENSES.] "Administrative expenses" means all expenditures of an authority other than amounts paid for the purchase of land or amounts paid to contractors or others providing materials and services, includ-

ing architectural and engineering services, directly connected with the physical development of the real property in the district, relocation benefits paid to or services provided for persons residing or businesses located in the district, or amounts used to pay interest on, fund a reserve for, or sell at a discount bonds issued pursuant to section 273.77. "Administrative expenses" includes amounts paid for services provided by bond counsel, fiscal consultants, and planning or economic development consultants.

Sec. 3. Minnesota Statutes 1980, Section 273.74, Subdivision 1, is amended to read:

**273.74 [ESTABLISHING, MODIFYING TAX INCREMENT FINANCING PLAN, ANNUAL ACCOUNTS.]**

Subdivision 1. [TAX INCREMENT FINANCING PLAN.]  
A tax increment financing plan shall contain:

(a) A statement of objectives of an authority for the improvement of a (DISTRICT. THE PLAN SHALL CONTAIN) project;

(b) A statement as to the development program for the (DISTRICT) project, including the property within the (DISTRICT) project, if any, which the authority intends to acquire (. IT SHALL ALSO CONTAIN);

(c) A list of any development activities which the plan proposes to take place within the project, for which contracts have been entered into at the time of the preparation of the plan, including the names of the parties to the contract, the activity governed by the contract, the cost stated in the contract, and the expected date of completion of that activity;

(d) Identification or description of the type of any other specific development reasonably expected to take place within the project, and the date when the development is likely to occur;

(e) Estimates of the following:

(1) Cost of the (DISTRICT) project, including administration expenses;

(2) Amount of bonded indebtedness to be incurred;

(3) Sources of revenue to finance or otherwise pay public costs;

(4) The most recent assessed value of taxable real property within the tax increment financing district;

(5) The estimated captured assessed value of the *tax increment financing* district at completion; and

(6) The duration of the *tax increment financing* district's existence (. THE PLAN SHALL ALSO CONTAIN); and

(f) A statement of the authority's estimate of the impact of tax increment financing on the assessed values of all taxing jurisdictions in which the *tax increment financing* district is located in whole or in part.

Sec. 4. Minnesota Statutes 1981 Supplement, 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. *The county auditor shall not certify the original assessed value of a district pursuant to section 273.76, subdivision 1, until the county board of commissioners has presented its written comment on the proposal to the authority, or 30 days has passed from the date of the transmittal by the authority to the board of the information regarding the fiscal and economic implications, whichever occurs first.* Upon adoption of the tax increment financing plan, the authority shall file the same with the commissioner of energy, planning and development.

Sec. 5. Minnesota Statutes 1980, Section 273.74, Subdivision 3, is amended to read:

Subd. 3. [MUNICIPALITY APPROVAL.] No county auditor shall certify the original assessed value of a tax increment financing district until the tax increment financing plan proposed for that district has been approved by the municipality in which the district is located. If an authority which proposes to establish a tax increment financing district and the municipality are not the same, the authority shall apply to the municipality in which the district is proposed to be located and shall obtain the approval of its tax increment financing plan by the municipality before the authority may use tax increment financing. The municipality shall approve the tax increment financing plan only after a public hearing thereon after published notice

in a newspaper of general circulation in the municipality at least once not less than ten days nor more than 30 days prior to the date of the hearing. This hearing may be held before or after the approval or creation of the project or it may be held in conjunction with a hearing to approve the project. Before or at the time of approval of the tax increment financing plan, the municipality shall make the following findings, *and shall set forth in writing the reasons and supporting facts for each determination*:

(a) That the proposed tax increment financing district is a redevelopment district, a housing district or an economic development district (AND THE SPECIFIC BASES FOR SUCH DETERMINATION).

(b) That the proposed development or redevelopment, in the opinion of the municipality, would not *reasonably be expected* to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

(c) That the tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole.

(d) That the tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development or redevelopment of the (DISTRICT) *project* by private enterprise.

(e) That the municipality elects the method of tax increment computation set forth in section 273.76, subdivision 3, clause (b), if applicable.

When the municipality and the authority are not the same, the municipality shall approve or disapprove the tax increment financing plan within 60 days of submission by the authority, or the plan shall be deemed approved. When the municipality and the authority are not the same, the municipality may not amend or modify a tax increment financing plan except as proposed by the authority pursuant to subdivision 4. Once approved, the determination of the authority to undertake the project through the use of tax increment financing and the resolution of the governing body shall be conclusive of the findings therein and of the public need for such financing.

Sec. 6. Minnesota Statutes 1980, Section 273.74, Subdivision 4, is amended to read:

Subd. 4. [MODIFICATION OF PLAN.] A tax increment financing plan may be modified by an authority, provided that any reduction or enlargement of geographic area *of the project or tax increment financing district*, increase in amount of bonded

indebtedness to be incurred, *including a determination to capitalize interest on the debt if that determination was not a part of the original plan, or to increase or decrease the amount of interest on the debt to be capitalized*, increase in the portion of the captured assessed value to be retained by the authority, increase in total estimated tax increment expenditures or designation of additional property to be acquired by the authority shall be approved upon the notice and after the discussion, public hearing and findings required for approval of the original plan; *provided that if an authority changes the type of district from housing, redevelopment or economic development to another type of district, this change shall not be considered a modification but shall require the authority to follow the procedure set forth in sections 273.71 to 273.78 for adoption of a new plan, including certification of the assessed valuation of the district by the county auditor.*

The geographic area of a tax increment financing district may be reduced, but shall not be enlarged after five years following the date of certification of the original assessed value by the county auditor or five years from August 1, 1979, for tax increment financing districts authorized prior to August 1, 1979, except that development districts created pursuant to chapter 472A prior to August 1, 1979 may be reduced but shall not be enlarged after five years following the date of designation of such district.

Sec. 7. Minnesota Statutes 1980, Section 273.75, Subdivision 2, is amended to read:

Subd. 2. [EXCESS TAX INCREMENTS.] In any year in which the tax increment exceeds the amount necessary to pay the costs authorized by the tax increment financing plan, including the amount necessary to cancel any tax levy as provided in section 475.61, subdivision 3, the authority shall use the excess amount to *do any of the following, in the order determined by the authority*: (a) prepay any outstanding bonds, (b) discharge the pledge of tax increment therefor, (c) pay into an escrow account dedicated to the payment of such bond, or (SHALL) (d) return the excess amount to the county auditor who shall distribute the excess amount to the municipality, county and school district in which the tax increment financing district is located in direct proportion to their respective mill rates.

Sec. 8. Minnesota Statutes 1980, Section 273.75, Subdivision 3, is amended to read:

Subd. 3. [LIMITATION ON ADMINISTRATIVE EXPENSES.] No tax increment shall be used to pay any administrative expenses for a (DISTRICT) *project* which exceed (FIVE) *ten* percent of the total tax increment expenditures authorized by the tax increment financing plan or the total

tax increment expenditures for the (DISTRICT) *project*, which ever is less.

Sec. 9. 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, recreational or conference purposes and not primarily for conducting the business of the municipality.*

Sec. 10. Minnesota Statutes 1980, Section 273.75, Subdivision 5, is amended to read:

Subd. 5. [REQUIREMENT FOR AGREEMENTS.] No more than 25 percent, by acreage, of the property to be acquired within a *project which contains* a redevelopment district, or ten percent, by acreage, of the property to be acquired within a *project which contains* a housing or economic development district, as set forth in the tax increment financing plan, shall at any time be owned by an authority as a result of acquisition with the proceeds of bonds issued pursuant to section 273.77 without the authority having prior to acquisition in excess of the percentages concluded an agreement for the development or redevelopment of the property acquired and which provides recourse for the authority should the development or redevelopment not be completed.

Sec. 11. Minnesota Statutes 1980, Section 273.75, Subdivision 6, is amended to read:

Subd. 6. [LIMITATION ON INCREMENT.] If, after (FIVE) *four* years from the date of certification of the original assessed value of the tax increment financing district pursuant to section 273.76, no demolition, rehabilitation or renovation of property or other site preparation, including improvement of a street adjacent to a parcel but not installation of utility service *including sewer or water systems*, has been commenced on a parcel located within a tax increment financing district by the authority or by the owner of the parcel in accordance with the tax increment financing plan, no additional tax increment may be taken from that parcel, and the original assessed value of that parcel shall be excluded from the original assessed value of the tax increment financing district. If the authority or the owner of the parcel subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel including improvement of a street adjacent to that parcel, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced, and the county auditor shall certify the assessed value thereof as most recently certified by the commissioner of revenue and add it to the original assessed value of the tax increment financing district. For purposes of this subdivision "parcel" means a tract or plat of land established *prior to the certification of the district* as a single unit for purposes of assessment.

Sec. 12. Minnesota Statutes 1980, Section 273.75, is amended by adding a subdivision to read:

*Subd. 7. [SUBSEQUENT DISTRICTS.] Except as provided in section 273.75, subdivision 6, for subsequent recertification of parcels eliminated from a district because of lack of development activity, no parcel that has been so eliminated subsequent to two years from the date of the original certification may be included in a tax increment district if, at any time during the 20 years prior to the date when certification of the district is requested pursuant to section 273.76, subdivision 1, that parcel had been included in an economic development district.*

Sec. 13. Minnesota Statutes 1980, Section 273.76, Subdivision 1, is amended to read:

Subdivision 1. [ORIGINAL ASSESSED VALUE.] Upon or after adoption of a tax increment financing plan, the auditor of any county in which the district is situated shall, upon request of the authority, certify the original assessed value of the tax increment financing district as described in the tax increment financing plan and shall certify in each year thereafter the amount by which the original assessed value has increased or decreased as a result of a change in tax exempt status of property

within the district, reduction or enlargement of the district or changes pursuant to subdivision 4. The amount to be added to the original assessed value of the district as a result of previously tax exempt real property within the district becoming taxable shall be equal to the assessed value of the real property as most recently assessed pursuant to section 273.18 or, if that assessment was made more than one year prior to the date of title transfer rendering the property taxable, the value which shall be assessed by the assessor at the time of such transfer. The amount to be added to the original assessed value of the district as a result of enlargement thereof shall be equal to the assessed value of the added real property as most recently certified by the commissioner of revenue as of the date of modification of the tax increment financing plan pursuant to section 273.74, subdivision 4. *Each year the auditor shall also add to the original assessed value of each economic development district an amount equal to the original assessed value for the preceding year multiplied by the average percentage increase in the assessed valuation of all property included in the economic development district during the five years prior to certification of the district.* The amount to be subtracted from the original assessed value of the district as a result of previously taxable real property within the district becoming tax exempt, or a reduction in the geographic area of the district, shall be the amount of original assessed value initially attributed to the property becoming tax exempt or being removed from the district. If the assessed value of property located within the tax increment financing district is reduced by reason of a court-ordered abatement, stipulation agreement, voluntary abatement made by the assessor or auditor or by order of the commissioner of revenue, the reduction shall be applied to the original assessed value of the district when the property upon which the abatement is made has not been improved since the date of certification of the district and to the captured assessed value of the district in each year thereafter when the abatement relates to improvements made after the date of certification. The county auditor shall have the power to specify reasonable form and content of the request for certification of the authority and any modification thereof pursuant to section 273.74, subdivision 4.

Sec. 14. Minnesota Statutes 1980, Section 273.76, Subdivision 4, is amended to read:

Subd. 4. [PRIOR PLANNED IMPROVEMENTS.] The authority shall, after due and diligent search, accompany its request for certification to the county auditor pursuant to subdivision 1, or its notice of district enlargement pursuant to section 273.74, subdivision 5, with a listing of all properties within the tax increment financing district or area of enlargement for which building permits have been issued during the 18 months immediately preceding approval of the tax increment financing plan by the municipality pursuant to section 273.74, subdivision 4. (FOR 12 MONTHS AFTER COMPLETION OF THE IMPROVEMENTS FOR WHICH A BUILDING PERMIT WAS



ISSUED DURING SAID 18 MONTH PERIOD,) The county auditor (IS AUTHORIZED, BUT NOT REQUIRED, TO) *shall* increase the original assessed value of the district by the assessed valuation of the improvements for which the building permit was issued, *excluding the assessed valuation of improvements for which a building permit was issued during the three month period immediately preceding said approval of the tax increment financing plan, as certified by the assessor.*

Sec. 15. Minnesota Statutes 1980, Section 273.77, is amended to read:

**273.77 [TAX INCREMENT BONDING.]**

Any other law, general or special, notwithstanding, after August 1, 1979 no bonds, payment for which tax increment is pledged, shall be issued in connection with any project for which tax increment financing has been undertaken other than as is authorized hereby and the proceeds therefrom shall be used only in accordance with section 273.75, subdivision 4 as if said proceeds were tax increment, except that a tax increment financing plan need not be adopted for any project for which tax increment financing has been undertaken prior to August 1, 1979, pursuant to statutes not requiring a tax increment financing plan. Such bonds shall not be included for purposes of computing the net debt of any municipality.

(a) A municipality may issue general obligation bonds to finance any expenditure by the municipality or an authority the jurisdiction of which is wholly or partially within that municipality, pursuant to section 273.75, subdivision 4 in the same manner and subject only to the same conditions as those provided in chapter 475 for bonds financing improvement costs reimbursable from special assessments. Any pledge of tax increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision, except when the authority and the municipality are the same, shall be made by written agreement by and between the authority and the municipality and filed with the county auditor. When the authority and the municipality are the same, the municipality may by covenant pledge tax increment, assessments or other revenues for the payment of the principal of and interest on general obligation bonds issued under this subdivision and thereupon shall file the resolution containing such covenant with the county auditor. When tax increment, assessments and other revenues are pledged, the estimated collections of said tax increment, assessments and any other revenues so pledged may be deducted from the taxes otherwise required to be levied before the issuance of the bonds under section 475.61, subdivision 1, or the collections thereof may be certified annually to reduce or cancel the initial tax levies in accordance with section 475.61, subdivision 1 or 3.

(b) When the authority and the municipality are not the same, an authority may, by resolution, authorize, issue and sell its general obligation bonds to finance any expenditure which that authority is authorized to make by section 273.75, subdivision 4. Said bonds of the authority shall be authorized by its resolution, shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322, and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine, and any provision of any law to the contrary notwithstanding, the bonds shall be fully negotiable. In any suit, actions, or proceedings involving the validity of enforceability of any bonds of the authority or the security therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a (DISTRICT) *project* shall be conclusively deemed to have been issued for such purpose, and the *tax increment financing district within the project* shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979, Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds of the authority, and such bonds shall so state on their face, shall not be a debt of any municipality, the state or any political subdivision thereof, and neither the municipality nor the state or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds be payable out of any funds or properties other than those of the authority and any tax increment and revenues of a tax increment financing district pledged therefor.

(c) Notwithstanding any other law general or special, an authority may, by resolution, authorize, issue and sell revenue bonds payable solely from all or a portion of revenues, including but not limited to tax increment revenues and assessments, derived from a tax increment financing district located wholly or partially within the municipality to finance any expenditure which the authority is authorized to make by section 273.75, subdivision 4. The bonds shall mature as determined by resolution of the authority in accordance with Laws 1979, Chapter 322 and may be issued in one or more series and shall bear such date or dates, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in medium of payment at such place or places, and

be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at the price or prices as the authority by resolution shall determine, and any provision of any law to the contrary notwithstanding, shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any bonds of the authority or the security therefor, any bond reciting in substance that it has been issued by the authority to aid in financing a (DISTRICT) *project* shall be conclusively deemed to have been issued for such purpose, and the *tax increment financing district within the project* shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of Laws 1979, Chapter 322. Neither the authority, nor any director, commissioner, council member, board member, officer, employee or agent of the authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds may be further secured by a pledge and mortgage of all or any portion of the district in aid of which the bonds are issued and such covenants as the authority shall deem by such resolution to be necessary and proper to secure payment of the bonds. The bonds, and the bonds shall so state on their face, shall not be payable from nor charged upon any funds other than the revenues and property pledged or mortgaged to the payment thereof, nor shall the issuing authority be subject to any liability thereon or have the powers to obligate itself to pay or pay the bonds from funds other than the revenues and properties pledged and mortgaged and no holder or holders of the bonds shall ever have the right to compel any exercise of any taxing power of the issuing authority or any other public body, other than as is permitted or required under Laws 1979, Chapter 322 and pledged therefor hereunder, to pay the principal of or interest on any such bonds, nor to enforce payment thereof against any property of the authority or other public body other than that expressly pledged or mortgaged for the payment thereof.

*(d) (1) In anticipation of the issuance of bonds pursuant to either paragraph (a), (b) or (c) of this section, the authority or municipality may by resolution issue and sell temporary bonds pursuant to paragraph (a), (b) or (c), maturing within not more than three years from their date of issue, to pay any part or all of the cost of a project. To the extent that the principal of and interest on the temporary bonds cannot be paid when due from receipts of tax increment, assessments, or other funds appropriated for the purpose, they shall be paid from the proceeds of long-term bonds or additional temporary bonds which the authority or municipality shall offer for sale in advance of the maturity date of the temporary bonds, but the indebtedness funded by an issue of temporary bonds shall not be extended by the issue of additional temporary bonds for more than six years from the date of the first issue. Long-term bonds may be issued pursuant to paragraph (a), (b) or (c)*

*without regard to whether the temporary bonds were issued pursuant to paragraph (a), (b) or (c). If general obligation temporary bonds are issued pursuant to paragraph (a), proceeds of long-term bonds or additional temporary bonds not yet sold may be treated as pledged revenues, in reduction of the tax otherwise required by section 475.61 to be levied prior to delivery of the obligations. Subject to the six-year maturity limitation contained above, but without regard to the requirement of section 475.58, if any temporary bonds are not paid in full at maturity, in addition to any other remedy authorized or permitted by law, the holders may demand, in which case the authority or municipality shall, issue pursuant to paragraph (a), (b) or (c) as the temporary bonds and in exchange for the temporary bonds, at par, replacement temporary bonds dated as of the date of the replaced temporary bonds, maturing within one year from the date of the replacement temporary bonds and earning interest at the rate set forth in the resolution authorizing the issuance of the replaced temporary bonds, provided that the rate shall not exceed the maximum rate permitted by law at the date of issue of the replaced temporary bonds.*

*(2) Funds of a municipality may be invested in its temporary bonds in accordance with the provisions of section 471.56, and may be purchased upon their initial issue, but shall be purchased only from funds which the governing body of the municipality determines will not be required for other purposes before the maturity date, and shall be resold before maturity only in case of emergency. If purchased from a debt service fund securing other bonds, the holders of those bonds may enforce the municipality's obligations on the temporary bonds in the same manner as if they held the temporary bonds.*

#### Sec. 16. [EFFECTIVE DATE.]

*Sections 1 to 15 are effective with respect to districts for which certification is requested after June 30, 1982, except that the provisions of section 6 relating to changes in the type of an existing district shall apply to any district the type of which is changed subsequent to the date of final enactment of this act.*

### ARTICLE XXXIX

Section 1. Minnesota Statutes 1980, Section 278.08, is amended to read:

#### 278.08 [INTEREST.]

*Subdivision 1. [TAXES DUE.] (IF) Whether or not the tax is sustained in full as levied and section 278.03 notwithstanding, the judgment shall include any interest which has (THEN) accrued (THEREON) on the taxes for failure to pay*

the (SAME,) *taxes* or any part (THEREOF, AT THE TIME REQUIRED BY LAW) of the *taxes as provided in sections 279.01 and 279.03*. If the tax is reduced, no (PENALTIES AND INTEREST) *penalty* shall be included in the judgment because of the failure to pay the reduced tax prior to (THE) entry (THEREOF) of *judgment*. After the judgment is entered, it shall be subject to interest (OR PENALTIES AS WOULD UNDER THE LAW ATTACH TO THE TAX EMBRACED THEREIN AFTER THE ENTRY THEREOF) and *penalty at the rates provided in chapter 279 for delinquent payment of property taxes*.

*Subd. 2. [REFUND.] If the petitioner has overpaid the tax determined or stipulated to be due, the county auditor shall compute interest on the overpayment from the date of the filing of the petition for review or from the date of payment of the tax, whichever is later, until the date of issuance of the refund warrant. Interest shall be calculated on the overpayment at the rate provided in section 279.03 for delinquent property taxes for the levy year involved.*

Sec. 2. Minnesota Statutes 1981 Supplement, Section 279.03, is amended to read:

**279.03 [INTEREST ON DELINQUENT (REAL ESTATE) PROPERTY TAXES.]**

*Subdivision 1. [RATE.] The rate of interest on delinquent (REAL ESTATE) property taxes levied in 1979 and prior years is fixed at six percent per (ANNUM) year until January 1, 1983. Thereafter interest is payable at the rate determined pursuant to section 549.09. The rate of interest on delinquent (REAL ESTATE) property taxes levied in 1980 and subsequent years (SHALL BE) is the rate determined pursuant to section 549.09. All provisions of law except section 549.09 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. Section 549.09 shall continue in force with respect to judgments arising out of petitions for review filed pursuant to chapter 278 irrespective of the levy year.*

(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.)**

*For property taxes levied in 1980 and prior years, interest is to be calculated at simple interest from the second Monday in May following the year in which the taxes become due until the time that the taxes and penalties are paid, computed on the amount of unpaid taxes, penalties and costs. For property taxes levied in 1981 and subsequent years, interest shall commence on the first day of January following the year in which the taxes become due, but the county treasurer need not calculate interest on unpaid taxes and penalties on the tax list returned to the county auditor pursuant to section 279.01.*

*If interest is payable for a portion of a year, the interest is calculated only for the months that the taxes or penalties remain unpaid, and for this purpose a portion of a month is deemed to be a whole month.*

*Subd. 2. [COMPOSITE JUDGMENT.] Amounts included in composite judgment, as authorized by section 279.37, and confessed on or after July 1, 1982, are subject to interest at the rate determined pursuant to section 549.09. During each calendar year, interest shall accrue on the unpaid balance of the composite judgment from the time it is confessed until it is paid. The rate of interest is subject to change each year in the same manner that section 549.09 provides for rate changes on judgments. Interest on the unpaid contract balance on judgments confessed before July 1, 1982, is payable at the rate applicable to the judgment at the time that it was confessed.*

**Sec. 3. Minnesota Statutes 1980, Section 279.37, Subdivision 1, is amended to read:**

**279.37 [CONFESSION OF JUDGMENT FOR DELINQUENT TAXES.]**

**Subdivision 1. [COMPOSITION INTO ONE ITEM.]** Delinquent taxes upon any parcel of real estate which have been bid in for and are held by the state and not assigned by it, may be composed into one item or amount by confession of judgment at any time prior to the forfeiture of such parcel of land to the state for taxes, for the aggregate amount of all such taxes, costs, penalties, and interest accrued against said parcel, as hereinafter provided; provided that (NO SUCH TAXES UPON LANDS CLASSIFIED FOR ASSESSMENT AT AN ASSESSED VALUE EXCEEDING 40 PERCENT OF THE MARKET VALUE, SHALL BE COMPOSED INTO ANY SUCH JUDGMENT OR BE PAYABLE IN THE MANNER PROVIDED BY THIS SECTION) *only taxes upon property which, for the previous year's assessment, was classified as homestead property pursuant to section 273.13, subdivisions 6, 6a, 7, and 14a shall*

*be eligible to be composed into any confession of judgment pursuant to this section.*

Sec. 4. Minnesota Statutes 1980, Section 279.37, Subdivision 2, is amended to read:

Subd. 2. [INSTALLMENT PAYMENTS.] The owner of any such parcel, or any person to whom the right to pay taxes has been given by statute, mortgage, or other agreement, may make and file with the county auditor of the county wherein (SAID) *the* parcel is located a written offer to pay the current taxes each year before they become delinquent, or to contest (SUCH) *the* taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13, and agree to confess judgment for the amount hereinbefore provided, as determined by the county auditor, and shall thereby waive all irregularities in connection with the tax proceedings affecting (SUCH) *the* parcel and any defense or objection which he may have (THERETO) *to the proceedings*, and shall thereby waive the requirements of any notice of default in the payment of any installment or interest to become due pursuant to the composite judgment to be so entered, and shall tender therewith one-tenth of the amount of (SUCH) *the* delinquent taxes, costs, penalty, and interest, and agree therein to pay the balance in nine equal installments, with interest (AT THE RATE OF EIGHT PERCENT PER ANNUM) *as provided in section 279.03*, payable annually on installments remaining unpaid from time to time, on or before December 31 of each year following the year in which judgment was confessed, which offer shall be substantially as follows:

"To the clerk of the district court of \_\_\_\_\_ county, I, \_\_\_\_\_, owner of the following described parcel of real estate situate in \_\_\_\_\_ county, Minnesota, to-wit: \_\_\_\_\_ upon which there are delinquent taxes for the year \_\_\_\_\_, and prior years, as follows: (here insert year of delinquency and the total amount of delinquent taxes, costs, interest, and penalty) do hereby offer to confess judgment in the sum of \$ \_\_\_\_\_ and hereby waive all irregularities in the tax proceedings affecting such taxes and any defense or objection which I may have thereto, and direct judgment to be entered for the amount hereby confessed, less the sum of \$ \_\_\_\_\_, hereby tendered, being one-tenth of the amount of said taxes, costs, penalty, and interest; I agree to pay the balance of said judgment in nine equal, annual installments, with interest (AT THE RATE OF EIGHT PERCENT PER ANNUM) *as provided in section 279.03*, payable annually, on the installments remaining unpaid from time to time, said installments and interest to be paid on or before December 31 of each year following the year in which this judgment is confessed and current taxes each year before they become delinquent, or within 30 days after the entry of final judgment in proceedings to contest such taxes under Minnesota Statutes 1941, Sections 278.01 to 278.13.

Dated this . . . . ., 19 . . . . .”

Sec. 5. Minnesota Statutes 1980, Section 282.01, Subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF SALE.] (SUCH) *The sale shall be conducted by the county auditor at the county seat of the county in which (SUCH) the parcels lie, provided that, in St. Louis and Koochiching counties, the sale may be conducted in any county facility within the county, and (SUCH) the parcels shall be sold for cash only and at not less than the appraised value, unless the county board of the county shall have adopted a resolution providing for their sale on terms, in which event (SUCH) the resolution shall control with respect thereto. When the sale is made on terms other than for cash only a payment of at least ten percent of the purchase price must be made at the time of purchase, thereupon the balance shall be paid in (NOT TO EXCEED) no more than ten equal annual installments. No standing timber or timber products shall be removed from these lands until an amount equal to the appraised value of all (SUCH) standing timber or timber products (AS MAY HAVE BEEN STANDING) on (SUCH) the lands at the time of purchase has been paid by the purchaser; provided, that in case any parcel of land bearing standing timber or timber products is sold at public auction for more than the appraised value, the amount bid in excess of the appraised value shall be allocated between the land and the timber in proportion to the respective appraised values thereof, and no standing timber or timber products shall be removed from (SUCH) the land until the amount of (SUCH) the excess bid allocated to timber or timber products (SHALL HAVE) has been paid in addition to the appraised value thereof. (WHEN SALES ARE MADE ON SUCH TERMS THE INTEREST RATE ON THE UNPAID PORTION SHALL BE EIGHT PERCENT PER ANNUM.) The purchaser (AT SUCH SALE SHALL BE) is entitled to immediate possession, subject to the provisions of any existing valid lease made in behalf of the state.*

*For sales occurring on or after July 1, 1982, the unpaid balance of the purchase price is subject to interest at the rate determined pursuant to section 549.09. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 549.09 for rate changes on judgments. Interest on the unpaid contract balance on sales occurring before July 1, 1982, is payable at the rate applicable to the sale at the time that the sale occurred.*

Sec. 6. Minnesota Statutes 1980, Section 282.01, is amended by adding a subdivision to read:

Subd. 7a. [ALTERNATE SALE PROCEDURE.] *Land located in a home rule charter or statutory city, or in a town described in section 368.01, subdivision 1, which cannot be improved because of noncompliance with local ordinances re-*



*garding minimum area, shape, frontage or access may be sold by the county auditor pursuant to this subdivision if the auditor determines that a nonpublic sale will encourage the approval of sale of the land by the city or town and promote its return to the tax rolls. The sale of land pursuant to this subdivision shall be subject to any conditions imposed by the county board pursuant to section 282.03. The governing body of the city or town may recommend to the county board conditions to be imposed on the sale. The county auditor may restrict the sale to owners of lands adjoining the land to be sold. The county auditor shall conduct the sale by sealed bid or may select another means of sale. The land shall be sold to the highest bidder but in no event shall the land be sold for less than its appraised value. All owners of land adjoining the land to be sold shall be given a written notice at least 30 days prior to the sale.*

*This subdivision shall be liberally construed to encourage the sale and utilization of tax-forfeited land, to eliminate nuisances and dangerous conditions and to increase compliance with land use ordinances.*

Sec. 7. Minnesota Statutes 1980, Section 282.04, is amended by adding a subdivision to read:

*Subd. 1a. [LEASING WITHOUT BIDS.] The county auditor may within a period of two years immediately following the date of forfeiture lease tax-forfeited land on which are located structures or buildings without advertising for bids. Notwithstanding subdivision 1, the property may be leased for a period no longer than one year without bids, regardless of the consideration received for the lease. With the approval of the county board, the county auditor may under similar circumstances enter into a management contract without bids when that action is necessary for the operation, use or preservation of the property and the safety of the public.*

Sec. 8. Minnesota Statutes 1980, Section 282.08, is amended to read:

#### 282.08 [APPORTIONMENT OF PROCEEDS.]

The net proceeds from the sale or rental of any parcel of forfeited land, or from the sale of any products therefrom, shall be apportioned by the county auditor to the taxing districts interested therein, as follows:

(1) Such portion as may be required to pay any amounts included in the appraised value under section 282.01, subdivision 3, as representing increased value due to any public improvement made after forfeiture of such parcel to the state, but not exceeding the amount certified by the clerk of the municipi-

pality, shall be apportioned to the municipal subdivision entitled thereto;

(2) Such portion of the remainder as may be required to discharge any special assessment chargeable against such parcel for drainage or other purpose whether due or deferred at the time of forfeiture, shall be apportioned to the municipal subdivision entitled thereto; *and*

(3) (SUCH PORTION OF THE REMAINDER AS MAY HAVE BEEN THERETOFORE LEVIED ON THE PARCEL OF LAND FOR ANY BOND ISSUE OF THE SCHOOL DISTRICT, TOWN, CITY, OR COUNTY, WHEREIN THE PARCEL OF LAND IS SITUATED SHALL BE APPORTIONED TO THE MUNICIPAL SUBDIVISIONS IN THE PROPORTIONS OF THE RESPECTIVE INTEREST; AND)

((4)) Any balance shall be apportioned as follows:

(a) Any county board may annually by resolution set aside (NOT EXCEEDING) *no more than* 30 percent of the receipts remaining to be used for timber development on tax-forfeited land and dedicated memorial forests, to be expended under the supervision of the county board. It shall be expended only on projects approved by the commissioner of natural resources.

(b) Any county board may annually by resolution set aside (NOT EXCEEDING) *no more than* 20 percent of the receipts remaining to be used for the acquisition and maintenance of county parks or recreational areas as defined in sections 398.31 to 398.36, to be expended under the supervision of the county board.

(c) If the board does not avail itself of the authority under paragraph (a) or (b) any balance remaining shall be apportioned as follows: county, 40 percent; town or city, 20 percent; and school district, 40 percent, and if the board avails itself of the authority under paragraph (a) or (b) the balance remaining shall be apportioned among the county, town or city, in the proportions in this paragraph above stated, provided, however, that in unorganized territory that portion which should have accrued to the township shall be administered by the county board of commissioners.

Sec. 9. Minnesota Statutes 1980, Section 282.261, is amended to read:

282.261 [(DOWN PAYMENT) TERMS OF REPURCHASE.]

*Subdivision 1.* [PAYMENTS; TAXES.] A person repurchasing under section 282.241 shall pay at the time of repurchase

not less than one-tenth of (SUCH) *the* repurchase price and shall pay the balance in ten equal annual instalments, with the privilege of paying the unpaid balance in full at any time, with interest (AT THE RATE OF EIGHT PERCENT ON THE BALANCE REMAINING UNPAID EACH YEAR) *as provided in subdivision 2*, the first instalment of principal and interest to become due and payable on December 31 of the year following the year in which the repurchase was made, the remaining instalments to become due and payable on December 31 of each year thereafter until fully paid. (HE) *The person shall pay the current taxes each year thereafter before (THE SAME SHALL) they become delinquent up to the time when he (SHALL PAY) has paid the repurchase price in full.*

*Subd. 2. [INTEREST RATE.] The unpaid balance on any repurchase contract approved by the county board on or after July 1, 1982, is subject to interest at the rate determined pursuant to section 549.09. The interest rate is subject to change each year on the unpaid balance in the manner provided in section 549.09 for rate changes on judgments. Interest on the unpaid contract balance on repurchases approved before July 1, 1982, is payable at the rate applicable to the repurchase contract at the time that it was approved.*

*Subd. 3. [ALTERNATIVE TREATMENT OF NONHOMESTEAD PROPERTY.] A county board of commissioners may by resolution provide that the installment arrangement in subdivision 1 is not applicable to nonhomestead property and that this subdivision applies instead. If the resolution is approved, the minimum downpayment shall be 20 percent of the repurchase price and the balance shall be payable in four equal annual installments. A resolution shall remain in force for at least one year after approval and shall be applied uniformly to all nonhomestead property in the county. "Nonhomestead property" means all property except that which is classified for property tax purposes as homestead property at the time that the repurchase application is approved.*

**Sec. 10. [EFFECTIVE DATE.]**

*This article is effective the day following final enactment.*

**ARTICLE XL**

Section 1. Minnesota Statutes 1981 Supplement, Section 290.01, Subdivision 20, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 2, 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, 1980.

The term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modification specified in this subdivision. For estates and trusts the adjusted gross income shall be their federal taxable income 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 subdivision and with the modification that the federal deduction for personal exemptions for trusts and estates shall not be allowed.

(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, sections 131, 133, 134, 141, 152, 156, 157, 405, and 543 of P.L. 95-600, and section 2 of P.L. 96-608 (relating to pensions, individual retirement accounts, deferred compensation plans, the sale of a residence and to conservation payments to farmers) including the amendments made to these sections in P.L. 96-222 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.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1980, and as amended by sections 302(b) and 501

to 509 of Public Law Number 97-34, shall be in effect for taxable years beginning after December 31, 1980 including 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. The provisions of P.L. 96-471 (relating to installment sales) (AND) sections 122, 123, 126, 201, 202, 203, 204, 211, 213, 214, 251, 261, 264, 265, 311(g)(3), 313, 314 (a)(1), 321(a), 501 to 507, 811, and 812 of the Economic Recovery Tax Act of 1981, Public Law Number 97-34 and section 113 of Public Law Number 97-119 shall be effective at the same time that they become effective for federal income tax purposes.

*(v) The Internal Revenue Code of 1954, as amended through December 31, 1981, shall be in effect for taxable years beginning after December 31, 1981.*

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) A business casualty loss if the taxpayer elected to deduct the loss on the current year's federal income tax return but had deducted the loss on the previous year's Minnesota income tax return;

(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 reimbursement 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 amount of the federal income tax overpayment shall be reported only to the extent that the amount resulted in a reduction of the tax imposed by this chapter.

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, combined, or separate Minnesota income tax returns. In the case of combined or 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 combined or 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) 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);

(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) (FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980 BUT BEFORE JANUARY 1, 1983, IN THE CASE OF RECOVERY PROPERTY WITHIN THE MEANING OF SECTION 168 OF THE INTERNAL REVENUE CODE OF 1954 AS AMENDED THROUGH DECEMBER 31, 1981, THE AMOUNT ALLOWED UNDER SECTION 167 OF THE INTERNAL REVENUE CODE);

((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 40 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)) (17) 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;

((19)) (18) The amount of a distribution from an individual housing account which is to be included in gross income as required under section 290.08, subdivision 25;

((20)) (19) To the extent deducted in computing the taxpayer's federal adjusted gross income, interest, taxes and other expenses which are not allowed under section 290.10, clause (9) or (10);

((21)) (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 353.028, 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;

(21) *The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954; (AND)*

(22) (FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980 BUT BEFORE JANUARY 1, 1983, IN THE CASE OF SECTION 179 PROPERTY WITHIN THE MEANING OF THE INTERNAL REVENUE CODE OF 1954, THE AMOUNT ALLOWED AS A DEDUCTION UNDER SECTION 179 OF THE INTERNAL REVENUE CODE) *Interest on all-savers certificates which is excluded under section 128 of the Internal Revenue Code of 1954;*

(23) *The amount of contributions to an individual retirement account, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34 to the extent those contributions were not an allowable deduction prior to the enactment of that law; and*

(24) *To the extent deducted in computing federal adjusted gross income, living expenses of a member of congress in excess of that allowable under section 290.09, subdivision 2, clause (a)(3).*

(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 60 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 or out of state loss



carryforwards resulting from the losses, and including any farm loss carryforwards or carrybacks;

(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) 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, 1986 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;

(18) Minnesota exempt-interest dividends as provided by subdivision 27;

(19) A business casualty loss which the taxpayer elected to deduct on the current year's Minnesota income tax return but

did not deduct on the current year's federal income tax return; and

(20) Income from the performance of personal or professional services which is subject to the reciprocity exclusion contained in section 290.081, clause (a);

(21) 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 353.028, the amount of payments from the deferred compensation program equivalent to the amount of contributions taxed under clause (a) (21) (20);

(22) Contributions to and interest earned on an individual housing account as provided by section 290.08, subdivision 25;

(23) Interest earned on a contract for deed entered into for the (PURCHASE) *sale* of property for agricultural use if the rate of interest set in the contract is no more than (EIGHT) *nine* percent per year for the duration of the term of the contract. This exclusion shall be available only if (1) the purchaser is an individual who, together with his spouse and dependents, has a total net worth valued at less than \$150,000 and (2) the property (PURCHASED) *sold* under the contract is farm land as defined in section 41.52, subdivision 6 of no more than 1,000 acres that the purchaser intends to use for agricultural purposes. Compliance with these requirements shall be stated in an affidavit to be filed with the first income tax return on which the taxpayer claims the exclusion provided in this clause. Upon request accompanied by the information necessary to make the determination, the commissioner shall determine whether interest to be paid on a proposed transaction will qualify for this exclusion; the determination shall be provided within 30 days of receipt of the request, unless the commissioner finds it necessary to obtain additional information, or verification of the information provided, in which case the determination shall be provided within 30 days of receipt of the final item of information or verification. The exclusion provided in this clause shall apply to interest earned on contracts for deed entered into after December 31, 1981 and before July 1, 1983; *and*

(24) (FOR THE TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1980, BUT BEFORE JANUARY 1, 1982, AN AMOUNT EQUAL TO 85 PERCENT OF THE DEDUCTION ALLOWED UNDER SECTION 168 OF THE INTERNAL REVENUE CODE OF 1954 AS AMENDED THROUGH DECEMBER 31, 1981. FOR THE TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1981 BUT BEFORE JANUARY 1, 1983, 83 PERCENT OF THE DEDUCTION ALLOWED UNDER SECTION 168 OF THE INTERNAL REV-

ENUE CODE OF 1954 AS AMENDED THROUGH DECEMBER 31, 1981. THE DEPRECIATION ADJUSTMENTS MADE TO BASIS IN THE CASE OF RECOVERY PROPERTY WITHIN THE MEANING OF SECTION 168 OF THE INTERNAL REVENUE CODE OF 1954 AS AMENDED THROUGH DECEMBER 31, 1981 SHALL BE THE DEPRECIATION ADJUSTMENTS MADE FOR FEDERAL INCOME TAX PURPOSES UNDER THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1981. ADOPTION OF THIS PROVISION SHALL NOT BE CONSTRUED AS INDICATING THE INTENT OF THE LEGISLATURE TO ENACT PROVISIONS AUTHORIZING AMORTIZATION OF THE AMOUNT OF DEPRECIATION NOT EXCLUDABLE UNDER THIS CLAUSE; AND)

(25) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980 BUT BEFORE JANUARY 1, 1983, AN AMOUNT EQUAL TO THE DEDUCTION ALLOWED UNDER SECTION 179 OF THE INTERNAL REVENUE CODE OF 1954 AS AMENDED THROUGH DECEMBER 31, 1981) *The penalty on the early withdrawal of an all-savers certificate as provided in section 128(e) of the Internal Revenue Code of 1954 to the extent that the interest was included in income under clause (a)(22).*

(c) A modification affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954 shall be made.

In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under this chapter and at the close of the taxable year immediately preceding the effective election under this chapter 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 chapter.

(d) 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 chapter and 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 chapter.

(e) 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 (or as an offset against the sales price of property in determining gain or loss) in computing the taxable income of the estate or any person 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.

(f) *A modification shall be made for the allowable deduction under the accelerated cost recovery system as provided in section 2.*

Sec. 2. Minnesota Statutes 1980, Section 290.01, is amended by adding a subdivision to read:

*Subd. 28. The allowable deduction for the accelerated cost recovery system as provided in section 168 of the Internal Revenue Code shall be the same amount as provided in that section for individuals, estates, and trusts with the following modifications:*

(1) *For property placed in service after December 31, 1980 and for taxable years beginning before January 1, 1982, 15 percent of the allowance provided in section 168 of the Internal Revenue Code shall not be allowed.*

(2)(a) *For taxable years beginning after December 31, 1981 and before December 31, 1982, for 15 year real property as defined in section 168 of the Internal Revenue Code, 40 percent of the allowance provided in section 168 of the Internal Revenue Code shall not be allowed and for all other property, 17 percent of the allowance shall not be allowed.*

(2)(b) *For taxable years beginning after December 31, 1982, for 15 year real property as defined in section 168 of the Internal Revenue Code, 40 percent of the allowance provided in section 168 of the Internal Revenue Code shall not be allowed and for all other property 20 percent of the allowance shall not be allowed.*

(3) For property placed in service after December 31, 1980 for which the taxpayer elects to use the straight line method provided in section 168(b)(3) or a method provided in section 168(e)(2) of the Internal Revenue Code, the modifications provided in clauses (1) and (2) do not apply.

(4) For property subject to the modifications contained in clause (1) or (2) above, the following modification shall be made after the entire amount of the allowable deduction for that property under the provision of section 168 of the Internal Revenue Code has been obtained. The remaining depreciable basis in those assets for Minnesota purposes shall be a depreciation allowance computed by using the straight line method over the following number of years:

- (a) 3 year property—1 year.
- (b) 5 year property—2 years.
- (c) 10 year property—5 years.
- (d) All 15 year property—7 years.

(5) The basis of property to which section 168 of the Internal Revenue Code applies shall be its basis as provided in this chapter and including the modifications provided in this subdivision. The recapture tax provisions provided in sections 1245 and 1250 of the Internal Revenue Code shall apply but shall be calculated using the basis provided in the preceding sentence. When an asset is exchanged for another asset including an involuntary conversion and under the provision of the Internal Revenue Code gain is not recognized in whole or in part on the exchange of the first asset, the basis of the second asset shall be the same as its federal basis provided that the difference in basis due to clause (1) or (2) can be written off as provided in clause (4).

(6) Wherever used in this subdivision, the term "Internal Revenue Code" shall mean the Internal Revenue Code of 1954, as amended through December 31, 1981.

(7) The modifications provided in this subdivision shall apply before applying any limitation to out of state losses contained in section 290.17 or farm losses contained in section 290.09, subdivision 29.

Sec. 3. Minnesota Statutes 1980, Section 290.067, Subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from him and his spouse, if any, under this chapter an amount equal to the dependent

care credit for which he is eligible pursuant to the provisions of section 44A of the Internal Revenue Code of 1954, as amended through December 31, (1979) 1981, *except that the applicable percentage of the employment-related expenses shall be 20 percent and* subject to the *other* limitations provided in subdivision 2.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 7, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 8, is amended to read:

Subd. 7. [DEPRECIATION.] (A) [CUMULATIVE DEPRECIATION.] (a) There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence):

- (1) of property used in the trade or business, or
- (2) of property held for the production of income.

(b) The term "reasonable allowance" as used in clause (a) shall include (but shall not be limited to) an allowance computed in accordance with regulations prescribed by the commissioner, under any of the following methods:

- (1) the straight line method.

(2) the declining balance method, using a rate not exceeding twice the rate which would have been used had the annual allowance been computed under the method described in paragraph (1).

- (3) the sum of the years-digits method, and

(4) any other consistent method productive of an annual allowance, which, when added to all allowances for the period commencing with the taxpayer's use of the property and including the taxable year, does not, during the first two-thirds of the useful life of the property, exceed the total of such allowances which would have been used had such allowances been computed under the method described in (2). Nothing in this clause (b) shall be construed to limit or reduce an allowance otherwise allowable under clause (a).

(c) For purposes of this subdivision "reasonable allowance" shall (NOT) include the accelerated cost recovery system provisions of section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981, except as provided in this subdivision (UNLESS SPECIFICALLY AUTHORIZED BY LEGISLATION ENACTED AFTER THE FINAL ENACTMENT OF THIS SECTION). In the case of recovery property within the meaning of section 168 of the Internal Revenue Code

of 1954, as amended through December 31, 1981, the term "reasonable allowance" as used in clause (a) shall mean 85 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 for *property placed in service after December 31, 1980 and for taxable years beginning (AFTER DECEMBER 31, 1980 AND) before January 1, 1982 (; AND 83 PERCENT OF THE DEDUCTION ALLOWED PURSUANT TO SECTION 168 OF THE INTERNAL REVENUE CODE OF 1954 FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1981 AND BEFORE JANUARY 1, 1983).*

*For taxable years beginning after December 31, 1981 the term reasonable allowance as used in clause (a) shall mean the following percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981:*

(1) *For 3, 5 and 10 year property and for 15 year public utility property the allowable percentage is 83 percent and 80 percent for taxable years beginning after December 31, 1982.*

(2) *For 15 year real property the allowable percentage is 60 percent.*

*For property placed in service after December 31, 1980 the term "reasonable allowance" as used in clause (a) shall mean 100 percent of the deduction allowed pursuant to section 168 of the Internal Revenue Code of 1954 where the taxpayer elects to use the straight line method provided in section 168(b)(3) or a method provided in section 168(e)(2) of the Internal Revenue Code of 1954, as amended through December 31, 1981. For property placed in service after December 31, 1980 and for which the full amount of the deduction allowed under section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1981 has been allowed, the remaining depreciable basis in those assets for Minnesota purposes shall be a depreciation allowance computed by using the straight line method over the following number of years:*

(1) *3 year property—1 year.*

(2) *5 year property—2 years.*

(3) *10 year property—5 years.*

(4) *All 15 year property—7 years.*

*When an asset is exchanged for another asset including an involuntary conversion and under the provision of the Internal Revenue Code gain is not recognized in whole or in part on the exchange of the first asset, the basis of the second asset shall be the same as its federal basis provided that the difference in basis*



*due to the limitations provided in this clause can be written off as provided in the preceding sentence.*

*The modification provided in this clause shall apply before applying a limitation on farm losses as contained in section 290.09, subdivision 29.*

(d) Paragraphs (2), (3), and (4) of clause (b) shall apply only in the case of property (other than intangible property) described in clause (a) with a useful life of three years or more.

(1) the construction, reconstruction, or erection of which is completed after December 31, 1958, and then only to that portion of the basis which is properly attributable to such construction, reconstruction, or erection after December 31, 1958, or

(2) acquired after December 31, 1958, if the original use of such property commenced with the taxpayer and commences after such date.

(e) Where, under regulations prescribed by the commissioner, the taxpayer and the commissioner have, after June 30, 1959, entered into an agreement in writing specifically dealing with the useful life and rate of depreciation of any property, the rate so agreed upon shall be binding on both the taxpayer and the commissioner in the absence of facts or circumstances not taken into consideration in the adoption of such agreement. The responsibility of establishing the existence of such facts and circumstances shall rest with the party initiating the modification. Any change in the agreed rate and useful life specified in the agreement shall not be effective for taxable years before the taxable year in which notice in writing by certified mail is served by the party to the agreement initiating such change.

(f) In the absence of an agreement under clause ((D)) (e) containing a provision to the contrary, a taxpayer may at any time elect in accordance with regulations prescribed by the commissioner to change from the method of depreciation prescribed in clause (b) (2) to the method described in clause (b) (1).

(g) The basis on which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in (SECTIONS 290.131 TO 290.139, 290.14 AND 290.15) *this chapter* for the purpose of determining the gain on the sale or other disposition of such property (EXCEPT THAT IN THE CASE OF RECOVERY PROPERTY WITHIN THE MEANING OF SECTION 168 OF THE INTERNAL REVENUE CODE AS AMENDED THROUGH DECEMBER 31, 1981, FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980 BUT BEFORE JANUARY 1, 1983, THE DEPRECIATION ADJUSTMENT TO BASIS SHALL BE THE SAME AS THE DEPRECIATION ADJUST-

MENTS UNDER THE INTERNAL REVENUE CODE OF 1954 AS AMENDED THROUGH DECEMBER 31, 1981).

((H) IN THE CASE OF PROPERTY HELD BY ONE PERSON FOR LIFE WITH REMAINDER TO ANOTHER PERSON, THE DEDUCTION SHALL BE COMPUTED AS IF THE LIFE TENANT WERE THE ABSOLUTE OWNER OF THE PROPERTY AND SHALL BE ALLOWED TO THE LIFE TENANT. IN THE CASE OF PROPERTY HELD IN TRUST THE ALLOWABLE DEDUCTION SHALL BE APPORTIONED BETWEEN THE INCOME BENEFICIARY AND THE TRUSTEE IN ACCORDANCE WITH THE PERTINENT PROVISIONS OF THE INSTRUMENT CREATING THE TRUST, OR, IN THE ABSENCE OF SUCH PROVISIONS, ON THE BASIS OF THE TRUST INCOME ALLOCABLE TO EACH. IN THE CASE OF AN ESTATE, THE ALLOWABLE DEDUCTION SHALL BE APPORTIONED BETWEEN THE ESTATE AND THE HEIRS, LEGATEES, AND DEVISEES ON THE BASIS OF THE INCOME OF THE ESTATE ALLOCABLE TO EACH.)

((I) IN THE CASE OF BUILDINGS OR OTHER STRUCTURES OR IMPROVEMENTS CONSTRUCTED OR MADE ON LEASED PREMISES BY A LESSEE, AND THE FIXTURES AND MACHINERY THEREIN INSTALLED, THE LESSEE ALONE SHALL BE ENTITLED TO THE ALLOWANCE OF THIS DEDUCTION.)

(B) [FIRST YEAR DEPRECIATION.] ((A) IN THE CASE OF SECTION 1 PROPERTY,) The term "reasonable allowance" as used in *this* subdivision (7.) may, at the election of the taxpayer, include an (ALLOWANCE, FOR THE FIRST TAXABLE YEAR FOR WHICH A DEDUCTION IS ALLOWABLE UNDER SUBDIVISION 7, TO THE TAXPAYER WITH RESPECT TO SUCH PROPERTY, OF 20 PERCENT OF THE COST OF SUCH PROPERTY. FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980 AND BEFORE JANUARY 1, 1983, IN THE CASE OF RECOVERY PROPERTY WITHIN THE MEANING OF SECTION 168 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1981, THE FIRST YEAR DEPRECIATION ALLOWANCE SHALL BE THE ALLOWANCE FOR FEDERAL INCOME TAX PURPOSES) *amount as provided* under section 179 of the Internal Revenue Code of 1954, as amended through December 31, 1981.

((B) IF IN ANY ONE TAXABLE YEAR THE COST OF SECTION 1 PROPERTY WITH RESPECT TO WHICH THE TAXPAYER MAY ELECT AN ALLOWANCE UNDER (A) FOR SUCH TAXABLE YEAR EXCEEDS \$10,000, THEN (A) SHALL APPLY WITH RESPECT TO THOSE ITEMS SELECTED BY THE TAXPAYER, BUT ONLY TO THE EXTENT OF AN AGGREGATE COST OF \$10,000. IN THE

CASE OF A HUSBAND AND WIFE WHO FILE A JOINT RETURN UNDER SECTION 290.38 FOR THE TAXABLE YEAR, THE LIMITATION UNDER THE PRECEDING SENTENCE SHALL BE \$20,000 IN LIEU OF \$10,000.)

((C) (1) THE ELECTION UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL BE MADE WITHIN THE TIME PRESCRIBED BY LAW (INCLUDING EXTENSIONS THEREOF) FOR FILING THE RETURN FOR SUCH TAXABLE YEAR. THE ELECTION SHALL BE MADE IN SUCH MANNER AS THE COMMISSIONER MAY BY REGULATIONS PRESCRIBE.)

((2) ANY ELECTION MADE UNDER THIS SUBDIVISION MAY NOT BE REVOKED EXCEPT WITH THE CONSENT OF THE COMMISSIONER.)

((D) (1) FOR PURPOSES OF THIS SUBDIVISION, THE TERM "SECTION 1 PROPERTY" MEANS TANGIBLE PERSONAL PROPERTY (EXCLUDING BUILDINGS AND STRUCTURES)

((A) OF A CHARACTER SUBJECT TO THE ALLOWANCE FOR DEPRECIATION UNDER SUBDIVISION 7.)

((B) ACQUIRED BY PURCHASE AFTER DECEMBER 31, 1958, FOR USE IN A TRADE OR BUSINESS OR FOR HOLDING FOR PRODUCTION OF INCOME, AND)

((C) WITH A USEFUL LIFE (DETERMINED AT THE TIME OF SUCH ACQUISITION) OF SIX YEARS OR MORE.)

((2) FOR PURPOSES OF PARAGRAPH (1), THE TERM "PURCHASE" MEANS ANY ACQUISITION OF PROPERTY, BUT ONLY IF)

((A) THE PROPERTY IS NOT ACQUIRED FROM A PERSON WHOSE RELATIONSHIP TO THE PERSON ACQUIRING IT WOULD RESULT IN THE DISALLOWANCE OF LOSSES UNDER SECTION 290.10(6),)

((B) THE PROPERTY IS NOT ACQUIRED BY ONE COMPONENT MEMBER OF A CONTROLLED GROUP FROM ANOTHER COMPONENT MEMBER OF THE SAME CONTROLLED GROUP, AND)

((C) THE BASIS OF THE PROPERTY IN THE HANDS OF THE PERSON ACQUIRING IT IS NOT DETERMINED)

((1) IN WHOLE OR IN PART BY REFERENCE TO THE ADJUSTED BASIS OF SUCH PROPERTY IN THE HANDS OF THE PERSON FROM WHOM ACQUIRED, OR)

((II) UNDER SECTION 290.14(4) (RELATING TO PROPERTY ACQUIRED FROM A DECEDENT).)

((3) FOR PURPOSES OF THIS SUBDIVISION, THE COST OF PROPERTY DOES NOT INCLUDE SO MUCH OF THE BASIS OF SUCH PROPERTY AS IS DETERMINED BY REFERENCE TO THE BASIS OF OTHER PROPERTY HELD AT ANY TIME BY THE PERSON ACQUIRING SUCH PROPERTY.)

((4) THIS SUBDIVISION SHALL NOT APPLY TO TRUSTS.)

((5) IN THE CASE OF AN ESTATE, ANY AMOUNT APPORTIONED TO AN HEIR, LEGATEE, OR DEVISEE SHALL NOT BE TAKEN INTO ACCOUNT IN APPLYING (B) OF THIS SUBDIVISION TO SECTION 1 PROPERTY OF SUCH HEIR, LEGATEE, OR DEVISEE NOT HELD BY SUCH ESTATE.)

((6) FOR PURPOSES OF (B) OF THIS SUBDIVISION)

((A) ALL COMPONENT MEMBERS OF A CONTROLLED GROUP SHALL BE TREATED AS ONE TAX-PAYER, AND)

((B) THE COMMISSIONER SHALL APPORTION THE DOLLAR LIMITATION CONTAINED IN SUCH (B) AMONG THE COMPONENT MEMBERS OF SUCH CONTROLLED GROUP IN SUCH MANNER AS HE SHALL BY REGULATIONS PRESCRIBE.)

((7) FOR PURPOSES OF PARAGRAPHS (2) AND (6), THE TERM "CONTROLLED GROUP" HAS THE MEANING ASSIGNED TO IT BY SECTION 1563(A) OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1979, EXCEPT THAT, FOR SUCH PURPOSES, THE PHRASE "MORE THAN 50 PERCENT" SHALL BE SUBSTITUTED FOR THE PHRASE "AT LEAST 80 PERCENT" EACH PLACE IT APPEARS IN SECTION 1563(A) (1) OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED THROUGH DECEMBER 31, 1979.)

Sec. 5. Minnesota Statutes 1981 Supplement, Section 290.09, Subdivision 29, is amended to read:

Subd. 29. [DEDUCTIONS ATTRIBUTABLE TO FARMING.] (a) [DEFINITIONS.] For purposes of this subdivision, income and gains and expenses and losses shall be considered as "arising from a farm" if such items are received or incurred in connection with cultivating the soil, or in connection

with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife, and all operations incident thereto, including but not limited to the common use of "hedging".

(b) [DEDUCTIONS LIMITED.] Except as provided in this subdivision, expenses and losses, except for interest and taxes, arising from a farm shall not be allowed as deductions in excess of income and gains arising from a farm.

(c) [DEDUCTIONS ALLOWED; CARRYOVER DEDUCTIONS.] (FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY 1, 1974.) Expenses and losses arising from a farm or farms shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000. For this purpose and for the purpose of applying the limitation in the following paragraph regarding the application of any carryback or carryforward, the term gross income shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code of 1954, as amended through December 31, 1980, *and no deduction shall be allowed for two-earner married couples as provided in section 221 of the Internal Revenue Code of 1954, as amended through December 31, 1981.* Any remaining balance of the deductions shall be carried back three years and carried forward five years, in chronological order, provided, however, that in any case in which any individual, estate or trust which elects a net operating loss carryforward under section 172(b)(3)(C) of the Internal Revenue Code of 1954, as amended through December 31, 1980, such losses shall not be carried back but shall only be carried forward.

Current expenses and losses shall be utilized as deductions in any taxable year, to the extent herein allowable, prior to the application of any carryback or carryover deductions. In any event, the combined amounts of such current expenses and losses and carryback or carryover deductions shall be allowed as deductions up to the amount of the income and gains arising from a farm or farms in any taxable year, plus the first \$15,000 of non-farm gross income, or non-farm taxable net income in the case of a corporation, provided however that in any case where non-farm income exceeds \$15,000, the maximum allowable amount of \$15,000 shall be reduced by twice the amount by which the non-farm income exceeds the amount of \$15,000.

(d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an elect-

ing small business corporation shall be considered separate entities.

(e) [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO FARM LOSS LIMITATION CARRYBACKS.] For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a farm loss limitation carryback under this subdivision, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period of limitations 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 farm loss which results in the carryback. (NO DEDUCTION OR REFUND SHALL BE ALLOWED ON 1974 RETURNS FOR FARM LOSSES WHICH HAVE BEEN PREVIOUSLY CARRIED BACK TO EARLIER YEARS AND FOR WHICH A TAX REFUND OR REDUCTION HAS BEEN ALLOWED.)

(f) [INTEREST ON CLAIMS.] In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback of a farm loss, interest shall be computed only from the end of the taxable year in which the loss occurs.

(g) [ORDER OF APPLICATION.] The application of this subdivision shall be made after applying any limitation to out of state losses contained in section 290.17.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 290.091, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 9, is amended to read:

#### 290.091 [MINIMUM TAX ON PREFERENCE ITEMS.]

In addition to all other taxes imposed by this chapter there is hereby imposed, a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 55 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1980 except that for purposes of the tax imposed by this section, capital gain as defined in section 57(a) of the Internal Revenue Code shall not include that portion of any gain occasioned by sale, transfer or the granting of a perpetual easement pursuant to any eminent domain proceeding or threat thereof as described in section 290.13, subdivision 5. This modification shall apply to the years in which the gain or reduction in loss is actually included in federal adjusted gross income even though amounts received pursuant to the eminent domain proceedings were received in prior years. In the case of a resident individual, having preference items which could not be taken to reduce income from sources outside the state pursuant to section 290.17, subdivision 1, or any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator

of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.

*For property placed in service after December 31, 1980, the preference items contained in section 57 (a)(12) of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall not apply.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 290.095, Subdivision 11, is amended 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.

(8) *The modification for accelerated cost recovery system depreciation as provided in section 2.*

(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. 8. Minnesota Statutes 1980, Section 290.16, Subdivision 15, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 11, is amended to read:

Subd. 15. [GAIN FROM DISPOSITIONS OF CERTAIN DEPRECIABLE PROPERTY.] For purposes of this subdivision "depreciable property" shall mean "Section 1245 property" as that phrase is defined in Section 1245(a) (3) of the Internal Revenue Code of 1954, as amended through December 31, (1979) 1981.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable property" shall be treated in the same manner as is provided by Section 1245 of the Internal Revenue Code of 1954, as amended through December 31, (1979) 1981 and regulations adopted pursuant thereto except that the determination shall be made using the basis computed under this chapter.

Sec. 9. Minnesota Statutes 1980, Section 290.16, Subdivision 16, as amended by Laws 1981, Third Special Session Chapter 2, Article III, Section 12, is amended to read:

Subd. 16. [GAIN FROM DISPOSITION OF CERTAIN DEPRECIABLE REALTY.] For purposes of this subdivision "depreciable realty" shall mean "Section 1250 realty" as that phrase is defined in Section 1250(c) of the Internal Revenue Code of 1954, as amended through December 31, (1979) 1981.

In determining net income of any corporate taxpayer, the gain realized from the disposition of "depreciable realty" shall be treated in the same manner as is provided by Section 1250 of the Internal Revenue Code of 1954, as amended through December 31, (1979) 1981, and regulations adopted pursuant thereto except that the determination shall be made using the basis computed under this chapter.

Sec. 10. Minnesota Statutes 1981 Supplement, 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 recon-

ciliation 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) \$500 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 subdivision 5a, 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. 11. Minnesota Statutes 1981 Supplement, 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)** is less than (\$100) \$200 for taxable years beginning after December 31, 1981, \$300 for taxable years beginning after December 31, 1982, \$400 for taxable years beginning after December 31, 1983, and \$500 for taxable years beginning after December 31, 1984.

**Sec. 12. Minnesota Statutes 1981 Supplement, Section 290.934, Subdivision 4, is amended to read:**

**Subd. 4. [EXCEPTION.]** (a) 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, 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.

(3) (A) *An amount equal to the tax for the taxable year computed by placing on an annualized basis the taxable income:*

(i) *for the first two months of the taxable year, in the case of the installment required to be paid in the third month,*

(ii) *for the first two months or for the first five months of the taxable year, in the case of the installment required to be paid in the sixth month,*

(iii) *for the first six months or for the first eight months of the taxable year in the case of the installment required to be paid in the ninth month, and*

(iv) *for the first nine months or for the first 11 months of the taxable year, in the case of the installment required to be paid in the 12th month of the taxable year.*

(B) *For purposes of this paragraph, the taxable income shall be placed on an annualized basis by*

(i) *multiplying by 12 the taxable income referred to in subparagraph (A), and*

(ii) *dividing the resulting amount by the number of months in the taxable year (2, 5, 6, 8, 9, or 11, as the case may be) referred to in subparagraph (A).*

(b) Notwithstanding clause (a) (1) and (2), in the case of a large corporation, the addition to the tax with respect to any underpayment of any installment shall be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of the installment is less than the amount required to be paid on or before the date. The amount required to be paid as estimated tax for the taxable year shall in no event be less than (60 PERCENT) *the applicable percentage* of (A) the tax shown on the return for the taxable year, or (B) if no return was filed, the tax for the year. The term "large corporation" means any corporation (or any pre-

decessor corporation) which had taxable net income of \$1,000,000 or more for any taxable year during the testing period. The term "testing period" means the three taxable years immediately preceding the taxable year involved. *The term "applicable percentage" means 65 percent for taxable years beginning after April 30, 1982, 75 percent for taxable years beginning after December 31, 1982, and 80 percent for taxable years beginning after December 31, 1983.*

Sec. 13. Minnesota Statutes 1981 Supplement, Section 290A.-03, Subdivision 3, is amended to read:

Subd. 3. [INCOME.] (1) "Income" means the sum of the following:

(a) federal adjusted gross income as defined in the Internal Revenue Code of 1954 as amended through December 31, (1980) 1981; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) additions to federal adjusted gross income as provided in Minnesota Statutes, Section 290.01, Subdivision 20, Clause (a)(1), (a)(3), (a)(9), (a)(14), (AND) (a)(15), and (a)(21);

(ii) all nontaxable income;

(iii) recognized net long term capital gains;

(iv) dividends and interest excluded from federal adjusted gross income under (SECTION) sections 116 or 128 of the Internal Revenue Code of 1954;

(v) cash public assistance and relief;

(vi) any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, supplemental security income, and veterans benefits), which was not exclusively funded by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

(vii) nontaxable interest received from the state or federal government or any instrumentality or political subdivision thereof;

(viii) workers' compensation;

(ix) unemployment benefits;

(x) nontaxable strike benefits; and

(xi) the gross amounts of payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise. In the case of an individual who files an income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year.

(2) "Income" does not include

(a) amounts excluded pursuant to the Internal Revenue Code, Sections 101(a), 102, 117, and 121;

(b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;

(c) gifts from nongovernmental sources;

(d) surplus food or other relief in kind supplied by a governmental agency;

(e) relief granted under sections 290A.01 to 290A.20;

(f) child support payments received under a temporary or final decree of dissolution or legal separation; (OR)

(g) federal adjusted gross income shall be reduced by wage or salary expense, or expense of work incentive programs which are not allowed as a deduction under provisions of section 280C of the Internal Revenue Code of 1954; or

(h) *federal adjusted gross income shall be reduced by the amount of the penalty on the early withdrawal of an all-savers certificate as provided in section 128(e) of the Internal Revenue Code of 1954.*

Sec. 14. [DIRECTION TO REVISOR.]

*In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the phrase "Internal Revenue Code of 1954, as amended through December 31, 1981" for the words "Internal Revenue Code of 1954, as amended through December 31, 1980" wherever the phrase occurs in chapter 290, except section 290.01, subdivision 20.*

Sec. 15. [REPEALER.]

*Minnesota Statutes 1980, Section 290.65, Subdivisions 2, 3, 4, 5, 6, and 7 are repealed.*

**Sec. 16. [EFFECTIVE DATE.]**

*Section 1 is effective for taxable years beginning after December 31, 1981, except as otherwise provided. In section 1, the repeal of the language concerning depreciation contained in clauses (a)(16), (a)(22), (b)(24), and (b)(25) and the provision of clause (f) is effective for property placed in service after December 31, 1980 in taxable years ending after that date. Sections 2, 4, Part (A), 6, 7, 8, and 9 are effective for property placed in service after December 31, 1980 in taxable years ending after that date, except as otherwise provided. Part (B) of section 4 is effective for taxable years beginning after December 31, 1980. Sections 3, 5, 11, 14, and 15 are effective for taxable years beginning after December 31, 1981. Section 10 is effective on May 1, 1982. Section 12 is effective for taxable years beginning after April 30, 1982. Section 13 is effective for claims based on rent paid in 1981 and subsequent years and property taxes payable in 1982 and subsequent years.*

**ARTICLE XLI**

**Section 1.** Minnesota Statutes 1981 Supplement, Section 298.-28, Subdivision 1, is amended to to read:

**Subdivision 1. [DISTRIBUTION FROM GENERAL FUND.]** The proceeds of the taxes collected under section 298.-24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.



(2) 12.5 cents per taxable ton, less any amount distributed under clause (8), to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton plus the increase provided in paragraph (c) to qualifying school districts to be distributed as follows:

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its 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 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.

(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 distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection fund created in section 298.292 as follows: In 1981 and each year thereafter, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection 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; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.*

(b) 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 district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection fund, and to the northeast Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 2. [APPLICABILITY.]

*On its effective date, section 1 applies to the town of Stony River, the town of Beaver Bay, and Lake County.*

Sec. 3. [LOCAL APPROVAL.]

*Section 1 is effective for the town of Stony River, the town of Beaver Bay, and Lake County upon approval by the governing body of each.*

Sec. 4. [EFFECTIVE DATE.]

*Section 1 is effective for distributions made in 1982 and subsequent years.*

## ARTICLE XLII

**Section 1. [EQUALIZATION ZONES FOR BORDER COMMUNITIES.]**

*The department of energy, planning and development shall evaluate the local and regional impact of the economic and fiscal distress on Minnesota communities which have a contiguous border with a city in another state or which are in close proximity to a city in another state. The department shall report its findings to the legislature by January 1, 1983. Also included in this report shall be the designation of equalization zones for communities most severely distressed, and recommendations for measures to be taken by the legislature to reduce the economic and fiscal disparities identified in communities designated as equalization zones.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to the financing of government in this state; providing for the collection of taxes; providing for distribution of campaign funds after reapportionment; providing a formula for determining limitations on interest rates on municipal bonds; changing a public sale requirement; providing for withholding of income tax refunds from child support debtors; making technical corrections and administrative changes to the income tax and property tax refund; requiring registration of rental housing in the city of Minneapolis and denying certain income tax deductions for owners who fail to comply; extending the effective date of residential energy credits; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; allowing disclosure of private data to permit vendor processing of income and sales tax returns; altering the date warrants are issued to the sheriff for collection of certain mobile home property taxes; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; providing for the rounding off of market value amounts; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; adopting certain federal provisions for purposes of the research and experimental expenditures credit; clarifying the neighborhood real estate trust provisions; changing certain procedures and interest rates applicable to delinquent property taxes and tax-forfeited land sales; restricting eligibility for the property tax refund; imposing certain requirements and restrictions on the use of tax increment financing; allowing issuance of bonds to promote

tourism projects in the metropolitan area; allowing an exemption of property taxes on certain property located in municipal development districts providing for the valuation of certain agricultural property; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; allowing a levy limit increase for Clearwater County; authorizing the issuance of bonds for certain facilities for the city of Bloomington and Lake County; authorizing the sale of bonds to finance the purchase of certain equipment in the city of Duluth; reducing the rate of interest on estate tax installment payments; changing the effective date of certain estate tax provisions to conform with federal law; providing that landowners in unorganized townships receive a property tax credit for certain transmission lines; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for the lease of hydropower sites by the state or local governmental units; imposing a hotel and motel tax in the city of St. Paul; authorizing the city of St. Paul to issue bonds for certain purposes; establishing a port authority for the city of South St. Paul; authorizing a waiver of certain security deposits in Olmsted County; exempting certain towns from general levy limits; delaying the coefficient of dispersion penalty; clarifying the taxation of meals and food products for sales tax purposes; providing that certain leasing of manufactured homes is not a sale for purposes of the sales tax; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing for homestead for certain leasehold cooperatives; revising the metropolitan agricultural preserves act; providing for reassessment of homestead property damage by a disaster; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; imposing penalties on a preparer for wilfully understating an income tax liability or wilfully overstating a property tax refund claim; clarifying the taxation of income of athletes and entertainers; altering certain unitary tax provisions; adopting certain federal income tax amendments; providing for the distribution of production tax proceeds; requiring a study of financial problems of border communities; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 270.75, by adding a subdivision; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivisions 7c and 17d; 273.133, by adding a subdivision; 273.42, as amended; 273.425; 273.73, Subdivisions 10 and 13; 273.74, Subdivisions 1, 3, and 4; 273.75, Subdivisions 2, 3, 4, 5, and 6, and by adding a subdivision;

273.76, Subdivisions 1 and 4; 273.77; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 278.08; 279.37, Subdivisions 1 and 2; 282.01, Subdivision 4, and by adding a subdivision; 282.014; 282.04, by adding a subdivision; 282.08; 282.09, Subdivision 1; 282.261; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a, and by adding a subdivision; 290.067, Subdivision 1; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivisions 3 and 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivisions 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.34, Subdivision 2, as amended; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 291.015, as amended; 291.03, Subdivision 3, as amended; 291.051, as amended; 291.09, Subdivision 1a, as amended; 291.15; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 474.02, Subdivision 1b; 474.06; 475.55; 475.60, Subdivision 2; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 10A.31, Subdivision 5; 270.063; 270.66; 270.75, as amended, by adding a subdivision; 272.46; 273.11, Subdivisions 1 and 7; 273.13, Subdivision 9; 273.74, Subdivision 2; 275.50, Subdivision 2; 279.03; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 1, 2, 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2, as amended; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 3, and 4, as amended; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6, and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 12, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.28, Subdivision 1; 298.75; 474.03; 477A.04, Subdivision 2; Laws 1981, Third Special Session Chapter 2, Articles III, Section 6, Subdivisions 1 and 3, Section 22, and VI, Section 8; proposing new law coded in Minnesota Statutes, Chapters 270; 273; 290; 290A; 295; 297; 473H; repealing Minnesota Statutes 1980, Sections 210A.22; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10;



290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.-079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; and 290.971, Subdivision 7; 298.76."

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

House Conferees: IRVIN N. ANDERSON, WILLIS R. EKEN, JIM EVANS, JOEL JACOBS and HARRY A. SIEBEN, JR.

Senate Conferees: DOUGLAS J. JOHNSON, MARV HANSON, LINDA BERGLIN, A. O. H. SETZEFFANDT and RON SIELOFF.

Anderson, I., moved that the report of the Conference Committee on H. F. No. 1872 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1872, A bill for an act relating to the financing of government in this state; extending the effective date of residential energy credits; providing the interest rate maximum on certain public indebtedness; exempting certain towns from general levy limits; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; making technical corrections and administrative changes to the income tax and property tax refund; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for allocation of income for nonresident athletes and entertainers; providing for apportionment of income for athletic teams; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; providing for the collection of taxes; altering the date on which warrants are issued to the sheriff for collection of certain delinquent mobile home property taxes; clarifying the taxation of meals and food products for sales tax purposes; imposing a tax on on-sales of liquor and fermented malt beverages; providing for the financing of certain chemical dependency programs; providing for the lease of hydropower sites by the state or local governmental units; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for reassessment of homestead property damaged by a disaster; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; providing for with-

holding of income tax refunds from child support debtors; providing for taxation of certain motor vehicles and combinations in the ninth and succeeding years of vehicle life; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection purposes; adopting certain federal definitions for purposes of the credit for research and experimental expenditures; providing for homestead treatment of certain condominium leased land; clarifying the homestead classification in certain cases of joint tenancy; clarifying use of additional sales ratio study information; allowing disclosure of private data to permit vendor processing of income and sales tax returns; redefining rent constituting property taxes; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing that landowners in unorganized townships receive a property tax credit for certain high voltage transmission lines; providing for the imposition of sales tax on certain retail sales of manufactured homes; allowing a levy limit increase for Clearwater County; granting the city of Bloomington port authority certain redevelopment financing powers; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; imposing a fee on completion of tax forfeited land sales; revising the metropolitan agricultural preserves act; adopting certain federal income tax amendments; adopting federal income tax treatment of unemployment compensation; increasing the rate of interest allowed on certain contracts for deed qualifying for an income tax exclusion; altering the adoption of accelerated cost recovery system; exempting plant material from the sales tax; providing a freeze on property taxes paid on the first \$50,000 of market value of homesteads owned by elderly persons; imposing penalties; appropriating money; amending Minnesota Statutes 1980. Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivision 7c; 273.42, as amended; 273.425; 274.19, Subdivision 3; 278.01; 278.05, Subdivisions 2 and 4; 282.014; 282.09, Subdivision 1; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a; 290.079, Subdivision 1; 290.09, Subdivisions 16 and 17; 290.095, Subdivision 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivision 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 290A.03, by adding a subdivision; 290A.11, by adding a subdivision; 296.01, Sub-

division 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.-33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 475.55, Subdivision 1, and by adding a subdivision; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 168.013, Subdivision 1e; 270.063; 270.66; 270.75, Subdivisions 4, as amended, and 5, as amended, and by adding a subdivision; 272.46; 273.11, Subdivision 1; 275.50, Subdivision 2; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2; 290.18, Subdivisions 1 and 2; 290.21, Subdivision 3; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6 and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 11, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.75; Laws 1980, Chapter 453, by adding a section; Laws 1981, Third Special Session Chapter 2, Article III, Section 6; proposing new law coded in Minnesota Statutes, Chapters 270, 273, 290, 295, 297, 297A, 340 and 473H; repealing Minnesota Statutes 1980, Sections 62E.03, Subdivision 2; 290.06, Subdivision 3c; 290.0781; 290.-079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.97; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.-131, Subdivisions 2 and 3; 290.132, Subdivision 2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; 290.971, Subdivision 7; and 298.76.

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 91 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Anderson, B.    Anderson, I.    Battaglia    Begich    Berkelman

Blatz	Harens	Luknic	Otis	Staten
Brandl	Hauge	Mann	Peterson, D.	Stumpf
Brinkman	Heap	McCarron	Pogemiller	Sviggum
Byrne	Himle	McEachern	Redalen	Swanson
Carlson, D.	Hoberg	Mehrkens	Reding	Tomlinson
Carlson, L.	Hokanson	Metzen	Rees	Valan
Clark, J.	Jacobs	Minne	Reif	Valento
Clark, K.	Jennings	Munger	Rice	Vanasek
Clawson	Johnson, C.	Murphy	Rodriguez, C.	Vellenga
Dahlvang	Jude	Nelsen, B.	Rodriguez, F.	Voss
Eken	Kahn	Nelson, K.	Rose	Welch
Elioff	Kalis	Norton	Samuelson	Wenzel
Ellingson	Kelly	Novak	Sarna	Wynia
Evans	Kostohryz	O'Connor	Schoenfeld	Spkr. Sieben, H.
Fjoslien	Lehto	Ogren	Sieben, M.	
Greenfield	Lemen	Olsen	Simoneau	
Gustafson	Levi	Onnen	Skoglund	
Hanson	Long	Osthoff	Stadum	

Those who voted in the negative were:

Aasness	Erickson	Hokr	McDonald	Sherman
Ainley	Esau	Johnson, D.	Niehaus	Sherwood
Anderson, G.	Ewald	Kaley	Nysether	Stowell
Dean	Gruenes	Kvam	Peterson, B.	Welker
Dempsey	Halberg	Laidig	Rothenberg	Wieser
Den Ouden	Haukoos	Ludeman	Schafer	Wigley
Drew	Heinitz	Marsh	Schreiber	Zubay

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

The Speaker resumed the Chair.

#### MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 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 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. 1897, A bill for an act relating to the state agricultural society; updating and clarifying certain powers and duties of the society; amending Minnesota Statutes 1980, Sections 37.-

01; 37.04, Subdivision 3; 37.05; 37.06; 37.17, Subdivisions 1, 2, and by adding a subdivision; 37.18; 37.19; 37.20; 37.21; and 37.22; repealing Minnesota Statutes 1980, Section 37.23; Minnesota Statutes 1981 Supplement, Sections 37.17, Subdivision 3; and 37.27.

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 refuses to concur in the House amendment to:

S. F. No. 1706, A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Petty, Frank 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

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. 1706. The motion prevailed.

**Mr. Speaker:**

I hereby announce that the Senate refuses to concur in the House amendment to:

S. F. No. 1907, A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

And the Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee Messrs. Merriam, Luther and Peterson, R. W.

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

Jacobs moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two Houses on S. F. No. 1907. The motion prevailed.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1706:

Wynia, Greenfield and Gruenes.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1907:

Jacobs, Metzen and Redalen.

The following conference committee report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1611

A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

March 13, 1982

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. 1611, 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. 1611 be further amended as follows:

Page 2, line 3, after the period, insert "*A processing transaction means any written response the garnishee employer is required by law to mail or deliver for purposes of administering the garnishment of an employee's wages.*"

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

House Conferees: MARY M. FORSYTHE, TERRY M. DEMPSEY and TAD JUDE.

Senate Conferees: OTTO T. BANG, JR., BOB LESSARD and RANDOLPH W. PETERSON.

Dempsey moved that the report of the Conference Committee on H. F. No. 1611 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1611, A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

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 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ellingson	Norton	Osthoff	Skoglund
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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. 1220, A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Simoneau moved that the House concur in the Senate amendments to H. F. No. 1220 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. 1220, 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 Stadum and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

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



Valan	Vellenga	Welch	Wieser	Zubay
Valento	Voss	Welker	Wigley	
Vanasek	Weaver	Wenzel	Wynia	

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.

The question recurred on the Heinitz motion and the roll was called. There were 98 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Aasness	Elioff	Johnson, D.	Nelsen, B.	Schreiber
Ainley	Erickson	Jude	Niehaus	Sherman
Anderson, B.	Esau	Kaley	Nysether	Sherwood
Anderson, G.	Evans	Kalis	O'Connor	Stadum
Anderson, I.	Ewald	Knickerbocker	Olsen	Stowell
Anderson, R.	Fjoslien	Kostohryz	Onnen	Sviggum
Battaglia	Forsythe	Kvam	Peterson, B.	Swanson
Begich	Gruenes	Laidig	Piepho	Valan
Berkelman	Gustafson	Lehto	Pogemiller	Valento
Blatz	Halberg	Lemen	Redalen	Vanasek
Brandl	Hanson	Levi	Rees	Vellenga
Brinkman	Hauge	Ludeman	Reif	Weaver
Carlson, D.	Haukoos	Luknic	Rice	Welker
Carlson, L.	Heap	Marsh	Rodriguez, C.	Wenzel
Clawson	Heinitz	McDonald	Rose	Wieser
Dahlvang	Himle	McEachern	Rothenberg	Wigley
Dean	Hoberg	Mehrkens	Samuelson	Wynia
Dempsey	Hokanson	Metzen	Sarna	Zubay
Den Ouden	Hokr	Minne	Schafer	
Drew	Jennings	Murphy	Schoenfeld	

Those who voted in the negative were:

Byrne	Johnson, C.	Nelson, K.	Reding	Stumpf
Clark, J.	Kahn	Norton	Rodriguez, F.	Tomlinson
Clark, K.	Kelly	Novak	Shea	Voss
Eken	Long	Ogren	Sieben, M.	Welch
Ellingson	Mann	Osthoff	Simoneau	Spkr. Sieben, H.
Greenfield	McCarron	Otis	Skoglund	
Harens	Munger	Peterson, D.	Staten	

The motion prevailed.

#### CALL OF THE HOUSE LIFTED

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

Johnson, C., and Zubay were excused for the remainder of today's session.

The following conference committee reports were received:

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 438

A bill for an act relating to retirement; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association; allowing a surviving spouse to elect a joint and survivor annuity under certain circumstances; amending Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2.

March 12, 1982

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. 438, 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. 438 be further amended as follows:

Delete everything after the enacting clause and insert:

*"Article I*

*Miscellaneous Retirement Modifications*

Section 1. Minnesota Statutes 1981 Supplement, Section 43A.465, is amended to read:

**43A.465 [CREDIT FOR PRIOR PART-TIME SERVICE.]**

Any person who was employed in a shared position in the Minnesota demonstration job-sharing program pursuant to (LAWS 1980, CHAPTER 572) *Minnesota Statutes 1980, Sections 43.56 to 43.62 or sections 43A.40 to 43A.46*, prior to (MAY 1, 1981) *the effective date of this section* shall have service credit for that service in the applicable retirement fund recalculated in accordance with the provisions of section (43.60) *43A.44*, subdivision (3) 2, *clause (a)*.

Sec. 2. Minnesota Statutes 1980, Section 352.04, Subdivision 8, is amended to read:

Subd. 8. [DEPARTMENT REQUIRED TO PAY (EQUIVALENT OF INTEREST ON) OMITTED SALARY DEDUC-

TIONS.] (a) If any department fails to take deductions *past due for a period of 60 days or less* from an employee's salary as provided in this section (SUCH), *those* deductions shall be taken on subsequent payroll abstracts (, AND THE DEPARTMENT, AND NOT THE EMPLOYEE, SHALL PAY IN LIEU OF INTEREST AN AMOUNT EQUIVALENT TO SIX PERCENT OF THE AMOUNT DUE FOR BOTH THE EMPLOYEE AND EMPLOYER CONTRIBUTIONS). (b) *If any department fails to take deductions past due for a period in excess of 60 days from an employee's salary as provided in this section, the department, and not the employee, shall pay the employee and employer contributions and an amount equivalent to six percent of the total amount due in lieu of interest.* (c) *If any department fails to take deductions past due for a period of 60 days or less and the employee is no longer in state service so that the required deductions cannot be taken from (HIS) the salary of the employee, the department shall nevertheless pay the required employer contributions (PLUS AN AMOUNT EQUIVALENT TO SIX PERCENT OF THE REQUIRED EMPLOYEE AND EMPLOYER CONTRIBUTIONS).*

*If any department fails to take deductions past due for a period in excess of 60 days and the employee is no longer in state service, the omitted contributions shall be recovered pursuant to clause (b).* (C) (d) *If an employee from whose salary required deductions were (NOT TAKEN) past due for a period of 60 days or less leaves state service prior to the payment of the omitted deductions and subsequently returns to state service, the unpaid amount thereof shall be considered the equivalent of a (REFUNDMENT) refund, and the employee shall accrue no right by reason thereof, except that (HE) the employee may pay the amount thereof as provided in section 352.23.*

### Sec. 3. [352C.0911] [BENEFIT ADJUSTMENTS.]

*Retirement allowances payable to retired constitutional officers pursuant to section 352C.031 and surviving spouse benefits payable pursuant to section 352C.04, shall be adjusted in the same manner, at the same times and in the same amounts as are benefits payable from the Minnesota post retirement investment fund to retirees of a participating public pension fund.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 353.31, Subdivision 1, is amended to read:

Subdivision 1. [BENEFITS FOR SURVIVING SPOUSE AND DEPENDENT CHILDREN; BEFORE RETIREMENT.] Upon the death of a "basic member" before retirement or upon the death of a "basic member" who was disabled and receiving disability benefits pursuant to section 353.33 at the time of death who has had at least 18 months of credited allowable service, the surviving spouse and dependent children of the mem-

ber, as defined in section 353.01, subdivisions 15 and 20, shall be entitled to receive the monthly benefit provided below:

- (a) Surviving spouse                    30 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred
  
- (b) Each dependent child                10 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred

Payments for the benefit of any dependent child, as defined in section 353.01, subdivision 15, shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit for a family shall not exceed (\$450) \$700, and the minimum benefit per family shall not be less than 30 percent of the "basic member's" (SAID) *specified* average salary, subject to the aforementioned maximum. The surviving spouse benefit shall terminate upon the remarriage of the spouse, and the dependent children's benefit shall be reduced pro tanto when any child is no longer dependent.

Any survivor of a "basic member" whose average salary was less than \$75 per month shall not be entitled to the benefits provided in this subdivision.

Except for any benefits provided pursuant to section 353.32, subdivisions 1 and 1a, there are no survivor benefits payable to the surviving spouse or dependent children of a deceased "coordinated member".

Sec. 5. Minnesota Statutes 1980, Section 354.06, Subdivision 4, is amended to read:

Subd. 4. All members of the board shall serve without compensation but shall receive necessary expenses while attending all meetings of the board or meetings of any committee authorized by the board, to be paid out of the fund. *Necessary expenses may include the salary of any substitute teacher which the employing unit is required to hire. The board may reimburse the employing unit for the salary of the substitute teacher. Members of the board shall suffer no loss of compensation from their employing units by reason of service on or for the board or any committee authorized by the board.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 354.091, is amended to read:

354.091 [SERVICE CREDIT.]

In computing the time of service of a teacher, the length of a legal school year in the district or institution where such service was rendered shall constitute a year under sections 354.05 to 354.10, provided such year is not less than the legal minimum school year of this state. No person shall be allowed credit for more than one year of teaching service for any fiscal year. Commencing July 1, 1969 (1) if a teacher teaches only a fractional part of a day, credit shall be given for a day of teaching service for each five hours taught, and (2) if a teacher teaches at least 170 full days in any fiscal year credit shall be given for a full year of teaching service, and (3) if a teacher teaches for only a fractional part of the year credit shall be given for such fractional part of the year as the term of service rendered bears to 170 days. Teaching service performed prior to July 1, 1969 shall be computed pursuant to the law in effect at the time it was rendered.

*In no event shall any teacher lose or gain retirement service credit as a result of the employer converting to a four day work week. If the employer does convert to a four day work week, the forms for reporting and procedures for determining service credit shall be determined by the executive director with the approval of the board of trustees.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6 equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

(a) Surviving dependent spouse ..... 30 percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

(b) Each dependent child ..... ten percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed (\$450) \$700 for any one family, and the minimum benefit per family shall not be less than 30 percent of the basic member's average salary, subject to the foregoing maximum. The surviving dependent spouse benefit shall terminate upon remarriage, and the surviving dependent children's benefit shall be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to sections 354.47, subdivision 1 or 354.62, subdivision 5, clause (3). If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 354.46, Subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] *The surviving spouse of any member who has attained the age of at least 55 years and has credit for at least 20 years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to (ELECT) joint and survivor annuity coverage in the event of death of the member prior to retirement (WHICH SHALL BE PAYABLE TO THE SURVIVING SPOUSE). (IF THE ELECTION IS MADE AND THE PERSON DIES PRIOR TO RETIREMENT, THE SURVIVING SPOUSE.)* If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to sections 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is

applicable, *the surviving spouse* shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivisions 2, 6 or 7, whichever is applicable. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life.

Sec. 9. Minnesota Statutes 1980, Section 354A.11, is amended to read:

**354A.11 [CERTAIN MONEYS AND CREDITS OF TEACHERS EXEMPT.]**

All moneys deposited by a teacher or member or deposited by any other person or corporation, municipal or private, to the credit of a teacher or member of a teachers retirement fund association organized pursuant to this chapter, and all moneys, rights, and interests or annuities due or to become due to a teacher, member, or annuitant, or their beneficiaries, from any association shall not be assignable, shall be exempt from garnishment, attachment, and execution or sale on any final process issued from any court *and every other legal process whatsoever including, but not limited to, divorce, legal separation, and child support*, and shall not be subject to the estate tax provisions of this state.

**Sec. 10. [356.61] [LIMITATION ON PUBLIC EMPLOYEE RETIREMENT ANNUITIES.]**

*Notwithstanding any provision of law, bylaws, articles of incorporation, retirement and disability allowance plan agreements or retirement plan contracts to the contrary, no person who has pension or retirement coverage by a public pension plan shall be entitled to receive a monthly retirement annuity or disability benefit which, at the time of commencement of the retirement annuity or disability benefit, exceeds the amount of the final monthly salary of the person.*

*A public pension plan is any Minnesota public pension plan or fund which provides pension or retirement coverage for public employees other than volunteer firefighters, including any plan or fund enumerated in sections 356.20, subdivision 2, or 356.30, subdivision 3, any local police or firefighter's relief association to which section 69.77 applies, or any retirement or pension plan or fund, including a supplemental retirement plan or fund established, maintained or supported by any governmental subdivision or public body whose revenues are derived from taxation, fees, assessments or from other public sources. Final monthly salary is the hourly rate of compensation received by the person on*

*account of the most recent public employment for the final pay period occurring prior to retirement multiplied by 174.*

*The figure for the monthly retirement annuity or disability benefit to be used for the calculation of this limitation shall not include any reduction or adjustment required for retirement prior to the normal retirement age or required for the election of an optional annuity.*

*If the figure for the monthly retirement annuity or disability benefit exceeds the limit contained in this section, the annuity or benefit payable shall be reduced appropriately.*

*The managing board of each public pension plan from which a retirement annuity or disability benefit is payable shall, at the time that the retirement annuity or disability benefit commences, contact all other public pension plans to determine whether or not the recipient of the retirement annuity or disability benefit is also receiving or is entitled to receive a retirement annuity or disability benefit from any other public pension plan. If a person is entitled to receive or is receiving a retirement annuity or disability benefit from more than one public pension plan, all retirement annuities or disability benefits from all public pension plans shall be totalled in determining whether or not the limitation shall apply; provided however, that the limitation shall be based on the highest final monthly salary received by the individual from any plan. Any reduction in the amount of the retirement annuity or disability benefit required pursuant to this section shall be made by the public pension plan which provided retirement coverage for the most recent period of service.*

**Sec. 11. [423A.10] [POWERS OF CITY OFFICIALS LIMITED.]**

*When the governing board of a firefighters or police relief association in any city shall determine what is necessary to adequately protect, maintain and administer the firefighters or police relief association, neither the governing body of the city nor any official of the city may thereafter deny adequate representation therefor. Any duties performed by any member of the association pursuant to the determination under this section are deemed to be fire or police duties.*

**Sec. 12. Minnesota Statutes 1980, Section 490.025, Subdivision 2, is amended to read:**

**Subd. 2. [RETIREMENT COMPENSATION; AMOUNT.]**  
*A justice retiring pursuant to subdivision 1 shall be entitled to receive the compensation allotted to (HIS) the office of the justice for the remainder of the term for which the justice was elected. If a justice be retired for age or disability and, at the time of (HIS) retirement, (HAS) had served as a justice for two full terms or the equivalent thereof or as a justice and as a judge*



of the district court for 15 years (HE), *the justice shall, after (THE EXPIRATION OF THE TERM FOR WHICH ELECTED OR APPOINTED,) qualifying for a pension be entitled to receive, for the remainder of (HIS) the life of the justice, a retirement annuity equal to one-half of the compensation allotted to (HIS) the office of the justice at the time of (HIS) retirement or discontinuance of service plus two and one-half percent of the compensation allotted to (HIS) the office of the justice at the time of (HIS) retirement or discontinuance of service for each year, not exceeding (10) ten, which (HE) the justice served in (HIS) office in excess of two full terms, or the equivalent thereof, on the supreme court or in excess of 15 years as a justice of (SUCH) the supreme court and as a judge of the district court. Any retirement annuity to which a justice is entitled pursuant to this section may be deferred until the former justice attains retirement age notwithstanding the termination of service by the justice prior to attaining retirement age. (ALL SUCH) The retirement (PAY) annuity shall be paid by the executive director of the Minnesota state retirement system in the same manner as other retirement annuities and benefits are paid.*

Sec. 13. Minnesota Statutes 1980, Section 490.025, Subdivision 3, is amended to read:

Subd. 3. [RETIREMENT AGE.] (WHERE) *If a justice of the supreme court (HAS SERVED) serves for two full terms and during this period (REACHES) attains the age of 70, the justice, upon the completion of this period, (HE) may apply for and be entitled to receive, for the remainder of (HIS) the life of the justice, the equivalent of the retirement (COMPENSATION) annuity granted to retiring justices of the supreme court (UNDER) pursuant to subdivision 2, or (WHERE) if a justice (HAS SERVED) serves a minimum period of (15) 12 years on the supreme court and (HAS REACHED) attains the age of 65, (HE) the justice may (RETIRE AND), on or after terminating active service, be entitled to apply for and receive, for the remainder of (HIS) the life of the justice, the equivalent of the retirement (COMPENSATION) annuity payable (UNDER) pursuant to subdivision 2 to a retired justice whose final elective term has expired.*

Sec. 14. [REPAYMENT OF REFUND FOR VIRGINIA FIREFIGHTERS RELIEF ASSOCIATION.]

*Notwithstanding any law to the contrary, a member of the Virginia firefighters relief association who was employed by the Virginia fire department from February 1960 to December 1968, who received a refund of accumulated employee contributions upon termination of service, and who was reemployed by the Virginia fire department in July 1973, shall be entitled to repay the refund plus interest at six percent per annum compounded annually. Upon repayment of the refund amount plus interest, the allowable service credit for the period of previous employment shall be restored to the account of the member.*

**Sec. 15. [PURCHASE OF PRIOR SERVICE VALIDATED.]**

*Notwithstanding any law to the contrary, the public employees retirement association shall credit to the account of a St. Louis county commissioner service credit for service as an elected official for the period from January 1, 1969 to April, 1977 for which the association received payment of \$14,216.68 in January 1981.*

**Sec. 16. [CERTAIN OMITTED CONTRIBUTIONS TO THE COLLEGE SUPPLEMENTAL PLAN.]**

*Notwithstanding the provisions of Minnesota Statutes, Section 136.81, a member of the teachers retirement association, who was born on September 3, 1919, and who taught at Moorhead State University during the 1970-1972 school years, shall be entitled to make payment to the state university and community college supplemental retirement plan of the teachers retirement fund for deposit in the Minnesota supplemental investment fund in an amount equal to the amount of the shortages for the 1970-1972 school years and the amount of the matching employer contribution. The employer of the member for the 1970-1972 school years may, at its discretion, pay the matching employer contribution. The authority to make the payment shall expire on June 30, 1982.*

**Section 17. [PROPORTIONATE ANNUITY FOR CERTAIN FORMER MEMBER.]**

*A former member of the public employees retirement association who had allowable service credit totalling nine years, four months and 27 days at the time of termination of public service on November 27, 1978, and who would have been entitled to a proportionate annuity had her service continued after January 1, 1979, shall nevertheless be entitled to a proportionate annuity pursuant to Minnesota Statutes, Section 356.32. Payment of the annuity shall commence upon attaining the age of 65 years or upon the effective date of this act, whichever is later, provided that the former member repays to the association, within 60 days after the effective date of this act, any refund of employee contributions previously taken, without interest.*

**Sec. 18. [SAVINGS PROVISION.]**

*Any person who has covered service in excess of 40 years in a public pension plan, as these terms are defined in Minnesota Statutes 1980, Section 356.60, Subdivision 1, a portion of which service was performed after April 6, 1978 and prior to the effective date of this section, shall receive credit for that service. If that person commenced receiving a retirement annuity during the period specified, the amount of the annuity shall be adjusted*

based upon total covered service commencing with the first annuity payment after the effective date of this section.

Sec. 19. [REPEAL.]

*Minnesota Statutes 1980, Sections 356.60, Subdivisions 2 and 3; and 423.815, as amended by Laws 1981, Chapter 224, Section 206; and Minnesota Statutes 1981 Supplement, Section 356.60, Subdivision 1 are repealed.*

Sec. 20. [EFFECTIVE DATE.]

*Except as hereafter provided, Article I is effective the day following final enactment. Section 2 applies retroactively to omitted deductions of employees of the board of regents of the University of Minnesota discovered after July 1, 1981. Omitted deductions for the period from June 1, 1977, to September 30, 1981, which were deducted from an employee's salary after July 1, 1981, shall be treated as erroneous deductions subject to refund pursuant to section 352.04, subdivision 9. Section 14 is effective upon approval by the Virginia City Council and upon compliance with Minnesota Statutes, Section 645.021.*

Article II

PURCHASES OF PRIOR SERVICE

Section 1. [PURCHASE OF PRIOR SERVICE CREDIT.]

*Subdivision 1. [AUTHORITY.] Notwithstanding any provision of law to the contrary, the following persons shall be entitled to purchase prior service credit from the appropriate retirement fund or association for service for which the person has not previously received service credit. The amount and manner of payment shall be governed by the provisions of section 2.*

*Subd. 2. From the Minnesota state retirement system, a member who has prior service as a labor service employee employed as a laborer 1 on an hourly basis between May 4, 1960 and December 26, 1961, and who is currently an employee of the department of natural resources, shall be entitled to purchase service credit for the period from May 4, 1960 to December 26, 1961.*

*Subd. 3. From the teachers retirement association, any member who rendered active military service in the United States Army, Navy, Marine Corps, Coast Guard or Air Force shall be entitled to purchase service credit for the period of active military service, but service credit shall not be granted for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to duty.*

*Subd. 4. From the teachers retirement association, any member who rendered teaching service prior to July 1, 1957 as defined in Minnesota Statutes, Section 354.05, but who did not make the full required contributions for this service because of limited or permanent exempt status wherein membership in the association was optional or because of the contribution limits then in effect, shall be entitled to purchase service credit for any of the above periods of service.*

*Subd. 5. From the public employees retirement association, a basic member who served as county attorney for Lac Qui Parle county between January 1, 1951 and September 1, 1960, shall be entitled to purchase service credit for the period served as county attorney.*

*Subd. 6. From the public employees retirement association, a person who was employed by the St. Paul bureau of health from January 1948 to September 1953 and who contributed to the bureau of health retirement plan from February 1951 to September 1953, and who was reemployed by the city of St. Paul in the department of community services, division of public health from April 22, 1974 until December 31, 1981, shall be entitled to purchase service credit for the period from February 1951 to September 1953.*

*Subd. 7. From the Minneapolis teachers retirement fund association, if the articles of incorporation are amended pursuant to section 3, any member who has performed active military service in the United States Army, Navy, Marine Corps, Coast Guard or Air Force, shall be entitled to purchase service credit for the period of prior military service for the lesser of either the actual military service without any voluntary extension beyond the initial period of military service or four years.*

*Subd. 8. From the Buhl police relief association, a member who has at least 15 years of service credit in the Buhl police relief association, and who was a member of the public employees police and fire fund for the period of probationary service and who took a refund of the employee contributions at the end of the probationary period, shall be entitled to purchase service credit in the Buhl police relief association for the period of probationary service.*

*Subd. 9. From the teachers retirement association, any person who was born on May 29, 1932, who is employed as an elementary school principal by independent school district no. 316, Coleraine, who was employed as a high school teacher and coach by the Hackensack school district during the 1955-1956 school year, who was employed as a high school teacher and coach by the Kelliher school district during the 1956-1957 school year, and who served on active military duty from June 15, 1957 to December 14, 1957, shall be entitled to purchase credit for any*

*period of teaching service or active military service for which the person does not have service credit.*

*Subd. 10. From the Minnesota state retirement system, a former member who was employed by the state department of taxation, income tax division, as a probationary employee from June 1942 until January 1943, and as a regular employee of that division until October 1946, and who is currently employed by the public employees retirement association, shall be entitled to purchase service credit for any portion of probationary service, which when added to the service credit obtained by the repayment of a refund authorized under Minnesota Statutes, Section 356.30, Subdivision 2, will enable the person to acquire twenty years of service credit.*

*Subd. 11. From the public employees retirement association, any person who was a member of the West St. Paul city council from January 1, 1972 to December 31, 1976, and who was a county commissioner for the county of Dakota from January 1, 1977 to December 31, 1980, shall be entitled to purchase service credit for the period from January 1, 1972 to December 31, 1976.*

*Subd. 12. From the Minnesota state retirement system, any employee or former employee of the department of employment services who was employed during the period June 1, 1941 to June 17, 1947, by the United States employment service and who became a public employee covered by one of the retirement funds enumerated in section 356.30, subdivision 3, subsequent to June 17, 1947, for the period of service with the United States employment service.*

*Subd. 13. From the public employees retirement association, any person who is employed as a police officer by the city of New Brighton, who was employed as a part time police officer on an as needed basis by that city from June, 1957 to November, 1964, and who was appointed by that city as a fulltime police officer in November, 1964, shall be entitled to purchase service credit for any months during the period from June 1, 1957 to February 28, 1961, in which the person rendered service as a part time police officer and received compensation for those services as certified by the city of New Brighton.*

## Sec. 2. [PAYMENT.]

*Subdivision 1. [CALCULATION OF PRESENT VALUE.] For the persons entitled to purchase prior service credit, there shall be paid to the applicable retirement fund or association an amount equal to the present value, on the date of payment, of the amount of the additional service pension or retirement annuity which would be obtained by virtue of the purchase of the additional service credit, using the interest rate specified in*

*Minnesota Statutes, Section 356.215, Subdivision 4, Clause (4), and the applicable mortality table adopted for the appropriate retirement fund or association and assuming continuous service until, and retirement at, the age at which the minimum age and service, age or service requirements of the retirement fund for normal retirement or retirement with an annuity unreduced for retirement at an early age are met with the additional service credit purchased, for the appropriate retirement fund or association, or the age at the date of payment or of the agreement to pay, whichever is older, and a future salary history which includes annual salary increases at the salary increase rate specified in Minnesota Statutes, Section 356.215, Subdivision 4, Clause (4). The person requesting the purchase of prior service must establish in the records of the retirement fund or association proof of the service for which the purchase of prior service is requested. The manner of the proof of service shall be in accordance with procedures prescribed by the board of trustees of the fund or association or by the executive director.*

**Subd. 2. [PAYMENT OF PRESENT VALUE; CREDITING OF SERVICE.]** *Payment shall be made in one lump sum, unless the executive director of the appropriate retirement fund or association agrees to accept payment in installments over a period of not to exceed three years from the date of the agreement, with interest at a rate deemed appropriate by the executive director. The period of allowable service shall be credited to the account of the person only after receipt of full payment by the executive director.*

**Subd. 3. [OPTIONAL EMPLOYER PARTIAL PAYMENT.]** *Payment shall be made by the person entitled to purchase prior service, except that the current or former employer of the person may, at its discretion, pay all or any portion of the payment amount which exceeds an amount equal to the employee contribution rates in effect for the retirement fund during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the rate of six percent per annum compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made. If more than one person who is a current or former employee of an employing unit is eligible to purchase prior service, the governing body of the employing unit shall establish and implement a uniform policy on the payment by it of a portion of the purchase of prior service payment amount.*

**Subd. 4. [TIME LIMITATION ON AUTHORITY TO MAKE PAYMENT.]** *For the provisions of section 1, subdivisions 3 and 4, the authority to make a lump sum payment or the agreement to make payments in installments over a period of not to exceed three years shall expire on July 1, 1987. For the provisions of section 1, subdivision 7, payment shall be made on or before*

*July 1, 1985, or the date the member terminates active service, whichever is earlier. For the remaining provisions of section 1, the authority to make a lump sum payment or to make an agreement to make installments shall expire on July 1, 1983.*

*Any payments made pursuant to section 1, subdivisions 3 and 4, shall be accumulated deductions as defined in section 354.05, subdivision 11, and these payments shall be credited to the member's individual account.*

**Sec. 3. [MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION; AUTHORIZATION OF AMENDMENT OF ARTICLES OF INCORPORATION.]**

*Authorization is hereby granted in accordance with Minnesota Statutes, Section 354A.12, Subdivision 4, for the Minneapolis teachers retirement fund association to amend its articles of incorporation to authorize its members to purchase military service credit.*

*A new subsection (18) may be added to article IX of the articles of incorporation to provide that an active member of the Minneapolis teachers retirement fund association who has acquired at least 15 years of service credit from the retirement fund association and who has performed active military service in the United States Army, Navy, Marine Corps, Coast Guard or Air Force, shall be entitled upon application to purchase service credit for the period of active military service, which shall not exceed the lesser of the actual military service without any voluntary extension beyond the initial period of military service or four years. The period of military service purchased shall not include any period of service for which the member on the date of purchase is receiving retirement benefits from any federal, state or local public or governmental pension fund or plan other than the federal social security system.*

*To purchase the military service credit, the member shall pay the retirement fund an amount calculated pursuant to section 2. Payment may be made either in a lump sum or in installments by payroll deduction from the salary of the member. Service credit for the period of military service shall not be granted until full payment is received by the retirement fund and until sufficient documentation concerning the period of military service and the status of other public pension fund or plan credit for the period is provided to the retirement fund.*

**Sec. 4. [PURCHASE OF PRIOR SERVICE IN UNCLASSIFIED EMPLOYEES PLAN.]**

*Subdivision 1. [ENTITLEMENT.] A person who was employed by the legislature during the 1981 session and who is currently a permanent employee of the governor's office shall be*

*entitled to purchase service credit for the period of prior intermittent legislative service.*

*Subd. 2. [PAYMENT; PROOF OF EMPLOYMENT.] The calculation of the payment to purchase prior service and proof of legislative employment shall be certified pursuant to Laws 1981, Chapter 297, Section 2, Subdivision 2, Paragraph 2, except that the matching employer contributions shall be at the discretion of the employer. The authority to make a lump sum payment or to make an agreement to make installment payments shall expire on July 1, 1983.*

**Sec. 5. [FUTURE PENSION COVERAGE FOR CERTAIN STATE EMPLOYEES IN UNCLASSIFIED SERVICE; REFUND OR MEMBER CONTRIBUTION; PURCHASE OF PRIOR SERVICE CREDIT.]**

*Subdivision 1. [COVERAGE FOR FUTURE SERVICE.] Notwithstanding any provision of law to the contrary, any person who is an employee in the unclassified civil service of the state, who was covered by the state employees retirement fund of the Minnesota state retirement system established pursuant to Minnesota Statutes, Chapter 352, prior to July 1, 1980, and who was a member of, and had at least ten years of allowable service credit as defined in Minnesota Statutes, Section 352B.01, Subdivision 3, in the highway patrol retirement fund established pursuant to Minnesota Statutes, Chapter 352B, shall be entitled, on or before January 1, 1983, to elect to have retirement coverage for all service as an unclassified state employee rendered subsequent to the date of the election be provided by the highway patrol retirement fund, and not by the state employees retirement fund. The election shall be made in writing and shall be filed with the executive director of the Minnesota state retirement system.*

*Subd. 2. [REFUND OF MEMBER CONTRIBUTIONS.] If the election of a change in retirement coverage is made, any person to whom subdivision 1 applies shall be required to take a refund of all accumulated member contributions made to the state employees retirement fund to the credit of the person.*

*Subd. 3. [PURCHASE OF PRIOR SERVICE CREDIT.] If the election of a change in retirement coverage is made, any person to whom subdivision 1 applies shall be entitled to purchase prior service credit from the highway patrol retirement fund for any period of service covered by the state employees retirement fund. The amount and manner of payment shall be governed by section 2.*

**Sec. 6. [EFFECTIVE DATE.]**

*This article is effective the day following final enactment.*



## Article III

*Clarification of Miscellaneous Retirement Provisions*

Section 1. Minnesota Statutes 1981 Supplement, Section 43A.34, Subdivision 4, is amended to read:

Subd. 4. [**HIGHWAY PATROL, CONSERVATION AND CRIME BUREAU OFFICERS EXEMPTED.**] Notwithstanding any (PROVISIONS OF CHAPTER 352B OR ANY OTHER LAW) provision to the contrary, (a) conservation officers and crime bureau officers who were first employed on or after July 1, 1973 and who are members of the highway (PATROLMEN'S) patrol retirement (ASSOCIATION) fund by reason of their employment, and members of the Minnesota highway patrol division of the department of public safety who are members of the highway patrol retirement association by reason of their employment, shall not continue employment after attaining the age of 60 years, except for a fractional portion of one year that will enable the employee to complete (HIS) the employee's next full year of allowable service (. NOTWITHSTANDING ANY PROVISIONS OF CHAPTER 352B OR ANY OTHER LAW TO THE CONTRARY,) as defined pursuant to section 352B.01, subdivision 3; and (b) conservation officers and crime bureau officers who were first employed and are members of the highway (PATROLMEN'S) patrol retirement (ASSOCIATION) fund by reason of their employment before July 1, 1973, shall (BE GOVERNED BY THE SAME MANDATORY RETIREMENT RULES APPLIED TO OTHER EMPLOYEES WHO ARE COVERED BY THE MINNESOTA STATE RETIREMENT SYSTEM) not continue employment after attaining the age specified in subdivision 1.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 69.77, Subdivision 2, is amended to read:

Subd. 2. The penalty provided for in subdivision 1 shall not apply to a relief association enumerated in subdivision 1a if the following requirements are met:

(1) Each member of the relief association pays into the special fund of the association during a year of covered service, a contribution for retirement coverage including survivorship benefits of not less than eight percent of the maximum rate of salary upon which retirement coverage is credited and service pension and retirement benefit amounts are determined. The member contributions shall be made by payroll deduction from the salary of the member by the municipality, and shall be transmitted by the municipality to the relief association as soon as practical. The relief association shall deposit the member contribution to the credit of the special fund of the relief association, provided that to avoid undue increase in the amount of employee contributions in any one year, any increase in the amount of

contributions required by this section may be spread over several years with the approval of the municipality, but the increase in rate of contribution in each year shall not be less than one percent until the appropriate levels of required employee contributions have been reached. The member contribution requirement specified in this clause shall not apply to any members who are volunteer firefighters unless the governing body of the municipality did not approve this member contribution exemption following the consideration by the municipal governing body of the first actuarial survey filed with the municipality following January 1, 1970.

(2) The officers of the relief association determine the financial requirements of the relief association and minimum obligation of the municipality for the following calendar year in accordance with the requirements of this clause. The financial requirements of the relief association and the minimum obligation of the municipality shall be determined on or before the submission date established by the municipality pursuant to clause (3).

The financial requirements of the relief association for the following calendar year shall be based on the most recent actuarial valuation or survey prepared in accordance with sections 356.215, subdivision 4 and 356.216, whether or not the actuarial valuation or survey was prepared at a greater frequency than minimally required pursuant to clause (8). In the event that an updated actuarial valuation or an actuarial estimate is prepared by the actuary of the relief association as part of obtaining a modification of the benefit plan of the relief association and the modification is implemented, the updated actuarial valuation or actuarial estimate shall be used in calculating the financial requirements of the relief association.

If the relief association has an unfunded accrued liability as reported in the most recent actuarial valuation or survey, the total of the amounts calculated pursuant to clauses (a) and (b) shall constitute the financial requirements of the relief association for the following year. If the relief association does not have an unfunded accrued liability as reported in the most recent actuarial valuation or survey the amount calculated pursuant to subclause (a) shall constitute the financial requirements of the relief association for the following year.

(a) The normal level cost requirement for the following year, expressed as a dollar amount, which shall be determined by applying the normal level cost of the relief association as reported in the actuarial valuation or survey and expressed as a percentage of covered payroll to the estimated covered payroll of the active membership of the relief association, including any projected increase in the active membership, for the following year

(b) To the dollar amount of normal cost thus determined shall be added an amount equal to the level annual dollar amount which is sufficient to amortize the unfunded accrued liability by December 31, 2010, as determined from the actuarial valuation or survey of the fund, using an interest assumption set at the rate specified in section 356.215, subdivision 4, clause (4). The amortization date specified in this subclause shall apply to all local police or salaried firefighters relief associations and shall supersede any amortization date specified in any applicable special law.

The minimum obligation of the municipality shall be an amount equal to the financial requirements of the relief association reduced by the estimated amount of member contributions from covered salary anticipated for the following calendar year and the estimated amounts from the applicable state aid program established pursuant to sections 69.011 to 69.051 anticipated as receivable by the relief association after any allocation pursuant to section 69.031, subdivision 5, clause (2), subclause ((B)) (c) or (LAWS 1980, CHAPTER 607, ARTICLE XV, SECTION 4, SUBDIVISION 2) *423A.01, subdivision 2, clause (6)*, and from the local police and salaried firefighters' relief association amortization aid program established pursuant to section 423A.02 anticipated for the following calendar year.

(3) The officers of the relief association shall submit determination of the financial requirements of the relief association and of the minimum obligation of the municipality to the governing body on or before the date established by the municipality which shall not be earlier than August 1 and shall not be later than September 1 of each year. The governing body of the municipality shall ascertain whether or not the determinations were prepared in accordance with law.

(4) The municipality shall provide for and shall pay each year at least the amount of the minimum obligation of the municipality to the relief association. If there is any deficiency in the municipal payment to meet the minimum obligation of the municipality as of the end of any calendar year, the amount of the deficiency shall be added to the minimum obligation of the municipality for the following year calculated pursuant to clause (2) and shall include interest at the rate of six percent per annum compounded from the date that the municipality was required to make payment pursuant to this clause until the date that the municipality actually makes the required payment.

(5) The municipality shall provide in the annual municipal budget for at least the minimum obligation of the municipality calculated pursuant to clause (2). The municipality may levy taxes for the payment of the minimum obligation of the municipality without any limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of the

special fund or any fund of the relief association has attained a specified minimum asset level. In addition, any taxes levied pursuant to this section shall not cause the amount or rate of other taxes levied in that year or to be levied in a subsequent year by the municipality which are subject to a limitation as to rate or amount to be reduced. If the municipality does not include the full amount of the minimum obligation of the municipality in the levy that the municipality certified to the county auditor in any year, the officers of the relief association shall certify the amount of any deficiency to the county auditor. Upon verifying the existence of any deficiency in the levy certified by the municipality, the county auditor shall spread a levy over the taxable property of the municipality in the amount of the deficiency certified to by the officers of the relief association.

(6) Any sums of money paid by the municipality to the relief association in excess of the minimum obligation of the municipality in any year shall be used to amortize any unfunded liabilities of the relief association.

(7) The funds of the association shall be invested in securities which are proper investments pursuant to section 11A.24, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the three percent stock limitation specified in section 11A.24, subdivision 5 would necessitate a lesser investment. Securities held by the association before July 1, 1971, which do not meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on April 28, 1969. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board under the provisions of section 11A.17, provided that there be no limit to the amount which may be invested in the income share account, in the bond account, or in the fixed-return account, and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental investment fund may be invested in the growth share account.

(8) The association shall procure an actuarial valuation showing the condition of the special fund of the relief association pursuant to sections 356.215 and 356.216 as of December 31 as of every even numbered year. The association shall also procure a quadrennial experience study pursuant to sections 356.215 and 356.216, as of December 31, 1978, and shall procure a quadrennial experience study every four years thereafter. A copy of the actuarial survey and the quadrennial experience study shall be filed with the director of the legislative reference library, the governing body of the municipality in which the association is organized, the executive secretary of the legislative commission on pensions and retirement, and the commissioner of insurance, not later than June 1 of the following year.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 354.47, Subdivision 1, is amended to read:

Subdivision 1. [DEATH BEFORE RETIREMENT.] (1) If a member dies before retirement and is covered pursuant to the provisions of section 354.44, subdivision 2, and neither an optional annuity, nor a reversionary annuity, nor a benefit pursuant to section 354.46, subdivision 1 is payable to the survivors if the member was a basic member, the surviving spouse, *or if there is no surviving spouse, the designated beneficiary* shall be entitled to an amount equal to the member's accumulated deductions with interest credited to the account of the member to the date of death.

(2) If a member dies before retirement and is covered (UNDER) *pursuant to* the provisions of section 354.44, subdivisions 6 and 7, and neither an optional annuity, nor reversionary annuity, nor the benefit described in section 354.46, subdivision 1 is payable to the survivors if the member was a basic member, the surviving spouse, *or if there is no surviving spouse, the designated beneficiary* shall be entitled to an amount equal to the member's accumulated deductions credited to the account of the member as of June 30, 1957 and from July 1, 1957 to the date of death the member's accumulated deductions plus interest at the rate of 3-1/2 percent per annum compounded annually.

(3) The amounts payable in clause (1) or *clause* (2) are in addition to the amount payable in section 354.62, subdivision 5, for the member's variable annuity account.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 354.48, Subdivision 10, is amended to read:

Subd. 10. [RETIREMENT STATUS AT AGE 65.] No person shall be entitled to receive both a disability (BENEFITS) *benefit* and a retirement annuity provided by this chapter. The disability benefit paid to a person hereunder shall terminate (WHEN THE PERSON REACHES) *at the end of the month in which the person attains the age of 65 years*. If the person is still totally and permanently disabled (WHEN) *at the beginning of the month next following the month in which the person attains the age of 65 years*, the person shall be deemed to be on retirement status and, if the person had elected an optional annuity pursuant to subdivision 3a, shall receive an annuity in accordance with the terms of the optional annuity previously elected, or, if the person had not elected an optional annuity pursuant to subdivision 3a, may at the option of the person elect to receive either a straight life retirement annuity computed pursuant to section 354.44 or a straight life retirement annuity equal to the disability benefit paid (BEFORE THE PERSON REACHED) *prior to the date on which the person attained the age of 65 years*, whichever amount is greater, or elect to receive an optional annuity as provided in section 354.45, subdivision 1. Elec-

tion of an optional annuity shall be made prior to the person attaining the age of 65 years. If an optional annuity is elected, the election shall be effective on the date on which the person attains the age of 65 years and the optional annuity shall begin to accrue on the first day of the month next following the month in which the person attains the age of 65 years.

Sec. 5. Minnesota Statutes 1981 Supplement, Section 354.66, Subdivision 4, is amended to read:

Subd. 4. Notwithstanding any provision of this chapter relating to the salary figure to be used for the determination of contributions or the accrual of service credit to the contrary, a teacher shall continue to make employee contributions to and accrue allowable service credit in the retirement fund during the period of part time employment pursuant to this section upon the same basis and in the same amounts as would have been paid and accrued if the teacher had been employed on a full time basis. The state shall make the full required employer contributions on behalf of the teacher to the retirement association for the part time teaching service in the manner described in section 354.43, subdivisions 1, 2 and 5. Full accrual of allowable service credit and employee contributions for part time teaching service pursuant to this section *and section 354A.094* shall not continue for a period longer than 10 years.

Sec. 6. Minnesota Statutes 1980, Section 354A.094, Subdivision 4, is amended to read:

Subd. 4. Notwithstanding any provision to the contrary in 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, a teacher shall continue to make employee contributions to and to accrue allowable service credit in the applicable association during the period of part time employment pursuant to this section upon the same basis and in the same amounts as would have been paid and accrued if the teacher had been employed on a full time basis. The state shall make the full required employer contributions on behalf of the teacher to the applicable association for the part time teaching service in the manner described in section 354.43, subdivisions 1, 2 and 5. Full membership, accrual of allowable service credit and employee contributions for part time teaching service by a teacher pursuant to this section *and section 354.66* shall not continue for a period longer than ten years.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 354A.-12, Subdivision 1, is amended to read:

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] The contribution required to be paid by each member of a teachers retirement fund association shall be not less than the percentage

of total salary specified below for the applicable association and program:

Association and Program	Percentage of Total Salary
Duluth teachers retirement association	
<i>old law and new law</i> coordinated (PROGRAM) <i>programs</i>	4.5 percent
Minneapolis teachers retirement association	
basic program	8.5 percent
coordinated program	4.5 percent
St. Paul teachers retirement association	
basic program	8 percent
coordinated program	4.5 percent

Sec. 8. Minnesota Statutes 1980, Section 354A.35, is amended by adding a subdivision to read:

*Subd. 2a. [MODIFICATION IN SURVIVOR COVERAGE IN CERTAIN INSTANCES.] Any person who elected joint and survivor annuity coverage pursuant to subdivision 2 prior to July 1, 1981 and the spouse of the person shall be entitled to modify that election by making a joint specification in writing on a form prescribed by the executive secretary that the benefits provided in this section, whichever is applicable, shall be paid only to a designated beneficiary. Authority for any person and the spouse of the person to modify the prior election shall expire on the date of the retirement of the person who elected the coverage or the date of death of the person who elected the coverage, whichever occurs first.*

Sec. 9. Minnesota Statutes 1981 Supplement, Section 356.371, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given.

(1) "Annuity form" means the payment procedure and duration of a retirement annuity or disability benefit available to a

member of a public pension fund, based on the period over which a retirement annuity or *disability benefit* is payable, determined by the number of persons to whom the retirement annuity or *disability benefit* is payable, and the amount of the retirement annuity or *disability benefit* which is payable to each person.

(2) "Joint and survivor optional annuity" means an optional annuity form which provides a retirement annuity or *disability benefit* to a retired member and spouse of the member on a joint basis during the lifetime of the retired member and all or a portion of the original retirement annuity or *disability benefit* amount to the surviving spouse in the event of the death of the retired member.

(3) "Optional annuity form" means an annuity form which is elected by a member and is not provided automatically as the standard annuity form of the public pension fund.

(4) "Public pension fund" means a public pension plan as defined pursuant to section 356.60, subdivision 1, clause (a).

(5) "Retirement annuity" means a series of monthly payments to which a former or retired member of a public pension fund is entitled on account of attaining a specified age and acquiring credit for a specified period of service, which shall include a retirement annuity, retirement allowance or service pension.

(6) "Disability benefit" means a series of monthly payments to which a former or disabled member of a public pension fund is entitled on account of a physical or mental inability to engage in specified employment.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 356.371, Subdivision 2, is amended to read:

Subd. 2. [PROVISION OF INFORMATION ON ANNUITY FORMS.] Every public pension fund which provides for an annuity form other than a single life retirement annuity as an option which can be elected by (THE) an active, disabled or retiring member shall provide as a part of, or accompanying the annuity application form, a written statement summarizing the optional annuity forms which are available, a general indication of the consequences of selecting one annuity form over another, a calculation of the actuarial reduction in the amount of the retirement annuity which would be required for each optional annuity form and the procedure to be followed to obtain more information from the public pension fund concerning the optional annuity forms provided by the fund.

Sec. 11. Minnesota Statutes 1980, Section 356.41, is amended to read:



## 356.41 [BENEFIT ADJUSTMENTS.]

Disability benefits and survivor benefits payable to a disabilitant or a survivor now or hereafter receiving benefits from any public pension fund which participates in the Minnesota post-retirement investment fund shall be adjusted in the same manner, at the same times and in the same amounts as are benefits payable from the Minnesota post-retirement investment fund to retirees of that public pension fund. *If a disability benefit is recomputed as a retirement annuity and the recipient would have been eligible for an adjustment pursuant to this section if the disability benefit was not recomputed, the recipient will continue to be eligible for the adjustment after the recomputation. For the survivor of a deceased annuitant who receives a survivor benefit calculated pursuant to a prior law rather than the second portion of a joint and survivor annuity, any period of receipt of a retirement annuity by the annuitant shall be utilized in determining the period of receipt for eligibility to receive an adjustment.* No recipient shall, however, be entitled to more than one adjustment at one time by reason of this section.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 422A.-06, Subdivision 1, is amended to read:

Subdivision 1. [CREATION; DIVISIONS OF FUND.] For the purposes of (SECTIONS 422A.01 TO 422A.25) *this chapter*, there shall be a Minneapolis employees retirement fund, hereafter referred to as the retirement fund. The retirement fund shall be subdivided into (1) a deposit accumulation fund, (2) (A PARTICIPATING SHARE IN THE MINNESOTA POST-RETIREMENT INVESTMENT FUND, (3)) a survivor benefit fund, ((4)) (3) a disability benefit fund, and ((5)) (4) a retirement benefit fund. *The expense of the administration of the retirement fund shall be paid from the deposit accumulation fund, less the amount as the retirement board may charge against income of the retirement fund from investments as the cost of handling the investments of the retirement fund.*

Sec. 13. Minnesota Statutes 1981 Supplement, Section 422A.-06, Subdivision 3, is amended to read:

Subd. 3. [DEPOSIT ACCUMULATION FUND.] The deposit accumulation fund shall consist of the assets held in the fund, increased by amounts contributed by or for employees, amounts contributed by the city, amounts contributed by municipal activities supported in whole or in part by revenues other than taxes and amounts contributed by any public corporation, *amounts paid* by the state and by income from investments. There shall be paid from the fund the amounts required to be transferred to the (MINNESOTA POST-RETIREMENT INVESTMENT FUND,) retirement benefit fund, or the disability

benefit fund, refunds of contributions, death benefits payable on death before retirement which are not payable from the survivors' benefit fund, post retirement increases in retirement allowances granted pursuant to Laws 1965, Chapter 688, or Laws 1969, Chapter 859, and expenses of the administration of the retirement fund which were not charged by the retirement board against the income of the retirement fund from investments as the cost of handling the investments of the retirement fund.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 422A.06, Subdivision 4, is amended to read:

Subd. 4. [NO PARTICIPATION IN THE MINNESOTA POST-RETIREMENT INVESTMENT FUND.] The Minneapolis employees retirement fund shall not participate in the Minnesota post-retirement (ADJUSTMENT) investment fund. (IN THAT FUND THERE SHALL BE DEPOSITED THE AMOUNTS PROVIDED IN SUBDIVISION 5.)

Sec. 15. Minnesota Statutes 1981 Supplement, Section 422A.06, Subdivision 5, is amended to read:

Subd. 5. [(VALUATION OF ASSETS) TRANSFER OF RESERVES TO RETIREMENT BENEFIT FUND; ADJUSTMENTS OF ANNUITIES AND BENEFITS.] (a) For those members retiring pursuant to this chapter, assets equal to the required reserves as determined in accordance with a mortality table appropriate to the retirement fund with an interest assumption set at the rate specified in section 356.215, subdivision 4, clause (4), shall be transferred to the (MINNESOTA POST-RETIREMENT INVESTMENT FUND, THE) disability benefit fund as provided in subdivision 7, or the retirement benefit fund, except for any amounts payable from the survivor benefit fund, as of date of retirement.

(b) Annuity payments shall be adjusted in accordance with the provisions of (SECTIONS 422A.09 AND 422A.15) *this chapter*, except that no minimum retirement payments therein described shall include any amounts payable from the survivors' benefit fund or disability benefit fund and supplemented benefits specifically financed by statute.

(c) Notwithstanding the provisions of section 356.18, increases in annuity payments pursuant to this section shall be made automatically unless written notice on a form prescribed by the board is filed with the retirement board requesting that the increase not be made.

(d) (ALL ANNUITIES PAYABLE FROM THE MINNESOTA POST-RETIREMENT INVESTMENT FUND WHICH ARE IN EFFECT ON JUNE 30, 1973 SHALL BE INCREASED

IN THE SAME RATIO THAT THE ACTUARIALLY COMPUTED RESERVE FOR THE ANNUITIES DETERMINED BY USING AN INTEREST ASSUMPTION OF 3-1/2 PERCENT BEARS TO THE ACTUARIALLY COMPUTED RESERVE FOR THE ANNUITIES DETERMINED BY USING AN INTEREST ASSUMPTION OF FIVE PERCENT. THE RESERVES UPON WHICH THE INCREASES SHALL BE BASED SHALL BE THE ACTUARIALLY DETERMINED RESERVES FOR ALL MINNESOTA POST-RETIREMENT INVESTMENT FUND ANNUITIES WHICH WERE IN EFFECT ON DECEMBER 31, 1972, IN ACCORDANCE WITH THE MORTALITY ASSUMPTIONS THEN IN EFFECT AND AT INTEREST ASSUMPTIONS OF 3-1/2 PERCENT AND FIVE PERCENT. THE RATIO OF INCREASE COMPUTED TO THE LAST FULL 1/100 OF ONE PERCENT SHALL BE APPLIED TO ALL ANNUITIES PAYABLE FROM THE MINNESOTA POST-RETIREMENT INVESTMENT FUND WHICH ARE IN EFFECT ON JUNE 30, 1973.) Any additional annuity (SHALL BEGIN) *which began to accrue on July 1, 1973 (AND) or which began to accrue on January 1, 1974, pursuant to Laws 1973, Chapter 770, Section 1, shall be considered as part of the base amount to be used in determining any postretirement adjustments payable pursuant to the provisions of (SECTION 11A.18) subdivision 8.*

((E) THE MUNICIPAL EMPLOYEES RETIREMENT FUND OF MINNEAPOLIS SHALL DETERMINE THE INCREASE IF ANY IN ACCRUAL OF BENEFITS COMMENCING JANUARY 1, 1974, DETERMINED ON THE BASIS OF ITS ENTIRE PARTICIPATION IN THE MANNER PROVIDED IN MINNESOTA STATUTES, 1973 SUPPLEMENT, SECTION 11.25, SUBDIVISIONS 12 AND 13.)

((F) THE ACTUARY FOR EACH PARTICIPATING FUND SHALL CALCULATE THE RESERVE REQUIRED TO SUPPORT THE BENEFITS IN EFFECT ON JUNE 30, 1973 AS INCREASED ON JULY 1, 1973 AND HEREIN. AS OF DECEMBER 31, 1973, EACH PARTICIPATING FUND SHALL TRANSFER TO OR FROM THE MINNESOTA POST-RETIREMENT INVESTMENT FUND ASSETS SO THAT ITS PARTICIPATION EQUALS THE TOTAL OF THE REQUIRED RESERVES AND THE RESERVE FOR BENEFITS AUTHORIZED ON OR AFTER JULY 1, 1973. THE INCREASED BENEFITS ACCRUING AS OF JANUARY 1, 1974 SHALL BE THE BASE FOR FUTURE ADJUSTMENTS.)

Sec. 16. Minnesota Statutes 1980, Section 423A.01, Subdivision 2, is amended to read:

Subd. 2. [OPERATION OF LOCAL RELIEF ASSOCIATION UPON MODIFICATION OF RETIREMENT COVERAGE FOR NEWLY HIRED POLICE OFFICERS AND FIREFIGHTERS.] *The following provisions shall govern the opera-*

*tion of a local relief association upon the modification of retirement coverage for newly hired police officers or firefighters:*

(1) The minimum obligation of a municipality in which the retirement coverage for newly hired police officers or salaried firefighters has been modified pursuant to subdivision 1 with respect to the local relief association shall be determined and governed in accordance with the provisions of sections 69.77, 356.215 and 356.216, except that the normal cost calculation for the relief association shall be computed as a percentage of the compensation paid to the active members of the relief association. The compensation paid to persons with retirement coverage modified pursuant to subdivision 1 shall not be included in any of the computations made in determining the obligation of the municipality with respect to the local relief association.

(2) The contribution rate of members of the local relief association shall be governed by section 69.77, unless a special law establishing a greater member contribution rate is applicable whereupon it shall continue to govern. The member contribution rate of persons with retirement coverage modified pursuant to subdivision 1 shall be governed by section 353.65.

(3) When every active member of the local relief association retires or terminates from active duty, the local relief association shall cease to exist as a legal entity and the assets of the special fund of the relief association shall be transferred to a trust fund to be established by the appropriate municipality for the purpose of paying service pensions and retirement benefits to recipient beneficiaries. If there are at least five recipient beneficiaries, the trust fund shall be managed by a board of trustees composed of five members selected by the recipient beneficiaries of the fund, subject to the approval of the governing body of the municipality. If there are fewer than five recipient beneficiaries, the trust fund shall be managed by the governing body of the municipality. The term of the elected members of the board of trustees shall be indefinite and shall continue until a vacancy occurs in one of the board of trustee member positions. Board of trustee members shall not be compensated for their services, but shall be reimbursed for any expenses actually and necessarily incurred as a result of the performance of their duties in their capacity as board of trustee members. The municipality shall perform whatever services are necessary to administer the trust fund. (THE BALANCE OF ASSETS REMAINING IN THE TRUST FUND SHALL NOT REVERT TO THE MUNICIPALITY UNTIL.) *When all obligations of the trust fund are paid, the balance of the assets remaining in the trust fund shall revert to the municipality for expenditure for law enforcement or firefighting purposes, whichever is applicable.*

(4) The financial requirements of the trust fund and the minimum obligation of the municipality with respect to the trust fund shall be determined in accordance with sections 69.77, 356.-

215 and 356.216 until the unfunded accrued liability of the trust fund is fully amortized in accordance with (LAWS 1980, CHAPTER 607) *section 69.77, subdivision 2, clause (2)*. The municipality shall provide in its annual budget for at least the aggregate amount of service pensions, disability benefits, survivorship benefits and refunds which are projected as payable for the following calendar year, as determined by the board of trustees of the trust fund, less the amount of assets in the trust fund as of the end of the most current calendar year for which figures are available, valued pursuant to section 356.20, subdivision 4, clause (1) (a), if the difference between those two figures is a positive number.

(5) In calculating the amount of service pensions and other retirement benefits payable from the local relief association and in calculating the amount of any automatic post retirement increases in those service pensions and retirement benefits based on the salary paid or payable to active members or escalated in any fashion, the salary for use as the base for the service pension or retirement benefit calculation and the post retirement increase calculation for the local relief association shall be the salary for the applicable position as specified in the articles of incorporation or bylaws of the relief association as of the date immediately prior to the effective date of the modification of retirement coverage for newly hired personnel pursuant to subdivision 1, as the applicable salary is reset by the municipality periodically, irrespective of whether retirement coverage for persons holding the applicable position used in calculations is provided by the relief association or by the public employees police and fire fund.

(6) If the modification of retirement coverage implemented pursuant to subdivision 1 is applicable to a local police relief association, the police state aid received by the municipality shall be disbursed pursuant to section 69.031, subdivision 5, clause (2) (c). If the modification of retirement coverage implemented pursuant to subdivision 1 is applicable to a local firefighters' relief association, the fire state aid received by the applicable municipality shall be disbursed as the municipality at its option may elect. The municipality may elect: ((1)) (a) to transmit the total fire state aid to the treasurer of the local relief association for immediate deposit in the special fund of the relief association; or ((2)) (b) to apply the total fire state aid toward the employer contribution of the municipality to the public employees police and fire fund pursuant to section 353.65, subdivision 3; or ((3)) (c) to allocate the total fire state aid proportionately between the special fund of the local relief association and employer contribution of the municipality to the public employees police and fire fund on the basis of the respective number of active full time salaried firefighters receiving retirement coverage from each.

Sec. 17. Laws 1981, Chapter 156, Section 7, is amended to read:

**Sec. 7. [354.465] [(TEMPORARY PROVISION) MODIFICATION IN SURVIVOR COVERAGE IN CERTAIN INSTANCES.]**

Any person who elected joint and survivor annuity coverage pursuant to (MINNESOTA STATUTES,) section 354.46, subdivision 2, (OR 354A.35, SUBDIVISION 2,) prior to (THE EFFECTIVE DATE OF THIS ACT) *July 1, 1981*, and the spouse of the person shall be entitled to modify that election by making a joint specification in writing on a form prescribed by the executive director (OR EXECUTIVE SECRETARY, WHICHEVER IS APPLICABLE,) that the benefits provided in sections 354.46, subdivision 2, or 354.47, subdivision 1, (OR 354A.35, SUBDIVISIONS 1 OR 2,) whichever is applicable, shall be paid only to a designated beneficiary. Authority for any person and the spouse of the person to modify the prior election shall expire (DECEMBER 31, 1981) *on the date of the retirement of the person who elected the coverage or the date of death of the person who elected the coverage whichever occurs first.*

**Sec. 18. [VALIDATION OF CERTAIN SPECIAL LAW APPROVAL.]**

*Notwithstanding any contrary provision of Minnesota Statutes, Section 645.021, Subdivision 3, any certificate of approval concerning the applicability of Minnesota Statutes, Section 423A.02, Subdivision 4, to the Moorhead firefighters relief association and the Moorhead police relief association filed by the city of Moorhead prior to April 1, 1981 shall be deemed to be proper approval of the applicability of the provisions as required pursuant to Laws 1980, Chapter 607, Article XV, Section 4, Subdivision 4.*

**Sec. 19. [REPEALER.]**

*Minnesota Statutes 1981 Supplement, Section 354.48, Subdivision 4a; Laws 1978, Chapters 690, Section 2; and 720, Section 13; and Laws 1981, Chapters 68, Section 1; 160, Section 10; and 224, Sections 78, 92 and 118 are repealed.*

**Sec. 20. [EFFECTIVE DATE.]**

*Sections 3, 8 and 17 are effective July 1, 1981. Section 4 is effective May 1, 1981. The balance of this article is effective on the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to retirement; clarifying the retirement service credit for certain participants in the Minnesota demonstration job-sharing program; Minnesota state retirement system; imposing liability for certain omitted employee contribu-

tions on the employing unit; elective state officers retirement plan; providing benefit adjustments for retired constitutional officers and surviving spouses; public employees retirement association; increasing the family maximum on survivors benefits; teachers retirement association; authorizing the reimbursement of certain employing unit expenses with respect to board members; providing for the crediting of service credit for employees on a four day work week; modifying survivor benefits; exempting certain money and credits of teachers retirement funds; limiting the amount of public employee retirement annuities; limiting the powers of city officials regarding the administration of relief associations; supreme court justices retirement plan; providing a deferred retirement annuity; modifying a vesting requirement; permitting the repayment of a refund by a member of the Virginia firefighters relief association; validating the purchase of prior service credit for a certain county commissioner; permitting payment of omitted contributions; granting a proportionate annuity for certain persons; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association, clarifying various provisions of retirement law; amending Minnesota Statutes 1980, Sections 352.04, Subdivision 8; 354.06, Subdivision 4; 354A.094, Subdivision 4; 354A.11; 354A.35, by adding a subdivision; 356.41; 423A.01, Subdivision 2; 490.025, Subdivisions 2 and 3; Minnesota Statutes 1981 Supplement, Sections 43A.34, Subdivision 4; 43A.465; 69.77, Subdivision 2; 353.31, Subdivision 1; 354.091; 354.46, Subdivisions 1 and 2; 354.47, Subdivision 1; 354.48, Subdivision 10; 354.66, Subdivision 4; 354A.12, Subdivision 1; 356.371, Subdivisions 1 and 2; 422A.06, Subdivisions 1, 3, 4 and 5; Laws 1981, Chapter 156, Section 7; proposing new law coded in Minnesota Statutes, Chapters 352C; 356; and 423A; repealing Minnesota Statutes 1980, Sections 356.60, Subdivisions 2 and 3; and 423.815, as amended; Minnesota Statutes 1981 Supplement, Sections 354.48, Subdivision 4a; 356.60, Subdivision 1; Laws 1978, Chapters 690, Section 2; and 720, Section 13; Laws 1981, Chapter 68, Section 1; 160, Section 10; and 224, Sections 73, 92 and 118."

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

House Conferees: JOHN J. SARNA, JOHN R. KALEY, LEO J. REDING, JAMES I. RICE and FRANK J. RODRIGUEZ, SR.

Senate Conferees: COLLIN C. PETERSON, EARL W. RENNEKE, DONALD M. MOE, ALLAN H. SPEAR and DENNIS FREDERICKSON.

Sarna moved that the report of the Conference Committee on H. F. No. 438 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 438, A bill for an act relating to retirement; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association; allowing a surviving spouse to elect a joint and survivor annuity under certain circumstances; amending Minnesota Statutes 1981 Supplement, Section 354.46, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 552

A bill for an act relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty; amending Minnesota Statutes 1980, Sections 327.07; and 327.14, Subdivision 8.

March 12, 1982

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. 552, 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. 552 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 327.07, is amended to read:

327.07 [FRAUD.]

Any person who (SHALL OBTAIN) (1) *obtains* food, lodging, or other accommodations at any hotel, lodging house, inn, boarding or eating house, or recreational camping area, without paying (THEREFOR) *for it*, with intent to defraud the owner or manager thereof, or (WHO) (2) obtains credit at any hotel, lodging house, inn, boarding or eating house, or recreational camping area by or through any false pretense, or by or through the aid, assistance, or influence of any baggage or effects in his possession and control, but not actually belonging to (SUCH PERSON) *him*, shall be guilty of a misdemeanor (; AND UPON CONVICTION THEREOF SHALL BE PUNISHED BY A FINE OF NOT LESS THAN \$10 NOR MORE THAN \$100 OR BY IMPRISONMENT IN THE COUNTY JAIL FOR NOT MORE THAN 90 DAYS).

Sec. 2. Minnesota Statutes 1980, Section 327.14, Subdivision 8, is amended to read:

Subd. 8. [RECREATIONAL CAMPING AREA.] The words "recreational camping area" as used in sections 327.07, 327.10, 327.11, 327.14 to 327.28 (SHALL MEAN) *means* any area, whether privately or publicly owned, used on a daily, nightly, weekly, or longer basis for the accommodation of five or more units, consisting of tents, travel trailers, pick-up coaches, motor-homes, or camping trailers and whether use of (SUCH) *the* accommodation is granted free of charge or for compensation. Provided, that nothing in this definition shall be constructed to include children's camps, industrial camps, migrant labor camps, as defined in Minnesota Statutes and state commissioner of health regulations and also shall not include United States forest service camps, state forest service camps, state wildlife management areas or state owned public access areas which are restricted in use to picnicking and boat landing.

Sec. 3. [EFFECTIVE DATE.]

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

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

House Conferees: JOHN T. CLAWSON, JAMES I. RICE and CHARLES C. HALBERG.

Senate Conferees: RANDOLPH W. PETERSON, JOHN BERNHAGEN and GREGORY L. DAHL.

Clawson moved that the report of the Conference Committee on H. F. No. 552 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 552, A bill for an act relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty; amending Minnesota Statutes 1980, Sections 327.-07; and 327.14, Subdivision 8.

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

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

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1220:

Simoneau, Rice, Begich, Stadum and Rose.

## 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. 1018, A bill for an act relating to agriculture; consolidating existing laws; providing for agricultural commodity research and promotion councils; establishing procedures; providing penalties; amending Minnesota Statutes 1980, Sections 17.53; 17.54; 17.56; 17.57; 17.58; 17.59, Subdivisions 1, and 2; 17.60; 17.62; 17.63; 17.64; and 17.67; amending Minnesota Statutes 1981 Supplement, Section 17.59, Subdivision 4; repealing Minnesota Statutes 1980, Sections 17.55; 17.601; 17.65; 17.68; 21A.01 to 21A.19, as amended; 29.14 to 29.16; 29.18; 29.19; 30.461 to 30.468, as amended; 30.472 to 30.479; 32B.01 to 32B.06; 32B.08 to 32B.11; 32B.13; Minnesota Statutes 1981 Supplement, Sections 29.17; 30.469; 30.47; 32B.07; and 32B.12.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Eken moved that the House concur in the Senate amendments to H. F. No. 1018 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1018, A bill for an act relating to agriculture; consolidating existing laws; providing for agricultural commodity research and promotion councils; establishing procedures; providing penalties; amending Minnesota Statutes 1980, Sections 17.53; 17.54; 17.56; 17.57; 17.58; 17.59, Subdivisions 1, and 2; 17.60; 17.62; 17.63; 17.64; and 17.67; Minnesota Statutes 1981 Supplement, Section 17.59, Subdivision 4; repealing Minnesota Statutes 1980, Sections 17.55; 17.601; 17.65; 17.68; 21A.01 to 21A.19, as amended; 29.14 to 29.16; 29.18; 29.19; 30.461 to 30.468, as amended; 30.472 to 30.479; 32B.01 to 32B.06; 32B.08 to 32B.11; 32B.13; Minnesota Statutes 1981 Supplement, Sections 29.17; 30.469; 30.47; 32B.07; and 32B.12.

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

The question was taken on the repassage of the bill and roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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. 1553, A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

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. 1553 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1553, A bill for an act relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

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

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

Those who voted in the affirmative were:

Aasness	Erickson	Kalis	Novak	Shea
Ainley	Esau	Kelly	Nysether	Sherman
Anderson, B.	Evans	Knickerbocker	O'Connor	Sherwood
Anderson, G.	Ewald	Kostohryz	Ogren	Sieben, M.
Anderson, I.	Fjoslien	Kvam	Onnen	Simoneau
Anderson, R.	Forsythe	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
Brinkman	Harens	Luknic	Pogemiller	Swanson
Byrne	Hauge	Mann	Redalen	Tomlinson
Carlson, D.	Haukoos	Marsh	Reding	Valan
Carlson, L.	Heap	McCarron	Rees	Valento
Clark, J.	Heinitz	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	Samuelson	Wenzel
Drew	Johnson, D.	Nelsen, B.	Sarna	Wieser
Eken	Jude	Nelson, K.	Schafer	Wigley
Elioff	Kahn	Niehaus	Schoenfeld	Wynia
Ellingson	Kaley	Norton	Schreiber	Spkr. Sieben, H.

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

## SPECIAL ORDERS

The Speaker called Halberg to the Chair.

H. F. No. 1642 was reported to the House.

There being no objection, H. F. No. 1642 was continued on Special Orders.

H. F. No. 1558 was reported to the House.

There being no objection, H. F. No. 1558 was continued on Special Orders.

S. F. No. 1640 was reported to the House.

Ellingson moved to amend S. F. No. 1640 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1980, Section 462.445 is amended by adding a subdivision to read:

*Subd. 11a.* [INTEREST REDUCTION PROGRAM, LIMITATIONS.] *An authority may provide interest reduction assistance for a rental housing development which is located in a targeted area as defined in section 462C.02 without regard to the limitations imposed upon assisted housing units by subdivision 11.*

Sec. 2. Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended by Laws 1980, Chapter 573, Section 4, is amended to read:

#### Sec. 4. [DUTIES OF THE PERSONNEL BOARD.]

Subdivision 1. [BOARD PROCEEDINGS.] When any member of the board is not present at the time a matter is submitted to the board such matter shall be deemed submitted to each member of the board with like effect as though each member of the board had been present at the time of submission of such matter. Whenever during the consideration of a matter which is before the board, there is a change in the personnel of the board, the matter shall be deemed submitted to the new member, or members, as though said new member, or members, had been a member of the board at the time of the submission of the matter.

No meetings of the board shall be held unless at least (THREE) *four* members are present. A majority vote of all members shall constitute the decision of the board. The board shall keep records and minutes of its business and official actions which shall be open to public inspection subject to such reasonable rules as to time and place of inspection as the board may establish.

Sec. 3. Laws 1965, Chapter 855, Section 7, Subdivision 3, as amended by Laws 1980, Chapter 573, Section 7, is amended to read:

Subd. 3. [UNCLASSIFIED SERVICE, COMPENSATION.] The director shall establish a compensation plan in accordance with section 6, clause (e) for those employees in the unclassified service identified in subdivision 2, clauses (c), (d), (f), (h), (i), (j), (k), (l), (m), (n), (o), (r) and (s).

Sec. 4. Laws 1965, Chapter 855, Section 7, Subdivision 4, as amended by Laws 1980, Chapter 573, Section 7, is amended to read:

Subd. 4. [UNCLASSIFIED SERVICE, TENURE, BENEFITS.] The positions in the unclassified service enumerated in subdivision 2, clauses (c), (d), (h), (i), (j), (k), (l), (m), (n), (o), (q), (r) and (s) shall not have permanent tenure but shall have all other benefits provided for in this act. The term of office of any position established by another statute shall be as provided in it.

Sec. 5. Laws 1979, Chapter 55, Section 1, is amended to read:

Section 1. [COUNTY BOARD; SELF INSURANCE.]

Notwithstanding any contrary provision of other law, the board of commissioners of Hennepin county may insure the county against any claim of liability or loss using funds of the county, without procuring insurance from any private insurance company when the county board considers it to be in the best interests of the county. This provision shall not be construed as an increase of the liability limitations or as a waiver of defenses allowable in any action pursuant to Minnesota Statutes, Chapter 466. The board may transfer amounts of money from funds of the county to the funds the county may establish for the above purposes in accord with generally accepted accounting principles. The term "liability" shall extend to all liability or loss that may be covered by any form of insurance, including but not limited to malpractice, general liability, or workers' compensation. (THIS ACT SHALL NOT AUTHORIZE SELF INSURANCE AGAINST RISKS AS DEFINED IN MINNESOTA STATUTES, SECTION 60A.06, SUBDIVISION 1, CLAUSES (4) AND (5)(A).) *Minnesota Statutes, Section 471.617 applies to Hennepin County.*

Sec. 6. Laws 1979, Chapter 198, Article II, Section 7, Subdivision 1, is amended to read:

Sec. 7. [CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [TAX ANTICIPATION CERTIFICATES.] At any time after the first day of the year following the making of an annual tax levy, the county board may, by resolution and without public referendum, issue certificates of indebtedness in anticipation of the collection of taxes levied for any fund and

not yet collected. The total of all certificates issued against any fund for any year with interest thereon until maturity, together with all orders outstanding against the fund, shall not exceed the total current taxes for the fund uncollected at the time of issuance plus the cash currently in the fund. If certificates are issued against the anticipated tax levy for any fund, any unpaid orders outstanding against the fund shall be redeemed from the proceeds of the certificates. All tax anticipation certificates shall be negotiable and shall be payable to the order of the payee and shall have a definite due date but may be payable on or before that date. No certificate shall be issued to become due and payable later than the first day of April of the year following the year of issuance. Certificates shall be sold for not less than par and accrued interest and shall bear interest at a rate (NOT TO EXCEED SEVEN PERCENT PER ANNUM) that conforms to *Minnesota Statutes, Section 475.55*, payable at maturity or at such earlier times as the board may determine. Each certificate shall state upon its face the fund for which the proceeds of the certificate shall be used, the total amount of the certificates so issued against the fund and the total amount embraced in the tax levy for that fund. They shall otherwise be issued on terms and conditions as the board may determine. The proceeds of the taxes assessed on account of the fund against which tax anticipation certificates are issued and the full faith and credit of the county shall be irrevocably pledged for the redemption of the certificate in the order of issuance against the fund.

Sec. 7. Laws 1979, Chapter 198, Article II, Section 7, Subdivision 2, is amended to read:

Subd. 2. [EQUIPMENT ACQUISITION; CAPITAL NOTES.] The board may, by resolution and without public referendum, issue (CERTIFICATES OF INDEBTEDNESS) *capital notes* within existing debt limits for the purpose of purchasing ambulance and other medical equipment, road construction or maintenance equipment, public safety equipment and other capital equipment having an expected useful life at least equal to the term of the (CERTIFICATES) *notes* issued. The (CERTIFICATES) *notes* shall be payable in not more than five years and shall be issued on terms and in a manner as the board determines. The total principal amount of the (CERTIFICATES OF INDEBTEDNESS) *notes* issued for any fiscal year shall not exceed one percent of the total annual budget for that year and shall be issued solely for the purchases authorized in this subdivision. A tax levy shall be made for the payment of the principal and interest on such (CERTIFICATES) *notes* as in the case of bonds.

Sec. 8. [COMMISSIONERS COMPENSATION.]

*No per diem payment shall be allowed county board members for service on the county board or any other county body. County board members shall pay for parking in county owned parking*



*facilities where payment is required. County board members may be allowed mileage for use of their personal automobile at a rate per mile.*

*The Hennepin county board may set the salary of board members by resolution limited to that subject. Adjustments in commissioners' salaries shall be adopted by the county board by resolution prior to a general election to take effect January 1 of the succeeding year.*

#### Sec. 9. [REGIONAL RECREATIONAL OPEN SPACE.]

*The housing outparcel on Nicollet Island referred to by Laws 1981, Chapter 304, Section 2, is more particularly described as follows:*

*A parcel bounded on the north by Hennepin Avenue, on the south by Merriam Street, on the west by Wilder Street, and on the east by East Island Avenue, as said streets are presently located;*

*Together with a parcel bounded on the north by the Burlington Northern Railroad right-of-way, on the south by Hennepin Avenue, on the east by East Island Avenue, and on the west by West Island Avenue;*

*Together with a parcel bounded on the north by Maple Place, on the south by the Burlington Northern Railroad right-of-way, on the east by Nicollet Street, and on the west by West Island Avenue;*

*Together with lots 7, 8, and 9, and the west 60 feet of lot 10, block 1, Nicollet Island;*

*Together with lots 6 and 7, and lots 10 to 16, inclusive, block 3, Nicollet Island.*

#### Sec. 10. [HENNEPIN COUNTY PARK RESERVE DISTRICT; HYDROELECTRIC GENERATION FACILITIES CONSTRUCTION AND OPERATION.]

*In furtherance of the authority granted by Minnesota Statutes, Chapter 398, the Hennepin County park reserve district may, acting jointly with another local government unit pursuant to Minnesota Statutes, Section 471.59, participate in the construction, establishment, ownership, operation, and maintenance of hydroelectric generation and transmission facilities in connection with dams owned or controlled by the district, and the use, distribution, or sale of hydroelectric power generated by the facilities. The district shall exercise its authority under this section to further the maintenance of its park property and services,*

*to use the hydroelectric capacity of the dams and to preserve the economic benefits of the dams.*

**Sec. 11. [EFFECTIVE DATE; LOCAL APPROVAL.]**

*Section 1 is effective the day after final enactment of this act. Sections 2 to 8 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Hennepin County board. Section 9 is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington the day after final enactment. Section 10 is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the Hennepin County park reserve district."*

Further, delete the title and insert

"A bill for an act relating to government operations; permitting housing and redevelopment authorities to provide interest rate reduction assistance; regulating the debt, personnel, insurance and compensation powers of Hennepin county; describing land to be acquired for open space purposes; authorizing the Hennepin County park reserve district to participate in hydroelectric power generation with other local government units under certain conditions; amending Minnesota Statutes 1980, Section 462.445, by adding a subdivision; Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivision 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 2."

Weaver moved to amend the Ellingson amendment to S. F. No. 1640, as follows:

Page 5, line 23 to 36, to page 6, line 1, delete Section 10 from the amendment

Page 6, line 8, after "enactment." delete "Section 10 is"

Page 6, delete lines 9, 10 and 11

Amend the title as follows:

Page 6, delete lines 19, 20 and 21

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 47 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Aasness	Halberg	Ludeman	Redalen	Valan
Ainley	Haukoos	Marsh	Rees	Valento
Carlson, D.	Heinitz	McCarron	Reif	Weaver
Dempsey	Hoberg	McDonald	Rothenberg	Weich
Den Ouden	Hokr	Mehrkens	Schafer	Welker
Drew	Jennings	Nelsen, B.	Schreiber	Wieser
Erickson	Kaley	Niehaus	Sherman	Wigley
Esau	Laidig	Nysether	Sherwood	
Evans	Lemen	Onnen	Stadum	
Ewald	Levi	Piepho	Sviggun	

Those who voted in the negative were:

Anderson, B.	Dean	Jude	Murphy	Rodriguez, F.
Anderson, G.	Eken	Kahn	Nelson, K.	Sarna
Anderson, I.	Elioff	Kalis	Norton	Sieben, M.
Battaglia	Ellingson	Kelly	Novak	Skoglund
Begich	Fjoslien	Knickerbocker	O'Connor	Staten
Berkelman	Greenfield	Kostohryz	Ogren	Stumpf
Blatz	Gustafson	Kvam	Olsen	Swanson
Brandl	Hanson	Lehto	Osthoff	Tomlinson
Byrne	Harens	Long	Otis	Vanasek
Carlson, L.	Hauge	Mann	Peterson, B.	Vellenga
Clark, J.	Himle	McEachern	Peterson, D.	Voss
Clark, K.	Hokanson	Metzen	Pogemiller	Wenzel
Clawson	Jacobs	Minne	Rice	Wynia
Dahlvang	Johnson, D.	Munger	Rodriguez, C.	

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

The question recurred on the Ellingson amendment. The motion prevailed and the amendment was adopted.

S. F. No. 1640, A bill for an act relating to Hennepin County; providing for the interest on and name of certain debt; regulating personnel provisions; clarifying self insurance authority; permitting the county board members to be paid an allowance in lieu of mileage; removing an exception to the general law; amending Minnesota Statutes 1981 Supplement, Section 375.055, Subdivision 1; Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 2.

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

The question was taken on the passage of the bill and the roll was called. There were 70 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Anderson, I.	Begich	Blatz	Byrne
Anderson, G.	Battaglia	Berkelman	Brandl	Carlson, L.

Clark, J.	Hanson	Knickerbocker	Osthoff	Skoglund
Clark, K.	Harens	Lehto	Otis	Staten
Clawson	Hauge	Long	Peterson, B.	Stowell
Dahlvang	Heinitz	Mann	Peterson, D.	Stumpf
Dean	Himle	Minne	Pogemiller	Swanson
Eken	Hokanson	Munger	Rodriguez, C.	Tomlinson
Elioff	Hokr	Murphy	Rodriguez, F.	Vanasek
Ellingson	Jacobs	Nelson, K.	Sarna	Vellenga
Fjoslien	Jude	Norton	Schoenfeld	Voss
Forsythe	Kahn	Novak	Sherman	Welch
Greenfield	Kalis	O'Connor	Sieben, M.	Wenzel
Gustafson	Kelly	Olsen	Simoneau	Wynia

Those who voted in the negative were:

Aasness	Gruenes	Luknic	Piepho	Stadum
Ainley	Halberg	Marsh	Redalen	Sviggum
Anderson, R.	Haukoos	McCarron	Reding	Valan
Brinkman	Hoberg	McDonald	Rees	Valento
Carlson, D.	Johnson, D.	McEachern	Reif	Weaver
Dempsey	Kaley	Mehrkens	Rice	Welker
Den Ouden	Kostohryz	Metzen	Rose	Wieser
Drew	Kvam	Nelsen, B.	Rothenberg	Wigley
Erickson	Laidig	Niehaus	Schafer	
Esau	Lemen	Nysether	Schreiber	
Evans	Levi	Ogren	Shea	
Ewald	Ludeman	Onnen	Sherwood	

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

S. F. No. 1738 was reported to the House.

Levi moved to amend S. F. No. 1738, the second engrossment, as follows:

Page 3, line 29, after "a" insert "gross"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Rothenberg offered an amendment to S. F. No. 1738, the second engrossment, as amended.

#### POINT OF ORDER

Kahn raised a point of order pursuant to rule 3.9 that the amendment was out of order. The Speaker ruled the point of order well taken and the amendment out of order.

Rothenberg appealed the decision of the Chair.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?"

It was the judgment of the House that the decision of the Speaker should stand and the amendment was not in order.

S. F. No. 1738, A bill for an act relating to crimes; prohibiting possession of obscene works appealing to pedophiles; increasing the fines for distribution of obscene material; prescribing penalties; amending Minnesota Statutes 1980, Sections 617.241; and 617.246, Subdivision 4; proposing new law coded in Minnesota Statutes, Chapter 617.

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	Kalis	Novak	Sherman
Ainley	Esau	Kelly	Nysether	Sherwood
Anderson, B.	Evans	Knickerbocker	O'Connor	Sieben, M.
Anderson, G.	Ewald	Kostohryz	Ogren	Simoneau
Anderson, I.	Fjoslien	Kvam	Olsen	Skoglund
Anderson, R.	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
Brandt	Hanson	Ludeman	Piepho	Swanson
Brinkman	Harens	Luknic	Pogemüller	Tomlinson
Byrne	Hauge	Mann	Redalen	Valan
Carlson, D.	Haukoos	Marsh	Reding	Valento
Carlson, L.	Heap	McCarron	Rees	Vanasek
Clark, J.	Heinitz	McDonald	Reif	Vellenga
Clark, K.	Himle	McEachern	Rice	Voss
Clawson	Hoberg	Mehrkens	Rodriguez, C.	Weaver
Dahlvang	Hokanson	Metzen	Rodriguez, F.	Welch
Dean	Hokr	Minne	Rose	Welker
Dempsey	Jacobs	Munger	Rothenberg	Wenzel
Den Ouden	Jennings	Murphy	Samuelson	Wieser
Drew	Johnson, D.	Nelsen, B.	Sarna	Wigley
Eken	Jude	Nelson, K.	Schafer	Wynia
Elioff	Kahn	Niehaus	Schoenfeld	Spkr. Sieben, H.
Ellingson	Kaley	Norton	Schreiber	

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

S. F. No. 1508 was reported to the House.

Harens moved to amend S. F. No. 1508, the first engrossment, as follows:

Page 5, delete lines 14 to 18 and insert:

*"The sum of \$62,500 is appropriated from the general fund to the commissioner for the purpose of administering sections 1 to 8. The sum is available to June 30, 1983. The approved complement of the department of veterans affairs is increased by two positions. The commissioner shall solicit any grants, gifts, bequests, or any other donations which might be available to fund the purpose of sections 1 to 8."*

## POINT OF ORDER

Kahn raised a point of order pursuant to rule 3.12 that a roll call was required on the amendment. The Speaker ruled the point of order well taken and the roll was called.

The question was taken on the amendment and the roll was called. There were 114 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Hokr                      Kahn                      Voss

The motion prevailed and the amendment was adopted.

S. F. No. 1508, A bill for an act relating to veterans; establishing information and referral assistance programs; authorizing limited studies; mandating annual reports; establishing an Agent Orange information and assistance section in the department of veterans affairs; providing Agent Orange information to health professionals; providing genetic information and counseling; classifying certain information as confidential; authorizing certain class actions; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 196.

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

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 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. 1975, A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 340.11, by adding a subdivision.

The Senate has appointed as such committee Messrs. Davis, Sikorski and Benson.

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. 1017, A bill for an act proposing an amendment to the Minnesota Constitution, Article XI, Section 5; providing for the improvement and rehabilitation of certain railroad facilities; amending Minnesota Statutes 1980, Section 222.49.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kalis moved that the House concur in the Senate amendments to H. F. No. 1017 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1017, A bill for an act relating to railroads; proposing an amendment to the Minnesota Constitution, Article XI, Section 5; providing for the improvement and rehabilitation of certain railroad facilities; amending Minnesota Statutes 1980, Section 222.49.

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 1 nay as follows:

Those who voted in the affirmative were:

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



Those who voted in the negative were:

Norton

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

The following conference committee report was received:

**CONFERENCE COMMITTEE REPORT ON H. F. NO. 1176**

A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

March 13, 1982

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. 1176, 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. 1176 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [115B.01] [CITATION.]

*Sections 1 to 16 may be cited as the Environmental Response and Liability Act.*

Sec. 2. [115B.02] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] For the purposes of sections 1 to 16, the following terms have the meanings given them.*

*Subd. 2. [ACT OF GOD.] “Act of God” means an unanticipated grave natural disaster or other natural phenomenon of an*

*exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight.*

**Subd. 3. [AGENCY.]** "Agency" means the pollution control agency.

**Subd. 4. [DAMAGES.]** "Damages" means damages for economic loss or personal injury or disease or the loss of natural resources as specified in section 3.

**Subd. 5. [DIRECTOR.]** "Director" means the director of the pollution control agency.

**Subd. 6. [FACILITY.]** "Facility" means:

(a) Any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, or aircraft;

(b) Any watercraft of any description, or other artificial contrivance used or capable of being used as a means of transportation on water; or

(c) Any site or area where a hazardous substance has been deposited, stored, disposed of, or placed, or otherwise come to be located.

"Facility" does not include any consumer product in consumer use.

**Subd. 7. [FEDERAL SUPERFUND ACT.]** "Federal Superfund Act" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq.

**Subd. 8. [FUND.]** "Fund" means the environmental response, compensation and compliance fund established under section 16.

**Subd. 9. [HAZARDOUS SUBSTANCE.]** "Hazardous substance" means:

(a) Any commercial chemical designated pursuant to the Federal Water Pollution Control Act, under 33 U.S.C. Section 1321(b)(2)(A);

(b) Any hazardous air pollutant listed pursuant to the Clean Air Act, under 42 U.S.C. Section 7412;

- (c) *Any hazardous waste; and*
- (d) *Any PCB as defined in section 116.36.*

*“Hazardous substance” does not include natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel, or mixtures of such synthetic gas and natural gas.*

**Subd. 10. [HAZARDOUS WASTE.]** *“Hazardous waste” means:*

(a) *Any hazardous waste as defined in section 116.06, subdivision 13, and any substance identified as a hazardous waste pursuant to rules adopted by the agency under section 116.07; and*

(b) *Any hazardous waste as defined in the Resource Conservation and Recovery Act, under 42 U.S.C. Section 6903, which is listed or has the characteristics identified under 42 U.S.C. Section 6921, not including any hazardous waste the regulation of which has been suspended by act of Congress.*

**Subd. 11. [NATURAL RESOURCES.]** *“Natural resources” has the meaning given it in section 116B.02, Subdivision 4.*

**Subd. 12. [RELEASE.]** *“Release” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment which occurred at a point in time or which continues to occur.*

*“Release” does not include:*

(a) *Emissions from the engine exhaust of a motor vehicle, rolling stock, aircraft, watercraft, or pipeline pumping station engine;*

(b) *Release of source, byproduct, or special nuclear material from a nuclear incident, as those terms are defined in the Atomic Energy Act of 1954, under 42 U.S.C. Section 2014, if the release is subject to requirements with respect to financial protection established by the federal nuclear regulatory commission under 42 U.S.C. Section 2210;*

(c) *Release of source, byproduct or special nuclear material from any processing site designated pursuant to the Uranium Mill Tailings Radiation Control Act of 1978, under 42 U.S.C. Section 7912(a)(1) or 7942(a); or*

(d) *Any release resulting from the application of fertilizer or agricultural or silvicultural chemicals or disposal by a farmer*

*of emptied pesticide containers or residues from a pesticide as defined in section 18A.21, subdivision 25, which was used by the farmer if the containers are triple rinsed and the residues are disposed of on the farm in a manner consistent with instructions on the pesticide label.*

*Subd. 13. [REMEDY OR REMEDIAL ACTION.] "Remedy" or "remedial action" means those actions consistent with permanent remedy taken instead of or in addition to removal actions in the event of a release or threatened release of a hazardous substance into the environment, to prevent, minimize or eliminate the release of hazardous substances to protect the public health or welfare or the environment.*

*"Remedy" or "remedial action" includes, but is not limited to:*

*(a) Actions at the location of the release such as storage, confinement, perimeter protection using dikes, trenches, or ditches, clay cover, neutralization, cleanup of released hazardous substances or contaminated materials, recycling or reuse, diversion, destruction, segregation of reactive wastes, dredging or excavations, repair or replacement of leaking containers, collection of leachate and runoff, onsite treatment or incineration, provision of alternative water supplies, and any monitoring and maintenance reasonably required to assure that these actions protect the public health and welfare and the environment; and*

*(b) The costs of permanent relocation of residents and businesses and community facilities when the agency determines that, alone or in combination with other measures, relocation is more cost effective than and environmentally preferable to the transportation, storage, treatment, destruction, or secure disposition offsite of hazardous substances, or may otherwise be necessary to protect the public health or welfare.*

*"Remedy" or "remedial action" does not include offsite transport of hazardous substances, or the storage, treatment, destruction, or secure disposition offsite of hazardous substances or contaminated materials unless the agency determines that these actions:*

*(1) Are more cost effective than other remedial actions;*

*(2) Will create new capacity to manage hazardous substances in addition to those located at the affected facility, in compliance with section 116.07 and subtitle C of the Solid Waste Disposal Act, 42 U.S.C. Section 6921 et seq.; or*

*(3) Are necessary to protect public health or welfare or the environment from a present or potential risk which may be created by further exposure to the continued presence of the substances or materials.*

*Subd. 14. [REMOVE OR REMOVAL.] "Remove" or "removal" means:*

*(a) The cleanup or removal of released hazardous substances from the environment;*

*(b) Necessary actions taken in the event of a threatened release of hazardous substances into the environment;*

*(c) Actions necessary to monitor, assess, and evaluate a release or threatened release of hazardous substances;*

*(d) Disposal or processing of removed material; or*

*(e) Other actions necessary to prevent, minimize, or mitigate damage to the public health or welfare or to the environment, which may otherwise result from a release or threatened release.*

*"Remove" or "removal" includes, but is not limited to, security fencing or other measures to limit access, provision of alternative water supplies, temporary evacuation and housing of threatened individuals not otherwise provided for, action taken pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(b), and any emergency assistance which may be provided under the Disaster Relief Act of 1974, 42 U.S.C. Section 5121 et seq.*

*Subd. 15. [RESPOND OR RESPONSE.] "Respond" or "response" means remove, removal, remedy, and remedial action.*

*Subd. 16. [WATER.] "Water" has the meaning given to the term "waters of the state" in section 115.01, subdivision 9.*

**Sec. 3. [115B.03] [LIABILITY FOR RESPONSE COSTS AND DAMAGES.]**

*Subdivision 1. [GENERAL RULE.] Except as otherwise provided in subdivisions 3 to 10 and section 4, and notwithstanding any other provision or rule of law, any person who is responsible for a release or threatened release of a hazardous substance from a facility shall be strictly liable, jointly and severally, for the following costs and damages which result from the release or threatened release or to which the release or threatened release significantly contributes:*

*(a) All reasonable and necessary costs of removal, or remedial action incurred by the state, a political subdivision of the state or the United States;*

*(b) Any other reasonable and necessary costs or expenses incurred by any person to remove a hazardous substance; and*

*(c) All damages for actual economic loss or loss of natural resources resulting from such a release including:*

*(1) Any injury to, destruction of, or loss of any real or personal property, including relocation costs;*

*(2) Any loss of use of real or personal property;*

*(3) Any injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss;*

*(4) Any loss of past or future income or profits resulting from personal injury or disease or from injury to or destruction of real or personal property or natural resources without regard to the ownership of the property or resources;*

*(5) All medical expenses, rehabilitation costs or burial expenses due to personal injury or disease;*

*(d) Death due to personal injury or disease; and*

*(e) Physical impairment or loss of earning capacity due to personal injury or disease.*

*Subd. 2. [RESPONSIBLE PERSON.] For the purpose of subdivision 1, a person is responsible for a release or threatened release of a hazardous substance from a facility if the person:*

*(a) Owned or operated the facility at the time the hazardous substance was placed or came to be located in or on the facility, during the time of the release or threatened release, or at any time between those occurrences;*

*(b) Owned or possessed the hazardous substance and arranged, by contract, agreement or otherwise, for the disposal, treatment or transport for disposal or treatment of the hazardous substance; or*

*(c) Accepted the hazardous substance for transport to a disposal or treatment facility and either selected the facility to which it was transported or disposed of the substance in a manner contrary to law.*

*Subd. 3. [TRANSPORTATION OF HOUSEHOLD REFUSE.] A person who accepts only household refuse for transport to a treatment or disposal facility is not liable under subdivision 1 for the release or threatened release of any hazardous substance unless he knew or reasonably should have known that the hazardous substance was present in the refuse. For the purpose of this subdivision, household refuse means garbage, trash,*

or septic tank sanitary wastes generated by single or multiple residences, hotels, motels, restaurants and other similar facilities.

**Subd. 4. [DEFENSES AVAILABLE TO RESPONSIBLE PERSONS.]** *There shall be no liability under subdivision 1 for any person otherwise liable if the person establishes by a preponderance of the evidence that the release or threatened release was caused solely by:*

- (a) *An act of God;*
- (b) *An act of war; or*
- (c) *An act or omission of a third party.*

*“Third party” for the purposes of clause (c) does not include an employee or agent of the defendant, or a person whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant.*

*The defense provided in clause (c) applies only if the defendant establishes by a preponderance of the evidence that he exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of the hazardous substance in light of all relevant facts and circumstances which he knew or should have known, and that he took precautions against foreseeable acts or omissions of a third party and the consequences that could foreseeably result from those acts or omissions.*

**Subd. 5. [DEFENSE AVAILABLE TO OWNER OF REAL PROPERTY.]** *An owner of real property is not liable for damages under subdivision 1, clause (c), if he:*

(a) *Shows by a preponderance of the evidence that he neither knew nor reasonably should have known that any hazardous substance was present on the property before the release or threatened release; and*

(b) *Notifies the agency of the release or threatened release as soon as practicable after he knows about it.*

**Subd. 6. [CERTAIN EMPLOYEE CLAIMS NOT COVERED.]** *Except for a third party who is subject to liability under section 176.061, subdivision 5, there is no liability under subdivision 1 for personal injury or disease of employees arising out of and in the course of employment which is compensable under chapter 176.*

**Subd. 7. [NATURAL RESOURCES.]** *No liability with respect to natural resources shall be imposed when the defendant has demonstrated that:*

(a) *The damages to natural resources complained of were specifically identified as an irreversible and irretrievable commitment of natural resources in an approved final state or federal environmental impact statement, or other comparable approved final environmental analysis; and*

(b) *The facility or project was operating within the terms of its permit or license.*

**Subd. 8. [LIABILITY FOR A THREATENED RELEASE.]**  
*Liability for a threatened release of a hazardous substance is limited to the recovery by the agency of reasonable and necessary response costs pursuant to section 14, subdivision 7.*

**Subd. 9. [LIABILITY OF POLITICAL SUBDIVISIONS.]**  
*The liability of a political subdivision under this section is subject to the limits imposed under section 466.04, subdivision 1.*

**Subd. 10. [ACTS OF EMPLOYEES.]** *When a person who is responsible for a release or threatened release as provided in subdivision 2 is an employee who is acting in the scope of his employment:*

(a) *The employee is liable under subdivision 1 only if he failed to exercise due care with respect to the hazardous substance; and*

(b) *His employer shall be considered a person responsible for the release or threatened release and shall be liable under subdivision 1 regardless of the degree of care exercised by the employee.*

**Subd. 11. [AWARD OF COSTS.]** *Upon motion of a party prevailing in an action under section 3 the court may award costs, disbursements and reasonable attorney fees and witness fees to that party.*

**Sec. 4. [115B.04] [EXEMPTION FROM LIABILITY.]**

*A person shall not be liable under section 3:*

(a) *For damages as a result of acts taken or omitted in preparation for, or in the course of rendering care, assistance, or advice to the director or agency pursuant to section 14 or in accordance with the national hazardous substance response plan pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9605, or at the direction of an on-scene coordinator appointed under that plan, with respect to an incident creating a danger to public health or welfare or the environment as a result of any release or threatened release of a hazardous substance;*



(b) *For damages or response costs as a result of the release or threatened release of a hazardous substance from a hazardous waste facility as defined under section 115A.03, for which a permit has been issued pursuant to section 116.07 or pursuant to subtitle C of the Solid Waste Disposal Act, 42 U.S.C. Section 6921 et seq., if the hazardous substance is specifically identified in the permit and the release is within the limits allowed in the permit for release of that substance;*

(c) *For damages or response costs as a result of the release of a hazardous substance:*

(1) *If the hazardous substance is specifically identified in a federal or state permit held by the person and the release is within the limits allowed in the permit;*

(2) *If the release results from circumstances identified and reviewed and made a part of the public record of a federal or state agency with respect to a permit held by the person, the permit was issued or modified under federal or state law, and the release conformed with the permit;*

(3) *If the release is any part of an emission or discharge into the air or water which emission or discharge is subject to a federal or state permit held by the person, and the emission or discharge is in compliance with control rules or regulations adopted pursuant to state or federal law; or*

(4) *If the release is the introduction of any pollutant into a publicly owned treatment works when the pollutant is specified in, and is in compliance with, applicable pretreatment standards under state or federal law; or*

(d) *If his liability has been transferred to and assumed by the federal post-closure liability fund pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9607(k).*

#### **Sec. 5. [115B.05] [PROVING CAUSATION OF PERSONAL INJURY OR DISEASE.]**

*In adjudicating under sections 1 to 12 the question of whether a plaintiff's personal injury or disease was caused by the release of a hazardous substance, the question shall be submitted to the trier of fact if the plaintiff shows evidence sufficient to enable the trier of fact to find that it is more likely than not that the plaintiff's exposure to the hazardous substance found in the release caused or significantly contributed to the injury or disease suffered by the plaintiff. Evidence to a reasonable medical certainty that a release of a hazardous substance caused or significantly contributed to a plaintiff's injury or disease is not necessary for the question of causation to be submitted to the trier of fact.*

*Nothing in this subdivision affects the burden of persuasion on the question of whether the release of a hazardous substance caused a personal injury or disease. That burden remains with the plaintiff.*

**Sec. 6. [115B.06] [APPORTIONMENT OF LIABILITY; LIMITATION; CONTRIBUTION.]**

*Subdivision 1. [APPORTIONMENT FACTORS.] For the purposes of subdivisions 2 and 3, any person held jointly and severally liable under section 3 may seek an apportionment of the common liability. Any person has the right at trial to have the trier of fact apportion liability as provided in this section. In apportioning the liability of any party under this section, the trier of fact shall consider the following:*

*(a) The ability of the party to demonstrate that his contribution to a release of a hazardous substance can be distinguished;*

*(b) The amount of hazardous substance involved;*

*(c) The degree of toxicity of the hazardous substance involved;*

*(d) The degree of involvement and care exercised in manufacturing, treating, transporting, and disposing of the hazardous substance;*

*(e) The degree of cooperation with federal, state, or local officials to prevent any harm to the public health or the environment; and*

*(f) Knowledge of the hazardous nature of the substance.*

*Subd. 2. [LIMITATION OF LIABILITY.] If a person is held jointly and severally liable under section 3 and his share of the common liability can be apportioned, the liability of that person shall be limited to three times his proportionate share of the common liability.*

*Subd. 3 [CONTRIBUTION.] Any person held jointly and severally liable under section 3 who is required to pay more than that person's proportionate share of the common liability is entitled to seek contribution from any other person liable for the damages to the extent of their proportionate liability.*

**Sec. 7. [115B.07] [CIVIL PENALTIES; FAILURE TO TAKE REQUESTED ACTIONS.]**

*Any person responsible for a release or threatened release of a hazardous substance, pollutant, or contaminant from a facility shall forfeit and pay to the state a civil penalty in an amount to*

be determined by the court of not more than \$10,000 per day for each day that the person fails to take response actions or to make reasonable progress in completing response actions requested as provided in this section. A request for emergency removal action shall be made by the director. Other requests for response actions shall be made by the agency. The request shall be in writing, shall state the action requested, the reasons for the action, and a reasonable time by which the action must be begun and completed taking into account the urgency of the action for protection of the public health, welfare, and environment.

The penalty provided under this section may be recovered by an action brought by the attorney general in the name of the state in connection with an action to recover expenses of the agency under section 14, subdivision 7, or by a separate action in the district court of Ramsey County. All penalties recovered under this section shall be deposited in the fund.

**Sec. 8. [115B.08] [AGREEMENTS TO TRANSFER LIABILITY; INSURANCE AND SUBROGATION.]**

No indemnification, hold harmless, conveyance, or similar agreement shall be effective to transfer the liability imposed under section 3 from the owner or operator of a facility or from any person who may be liable under section 3 to any other person. Nothing in this section shall be construed:

(a) To prohibit any party who may be liable under section 3 from entering an agreement by which that party is insured, held harmless or indemnified for part or all of that liability;

(b) To prohibit the enforcement of any insurance, hold harmless or indemnification agreement; or

(c) To bar any cause of action brought by a party who may be liable under section 3 or by an insurer or guarantor, whether by right of subrogation or otherwise.

**Sec. 9. [115B.09] [STATUTE OF LIMITATIONS.]**

No person may recover for any injury or loss pursuant to section 3 unless the action is commenced within six years from the date of discovery of the injury or loss.

**Sec. 10. [115B.10] [OTHER REMEDIES PRESERVED.]**

Nothing in sections 1 to 12 shall affect the right of any person to bring a legal action or use any remedy available under any other provision of state or federal law, including common law, to recover for injury, disease or economic loss resulting from a release of any hazardous substance, or for removal or the costs of removal of that hazardous substance.

**Sec. 11. [115B.11] [DOUBLE RECOVERY PROHIBITED.]**

*A person who recovers response costs or damages pursuant to sections 1 to 12 may not recover the same costs or damages pursuant to any other law. A person who recovers response costs or damages pursuant to any other state or federal law may not recover for the same costs or damages pursuant to sections 1 to 12.*

**Sec. 12. [115B.12] [APPLICATION OF SECTIONS 1 TO 11.]**

*Sections 1 to 11 apply to any release or threatened release of a hazardous substance occurring on or after July 1, 1982, including any release which began before July 1, 1982, and continued after that date. Sections 1 to 11 do not apply to a release or threatened release which occurred wholly before July 1, 1982, regardless of the date of discovery of any injury or loss caused by the release or threatened release.*

**Sec. 13. [115B.13] [DISPOSITION OF FACILITIES.]**

**Subdivision 1. [CLOSED DISPOSAL FACILITIES; USE OF PROPERTY.]** *No person shall use any property on or in which hazardous waste remains after closure of a disposal facility as defined in section 115A.03, subdivision 10, in any way that disturbs the integrity of the final cover, liners, or any other components of any containment system, or the function of the disposal facility's monitoring systems, unless the agency finds that the disturbance:*

*(a) Is necessary to the proposed use of the property, and will not increase the potential hazard to human health or the environment; or*

*(b) Is necessary to reduce a threat to human health or the environment.*

**Subd. 2. [RECORDING OF AFFIDAVIT AND NOTATION.]** *Before any transfer of ownership of any property which the owner knew or should have known was used as the site of a hazardous waste disposal facility as defined in section 115A.03, subdivision 10, or which the owner knew or should have known was subject to extensive contamination by release of a hazardous substance, the owner shall record with the county recorder of the county in which the property is located an affidavit that discloses to any potential transferee:*

*(a) That the land has been used to dispose of hazardous waste or that the land has been contaminated by a release of a hazardous substance;*

(b) *The identity, quantity, location, condition and circumstances of the disposal or contamination to the full extent known or ascertainable; and*

(c) *That the use of the property may be restricted as provided in subdivision 1.*

*An owner must also file an affidavit within 60 days after any material change in any matter required to be disclosed under clauses (a) to (c) with respect to property for which an affidavit has already been recorded.*

*When an affidavit is recorded, the owner shall record with the county recorder a notation on the deed to the property which states the existence of a hazardous substance on the property and the place where the recorded affidavit may be found.*

*If the owner or any subsequent owner of the property removes the hazardous substance, together with any residues, liner, and contaminated underlying and surrounding soil, that owner may record a notation to the deed indicating the removal of the hazardous substance.*

*Failure to record an affidavit or notation as provided in this subdivision does not affect or prevent any transfer of ownership of the property.*

**Subd. 3. [DUTY OF COUNTY RECORDER.]** *The county recorder shall record all affidavits and notations presented to him in accordance with subdivision 2. The affidavits shall be recorded in a manner which will assure their disclosure in the ordinary course of a title search of the subject property.*

**Subd. 4. [PENALTIES.]** (a) *Any person who knowingly violates the provisions of subdivision 1 is subject to a civil fine of not more than \$100,000, and shall be liable under section 3 for any release or threatened release of any hazardous substance resulting from the violation.*

(b) *Any person who knowingly fails to record an affidavit or notation as required by subdivision 2 shall be liable under section 3 for any release or threatened release of any hazardous substance from a facility located on that property.*

(c) *A civil fine may be imposed and recovered by an action brought by a county attorney or by the attorney general in the district court of the county in which the property is located.*

(d) *Any civil fines recovered under this subdivision shall be deposited in the fund.*

**Sec. 14. [115B.14] [STATE RESPONSE TO RELEASES.]**

*Subdivision 1. [REMOVAL AND REMEDIAL ACTION.] Whenever there is a release or substantial threat of release from a facility into the environment of any pollutant or contaminant which presents an imminent and substantial danger to the public health or welfare, or whenever a hazardous substance is released or there is a threatened release of a hazardous substance into the environment from a facility:*

*(a) The agency may take any removal or remedial action relating to the hazardous substance, pollutant, or contaminant which the agency deems necessary to protect the public health or welfare or the environment. Before taking any action the agency shall:*

*(1) Request any responsible party known to the agency to take actions which the agency deems reasonable and necessary to protect the public health, welfare or the environment, stating the reasons for the actions, a reasonable time for beginning and completing the actions taking into account the urgency of the actions for protecting the public health, welfare and environment, and the intention of the agency to take action if the requested actions are not taken as requested; and*

*(2) Determine that the actions requested by the agency will not be taken by any known responsible party in the manner and within the time requested.*

*(b) The director may take removal action which he deems necessary to protect the public health, welfare or the environment if the director determines that the release or threatened release constitutes an emergency requiring immediate action to prevent, minimize or mitigate damage to the public health, welfare or the environment. Before taking any action the director shall make reasonable efforts in light of the urgency of the action to follow the procedure provided in clause (a), sub-clauses (1) and (2).*

*No removal action taken by any person shall be construed as an admission of liability for a release or threatened release.*

*Subd. 2. [POLLUTANT OR CONTAMINANT.] For the purposes of this section and section 7, "pollutant" or "contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release from a facility into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions (including malfunctions in reproduction) or physical deformations, in the organisms or their offspring.*

*"Pollutant or contaminant" does not include natural gas, natural gas liquids, liquefied natural gas, synthetic gas usable for fuel, or mixtures of such synthetic gas and natural gas.*

*Subd. 3. [OTHER ACTIONS.] Whenever the agency or director is authorized to act pursuant to subdivision 1 or whenever the agency or director has reason to believe that a release of a hazardous substance, pollutant or contaminant has occurred or is about to occur, or that illness, disease, or complaints thereof may be attributable to exposure to a hazardous substance, pollutant, or contaminant, the agency or director may undertake investigations, monitoring, surveys, testing, and other information gathering necessary or appropriate to identify the existence and extent of the release or threat thereof, the source and nature of the hazardous substances, pollutants or contaminants involved, and the extent of danger to the public health or welfare or to the environment. In addition, the agency may undertake planning, legal, fiscal, economic, engineering, architectural, and other studies or investigations necessary or appropriate to plan and direct a response action, to recover the costs of the response action, and to enforce the provisions of sections 1 to 14.*

*Subd. 4. [DUTY TO PROVIDE INFORMATION.] Any person who is responsible for a release or threatened release as provided in section 3, subdivision 2, including a release or threatened release of a pollutant or contaminant, when requested by the agency or any member, employee or agent thereof who is authorized by the agency, shall furnish to the agency any information which he may have or may reasonably obtain which is relevant to the release or threatened release.*

*Subd. 5. [ACCESS TO INFORMATION AND PROPERTY.] The agency or any member, employee or agent thereof authorized by the agency, upon presentation of credentials, may:*

*(a) Examine and copy any books, papers, records, memoranda or data of any person who the agency has reason to believe is responsible for a release or threatened release as provided in section 3, subdivision 2, including a release of a pollutant or contaminant; and*

*(b) Enter upon any property, public or private, for the purpose of taking any action authorized by this section including obtaining information, examining records, conducting surveys or investigations, and taking removal or remedial action.*

*Subd. 6. [CLASSIFICATION OF DATA.] Except as otherwise provided in this subdivision, data obtained from any person pursuant to subdivision 4 or 5 is public data as defined in section 15.162. Upon certification by the subject of the data that the data relates to sales figures, processes or methods of production unique to that person, or information which would tend to affect adversely the competitive position of that person,*

*the director shall classify the data as private or nonpublic data as defined in section 15.162. Notwithstanding any other law to the contrary, data classified as private or nonpublic under this subdivision may be disclosed when relevant in any proceeding under sections 1 to 14, or to other public agencies concerned with the implementation of sections 1 to 14.*

**Subd. 7. [RECOVERY OF EXPENSES.]** *Any reasonable and necessary expenses incurred by the agency or director pursuant to this section including administrative and legal expenses may be recovered in a civil action brought by the attorney general against any responsible person who may be liable under section 3. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary. Any expenses incurred pursuant to this section which are recovered by the attorney general pursuant to section 3 or any other law shall be deposited in the fund and may be appropriated only for additional response actions as provided in section 16, subdivision 2, clause (b) or (c).*

**Subd. 8. [ACTIONS RELATING TO NATURAL RESOURCES.]** *For the purpose of this subdivision, the state is the trustee of the air, water and wildlife of the state. An action pursuant to section 3 for damages with respect to air, water or wildlife may be brought by the attorney general in the name of the state as trustee for those natural resources. Any damages recovered by the attorney general pursuant to section 3 or any other law for injury to, or loss of natural resources resulting from the release of a hazardous substance, pollutant or contaminant shall be deposited in the fund and may be appropriated only for the purposes provided in section 16, subdivision 2, clause (e).*

**Subd. 9. [ACTIONS RELATING TO PESTICIDES OR FERTILIZER OR SOIL OR PLANT AMENDMENTS.]** *When the commissioner of agriculture has reported an incident involving the release of pesticides under the provisions of section 18A.37 or the release of fertilizers or soil or plant amendments, and the agency determines that the incident constitutes a release of a hazardous substance, pollutant or contaminant, the agency shall authorize the commissioner, subject to the provisions of subdivision 13, to take any action which the agency would be authorized to take under subdivisions 1 to 5. Subject to the provisions of section 16, subdivision 3, the agency shall reimburse the commissioner from the fund for the reasonable and necessary expenses incurred in taking those actions and may recover any amount spent from the fund under subdivision 7.*

**Subd. 10. [ACTIONS RELATING TO OCCUPATIONAL SAFETY AND HEALTH.]** *The agency, director and the commissioner of labor and industry shall make reasonable efforts to coordinate any actions taken under this section and under sections 182.65 to 182.674 to avoid duplication or conflict of actions*



*or requirements with respect to a release or threatened release affecting the safety of any conditions or place of employment.*

*Subd. 11. [ACTIONS RELATING TO HEALTH.] The agency and director shall make reasonable efforts to coordinate and consult with the commissioner of health in planning and directing response actions with respect to a release or threatened release affecting the public health. If the commissioner of health, upon the request of the agency, takes any actions authorized under this section, the agency shall reimburse the commissioner from the fund for the reasonable and necessary expenses incurred in taking those actions and may recover any amount spent from the fund under subdivision 7.*

*Subd. 12. [LIMIT ON ACTIONS BY POLITICAL SUBDIVISIONS.] When the agency or director has requested a person who is responsible for a release or threatened release to take any response action under subdivision 1, no political subdivision shall request or order that person to take any action which conflicts with the action requested by the agency or director.*

*Subd. 13. [PRIORITIES; RULES.] By November 1, 1982, the agency shall establish a temporary list of priorities among releases or threatened releases for the purpose of taking remedial action and, to the extent practicable consistent with the urgency of the action, for taking removal action under this section. The temporary list, with any necessary modifications, shall remain in effect until nine months after criteria for determining priorities are published in the national contingency plan pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9605. By that date, the agency shall adopt rules establishing state criteria for determining priorities among releases and threatened releases. After rules are adopted, a permanent priority list shall be established, and may be modified from time to time, according to the criteria set forth in the rules. Before any list is established under this subdivision the agency shall publish the list in the state register and allow 30 days for comments on the list by the public.*

*The temporary list and the rules required by this subdivision shall be based upon the relative risk or danger to public health or welfare or the environment, taking into account to the extent possible the population at risk, the hazardous potential of the hazardous substances at the facilities, the potential for contamination of drinking water supplies, the potential for direct human contact, the potential for destruction of sensitive ecosystems, the administrative and financial capabilities of the agency, and other appropriate factors.*

**Sec. 15. [PURPOSES OF FUND, TAXES AND FEES.]**

*In establishing the environmental response, compensation and compliance fund and imposing the tax in section 18 it is the purpose of the legislature to:*

*(a) Encourage treatment and disposal of hazardous waste in a manner that adequately protects the public health and welfare and the environment;*

*(b) Encourage responsible parties to provide the response actions necessary to protect the public and the environment from the effects of the release of hazardous substances;*

*(c) Encourage the use of alternatives to land disposal of solid and hazardous waste including resource recovery, recycling, neutralization and reduction;*

*(d) Provide state agencies with the financial resources needed to prepare and implement an effective and timely state response to the release of hazardous substances, including investigation, planning, removal and remedial action;*

*(e) Compensate for increased governmental expenses and loss of revenue and to provide other appropriate assistance to mitigate any adverse impact on communities in which commercial hazardous waste processing or disposal facilities are located under the siting process provided in chapter 115A;*

*(f) Recognize the environmental and public health costs of land disposal of solid waste and of the use and disposal of hazardous substances and to place the burden of financing state waste management activities on those whose products and services contribute to waste management problems and increase the risks of harm to the public and the environment.*

**Sec. 16. [ENVIRONMENTAL RESPONSE, COMPENSATION AND COMPLIANCE FUND.]**

*Subdivision 1. [ESTABLISHMENT.] The environmental response, compensation and compliance fund is created as an account in the state treasury and may be spent only for the purposes provided in subdivision 2.*

*Subd. 2. [PURPOSES FOR WHICH MONEY MAY BE SPENT.] Subject to appropriation by the legislature the money in the fund may be spent for any of the following purposes:*

*(a) Preparation by the agency for taking removal or remedial action under section 14, including investigation, monitoring and testing activities, enforcement and compliance efforts relating to the release of hazardous substances, pollutants or contaminants;*

(b) *Removal and remedial actions, including related compliance efforts, taken or authorized by the agency or director under section 14 and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(c)(3) for actions related to facilities other than commercial hazardous waste facilities located under the siting authority of chapter 115A;*

(c) *Removal and remedial actions, including related compliance efforts, taken or authorized by the agency or director under section 14 and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under 42 U.S.C. Section 9604(c)(3) for actions related to commercial hazardous waste facilities located under the siting authority of chapter 115A;*

(d) *Compensation as provided by law, after submission by the waste management board of the report required under section 115A.08, subdivision 5, to mitigate any adverse impact of the location of commercial hazardous waste processing or disposal facilities located pursuant to the siting authority of chapter 115A;*

(e) *Planning and implementation by the commissioner of natural resources of the rehabilitation, restoration or acquisition of natural resources to remedy injuries or losses to natural resources resulting from the release of a hazardous substance;*

(f) *Inspection, monitoring and compliance efforts by the agency, or by local units of government with agency approval, of commercial hazardous waste facilities located under the siting authority of chapter 115A;*

(g) *Grants by the agency or the waste management board to demonstrate alternatives to land disposal of solid and hazardous waste including reduction, separation, pretreatment, processing and resource recovery, for education of persons involved in regulating and handling solid and hazardous waste, and to assist counties to develop comprehensive waste management plans; and*

(h) *Intervention and environmental mediation by the legislative commission on waste management under chapter 115A.*

*Subd. 3. [LIMIT ON CERTAIN EXPENDITURES.] The director or agency may not spend any money under subdivision 2, clause (b) or (c) for removal or remedial actions to the extent that the costs of those actions may be compensated from any fund established under the Federal Superfund Act, 42 U.S.C. Section 9600 et seq. The director or agency shall determine the extent to which any of the costs of those actions may be compensated under the federal act based on the likelihood that the*

compensation will be available in a timely fashion taking into account:

(a) *The urgency of the removal or remedial actions and the priority assigned under the Federal Superfund Act to the release which necessitates those actions;*

(b) *The availability of money in the funds established under the Federal Superfund Act; and*

(c) *The consistency of any compensation for the cost of the proposed actions under the Federal Superfund Act with the national contingency plan, if such a plan has been adopted under that act.*

**Subd. 4. [REVENUE SOURCES.]** *Revenue from the following sources shall be deposited in the environmental response, compensation and compliance fund:*

(a) *The proceeds of the taxes imposed pursuant to section 18, including interest and penalties;*

(b) *All money recovered by the state under sections 1 to 14 or under any other statute or rule related to the regulation of hazardous waste or hazardous substances, including civil penalties and money paid under any agreement, stipulation or settlement but excluding fees imposed under section 21;*

(c) *All interest attributable to investment of money deposited in the fund; and*

(d) *All money received in the form of gifts, grants, reimbursement or appropriation from any source for any of the purposes provided in subdivision 2, except federal grants.*

**Subd. 5. [RECOMMENDATION BY LCWM.]** *The legislative commission on waste management shall make recommendations on appropriations from the fund to the standing legislative committees on finance and appropriations.*

**Subd. 6. [REPORT TO LEGISLATURE.]** *At the end of each fiscal year, the agency shall submit to the senate finance committee, the house appropriations committee and the legislative commission on waste management a report detailing the activities for which money from the environmental response, compensation and compliance fund has been spent during that year.*

**Sec. 17. [TAXES; DEFINITIONS.]**

**Subdivision 1. [APPLICATION.]** *The definitions provided in this section and section 2 apply to sections 17 to 20.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of revenue.*

*Subd. 3. [GENERATOR.] "Generator" means a person who generates hazardous waste and who is required to disclose the generation of hazardous waste under the hazardous waste rules of the agency adopted under section 116.07.*

*Subd. 4. [LONG TERM CONTAINMENT.] "Long term containment" means land disposal or storage for a period of more than one year.*

*Subd. 5. [TREATMENT.] "Treatment" means any material, technique or process designed to change the physical, chemical or biological character or composition of a hazardous waste in order to: (a) neutralize it; (b) render it nonhazardous or less hazardous; (c) render it safer to transport, store or dispose of; (d) make it amenable to storage; or (e) reduce its volume.*

*Subd. 6. [WASTEWATER TREATMENT UNIT.] "Wastewater treatment unit" means a device which is part of a wastewater treatment facility subject to regulation pursuant to the federal Clean Water Act under 33 U.S.C. Section 1317 (b) or 1342.*

## Sec. 18. [HAZARDOUS WASTE GENERATOR TAX.]

*Subdivision 1. [TAX IMPOSED; EXCLUSIONS.] Each generator of hazardous waste shall pay the tax imposed by this section based upon the volume and destination of the hazardous wastes generated. The tax imposed by this section does not apply to hazardous wastes destined for recycling or reuse or to used crankcase oil.*

*Subd. 2. [LONG TERM CONTAINMENT WITHOUT TREATMENT.] Hazardous waste destined for long term containment without treatment shall be taxed at the rate of 32 cents per gallon of liquid or \$32 per cubic yard of solid.*

*Subd. 3. [LONG TERM CONTAINMENT AFTER TREATMENT.] Hazardous waste destined for long term containment after treatment shall be taxed at the rate of 16 cents per gallon of liquid or \$16 per cubic yard of solid.*

*Subd. 4. [OTHER TREATMENT.] Hazardous waste destined for treatment, other than as provided in subdivision 6, to produce a material which is not hazardous, including treatment permitted by the agency in a sewage treatment works, or hazardous waste which is destined for destructive treatment by incineration shall be taxed at the rate of eight cents per gallon of liquid or \$8 per cubic yard of solid.*

*Subd. 5. [ON-SITE TREATMENT; REDUCED TAX]. Hazardous wastes which are treated in a manner provided in subdivision 3 or 4 before the wastes are transported along any public street or highway as defined in section 169.01, subdivision 29, or are put into any sewer system as permitted by the agency, shall be taxed at one-half the rate at which they would otherwise be taxed.*

*Subd. 6. [ON-SITE WASTEWATER TREATMENT.] The tax imposed under this section does not apply to hazardous waste which is destined for treatment in a wastewater treatment unit to produce a material which is not hazardous before entering a public sewer system or waters of the state but the tax does apply to any residue of treatment which is a hazardous waste.*

*Subd. 7. [DISPOSITION OF PROCEEDS.] The proceeds of the tax imposed under this section including any interest and penalties shall be deposited in the fund.*

**Sec. 19. [SEVERABILITY.]**

*If any tax imposed under section 18 is found to be invalid because of the purpose for which the proceeds were appropriated or made available under section 16, subdivision 2, the proceeds of that tax shall not be appropriated or available for the objectionable purposes, but the tax shall continue to be imposed and the proceeds shall be appropriated and made available for other purposes provided in section 16, subdivision 2.*

**Sec. 20. [TAX ADMINISTRATION AND ENFORCEMENT.]**

*Subdivision 1. [QUARTERLY REPORTS AND PAYMENTS; EXCEPTION.] By the fourteenth day following the last day of each calendar quarter beginning after December 31, 1982, every person liable for payment of a tax under section 18, except as provided in subdivision 4 of this section, shall make and file with the commissioner of revenue a report under oath, in the form and containing the information required by the commissioner. The amount of the tax due shall be remitted together with the form. The commissioner may establish rules under which a generator of a low volume of hazardous wastes may file the report and pay the tax annually.*

*Subd. 2. [AMENDED RETURNS.] A taxpayer who finds that a return filed under this section as originally filed is in error may correct the error by filing an amended return. If the taxpayer is entitled to a refund due to the correction, the amended return will serve as a claim for the refund provided it is filed no later than three years after the original return is filed.*

*Subd. 3. [EXCHANGE OF INFORMATION.] Notwithstanding the provisions of sections 116.075 or 290.61 or any other*

law to the contrary, the commissioner of revenue and the pollution control agency may provide each other with the information necessary for the enforcement of section 18 and this section. Information disclosed in a return filed pursuant to this section or information exchanged between the commissioner and the agency is public unless the information is of the type determined to be for the confidential use of the agency pursuant to section 116.075 or is trade secret information classified pursuant to section 15.1673.

**Subd. 4. [PAYMENT BY OUT-OF-STATE GENERATORS.]** A generator of any hazardous waste which is generated outside of this state and is transported into this state for long term containment or treatment as described in section 18, subdivisions 2 to 4 shall pay the tax imposed by section 18 at the first point at which the hazardous wastes are received by a person in this state for storage, treatment or long term containment. The tax shall be paid to the person who first receives the wastes in this state at the time the waste is received and shall be remitted by that person to the commissioner of revenue quarterly in the form and manner provided by the commissioner.

**Subd. 5. [DUTIES OF THE AGENCY AND METROPOLITAN COUNTIES.]** The agency shall provide to the commissioner the names and addresses of all persons known to the agency who are subject to tax under section 18, together with any information which the agency possesses concerning the amount of solid waste accepted or hazardous waste generated and disposed of by those persons. Metropolitan counties required to regulate hazardous wastes under section 473.811, subdivision 5b, shall provide to the agency the data and information necessary to allow the agency to carry out its duties under this subdivision. Upon request by the commissioner, the agency shall examine returns and reports filed with the commissioner and notify the commissioner of any suspected inaccurate or fraudulent declaration or return. The agency may assist in auditing any person subject to tax under section 18 when requested by the commissioner.

**Subd. 6. [PENALTIES; ENFORCEMENT.]** The audit, penalty and enforcement provisions applicable to taxes imposed under chapter 290 apply to the taxes imposed under section 18 and those provisions shall be administered by the commissioner.

**Subd. 7. [RULES.]** The commissioner may adopt temporary and permanent rules necessary to implement the provisions of this section and section 18.

**Subd. 8. [ADMINISTRATIVE EXPENSES.]** Any amount expended by the commissioner or agency from a general fund appropriation to enforce and administer section 18 and this section shall be reimbursed to the general fund and the amount necessary to make the reimbursement is appropriated from the

*fund to the commissioner of finance for transfer to the general fund.*

**Sec. 21. [116.12] [HAZARDOUS WASTE ADMINISTRATION FEES.]**

*Subdivision 1. [FEE SCHEDULES.] The agency shall establish the fees provided in subdivisions 2 and 3 in the manner provided in section 16A.128 in order to raise an amount of fees sufficient to cover the non-federally funded portion of the amount appropriated to the agency for that year for permitting, monitoring, inspection and enforcement expenses of the hazardous waste activities of the agency, excluding any amount appropriated under section 16, subdivision 2, clauses (a) and (f). Fees collected from hazardous waste activities shall approximate the expenses of the agency for regulation of hazardous waste.*

*The legislature may appropriate additional amounts which need not be raised by fees or may provide that the fees shall cover a proportion of the appropriation for the hazardous waste activities of the agency in order to assure adequate funding for the regulatory and enforcement functions of the agency related to hazardous waste. All fees collected by the agency under this section shall be deposited in the general fund.*

**Subd. 2. [HAZARDOUS WASTE GENERATOR FEE.]**  
*Each generator of hazardous waste shall pay a fee on the hazardous waste which he generates. The agency shall compute the amount of the fee due based on the hazardous waste disclosures submitted by the generators and other information available to the agency. The agency shall annually prepare a statement of the amount of the fee due from each generator. The fee shall be paid annually commencing with the first day of the calendar quarter after the date of the statement.*

*The agency may exempt generators of small quantities of hazardous wastes otherwise subject to the fee if it finds that the cost of administering a fee on those generators is excessive relative to the proceeds of the fee. The fee shall consist of a minimum fee for each generator not exempted by the agency and an additional fee which generally reflects the quantity of wastes generated by the generator.*

*If any metropolitan counties recover the costs of administering county hazardous waste regulations by charging fees, the fees charged by the agency outside of those counties shall not exceed the fees charged by those counties. The agency shall not charge a fee in any metropolitan county which charges such a fee. The agency shall impose a surcharge on the fees charged by the metropolitan counties and by the agency to reflect the agency's expenses in carrying out its statewide hazardous waste regulatory responsibilities. The surcharge imposed on the fees charged by the metropolitan counties shall be collected by the*



*metropolitan counties in the manner in which the counties collect their generator fees. Metropolitan counties shall remit the proceeds of the surcharge to the agency by the last day of the month following the month in which they were collected.*

*Subd. 3. [FACILITY FEES.] The agency shall charge an original permit fee, a reissuance fee and an annual operator's fee for any hazardous waste facility permitted by the agency. The agency may include reasonable and necessary costs of any environmental review required under chapter 116D in the original permit fee for any hazardous waste facility.*

**Sec. 22.** Minnesota Statute 1981 Supplement, Section 115A.-24, Subdivision 1, is amended to read:

**Subdivision 1. [CERTIFICATE.] (EXCEPT AS PROVIDED IN SUBDIVISION 2,)** By 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.

**Sec. 23.** Minnesota Statutes 1980, Section 466.01, is amended by adding a subdivision to read:

*Subd. 3. For the purposes of sections 466.01 to 466.15, "release" and "hazardous substance" have the meanings given in section 2.*

**Sec. 24. Minnesota Statutes 1980, Section 466.04, Subdivision 1, is amended to read:**

**Subdivision 1. [LIMITS; PUNITIVE DAMAGES.]** Liability of any municipality on any claim within the scope of sections 466.01 to 466.15 shall not exceed

(a) \$100,000 when the claim is one for death by wrongful act or omission and \$100,000 to any claimant in any other case;

(b) \$300,000 for any number of claims arising out of a single occurrence (.);

(c) *Twice the limits provided in clauses (a) and (b) when the claim arises out of the release or threatened release of a hazardous substance, whether the claim is brought under sections 1 to 12 or under any other law.*

No award for damages on any such claim shall include punitive damages.

**Sec. 25. [APPROPRIATION; COMPLEMENT.]**

*Subdivision 1. [APPROPRIATION TO FUND.] The sum of \$3,200,000 is appropriated from the general fund and transferred to the environmental response, compensation and compliance fund established in section 16.*

*Subd. 2. [TAX ADMINISTRATION; COMPLEMENT.] The following sums are appropriated from the general fund to be available until June 30, 1983, for costs of administering and enforcing sections 18 and 20.*

(a) *To the commissioner of revenue . . . . . \$90,500*

*The approved complement of the department of revenue is increased by two positions.*

(b) *To the pollution control agency . . . . . \$30,000*

*The approved complement of the pollution control agency is increased by one position.*

*Subd. 3. [APPROPRIATION FOR RESPONSE ACTIONS.] For the biennium ending June 30, 1983, and except as provided in subdivision 4, all money in the environmental response, compensation and compliance fund except any money recovered with*

*respect to natural resources under section 14, subdivision 8, is appropriated to the pollution control agency for the purposes described in section 16, subdivision 2, clauses (a) and (b).*

**Subd. 4. [RULES; PRIORITY LISTS; COMPLEMENT.]**  
*The sum of \$40,000 is appropriated from the environmental response, compensation and compliance fund to the pollution control agency for the cost of establishing priority lists and adopting rules as required under section 14, subdivision 13, to be available until June 30, 1983.*

*The approved complement of the pollution control agency is increased by six positions.*

**Sec. 26. [REPEALER.]** *Minnesota Statutes 1981 Supplement, Section 115A.24, Subdivision 2, is repealed.*

**Sec. 27. [EFFECTIVE DATE.]**

*Sections 17 to 20 are effective the day following final enactment except that the tax imposed by section 18 is effective January 1, 1983. Section 21 is effective July 1, 1983. Section 25 is effective the day following final enactment. The remaining sections of this act are effective July 1, 1982.*

Delete the title and insert:

“A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; imposing taxes, fees and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 466.01, by adding a subdivision; and 466.04, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 115A.24, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 116; proposing new law coded as Minnesota Statutes, Chapter 115B; repealing Minnesota Statutes 1981 Supplement, Section 115A.24, Subdivision 2.”

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

House Conferees: DEE LONG, ELLIOT C. ROTHENBERG, THOMAS J. HARENS, IRVIN N. ANDERSON and DEAN E. JOHNSON.

Senate Conferees: GENE MERRIAM, JACK DAVIES, JAMES C. PEHLER, RANDOLPH W. PETERSON and DUANE D. BENSON.

Long moved that the report of the Conference Committee on H. F. No. 1176 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1176, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

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 45 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Otis	Simoneau
Anderson, G.	Ellingson	Lehto	Peterson, B.	Skoglund
Anderson, I.	Ewald	Long	Peterson, D.	Staten
Battaglia	Greenfield	McEachern	Piepho	Stumpf
Begich	Gruenes	Metzen	Pogemiller	Swanson
Berkelman	Gustafson	Minne	Redalen	Tomlinson
Brandl	Hanson	Munger	Reding	Vanasek
Byrne	Harens	Murphy	Rice	Vellenga
Carlson, D.	Hauge	Nelson, K.	Rodriguez, C.	Voss
Carlson, L.	Hokanson	Norton	Rodriguez, F.	Weaver
Clark, J.	Jacobs	Novak	Rothenberg	Welch
Clark, K.	Johnson, D.	O'Connor	Samuelson	Wenzel
Clawson	Jude	Ogren	Sarna	Wieser
Dahlvang	Kahn	Olsen	Schoenfeld	Wynia
Dean	Kelly	Onnen	Shea	Spkr. Sieben, H.
Drew	Knickerbocker	Osthoff	Sieben, M.	

Those who voted in the negative were:

Aasness	Evans	Hokr	Luknic	Rees
Ainley	Fjoslien	Jennings	Mann	Schafer
Blatz	Forsythe	Kaley	Marsh	Schreiber
Brinkman	Halberg	Kalis	McCarron	Sherman
Dempsey	Haukoos	Kvam	McDonald	Swiggum
Den Ouden	Heap	Laidig	Mehrkens	Valan
Eken	Heinitz	Lemen	Nelsen, B.	Valento
Erickson	Himle	Levi	Niehaus	Welker
Esau	Hoberg	Ludeman	Nysether	Wigley

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 Senate File, herewith transmitted:

S. F. No. 1962.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1962, A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; changing certain fee provisions; providing penalties; appropriating money; amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.08; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

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, Anderson, G., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1962 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Anderson, G., moved that the rules of the House be so far suspended that S. F. No. 1962 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1962 was read for the second time.

Anderson, G., moved to amend S. F. No. 1962, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [232.20] [CITATION.]

*Sections 1 to 6 may be cited as the grain storage act.*

Sec. 2. [232.21] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] For the purpose of sections 1 to 6, the terms defined in this section have the meanings given them.*

*Subd. 2. [BOND.] "Bond" means an acceptable obligation, running to the state as obligee, for the purpose of indemnifying depositors and producers of grain against breach of contract by a public grain warehouse or grain bank operator.*

*Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture.*

*Subd. 4. [CONDITION ONE BOND.] "Condition one bond" means a bond for a public grain warehouse operator when grain belonging to persons other than the warehouse operator is accepted for storage.*

*Subd. 5. [CONDITION TWO BOND.] "Condition two bond" means a bond for a public grain warehouse operator that purchases grain.*

*Subd. 6. [DEPOSITOR.] "Depositor" means a person who is the owner or legal holder of an outstanding grain warehouse receipt, grain bank receipt or open scale ticket marked for storage on which a receipt is to be issued, representing any grain stored in a public grain warehouse or grain bank.*

*Subd. 7. [GRAIN.] "Grain" means any cereal grain, course grain or oilseed in unprocessed form for which a standard has been established by the United States secretary of agriculture or the Minnesota board of grain standards.*

*Subd. 8. [GRAIN WAREHOUSE.] "Grain warehouse" means an elevator, flour, cereal or feed mill, malthouse or warehouse in which grain belonging to a person other than the grain warehouse operator is received for purchase or storage.*

*Subd. 9. [GRAIN WAREHOUSE RECEIPT.] "Grain warehouse receipt" means a formal record issued to a depositor by a grain warehouse operator under the provisions of section 4. A grain warehouse receipt is a negotiable instrument except as provided in section 4, subdivision 11.*

*Subd. 10. [PERSON.] "Person" means a corporation, company, joint stock company or association, partnership, firm or individual, including their agents, trustees, assignees or duly appointed receivers.*

*Subd. 11. [PRODUCER.] "Producer" means a person who owns or manages a grain producing or growing operation and holds or shares the responsibility for marketing that grain produced.*

**Subd. 12. [PUBLIC GRAIN WAREHOUSE OPERATOR.]** *“Public grain warehouse operator” means a person licensed to operate a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase, or who offers grain storage or grain warehouse facilities to the public for hire.*

**Subd. 13. [SCALE TICKET.]** *“Scale ticket” means a memorandum showing the weight, grade and kind of grain which is issued by a grain warehouse operator to a depositor at the time the grain is delivered.*

**Sec. 3. [232.22] [LICENSES, BONDING CLAIMS, DISBURSEMENTS.]**

**Subdivision 1. [LICENSES.]** *An application for a public grain warehouse operator’s license must be filed with the commissioner and the license issued before the purchase or storage of grain may be commenced. All grain warehouses located within the same home rule charter or statutory city or town and owned and operated by the same person may be covered by a single license.*

**Subd. 2. [RENEWAL.]** *A license must be renewed annually. If a business receives more than one license from the commissioner, the licenses shall be issued at the same time, but only after all conditions for each license are met. The licenses may be combined into one joint license.*

**Subd. 3. [FEES.]** *The commissioner shall set the fees for inspections, certifications and licenses under sections 1 to 6 at levels necessary to pay the costs of administering and enforcing sections 1 to 6.*

**Subd. 4. [BONDING.]** *Before a license is issued, the applicant for a public grain warehouse operator’s license shall file with the commissioner a bond in a penal sum prescribed by the commissioner. The penal sum on a condition one bond shall be established by rule by the commissioner pursuant to the requirements of chapter 15 for all grain outstanding on grain warehouse receipts. The penal sum on a condition two bond shall not be less than \$10,000 for each location up to a maximum of five locations until July 1, 1983.*

**Subd. 5. [STATEMENT OF GRAIN IN STORAGE; REPORTS.]** *(a) All public grain warehouse operators must by the tenth day of each month file with the commissioner on forms approved by the commissioner a report showing the net liability of all grain outstanding on grain warehouse receipts as of the close of business on the last day of the preceding month. This report shall be used for the purpose of establishing the penal sum of the bond.*

(b) *If any public grain warehouse operator willfully neglects or refuses to file the report required in clause (a) for two consecutive months, the commissioner may immediately suspend the person's license and the licensee must surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 15 to determine if the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license.*

(c) *Every public grain warehouse operator shall keep in a place of safety complete and accurate records and accounts relating to any grain warehouse operated. The records shall reflect each commodity received and shipped daily, the balance remaining in the grain warehouse at the close of each business day, a listing of all unissued grain warehouse receipts in the operator's possession, a record of all grain warehouse receipts issued which remain outstanding and a record of all grain warehouse receipts which have been returned for cancellation. Copies of grain warehouse receipts or other documents evidencing ownership of grain by a depositor, or other liability of the grain warehouse operator, shall be retained as long as the liability exists but must be kept for a minimum of three years.*

(d) *Every public grain warehouse operator must maintain in the grain warehouse at all times grain of proper grade and sufficient quantity to meet delivery obligations on all outstanding grain warehouse receipts.*

**Subd. 6. [BOND CLAIMS.]** *A person claiming to be damaged by a breach of the conditions of a bond of a licensed public grain warehouse operator may file a written claim with the commissioner stating the facts constituting the claim. The claim must be filed with the commissioner within 180 days of the breach of the conditions of the bond. If the commissioner has reason to believe that a claim is valid, the commissioner may immediately suspend the license of the public grain warehouse operator and the licensee must surrender the license to the commissioner. Within 15 days the licensee may request an administrative hearing subject to chapter 15 to determine whether the license should be revoked. If no request is made within 15 days the commissioner shall revoke the license.*

**Subd. 7. [BOND DISBURSEMENT.]** (a) *The condition one bond of a public grain warehouse operator must be conditioned that the public grain warehouse operator issuing a grain warehouse receipt is liable to the depositor for the delivery of the kind, grade and net quantity of grain called for by the receipt.*

(b) *The condition two bond shall provide for payment of loss caused by the grain buyer's failure to pay, upon the owner's demand, the purchase price of grain sold to the grain buyer. The bond shall be conditioned upon the grain buyer being duly li-*



*censed as provided herein. The bond shall not cover any transaction which constitutes a voluntary extension of credit. This clause expires July 1, 1983.*

*(c) Upon notification of default, the commissioner shall determine the validity of all claims and notify all parties having filed claims. Any aggrieved party may appeal the commissioner's determination by requesting, within 15 days, that the commissioner initiate a contested case proceeding. In the absence of such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment to those claimants entitled to payment. If the commissioner determines it is necessary, the commissioner may apply to the district court for an order appointing a trustee or receiver to manage and supervise the operations of the grain warehouse operator in default. The commissioner may participate in any resulting court proceeding as an interested party.*

*(d) For the purpose of determining the amount of bond disbursement against all valid claims under a condition one bond, all grain owned or stored in the public grain warehouse shall be sold and the combined proceeds deposited in a special fund. Payment shall be made from the special fund satisfying the valid claims of grain warehouse receipt holders.*

*(e) If a public grain warehouse operator has become liable to more than one depositor or producer by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay, beyond the proceeds of the special fund, the entire liability to all valid claimants, the proceeds of the bond and special fund shall be apportioned among the valid claimants on a pro rata basis.*

*(f) A bond is not cumulative from one licensing period to the next. The maximum liability of the bond shall be its face value for the licensing period.*

#### **Sec. 4. [232.23] [DUTIES OF PUBLIC GRAIN WAREHOUSE OPERATOR.]**

*Subdivision 1. [DISCRIMINATION PROHIBITED.] A public grain warehouse operator must receive for storage, so far as the capacity of the grain warehouse will permit, all sound grain tendered in warehouseable condition without discrimination against any person tendering the grain.*

*Subd. 2. [SCALE TICKETS.] A public or private grain warehouse operator, upon receiving grain, shall issue a scale ticket for each load of grain received. Scale tickets shall contain the name, location and the date of each transaction and be consecutively numbered. A duplicate copy of each scale ticket shall remain in the possession of the public or private grain warehouse operator as a permanent record. The original scale ticket shall*

be delivered to the depositor upon receipt of each load of grain. Each scale ticket shall have printed across its face "This is a memorandum, non-negotiable, possession of which does not signify that settlement has or has not been consummated." The scale ticket shall state specifically whether the grain is received on contract, for storage, for shipment or consignment or sold. If the grain is received on contract or sold, the price shall be indicated on the scale ticket. All scale tickets shall be dated and signed by the public or private grain warehouse operator or the operator's agent or manager.

**Subd. 3. [GRAIN DELIVERED CONSIDERED SOLD.]**  
All grain delivered to a public grain warehouse operator shall be considered sold at the time of delivery, unless arrangements have been made with the public grain warehouse operator prior to or at the time of delivery to apply the grain on contract, for shipment or consignment or for storage.

**Subd. 4. [FORM OF GRAIN WAREHOUSE RECEIPT.]**  
(a) A grain warehouse receipt must be in duplicate, contain the name and location of the grain warehouse, and be delivered to the depositor or the depositor's agent. Grain warehouse receipts shall be consecutively numbered as prescribed by the commissioner and state the date of deposit, except where the deposit of a certain lot for storage is not completed in one day. In that case, the grain warehouse receipt, when issued, shall be dated not later than Saturday of the week of delivery.

(b) A grain warehouse receipt shall contain either on its face or reverse side the following specific grain warehouse and storage contract: "This grain is received, insured and stored through the date of expiration of the annual licenses of this grain warehouse and terms expressed in the body of this grain warehouse receipt shall constitute due notice to its holder of the expiration of the storage period. It is unlawful for a public grain warehouse operator to charge or collect a greater or lesser amount than the amount filed with the commissioner. All charges shall be collected by the grain warehouse operator upon the owner's presentation of the grain warehouse receipt for the sale or delivery of the grain represented by the receipt, or the termination of the storage period. Upon the presentation of this grain warehouse receipt and payment of all charges accrued up to the time of presentation, the above amount, kind and grade of grain will be delivered within the time prescribed by law to the depositor or the depositor's order."

(c) A grain warehouse receipt shall also have printed on it the following:

**"Redemption of Receipt**

Received from . . . . ., the sum of \$ . . . . .  
or . . . . . bushels in full satisfaction of the obligation represented by this grain warehouse receipt.

Gross price per bushel \$ . . . . .

Storage per bushel \$ . . . . .

Net price per bushel \$ . . . . .

All blank spaces in this grain warehouse receipt were filled in before I signed it and I certify that I am the owner of the commodity for which this grain warehouse receipt was issued and that there are no liens, chattel mortgages or other claims against the commodity represented by this grain warehouse receipt.

Signed . . . . .

Accepted . . . . . Dated . . . . .  
Warehouse operator

*This redemption shall be signed by the depositor or the depositor's agent in the event that the grain represented is rede-  
livered or purchased by the public grain warehouse operator. Signature of this redemption by the depositor constitutes a  
valid cancellation of the obligation embraced in the storage con-  
tract."*

**Subd. 5. [VOID AGREEMENTS; PENALTY.]** A provision or agreement in a grain warehouse receipt not contained in sub-  
division 4 is void. The failure to issue a grain warehouse receipt,  
as directed, or the issuance of slips, memoranda or other forms  
of receipt embracing a different grain warehouse or storage  
contract is a misdemeanor, and no slip, memorandum or other  
form of receipt is admissible as evidence in any civil action.  
Nothing in sections 1 to 6 requires or compels any person op-  
erating a flour, cereal or feed mill or malthouse doing a man-  
ufacturing business, to receive, store or purchase at the mill  
or malthouse any kind of grain.

**Subd. 6. [LIABILITY.]** A public grain warehouse oper-  
ator issuing a grain warehouse receipt is liable to the depositor  
for the delivery of the kind, grade and net quantity of grain  
called for by the grain warehouse receipt.

**Subd. 7. [GRAIN NOT RECEIVED.]** No public grain  
warehouse operator may issue a grain warehouse receipt for  
grain not actually received into the grain warehouse.

**Subd. 8. [RECORD OF GRAIN WAREHOUSE RE-  
CEIPTS.]** A receipt record stating the grain warehouse receipt  
number and date of deposit, gross weight, dockage and net  
weight shall remain in the possession of the public grain ware-  
house operator issuing the grain warehouse receipt and shall  
be open for inspection by the commissioner or interested parties.

**Subd. 9. [WAREHOUSE OPERATOR SHALL KEEP RECORD.]** *A public grain warehouse operator must keep a proper record of all grain received, stored or shipped, stating the weight, grade, dockage, and the name of the owner.*

**Subd. 10. [DELIVERY OF GRAIN.]** (a) *On the redemption of a grain warehouse receipt and payment of all lawful charges, the grain represented by the receipt is immediately deliverable to the depositor or the depositor's order, and is not subject to any further charge for storage after demand for delivery has been made and proper facilities for receiving and shipping the grain have been provided. If delivery has not commenced within 48 hours after demand has been made and proper facilities have been provided, the public grain warehouse operator issuing the grain warehouse receipt is liable to the owner in damages not exceeding two cents per bushel for each day's delay, unless the public grain warehouse operator makes delivery to different owners in the order demanded as rapidly as it can be done through ordinary diligence, or unless insolvency has occurred.*

(b) *If a disagreement arises between the person receiving and the person delivering the grain at a public grain warehouse in this state as to the proper grade or dockage of any grain, an average sample of at least three quarts of the grain in dispute may be taken by either or both of the persons interested. The sample shall be certified by both the owner and the public grain warehouse operator as being true samples of the grain in dispute on the delivery day. The samples shall be forwarded in a suitable air-tight container by parcel post or express, prepaid, with the name and address of both parties, to the head of the grain inspection program of the department of agriculture, who shall, upon request, examine the grain, and determine what grade or dockage the samples of grain are entitled to under the inspection rules. Before the results of the inspection are released to the person requesting the inspection, the person shall pay the required fee. The fee shall be the same as that required for similar services rendered by the grain inspection program.*

**Subd. 11. [TERMINATION OF STORAGE CONTRACT.]** *Storage contracts on grain being stored at public grain warehouses terminate on the expiration date of the storage license under which the grain warehouse operates. The expiration date must be plainly imprinted on each grain warehouse receipt issued by a public grain warehouse operator. Grain storage may be terminated by the depositor at any time before the expiration date by the payment or tender of all legal charges and the surrender of the grain warehouse receipt together with a demand for delivery of the grain or notice to the public grain warehouse operator to sell the grain. In the absence of a demand for delivery, order to sell or mutual agreement for the renewal of the storage contract, entered prior to the expiration of the original storage contract, the public grain warehouse operator*

*shall, upon the expiration of the contract, and after notification by registered letter to the depositor, sell the stored grain at the local market price on the close of business on that day, deduct from the proceeds of the sale all legal accrued charges, and pay the balance of the proceeds to the depositor upon surrender of the grain warehouse receipt.*

**Subd. 12. [NEW GRAIN WAREHOUSE RECEIPT.]** *Upon the payment of all legally accrued charges and the return of the grain warehouse receipt, the public grain warehouse operator and the depositor may by mutual consent enter into an agreement for renewal of the grain storage. When the agreement is made, the warehouse operator shall issue a new grain warehouse receipt to the owner and cancel the former grain warehouse receipt by endorsing on it the words "Cancelled by the issuance of grain warehouse receipt No. . . .," and inserting the number of the new grain warehouse receipt in the blank space. The cancelled grain warehouse receipt shall be signed by the warehouse operator and the depositor.*

**Subd. 13. [UNAUTHORIZED SALE OF GRAIN.]** *Except as provided in subdivision 11, no warehouse operator may sell or dispose of or deliver out of store any grain stored without the express authority of the depositor and the return of the grain warehouse receipt.*

**Subd. 14. [POOLING PROHIBITED.]** *It is unlawful for a public grain warehouse operator or the operator's agent to enter into a contract, agreement, combination or understanding with any other public grain warehouse operator whereby the amount of grain to be received or handled by the grain warehouses is equalized or pooled between the grain warehouses, whereby the profits or earnings derived from the grain warehouses is equalized, pooled or apportioned or whereby the price to be paid for any kind of grain at the grain warehouses is fixed or in any manner affected. Each continued day of the contract, agreement, combination or understanding is a separate offense.*

**Subd. 15. [CLOSING OR DESTRUCTION OF GRAIN WAREHOUSE.]** (a) *In case of loss or destruction by fire or other cause for the closing of a public grain warehouse, the licensee shall immediately notify the department of agriculture in writing.*

(b) *Whenever a grain warehouse is closed for more than 48 consecutive hours, not including Sundays and legal holidays, the grain warehouse operator shall advise all patrons of the closing by posting conspicuously at each entrance a notice showing the date of re-opening and giving the name and telephone number of a person authorized to act as agent for the purpose of making re-deliveries, purchases or conducting other grain warehouse business.*

*Subd. 16. [INSURANCE REQUIRED.] The operator of a public grain warehouse must keep all grain in the grain warehouse fully insured against loss by fire, windstorm and extended coverage risks and shall furnish the department of agriculture with evidence it requires that the insurance is in force.*

**Sec. 5. [232.24] [SCHEDULE OF INSPECTION, FINANCIAL REPORTS.]**

*Subdivision 1. [SCHEDULE OF INSPECTION.] A licensee under sections 1 to 6 is subject to two audits annually conducted by the commissioner or the agricultural marketing service of the United States department of agriculture. The commissioner may, by rule, authorize one audit to be conducted by a qualified nongovernmental unit.*

*Subd. 2. [FINANCIAL REPORTS.] A licensee under sections 2 to 7 must provide to the commissioner a copy of the financial reports of an audit conducted by a qualified nongovernmental unit containing information the commissioner requires.*

*Subd. 3. [INSPECTION, SAMPLING.] The commissioner or his authorized agent shall sample, inspect, and grade grains received or distributed from grain warehouses at such time and place and to such an extent as he may deem necessary to determine whether the sampling, inspection, and grading conducted by the warehouse operator conforms with the standards set by the board of grain standards. The commissioner may obtain any additional information he deems necessary and is authorized to enter upon any public or private premises during regular business hours in order to carry out the provisions of this subdivision.*

**Sec. 6. [232.25] [PENALTY.]**

*A person who violates the provisions of sections 1 to 6 is guilty of a misdemeanor. The department may, if it finds after a hearing that any of the provisions of sections 1 to 6 have been violated by a person holding a license to operate a public grain warehouse, suspend or revoke the license. In case of revocation, no new license shall be granted to the person whose license was revoked nor to any one either directly or indirectly engaged with him in the licensed business for two years.*

**Sec. 7. Minnesota Statutes 1981 Supplement, 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 the form 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, character, 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 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 the license a fee (BASED ON THE STORAGE CAPACITY OF THE WAREHOUSE AS FOLLOWS:)

(STORAGE CAPACITY IN SQUARE FEET:)

(1)	5,000 OR LESS .....	\$ 65)
(2)	OVER 5,000 TO 10,000 .....	\$125)
(3)	OVER 10,000 TO 20,000 .....	\$200)
(4)	OVER 20,000 TO 100,000 .....	\$250)
(5)	OVER 100,000 TO 200,000 .....	\$325)
(6)	OVER 200,000 .....	\$375)

*set by the commissioner.*

The license shall be renewed 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. 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 addi-

tional warehouse in the same city or town for which his original license was issued during the term thereof, upon his filing an application for a permit in the form 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. 8. Minnesota Statutes 1981 Supplement, 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 the warehouse shall first obtain a license from the department authorizing the warehouseman to operate 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 license shall be issued, written application 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 other facts as the department may require shall be contained in the application. The application shall be acted upon with reasonable dispatch by the department; and, if no reason exists for refusing the same, a license may be issued upon the payment of the fee of (\$60 FOR EACH ELEVATOR) *set by the commissioner. The amount of the fee shall be set to cover the costs of administering and enforcing this chapter.* (THE APPLICATION) A license 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 the duties 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 the grain in case of failure to make the delivery. The license may be revoked by the department or 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 a warehouseman applies for a license for more than one ware-



house in the same county, but one bond need be furnished but the same shall in all cases be in proportion to the capacity of all warehouses.

Sec. 9. Minnesota Statutes 1980, Section 236.02, is amended to read:

**236.02 [GRAIN BANK LICENSING; BONDING OF APPLICANTS.]**

Any person who (1) operates an establishment which processes grain into feed and (2) is licensed to buy grain public or private local grain warehouseman under section 232.02 (, AND ACTS AMENDATORY THEREOF,) may obtain a license to operate a grain bank. No person may conduct a grain bank without a grain bank license.

A grain bank license shall be obtained from the department, which is hereby authorized to issue such a license upon compliance by the applicant with the bond requirements of sections 236.01 to 236.09. Such grain bank license shall be in addition to the license to buy grain as a public or private local grain warehouseman and shall empower the licensee to conduct a grain bank in accordance with sections 236.01 to 236.09.

Every grain bank license shall expire at midnight on the 30th day of June each year, (THE FEE SHALL BE \$25 FOR EACH LICENSE) and a license shall be required for each location where a grain bank is operated. (THE FEES COLLECTED UNDER THIS SECTION SHALL BE PAID INTO THE STATE TREASURY AND CREDITED TO THE GENERAL FUND.) Such licenses shall be revocable by the department for cause upon notice and hearing. All licenses and rules regulating the operation of the grain bank shall be posted in a prominent and easily accessible place in the grain bank. *The license fee shall be set by the commissioner in an amount sufficient to cover the costs of administering and enforcing this chapter.*

No license shall be issued for the operation of a grain bank until the applicant has filed with the department a bond in such sum as the department may prescribe, which sum shall not be less than \$1,500 for each license and shall at all times be in sufficient sum to protect the holders of outstanding grain bank receipts. Such bonds shall be filed annually and cover the period of the grain bank license. Such bonds shall run to the state of Minnesota and shall be for the benefit of all persons storing grain in such grain bank. They shall be conditioned upon the faithful performance by the grain bank operator of all the provisions of the law relating to the operation of grain banks by such grain bank operator, and the rules and regulations of the department relative thereto. The department is authorized to

require such increases in the amounts of such bonds from time to time as it deems necessary for the protection of grain bank receipt holders. The surety of such bonds shall be a corporate surety company authorized to transact business in the state of Minnesota. Any person for whose benefit the bond is given may commence an action thereof in their own name in district court. Any person who is granted a grain bank license at more than one location may, with the department's approval, file one bond covering all locations in such total amount as the department may require under sections 236.01 to 236.09 and the rules and regulations made pursuant to sections 236.01 to 236.09. Any person, firm or corporation licensed as a public local grain warehouseman and bonded under the provisions of section 232.13 may include liability for outstanding non-negotiable grain bank receipts under the coverage of such bond in lieu of securing a separate grain bank bond as provided in this section.

Sec. 10. [APPROPRIATION.]

*The sum of \$164,600 is appropriated to the commissioner of agriculture for the purposes of sections 1 to 9. This amount is added to the appropriation made in Laws 1981, Chapter 356, Section 23, and is available until June 30, 1983. The approved complement of the department is increased by three.*

Sec. 11. [REPEALER.]

*Minnesota Statutes 1980, Sections 232.06, Subdivision 2, 3, 4, 6, and 7; 232.07; 232.08; 232.09; 232.10; 232.11; 232.12; 232.13; 232.14; 232.15; 232.16; 232.17; 232.18; 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1, are repealed. Section 1, Subdivision 5 is repealed July 1, 1983.*

The motion prevailed and the amendment was adopted.

Anderson, G., moved to amend S. F. No. 1962, the second engrossment, as amended, as follows:

Page 17, line 24, delete "Section 1" and insert "Section 2"

The motion prevailed and the amendment was adopted.

Mehrkens moved to amend S. F. No. 1962, the second engrossment, as amended, as follows:

Page 12, delete lines 11 to 21

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 55 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Aasness

Ainley

Anderson, R.

Blatz

Dean

Dempsey	Heap	Lemen	Onnen	Sherwood
Den Ouden	Heinitz	Levi	Peterson, B.	Stadum
Drew	Himle	Ludeman	Piepho	Stowell
Erickson	Hoberg	Marsh	Redalen	Svigum
Esau	Hokr	McDonald	Reif	Valan
Evans	Johnson, D.	Mehrrens	Rose	Valento
Fjoslien	Kaley	Nelsen, B.	Rothenberg	Weaver
Forsythe	Knickerbocker	Niehaus	Schafer	Welker
Halberg	Kvam	Nysether	Schreiber	Wieser
Haukoos	Laidig	Olsen	Sherman	Wigley

Those who voted in the negative were:

Anderson, B.	Eken	Kostohryz	Osthoff	Simoneau
Anderson, G.	Ellingson	Lehto	Otis	Skoglund
Battaglia	Greenfield	Long	Peterson, D.	Staten
Begich	Gruenes	Mann	Pogemiller	Stumpf
Berkelman	Gustafson	McCarron	Reding	Swanson
Brinkman	Hanson	McEachern	Rees	Tomlinson
Byrne	Hauge	Metzen	Rice	Vanasek
Carlson, D.	Hokanson	Minne	Rodriguez, C.	Vellenga
Carlson, L.	Jacobs	Munger	Rodriguez, F.	Voss
Clark, J.	Jude	Murphy	Sarna	Welch
Clark, K.	Kahn	Nelson, K.	Schoenfeld	Wenzel
Clawson	Kalis	Norton	Shea	Wynia
Dahlvang	Kelly	Novak	Sieben, M.	Spkr. Sieben, H.

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

Piepho, Novak, Wenzel and Rose moved to amend S. F. No. 1962, the second engrossment, as amended, as follows:

Page 13, lines 22 to 23, restore stricken language

Page 13, delete lines 24 to 31 and insert:

“Storage capacity in square feet:

5,000 or less	( \$ 65 )	\$ 90
Over 5,000 to 10,000	( \$125 )	\$175
Over 10,000 to 20,000	( \$200 )	\$250
Over 20,000 to 100,000	( \$250 )	\$325
Over 100,000 to 200,000	( \$325 )	\$400
Over 200,000	( \$375 )	\$450”

Page 17, line 14, delete “\$164,600” and insert “\$142,700”

Page 17, line 18, delete “three” and insert “two”

The motion prevailed and the amendment was adopted.

Aasness and Redalen offered an amendment to S. F. No. 1962, the second engrossment, as amended.

#### POINT OF ORDER

Kahn 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. 1962, A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; changing certain fee provisions; providing penalties; appropriating money; amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.08; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

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

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

#### Those who voted in the affirmative were:

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

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

## SPECIAL ORDERS

H. F. No. 2034 was reported to the House.

Anderson, G., moved that H. F. No. 2034 be returned to its author. The motion prevailed.

H. F. No. 2040 was reported to the House.

There being no objection, H. F. No. 2040 was continued on Special Orders.

S. F. No. 1780 was reported to the House.

Osthoff moved to amend S. F. No. 1780, the second engrossment, as amended on Friday, March 12, 1982, as follows:

Page 13, after line 13, insert:

"Section 9. Minnesota Statutes 1980, Section 161.12, is amended to read:

161.12 [ADDITIONAL ROUTES ADDED TO TRUNK HIGHWAY SYSTEM.]

To take advantage of federal aid made available by the United States to the state of Minnesota for highway purposes, the following trunk highway routes are added to the trunk highway system which routes form a part of the national system of interstate and defense highways and may be referred to as the interstate system:

Route No. 390. Beginning at a point on the boundary between the states of Minnesota and Iowa, southerly of Albert Lea; thence extending in a general northeasterly direction to a point in Duluth on the boundary between the states of Minnesota and Wisconsin. Route No. 390 shall not include any portion of (ROUTE NO. 382 AS DESIGNATED BY SECTION 161.117 OR ANY PORTION OF ANY ROUTE CONNECTING ROUTE NO. 382 TO ROUTE NO. 392, NOR SHALL IT INCLUDE ANY PORTION OF) trunk highway marked No. 3 from trunk highway marked No. 110 in Dakota county to East Seventh Street in the city of St. Paul.

Route No. 391. Beginning at a point on the boundary between the states of Minnesota and South Dakota, westerly of Luverne; thence extending in a general easterly direction to a point on the boundary between the states of Minnesota and Wisconsin, near La Crescent.

Route No. 392. Beginning at a point on the boundary between the states of Minnesota and North Dakota in or near Moorhead;

thence extending in a general southeasterly direction through the city of Minneapolis; thence in a general easterly direction through the city of St. Paul to a point on the boundary between the states of Minnesota and Wisconsin in or near Lakeland.

Route No. 393. Beginning at a point on Route No. 392, easterly of the city of St. Paul; thence in a general southerly and westerly direction through the city of South St. Paul; thence in a general westerly direction to a point in Eden Prairie Township, Hennepin County; thence in a general northerly direction to a point in the city of Maple Grove, Hennepin County; thence in a general easterly direction to a point on Route 390; thence in a general easterly, southeasterly and southerly direction to the point of beginning on Route No. 392, easterly of St. Paul.

Route No. 394. Beginning at a point on Route No. 390, southerly of the Minnesota River; thence extending in a general northerly and northeasterly direction through the city of Minneapolis; thence continuing in a northeasterly direction to a point on Route No. 390, near Forest Lake and there terminating.

Route No. 395. Beginning at a point on Route No. 390 at or near the intersection of Superior Street and Nineteenth Avenue West in the city of Duluth, thence extending in a northeasterly direction to a point on Route No. 103 at or near the intersection of Superior Street and Tenth Avenue East in the city of Duluth.

Sec. 10. Minnesota Statutes 1980, Section 161.1245, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of transportation is authorized to construct a four-lane parkway with limited access along the right of way of Route No. 382 in the city of St. Paul, which parkway (MAY) shall be connected with Route No. 392 by a roadway that is (NOT) a controlled access highway as defined in section 160.02. The commissioner shall not construct any highway on Route No. 382 or connection to Route No. 392 other than that described in this subdivision.

Sec. 12. [BOND REQUIRED.]

*Any person initiating any administrative, judicial or quasi-judicial proceeding contesting the provisions of section 1 shall post bond for the benefit of the state conditioned upon the payment of all costs and damages caused by the proceeding that may result to the state from the possibility of exceeding the federal deadlines.*

Sec. 13. [REPEALER.]

*Minnesota Statutes 1980, Section 161.1245, Subdivision 2, is repealed.*

Renumber the remaining sections.

POINT OF ORDER

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

Anderson, G., moved that S. F. No. 1780, as amended on Friday, March 12, 1982, be continued on Special Orders. The motion prevailed.

Dean, Ewald and Reif were excused between the hours of 8:45 p.m. and 9:30 p.m.

S. F. No. 1793 was reported to the House.

Voss moved to amend S. F. No. 1793, the second engrossment, as follows:

Delete everything after the enacting clause and insert:

**"Section 1. [375B.01] [COUNTIES; SUBORDINATE GOVERNMENTAL SERVICE DISTRICTS; PURPOSE.]**

*It is the purpose of this act to provide a means by which a county as a unit of general local government can effectively provide and finance various governmental services for its residents.*

**Sec. 2. [375B.02] [DEFINITION.]**

*"Subordinate service district" means a compact and contiguous district within the county in which one or more governmental services or additions to countywide services are provided by the county and financed from revenues secured from within that district. The boundaries of a single subordinate service district may not embrace an entire county.*

**Sec. 3. [375B.03] [ESTABLISHMENT OF SERVICE DISTRICTS.]**

*Notwithstanding any provision of law requiring uniform property tax rates on real or personal property within the county, any county in this state except a metropolitan county and any other county containing a city of the first class as defined in section 473.121, subdivision 4, may establish subordinate service districts to provide and finance any governmental service or function which it is otherwise authorized to undertake. A function or service to be provided shall not include a function, or service which the county generally provides throughout the county unless an increase in the level of the service is to be supplied in the service district.*

**Sec. 4. [375B.04] [CREATION BY COUNTY BOARD.]**

*The county board of commissioners of any county, except a metropolitan county and any other county containing a city of the first class as defined in section 473.121, subdivision 4, may establish a subordinate service district in a portion of the county by adoption of an appropriate resolution. Before the adoption of the resolution, the county board shall hold a public hearing on the question of whether or not a subordinate service district shall be established. The resolution shall specify the service or services to be provided within the subordinate service district and shall specify the territorial boundaries of the district.*

**Sec. 5. [375B.05] [CREATION BY PETITION.]**

*Subdivision 1. [PETITION.] A petition signed by ten percent of the qualified voters within the portion of the county proposed for the subordinate service district may be submitted to the county board requesting the establishment of a subordinate county service district to provide any service or services which the county is otherwise authorized by law to provide. The petition shall include the territorial boundaries of the proposed district and shall specify the types of services to be provided within the district.*

*Subd. 2. [PUBLIC HEARING.] Upon receipt of the petition, and verification of the signatures by the county auditor, the county board shall, within 30 days following verification, hold a public hearing on the question of whether or not the requested district shall be established.*

*Subd. 3. [APPROVAL; DISAPPROVAL.] Within 30 days following the holding of a public hearing, the county board, by resolution, shall approve or disapprove the establishment of the requested district. A resolution approving the creation of the district may contain amendments or modifications of the district's boundaries or functions as set forth in the petition.*

**Sec. 6. [375B.06] [PUBLICATION AND EFFECTIVE DATE.]**

*Upon passage of a resolution authorizing the creation of a subordinate service district, the county board shall cause the resolution to be published once in the official newspaper. The resolution shall include a general description of the territory to be included within the district, the type of service or services to be undertaken in the district, a statement of the means by which the service or services will be financed, and a designation of the county agency or officer who will be responsible for supervising the provision of the service or services. The district shall be deemed established 30 days after publication or at a later date as may be specified in the resolution.*



## Sec. 7. [375B.07] [REFERENDUM.]

*Subdivision 1. [PETITION.] Upon receipt of a petition signed by five percent of the qualified voters within the territory of the proposed district prior to the effective date of its creation as specified in section 375B.06, the creation shall be held in abeyance pending referendum vote of all qualified electors residing within the boundaries of the proposed district.*

*Subd. 2. [ELECTION.] The county board shall make arrangements for the holding of a special election not less than 30 nor more than 90 days after receipt of the petition within the boundaries of the proposed district. The question to be submitted and voted upon by the qualified voters within the territory of the proposed district shall be phrased substantially as follows:*

*“Shall a subordinate service district be established in order to provide (service or services to be provided) financed by (revenue sources)?”*

*If a majority of those voting on the question favor creation of the proposed district, the district shall be deemed created upon certification of the vote by the county auditor. The county auditor shall administer the election.*

## Sec. 8. [375B.08] [EXPANSION OF THE BOUNDARIES OF A SUBORDINATE SERVICE DISTRICT.]

*The county board, on its own motion or pursuant to petition, may enlarge any existing subordinate service district pursuant to the procedures specified in sections 375B.04 to 375B.07. Only qualified voters residing in the district to be added shall be eligible to participate in the election, but if five percent of the qualified voters residing in the existing service district petition to participate in the election, all qualified voters residing in the proposed service district shall be eligible.*

## Sec. 9. [375B.09] [FINANCING.]

*Upon adoption of the next annual budget following the creation of a subordinate service district the county board shall include in the budget appropriate provisions for the operation of the district including, as appropriate, either a property tax levied only on property within the boundaries of the district or a levy of a service charge against the users of the service within the district, or any combination of a property tax and a service charge. A tax or service charge or a combination thereof shall not be imposed to finance a function or service in the service district which the county generally provides throughout the county unless an increase in the level of the service is to be supplied in the service district in which case, in addition to the countywide tax levy, only an amount necessary to pay for the increased level of service may be imposed.*

**Sec. 10. [375B.10] [WITHDRAWAL; ELECTION.]**

*Upon receipt of a petition signed by ten percent of the qualified voters within the territory of the subordinate service district requesting the removal of the district, or pursuant to its own resolution, the county board shall make arrangements for the holding of a special election within the boundaries of the service district not less than 30 nor more than 90 days after the resolution or receipt of the petition. The question to be submitted and voted upon by the qualified voters within the territory of the district shall be phrased substantially as follows:*

*“Shall the subordinate service district presently established be removed and the service or services of the county as provided for the service district be discontinued?”*

*If a majority of those voting on the question favor the removal and discontinuance of the services, the service district shall be removed and the services shall be discontinued upon certification of the vote by the county auditor. The county auditor shall administer the election.*

**Sec. 11. [375B.11] [WITHDRAWAL; BY RESOLUTION OF COUNTY BOARD.]**

*The county board may by resolution withdraw a subordinate service district from the provisions of this chapter and discontinue the service provided within the service district. The county board shall cause notice of its intention to withdraw the service district to be published at least once in the official newspaper not more than six months or less than three months before the resolution is adopted. If a joint powers agreement is a part of the subordinate service district arrangement no withdrawal shall be effective under this section unless all parties to the joint powers agreement agree to the withdrawal.*

**Sec. 12. [375B.12] [LOCAL LAWS SUPERSEDED.]**

*A special law for a single county except a metropolitan county and any other county containing a city of the first class as defined in section 473.121, subdivision 4, which authorizes the county to establish subordinate service districts or areas is hereby superseded. Any service being provided pursuant to the special law on or before the effective date of sections 1 to 12 may continue to be provided pursuant to the special law.*

**Sec. 13.** Minnesota Statutes 1980, Section 275.50, is amended by adding a subdivision to read:

*Subd. 7. A tax or service charge levied by the county board within a subordinate service district pursuant to chapter 375B is a “special levy” and is not subject to tax levy limitations in-*

*cluding those contained in sections 275.50 to 275.56 or any other law. Subsequent increases in the initial tax or service charge, or additional taxes or service charges imposed at a time later than the adoption of the initial tax or service charge shall be subject to levy limitation.*

Sec. 14. Laws 1981, Chapter 291, Section 2, Subdivision 1, is amended to read:

*Subdivision 1. [ESTABLISHMENT.] A (WASTE WATER TREATMENT) sanitary sewer board called the North Koochiching (COUNTY WASTE WATER TREATMENT) sanitary sewer board with jurisdiction in the (INTERNATIONAL FALLS, SOUTH INTERNATIONAL FALLS AND RANIER MUNICIPALITIES AND THE EAST KOOCHICHING COUNTY SEWER DISTRICT AND THE PAPERMAKERS SEWER DISTRICT) North Koochiching area sanitary district is established as a public corporation and political subdivision with all the rights, powers, privileges, immunities and duties which may be granted to or imposed upon a municipal corporation.*

Sec. 15. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 1a. [DISTRICT.] The North Koochiching area sanitary district is the International Falls, South International Falls and Ranier municipalities and the East Koochiching county sewer district and the Papermakers sewer district, except that if the conditions in subdivision 10 are not met, after December 31, 1985, the North Koochiching area sanitary district shall then be the area served by the district disposal system on that date.*

Sec. 16. Laws 1981, Chapter 291, Section 2, Subdivision 2, is amended to read:

Subd. 2. [MEMBERS AND SELECTIONS.] The board members shall be appointed by each of their governmental units in the following numbers:

International Falls 4

South International Falls 2

East Koochiching county sewer district 1

Papermakers sewer district 1

Ranier 1

The East Koochiching and Papermakers sewer districts shall each appoint their member on the board and designate the term of the member in accordance with subdivision 5, by a

majority vote. *If the conditions in subdivision 10 are not met, after December 31, 1985 the composition of the board shall be changed, with each local government unit remaining in the district appointing one board member.*

Sec. 17. Laws 1981, Chapter 291, Section 2, is amended by adding a subdivision to read:

*Subd. 10. [CONDITIONS; APPOINTMENT OF ENGINEER; BOARD COMPOSITION.] If before January 1, 1986, the state or federal governments have not offered grants for at least 70 percent of the estimated grant eligible cost, or the board has not advertised for bids for construction, of all interceptors and treatment works which the comprehensive plan adopted pursuant to section 4 identifies as critical to the integrity of the district, then:*

*(a) The board shall appoint an independent consulting engineer who shall determine the actual value, as of January 1, 1982, of all real and personal property transferred to the board pursuant to section 5, subdivision 2, clause (a). If any local government unit challenges the determination, the dispute shall be resolved by arbitration following the procedures of the American Arbitration Association.*

*(b) After appointing the independent consulting engineer, the composition of the board shall be changed to comply with subdivision 2.*

Sec. 18. Laws 1981, Chapter 291, Section 4, Subdivision 1, is amended to read:

Subdivision 1. [BOARD PLAN AND PROGRAM.] The board shall adopt as its first comprehensive plan for the collection, treatment and disposal of waste water in the district for the period the board deems proper the comprehensive plan adopted by the joint powers board previously established for the cities of International Falls, South International Falls, and Ranier and the county of Koochiching by agreement pursuant to Minnesota Statutes, Section 471.59. The board shall prepare and adopt subsequent comprehensive plans for the collection, treatment and disposal of waste water in the district for each succeeding designated period the board deems proper. The first plan, as modified by the board, and any subsequent plan, shall provide that no treatment facilities shall be constructed which would allow a discharge above the water intake of Boise Cascade Corporation used to supply drinking water to residents of the district, and shall take into account the preservation and best and most economic use of water and other natural resources in the area; the preservation, uses and potential for use of lands adjoining waters of the state to be used for the disposal of waste water; and the impact the disposal system will have on present and future land use in the area affected. Plans shall include the

general location of needed interceptors and treatment works, a description of the area that is to be served by the various interceptors and treatment works, a long range capital improvements program and other details the board deems appropriate. *Plans shall specifically identify those interceptors and treatment works which are critical to the integrity of the district.* In developing the plans, the board shall consult with persons designated for the purpose by the governing body of any municipal and public corporation or governmental or political subdivision or agency within the district. It shall consider the data, resources, and suggestions offered to the board by the entities and any planning agency acting on behalf of one or more of them. Each plan, when adopted, shall be followed in the district and may be revised as often as the board deems necessary.

Sec. 19. Laws 1981, Chapter 291, Section 5, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ACQUISITION.] (a) The board may require any local government unit to transfer to the board, *without consideration, free and clear of all encumbrances, subject only to a contingent liability pursuant to section 8, subdivision 1a,* all of the unit's right, title, and interest in any interceptors or treatment works and their necessary appurtenances owned by the unit which are needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for all the transferred property shall be executed and delivered to the board by the proper officers of each local government unit concerned.

(b) All persons regularly employed by a local government unit to operate and maintain works transferred to the board on the date on which the transfer becomes effective shall be employees of the board, in the same manner and with the same options and rights as other employees of the board.

Sec. 20. Laws 1981, Chapter 291, Section 7, is amended to read:

Sec. 7. [BUDGET.]

The board shall prepare and adopt a budget, on or before (SEPTEMBER 1, 1981) *August 1, 1982* and annually thereafter. The budget shall show for the following calendar year or other fiscal year determined by the board estimated receipts of money from all sources including but not limited to payments by each local government unit, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated expenditures for:

(a) Costs of operation, administration and maintenance of the district disposal system;

(b) Costs of acquisition and betterment of the district disposal system; and

(c) Debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 12, and any money judgments against the district.

Expenditures within these categories and others the board may determine, shall be itemized in the detail the board shall prescribe. The board and its officers, agents, and employees shall not spend money for any purpose other than debt service without having set forth the expense and its amount in the budget. No obligation to make an unbudgeted expenditure shall be enforceable except as the obligation of the person incurring it. The board may amend the budget at any time by transferring from one purpose to another any budgeted sums, except money for debt service and bond proceeds, or by increasing expenditures in any amount by which cash receipts during the budget year actually exceed the total amounts designated in the original budget. The creation of an obligation pursuant to section 12 or the receipt of a federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation, whether or not specifically included in the budget.

Sec. 21. Laws 1981, Chapter 291, Section 8, Subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF CURRENT COSTS.] The estimated cost of administration, operation, maintenance and debt service of the district disposal system to be paid by the board in a fiscal year and the estimated costs of acquisition and betterment of the system which are to be paid during the year from funds other than state or federal grants and bond proceeds and all other previously unallocated payments made by the board pursuant to this act to be allocated in the year, less any costs to be allocated to industries pursuant to subdivision 3 and less any amounts to be received pursuant to subdivision 1a, are referred to as current costs and shall be allocated by the board to the local government units in the budget for such year.

Sec. 22. Laws 1981, Chapter 291, Section 8, is amended by adding a subdivision to read:

*Subd. 1a. [PAYMENT OF DIFFERENCE.] If the area of the district and the composition of the board change pursuant to section 2, after December 31, 1985 any local government unit remaining in the district shall pay in equal payments over 20 years, with interest at the rate of eight percent per annum, the proportionate difference in the value determined pursuant to section 2, subdivision 10, clause (a).*

Sec. 23. Laws 1981, Chapter 291, Section 8, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF ALLOCATION OF CURRENT COSTS.] All current costs shall be allocated to local government units in the district on a pro rata basis determined by the effluent contributed by each, less any industrial wastes for which costs have been allocated under subdivision 3, calculated on the basis of flow measurement. The projected pro rata contribution of effluent shall be made on or before (SEPTEMBER 1, 1981) August 1, 1982 and annually thereafter. An adjustment shall be made on or before February 1 of each succeeding year based upon the actual effluent contributed by each government entity. The adjustments shall be paid to the district or to the proper local government units. It also may be corrected by deduction from or addition to subsequent payments. The adoption or revision of a method of allocation used by the board shall be by the affirmative vote of at least two-thirds of the members of the board.

Sec. 24. Laws 1981, Chapter 291, Section 24, is amended to read:

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.) March 22, 1982, pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a).

Sec. 25. [EFFECTIVE DATE.]

*Sections 14 to 24 are effective the day following final enactment."*

The motion prevailed and the amendment was adopted.

Novak, Brandl, Tomlinson, Piepho, Swanson, Gruenes and Marsh moved to amend S. F. No. 1793, the second engrossment, as amended, as follows:

Page 11, after line 31, insert:

"Section 25. [DEFINITIONS.]

*Subdivision 1. For the purpose of sections 27 to 38 the terms defined in this section have the following meanings.*

*Subd. 2. "Municipality" means any home rule charter or statutory city.*

*Subd. 3. "Special services" means all services rendered or contracted for by a municipality, including, but not limited to, (a) the repair, maintenance, operation and construction of any improvements authorized by Minnesota Statutes, Section 429.021; (b) parking services rendered or contracted for by a municipality; and (c) any other service provided to the public by a municipality authorized by any law or charter provision to provide the service. Special services shall not include services which are ordinarily provided throughout the municipality from general fund revenues of the municipality unless an increased level of the service is provided in the special service district.*

*Subd. 4. "Special service district" means a defined area within a municipality in which special services are rendered and the costs of the special services are paid from revenues collected from taxes and service charges imposed within that area.*

*Subd. 5. "Assessed value" means the assessed value as most recently certified by the commissioner of revenue as of the effective date of the ordinance or resolution adopted pursuant to section 28 or 29.*

*Subd. 6. "Land area" means the land area located within the district which is subject to property taxation.*

**Sec. 26. [ESTABLISHMENT OF SPECIAL SERVICE DISTRICT.]**

*Subdivision 1. [ORDINANCE.] The governing body of a municipality may adopt an ordinance establishing a special service district. Only property which is zoned for commercial, business, or industrial use under a municipal zoning ordinance may be included in a special service district. The ordinance shall describe with particularity the area within the municipality to be included in the district and the special services to be furnished within the district. The ordinance may not be adopted until after a public hearing has been held on the question. Notice of the hearing shall include:*

- (a) The time and place of hearing;*
- (b) The boundaries of the area by legal description and by street location where possible; and*
- (c) A statement that all persons owning property in the proposed special service district will be given opportunity to be heard at the hearing.*

*Subd. 2. [NOTICE.] Notice of the hearing shall be given by publication in two issues of the official newspaper of the municipality. The two publications shall be a week apart and the hearing shall be held at least three days after the last publica-*



tion. Not less than ten days before the hearing, notice shall also be mailed to the owner of each parcel within the area proposed to be included in the special service district. For the purpose of giving mailed notice, owners shall be those shown 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. Other records may be used to supply the necessary information. For properties which are tax exempt or subject to taxation on a gross earnings basis in lieu of property tax and are not listed on the records of the county auditor or the county treasurer, the owners shall be ascertained by any practicable means and mailed notice given them. At the public hearing any person affected by the proposed special services district may be heard orally in respect to any issues embodied in the notice. The hearing may be adjourned from time to time and the ordinance establishing the special services district may be adopted at any time within six months after the date of the conclusion of the hearing by a vote of the majority of the governing body of the municipality.

**Sec. 27. [RATE OF TAX; NOTICE AND HEARING REQUIREMENTS.]**

**Subdivision 1. [TAXES; HEARING.]** Ad valorem taxes may be levied on taxable property or service charges may be imposed by the municipality within the special service district at a rate or amount sufficient to produce revenues required to provide special services within the district. For purposes of determining the appropriate mill rate, taxable property or value shall be determined without regard to captured or original assessed value under section 273.76 or to the distribution or contribution value under section 473F.08. Taxes and service charges shall not be imposed to finance a special service if the service is ordinarily provided by the municipality from general fund revenues of the municipality unless the service is provided in the special service district at an increased level, in which case only an amount to pay for the increased level may be imposed. A service charge shall not be imposed on the receipts from the sale of intoxicating liquor, food, or lodging. Prior to the levy of taxes or imposition of service charges in a special service district, for each calendar year notice shall be given and hearing shall be held pursuant to section 28 except that notice shall also be mailed to any individual or business organization subject to a service charge. For purposes of this section the notice shall also include:

(a) A statement that all interested persons will be given an opportunity to be heard at the hearing regarding a proposed tax levy or service charge.

(b) The estimated cost of improvements to be paid for in whole or in part by taxes or service charges imposed pursuant to this section, the estimated cost of operating and maintaining

*the improvements during the first year after completion of the improvements, and the proposed method and source of financing the improvements and the annual cost of operating and maintaining the improvements.*

(c) *The proposed rate or amount of taxes to be extended or the proposed service charge to be imposed in the special service district during the calendar year and the nature and character of special services to be rendered in the special service district during the calendar year.*

(d) *A statement that the petition requirements of section 35 have either been met or do not apply to the proposed taxes or service charge.*

*Within six months of the public hearing, the municipality may adopt a resolution levying a tax or imposing a service charge within the special service district not exceeding the amount or rate expressed in the notice issued pursuant to this section. Before the governing body of the municipality may adopt a resolution levying an ad valorem tax, it shall make a determination that property subject to the tax is directly or indirectly benefited. Before the governing body of the municipality may adopt a resolution imposing a service charge, it shall make a determination that the individuals and business organizations subject to the service charge are directly or indirectly benefited. The determination of direct or indirect benefit to the property, individuals, or business organizations need not be related to an increase in the value of the property.*

*Subd. 2. [EXEMPTION OF CERTAIN PROPERTIES FROM TAXES.] Property exempted from taxation by Minnesota Statutes, Section 272.02, shall be exempted from any ad valorem taxes imposed pursuant to sections 27 to 38.*

**Sec. 28. [ENLARGEMENT OF SPECIAL SERVICE DISTRICTS.]**

*Boundaries of a special service area may be enlarged only after hearing and notice as provided in sections 28 and 29. Notice shall be served in the original special service district and in the area proposed to be added to the special service district. Property added to the district shall be subject to all taxes levied and service charges imposed within the district after the property becomes a part of the district. The petition requirement in section 35 and the veto power in section 36 shall only apply to owners and individuals and business organizations in the area proposed to be added to the special service district.*

**Sec. 29. [COLLECTION OF TAXES.]**

*Ad valorem taxes levied within a special service district shall be collected and paid over as other taxes, but shall be spread only*

*upon the assessed value of property described in the ordinance. Service charges imposed shall be collected as provided by ordinance. Ad valorem taxes levied pursuant to this chapter shall be remitted directly to the municipality notwithstanding Minnesota Statutes, Section 273.76 and Chapter 473F.*

**Sec. 30. [BONDS.]**

*At any time after a contract for the construction of all or part of an improvement authorized pursuant to this chapter has been entered into or the work has been ordered done by day labor, the governing body may issue obligations in the amount it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making the improvement, including every item of cost from inception to completion and all fees and expenses incurred in connection with the improvement or its financing. The obligations shall be payable primarily out of the proceeds of the tax levied pursuant to section 29. The governing body may, by resolution adopted prior to the sale of obligations, pledge the full faith, credit and taxing power of the municipality to assure payment of the principal and interest if the proceeds of the tax levy in the district are insufficient to pay the principal and interest. Obligations shall be issued in accordance with Minnesota Statutes, Chapter 475, except that an election shall not be required, and the amount of the obligations shall not be included in determining the net indebtedness of the municipality under the provisions of any law or charter limiting indebtedness.*

**Sec. 31. [LEVY LIMIT EXCEPTION.]**

*Taxes and service charges imposed pursuant to this act shall not be included in the calculation of levies or limits on levies provided by other law or home rule charter provision.*

**Sec. 32. [ADVISORY BOARD.]**

*The governing body of a municipality may create and appoint an advisory board for each special service district in the municipality to advise the governing body in connection with the construction, maintenance and operation of improvements and the furnishing of special services in a special service district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants and users of property within the special service district and members of the public. Prior to the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the special service district, the advisory board of the special service district shall review and comment upon such proposal. Each advisory board shall be appointed at least 30 days prior to the date of a public hearing on the ordinance proposing the establishment of the special service district. Seventy-five percent of the members of each advisory board shall be*

*owners or occupants of property located in the special service district or their representatives. If, following the adoption of the special service district boundaries, fewer than 75 percent of the members are owners or occupants of property located in the district or their representatives, the governing body shall dismiss or appoint advisory board members as necessary to assure 75 percent representation of owners or occupants of district properties. Each advisory board may elect an executive secretary, who need not be a member of the board, to keep its minutes, records and correspondence and to communicate with the governing body and other officials and with the owners, occupants and users of property located within the special service district. Administrative expenses of the advisory board shall be paid from the proceeds of taxes and service charges collected in the special service district.*

### Sec. 33. [PETITION REQUIRED.]

*No public hearing may be held pursuant to section 28 unless owners of 25 percent or more of the land area of the proposed special service district and owners of 25 percent or more of the assessed value of the proposed special service district file a petition requesting the public hearing with the city clerk of the municipality where the special service district is located. No public hearing may be held pursuant to section 3 to impose an ad valorem tax unless owners of 25 percent or more of the land area subject to a proposed tax and owners of 25 percent or more of the assessed value subject to a proposed tax file a petition requesting the public hearing with the city clerk of the municipality where the special service district is located. No public hearing may be held pursuant to section 29 to impose a service charge unless 25 percent or more of the individual or business organizations subject to the proposed service charge file a petition requesting the public hearing with the city clerk. If the boundaries of the proposed special service district are changed or the land area or assessed value subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective.*

### Sec. 34. [VETO POWER OF OWNERS.]

*Subdivision 1. [NOTICE OF RIGHT TO FILE OBJECTIONS.] Except as provided in section 37, the effective date of any ordinance or resolution adopted pursuant to sections 28 and 29 shall be at least 45 days after it is adopted. Within five days after adoption of the ordinance or resolution, a copy of the ordinance or resolution shall be mailed to the owner of each parcel included in the special service district and any individual or business organization subject to a service charge in the same manner as notice is mailed pursuant to section 28. The mailing*

*shall include a notice that owners subject to a tax and individuals and business organizations subject to a service charge have a right to veto the ordinance or resolution by filing the required number of objections with the city clerk before the effective date of the ordinance or resolution.*

*Subd. 2. [REQUIREMENTS FOR VETO.] If owners of 35 percent of the land area in the special service district and owners of 35 percent of the assessed value in the special service district file an objection to the ordinance adopted by the municipality pursuant to section 28 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 35 percent of the land area subject to a tax and owners of 35 percent of the assessed value subject to a tax file an objection to the resolution adopted by the municipality levying an ad valorem tax pursuant to section 29 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 35 percent of individuals and business organizations subject to a service charge file an objection to the resolution adopted by the municipality imposing a service charge pursuant to section 29 with the city clerk before the effective date of the resolution, the resolution shall not become effective.*

**Sec. 35. [EXCLUSION FROM PETITION REQUIREMENTS AND VETO POWER.]**

*The petition requirement of section 35 and the right of owners and those subject to a service charge to veto a resolution in section 36 shall not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 35 and which has not been vetoed under section 36 for the first year's application. The determination of the governing body required by section 29 shall not apply to second or subsequent years' applications of a tax or service charge which is authorized to be in effect for more than one year pursuant to a resolution which has met the petition requirements of section 35 and which has not been vetoed under section 36 for the first year's application. A resolution levying a tax or imposing a service charge for more than one year shall not be adopted unless the notice of public hearing required by section 29 and the notice mailed with the adopted resolution pursuant to section 36 include the following information:*

*(a) In the case of improvements, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years the taxes will be levied or service charges imposed to pay for the improvement.*

(b) In the case of operating and maintenance services, the maximum rate or amount of taxes to be levied or the maximum service charge to be imposed in any year and the maximum number of years, or a statement that the tax will be imposed for an indefinite number of years, the taxes will be levied or service charges imposed to pay for operation and maintenance services.

The resolution may provide that the maximum amount of tax to be levied or maximum service charge to be imposed in any year will increase or decrease from the maximum amount authorized in the preceding year based on an indicator of increased cost or a percentage amount established by the resolution.

Sec. 36. [LIMITATION.]

No special service district may be established pursuant to the provisions of sections 27 to 37 after June 30, 1986.

Sec. 37. [EFFECTIVE DATE.]

Sections 25 to 36 are effective May 1, 1982."

Renumber the remaining section

Amend the title as follows:

Page 1, line 4, after "services;" insert "permitting the establishment of special service districts in municipalities; providing taxing and other financial authorities for municipalities;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 29 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Brandl	Greenfield	Marsh	Piepho	Staten
Clark, J.	Gruenes	Nelson, K.	Pogemiller	Swanson
Clark, K.	Hauge	Novak	Rodriguez, C.	Tomlinson
Dahlvang	Kelly	O'Connor	Rodriguez, F.	Vellenga
Dempsey	Long	Otis	Sarna	Voss
Ellingson	Luknic	Peterson, B.	Skoglund	

Those who voted in the negative were:

Aasness	Blatz	Drew	Fjoslien	Hokanson
Ainley	Brinkman	Eken	Forsythe	Jacobs
Anderson, I.	Byrne	Elioff	Halberg	Jennings
Battaglia	Carlson, D.	Erickson	Harens	Johnson, D.
Begich	Clawson	Esau	Haukoos	Jude
Berkelman	Den Ouden	Evans	Hoberg	Kahn

Kalis	McDonald	Ogren	Schafer	Valento
Knickerbocker	Mehrkens	Olsen	Schreiber	Weaver
Kostohryz	Metzen	Onnen	Sherman	Welch
Laidig	Minne	Osthoff	Sherwood	Welker
Lehto	Munger	Peterson, D.	Stadum	Wenzel
Lemen	Murphy	Redalen	Stowell	Wieser
Levi	Nelsen, B.	Reding	Stumpf	Wigley
Ludeman	Niehaus	Rees	Sviggum	Wynia
Mann	Nysether	Rothenberg	Valan	Spkr. Sieben, H.

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

Kelly moved to amend S. F. No. 1793, the second engrossment, as amended, as follows:

Page 11, after line 34, insert:

“Sec. 26. [ST. PAUL TAX AND ADMINISTRATION.]

*Subdivision 1. A tax, supplemental to the general sales tax imposed by Minnesota Statutes, Chapter 297A, is imposed on transient lodging in the city of St. Paul at a rate equal to four percent of the consideration paid for lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp or for the granting of any similar license to use real property. The tax does not apply to a rental or lease for 30 or more days continuously. This tax supersedes any similar tax imposed pursuant to city charter. The tax shall be collected by and its proceeds paid to the city. At least 25 percent of the revenues generated by the tax shall be used for the payment of the bonds and any interest or premium on the bonds authorized by this section. The tax will be reduced to three percent upon the payment of the bonds authorized by this section.*

*Subd. 2. The city of St. Paul may, by resolution, authorize, issue and sell general obligation or special obligation bonds in an amount not to exceed \$4,000,000 to finance any expenditure for the repair, remodeling, equipping, construction, reconstruction and betterment of the civic center parking ramp. Except as provided by this section the bonds shall be authorized, issued and sold in the same manner and subject to the conditions provided in Minnesota Statutes, Chapter 475. Any special tax imposed by this section in the city of St. Paul, any tax increment generated by private development in, and net revenues from, the operation of the civic center complex shall be pledged in whole or in part to the payment of the bonds authorized by this act and the interest and any premium on them. When any revenues, tax increment, or any special tax imposed by the city are pledged in whole or part for the repayment of general obligation bonds authorized by this act, including any interest or premium on them, the estimated collections of the revenues or taxes pledged shall be deducted from the general ad valorem taxes otherwise required to be levied before the issuance of the*

bonds under Minnesota Statutes, Section 475.61, Subdivision 1, or the collections of them may be certified annually to reduce or cancel the initial tax levies in accordance with Minnesota Statutes, Section 475.61, Subdivision 1 or 3. Notwithstanding any contrary provision of Minnesota Statutes, Chapter 475, or any other law or charter provision, the bonds may be authorized, issued and sold without a vote of the electorate and without limit as to interest rate and the issue shall not be included in the net debt or per capita tax limitations of the city. If the bonds are special obligation bonds, the city may exercise any of the powers granted an authority for issuing revenue bonds under Minnesota Statutes, Section 273.77, paragraph (c).

Subd. 3. Notwithstanding any contrary provision of law or charter, the civic center authority and the city of St. Paul may license or lease the operation of the civic center complex or any part thereof for any period of time by agreement in which the city retains title to the property and requires operation of the civic center complex for the public purposes contemplated in Laws 1967, Chapter 459, as amended by Laws 1969, Chapter 1138. The use and operation of the property, whether by the civic center authority or its licensee or lessee is declared a use, lease or occupancy for public, governmental, and municipal purposes, and the property shall be exempt from taxation by the state or any political subdivision of the state during such use. The city may lease or sell land, including air rights, and improvements thereon which are a part of the civic center complex no longer required for civic center purposes upon the determination by the authority that private development and usage is compatible with operation of the civic center. The land disposition shall be in the manner provided by Minnesota Statutes, Section 458.196, and the land so disposed of shall be subject to all applicable taxes and assessments as if the property were privately owned. The city may issue or transfer the additional liquor license authorized by Laws 1969, Chapter 783, at the civic center to the operational licensee or lessee in lieu of its food catering contractor.

Subd. 4. The authority shall be responsible for the repair or betterments to be carried out with the proceeds of bonds authorized in this section. The authority shall receive all rents or fees from a lease or license of civic center facilities. The authority shall monitor operation by any lease or license of civic center facilities. The provisions of Laws 1969, Chapter 1138, Section 3, are hereby amended to the extent necessary for implementation of any lease or license authorized under this section.

Subd. 5. In the event of a lease or license, permanent, full time civic center employees shall be protected in their rights, including retirement benefits, in accordance with city civil service rules and the terms of their collective bargaining agreement, the city shall provide police protection equal to or greater



than that provided in 1981 and the civic center authority shall reserve the right in any such lease or license to disapprove any event sponsored at the civic center complex.

*Subd. 6. The taxes imposed by this section are effective notwithstanding Minnesota Statutes, Section 477A.016, or other law.*

*Subd. 7. This section is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of St. Paul.*

**Sec. 27. [EFFECT OF IRRECONCILABLE ENACTMENTS.]**

*Regardless of the order of final enactment of section 26 and House File 1872, Article XXV, the provisions of section 26 prevail notwithstanding the provisions of section 645.26, subdivision 3."*

Renumber the remaining section

Amend the title, as follows:

Page 1, line 7, after the semicolon, insert "providing for a St. Paul tax and bond issue; providing for St. Paul and the civic center authority operation of the civic center;"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 37 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Berkelman	Greenfield	Kostohryz	Pogemiller	Tomlinson
Brandl	Gruenes	McCarron	Reding	Vanasek
Byrne	Gustafson	McDonald	Rees	Vellenga
Clark, J.	Hanson	Nelson, K.	Rodriguez, C.	Voss
Clark, K.	Harens	Norton	Rodriguez, F.	Wynia
Clawson	Hauge	Novak	Sherman	
Ellingson	Kelly	Osthoff	Skoglund	
Forsythe	Knickerbocker	Otis	Staten	

Those who vote in the negative were:

Aasness	Den Ouden	Johnson, D.	Mann	Olsen
Ainley	Elioff	Jude	Marsh	Onnen
Anderson, G.	Erickson	Kaley	McEachern	Peterson, B.
Anderson, I.	Esau	Kalis	Mehrkens	Peterson, D.
Battaglia	Evans	Kvam	Metzen	Piepho
Begich	Fjoslien	Laidig	Minne	Redalen
Blatz	Haukoos	Lehto	Murphy	Rothenberg
Brinkman	Hoberg	Lemen	Nelsen, B.	Samuelson
Carlson, D.	Hokanson	Levi	Niehaus	Sarna
Carlson, L.	Hokr	Long	Nysether	Schafer
Dahlvang	Jacobs	Ludeman	O'Connor	Sherwood
Dempsey	Jennings	Luknic	Ogren	Sieben, M.

Stowell  
Sviggum  
Swanson

Valan  
Valento  
Weaver

Welch  
Welker  
Wenzel

Wieser  
Wigley

Spkr. Sieben, H.

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

S. F. No. 1793, A bill for an act relating to local government; authorizing the establishment of subordinate service districts in order to provide and finance governmental services; establishing provision for the event that grant funding is not received for the North Koochiching area sanitary district; amending Minnesota Statutes 1980, Section 275.50, by adding a subdivision; Laws 1981, Chapter 291, Sections 2, Subdivisions 1 and 2, and by adding subdivisions; 4, Subdivision 1; 5, Subdivision 2; 7; 8, Subdivisions 1 and 2, and by adding a subdivision; and 24; proposing new law coded as Minnesota Statutes, Chapter 375B.

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 42 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kahn	Niehaus	Schreiber
Anderson, G.	Elioff	Kelly	Novak	Sherman
Battaglia	Ellingson	Knickerbocker	O'Connor	Sieben, M.
Begich	Greenfield	Kostohryz	Olsen	Simoneau
Berkelman	Gruenes	Laidig	Otis	Skoglund
Blatz	Gustafson	Lehto	Peterson, B.	Staten
Brandl	Hanson	Long	Peterson, D.	Stumpf
Brinkman	Harens	Luknic	Pogemiller	Swanson
Carlson, D.	Hauge	Mann	Reding	Vanasek
Carlson, L.	Heap	Marsh	Rice	Vellenga
Clark, J.	Himle	Metzen	Rodriguez, C.	Voss
Clark, K.	Hokanson	Minne	Rodriguez, F.	Welch
Clawson	Jacobs	Munger	Rothenberg	Wenzel
Dahlvang	Johnson, D.	Murphy	Samuelson	Wynia
Dempsey	Jude	Nelson, K.	Sarna	Spkr. Sieben, H.

Those who voted in the negative were:

Aasness	Forsythe	Ludeman	Osthoff	Tomlinson
Ainley	Haukoos	McCarron	Piepho	Valento
Anderson, I.	Heinitz	McDonald	Redalen	Weaver
Byrne	Hoberg	McEachern	Rees	Welker
Den Ouden	Jennings	Mehrkens	Schafer	Wieser
Erickson	Kalis	Nelsen, B.	Schoenfeld	Wigley
Esau	Kvam	Norton	Stadium	
Evans	Lemen	Nysether	Stowell	
Fjoslien	Levi	Onnen	Sviggum	

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

There being no objection the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Anderson, B., moved that the House refuse to concur in the Senate amendments to H. F. No. 788, 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.

### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 788:

Anderson, B.; Jude and Dempsey.

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. 1939, A bill for an act relating to transportation; directing the commissioner of transportation to construct a parkway along a certain route in the city of St. Paul; amending Minnesota Statutes 1980, Sections 161.12; 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, Subdivision 2.

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. 1939 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1939, A bill for an act relating to transportation; directing the commissioner of transportation to construct a parkway along a certain route in the city of St. Paul; amending Minnesota Statutes 1980, Sections 161.12; 161.1245, Subdivision 1; repealing Minnesota Statutes 1980, Section 161.1245, 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 87 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Knickerbocker	Olsen	Sieben, M.
Anderson, B.	Fjoslien	Kostohryz	Onnen	Stadum
Anderson, I.	Forsythe	Kvam	Osthoff	Stowell
Battaglia	Gruenes	Lehto	Otis	Stumpf
Begich	Gustafson	Lemen	Peterson, B.	Sviggum
Berkelman	Halberg	Levi	Peterson, D.	Swanson
Blatz	Haukoos	Luknic	Piepho	Tomlinson
Brinkman	Heap	Mann	Redalen	Valento
Byrne	Heinitz	Marsh	Reding	Vanasek
Carlson, D.	Himle	McEachern	Rees	Voss
Carlson, L.	Hoberg	Mehrkens	Rodriguez, C.	Weaver
Clark, J.	Hokanson	Minne	Rodriguez, F.	Welch
Dahlvang	Hokr	Murphy	Rose	Wieser
Dempsey	Jacobs	Nelsen, B.	Samuelson	Wigley
Den Ouden	Jennings	Nelson, K.	Sarna	Spkr. Sieben, H.
Elioff	Johnson, D.	Niehaus	Schoenfeld	
Erickson	Jude	Novak	Schreiber	
Esau	Kelly	O'Connor	Shea	

Those who voted in the negative were:

Ainley	Hanson	Ludeman	Rothenberg	Welker
Brandl	Harens	Norton	Schafer	Wenzel
Clark, K.	Kahn	Nysether	Sherman	Wynia
Clawson	Laidig	Ogren	Skoglund	
Ellingson	Long	Pogemiller	Vellenga	

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. 1965.

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. 1965

A bill for an act relating to the environment; amending various provisions of the waste management act; authorizing the commissioner of administration to acquire certain development rights; defining terms for purposes of the resource recovery program; prohibiting the waste management board from certifying the use of facilities for disposal of radioactive waste; stating various policies and requirements relating to solid and hazardous waste plans and facility permits; prescribing standards, procedures, approvals, and supervision relating to designations of resource recovery facilities; requiring the board to place its highest priority on alternatives to land disposal of hazardous waste; allowing the removal of the moratorium on development at certain sites; directing a study of solid waste utilization in the St. Cloud area; appropriating money; amending Minnesota Statutes 1980, Sections 115A.08, by adding a subdivision; 115A.15, Subdivisions 2, 6, and by adding a subdivision; 115A.42; 115A.46; 115A.62; 115A.69, Subdivision 10; 115A.70, Subdivisions 1, 2, and 3; 116.07, Subdivision 4b; 400.16; 400.162; 473.149, Subdivision 1; 473.153, by adding subdivisions; 473.802; 473.803, Subdivision 1, and by adding a subdivision; 473.811, Subdivision 7, and by adding a subdivision; 473.823, Subdivision 3; 473.827, Subdivision 1, and by adding a subdivision; 473.831, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivisions 4 and 13; 115A.11, Subdivision 1; 115A.21, Subdivision 3; 115A.24, Subdivision 1, and by adding a subdivision; 473.803, Subdivision 1a; and 473.831, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 115A; repealing Minnesota Statutes 1980, Section 473.827, Subdivisions 2, 3, 4, 5, and 6.

March 12, 1982

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. 1965, 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. 1965 be further amended as follows:

Page 5, line 34, after "pretreatment," insert "*retrievable storage,*"

Page 6, line 10, after "commercial" insert "*retrievable storage or*"

Page 32, after line 34, insert :

"Sec. 37. [116.082] [OPEN BURNING OF LEAVES: LOCAL ORDINANCES.]

*Subject to sections 88.16, 88.17 and 88.22, but notwithstanding any law or rule to the contrary, a town or home rule charter or statutory city located outside the metropolitan area as defined in section 473.121, subdivision 2, by adoption of an ordinance, may permit the open burning of dried leaves within the boundaries of the town or city. The ordinance shall limit leaf burning to the period between September 15 and December 1 and shall set forth limits and conditions on leaf burning to minimize air pollution and fire danger and any other hazards or nuisance conditions. No open burning of leaves shall take place during an air pollution alert, warning or emergency declared by the agency. Any town or city adopting an ordinance pursuant to this section shall submit a copy of the ordinance to the agency and the department of natural resources."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 34, delete "Chapter 115A" and insert "Chapters 115A and 116"

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

Senate Conferees: GENE MERRIAM, GERALD L. WILLET and STEVE ENGLER.

House Conferees: DEE LONG, GEORGE C. DAHLVANG and TOM REES.

Long moved that the report of the Conference Committee on S. F. No. 1965 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1965, A bill for an act relating to the environment; amending various provisions of the waste management act; authorizing the commissioner of administration to acquire certain development rights; defining terms for purposes of the resource recovery program; prohibiting the waste management board from certifying the use of facilities for disposal of radio-

active waste; stating various policies and requirements relating to solid and hazardous waste plans and facility permits; prescribing standards, procedures, approvals, and supervision relating to designations of resource recovery facilities; requiring the board to place its highest priority on alternatives to land disposal of hazardous waste; allowing the removal of the moratorium on development at certain sites; directing a study of solid waste utilization in the St. Cloud area; appropriating money; amending Minnesota Statutes 1980, Sections 115A.08, by adding a subdivision; 115A.15, Subdivisions 2, 6, and by adding a subdivision; 115A.42; 115A.46; 115A.62; 115A.69, Subdivision 10; 115A.70, Subdivisions 1, 2, and 3; 116.07, Subdivision 4b; 400.16; 400.162; 473.149, Subdivision 1; 473.153, by adding subdivisions; 473.802; 473.803, Subdivision 1, and by adding a subdivision; 473.811, Subdivision 7, and by adding a subdivision; 473.823, Subdivision 3; 473.827, Subdivision 1, and by adding a subdivision; 473.831, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 115A.06, Subdivisions 4 and 13; 115A.11, Subdivision 1; 115A.21, Subdivision 3; 115A.-24, Subdivision 1, and by adding a subdivision; 473.803, Subdivision 1a; and 473.831, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 115A; repealing Minnesota Statutes 1980, Section 473.827, Subdivisions 2, 3, 4, 5, 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 118 yeas and 9 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Den Ouden	Esau	Ludeman	Welker
Dempsey	Erickson	Jennings	Schafer	

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. 1727, A bill for an act relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 480.01; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; and Minnesota Statutes 1981 Supplement, Sections 204B.06, Subdivision 6; 204B.34, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapters 480A; and 632; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Clawson moved that the House concur in the Senate amendments to H. F. No. 1727 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1727, A bill for an act relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; and Article VIII, Section 2; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 480.01; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; and Minnesota Statutes 1981 Supplement, Sections 204B.06, Subdivision 6; 204B.34, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapters 480A and 632; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

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 118 yeas and 1 nay as follows:



Those who voted in the affirmative were:

Aasness	Ellingson	Kaley	Norton	Sherman
Ainley	Erickson	Kalis	Novak	Sieben, M.
Anderson, B.	Esau	Kelly	O'Connor	Simoneau
Anderson, G.	Evans	Knickerbocker	Ogren	Skoglund
Anderson, I.	Fjoslien	Kostohryz	Olsen	Stadum
Battaglia	Forsythe	Kvam	Onnen	Stowell
Begich	Greenfield	Laidig	Osthoff	Stumpf
Berkelman	Gruenes	Lehto	Otis	Sviggum
Blatz	Gustafson	Levi	Peterson, B.	Swanson
Brandl	Halberg	Long	Peterson, D.	Tomlinson
Brinkman	Hanson	Luknic	Piepho	Valan
Byrne	Harens	Mann	Pogemiller	Valento
Carlson, D.	Hauge	Marsh	Redalen	Vanasek
Carlson, L.	Haukoos	McCarron	Rees	Vellenga
Clark, J.	Heap	McDonald	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	Wigley
Den Ouden	Jacobs	Murphy	Schafer	Wynia
Drew	Jennings	Nelsen, B.	Schoenfeld	Spkr. Sieben, H.
Eken	Johnson, D.	Nelson, K.	Schreiber	
Elioff	Jude	Niehaus	Shea	

Those who voted in the negative were:

Lemen

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

The following conference committee report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 2058

A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

March 13, 1982

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. 2058, 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. 2058 be further amended as follows:

Page 2, line 10, before the period insert "*, unless release would be detrimental to the best interests of the child*"

Page 3, delete lines 20 to 28 and insert "*confidential while the report is under investigation. After the investigation is completed, the name of the reporter shall be confidential but shall be accessible to the individual subject of the record upon court order.*"

Page 4, delete lines 2 to 5 and insert "*private data. If no*"

Page 4, after line 34, insert

"Sec. 6. Minnesota Statutes 1980, Section 626.557, Subdivision 19, is amended to read:

Subd. 19. [PENALTY.] Any caretaker, as defined in subdivision 2, or operator or employee thereof, or volunteer worker thereat, who intentionally abuses or neglects a vulnerable adult, or being a caretaker, *knowingly* permits conditions to exist which result in the abuse or neglect of a vulnerable adult, (MAY BE CHARGED WITH A VIOLATION OF SECTION 609.23) *is guilty of a gross misdemeanor.*"

Page 4, line 36, delete "5" and insert "6"

Renumber the section in sequence

Further, amend the title as follows:

Page 1 after line 5, insert "prescribing penalties;"

Page 1, line 8 after the comma insert "Subdivision 19, and"

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

House Conferees: SHIRLEY A. HOKANSON, DOROTHY I. HOKR and DON SAMUELSON.

Senate Conferees: LINDA BERGLIN, RON SIELOFF and GENE MERRIAM.

Hokanson moved that the report of the Conference Committee on H. F. No. 2058 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2058, A bill for an act relating to public welfare; providing for classification, access, and destruction of certain child

abuse report records; clarifying the classification of reports regarding vulnerable adults; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 11.

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

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

Those who voted in the affirmative were:

Aasness	Evans	Kostohryz	Ogren	Simoneau
Anderson, B.	Fjoslien	Kvam	Olsen	Skoglund
Anderson, G.	Forsythe	Laidig	Onnen	Stadum
Anderson, I.	Greenfield	Lehto	Osthoff	Staten
Battaglia	Gruenes	Lemen	Otis	Stowell
Begich	Gustafson	Levi	Peterson, B.	Stumpf
Berkelman	Halberg	Long	Peterson, D.	Sviggum
Blatz	Hanson	Ludeman	Piepho	Swanson
Brandl	Harens	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.	Voss
Clark, K.	Hoborg	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, D.	Nelsen, B.	Schafer	Wigley
Drew	Jude	Nelson, K.	Schoenfeld	Wynia
Eken	Kahn	Niehaus	Schreiber	Spkr. Sieben, H.
Elioff	Kaley	Norton	Shea	
Ellingson	Kalis	Novak	Sherman	
Erickson	Kelly	Nysether	Sherwood	
Esau	Knickerbocker	O'Connor	Sieben, M.	

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

## MOTIONS AND RESOLUTIONS

Eken introduced:

House Concurrent Resolution No. 8, A house concurrent resolution relating to adjournment of the Senate and House of Representatives for more than three days.

## SUSPENSION OF RULES

Eken moved that the Rules be so far suspended that House Concurrent Resolution No. 8 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE CONCURRENT RESOLUTION NO. 8

A house concurrent resolution relating to adjournment of the Senate and House of Representatives for more than three days.

*Be It Resolved* by the House of Representatives, the Senate concurring:

(1) Upon their adjournments on March 13, 1982, the House of Representatives may set its next day of meeting for March 18, 1982, at 11:00 a.m. and the Senate may set its next day of meeting for March 18, 1982, at 11:00 a.m.

(2) By adoption of this resolution, each house consents to adjournment of the other body for more than three days.

Eken moved that House Concurrent Resolution No. 8 be now adopted. The motion prevailed and House Concurrent Resolution No. 8 was adopted.

Munger, Norton, Dean, Skoglund and Lehto introduced:

House Concurrent Resolution No. 9, A house concurrent resolution expressing the importance of clean air and urging the Minnesota Pollution Control Agency to maintain strong air quality standards that will fully provide the necessary protection for the State of Minnesota.

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

The following conference committee reports were received:

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 1902

A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

March 13, 1982

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. 1902, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that H. F. No. 1902 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.]

*Subdivision 1. For purposes of this section, the following terms have the meanings given them, unless the language or context clearly indicates that a different meaning is intended.*

*Subd. 2. "Small business" means a business entity organized for profit, including an individual, partnership, corporation, joint venture, association or cooperative which has its principal place of business in Minnesota, and which*

*(a) Is not dominant in its field of operation, and*

*(b) Is not an affiliate or subsidiary of a business dominant in its field of operations.*

*If a federal or state program prohibits any geographical limitation on the principal place of business of an eligible business in order for the county to be eligible for funds, the federal or state requirement shall prevail.*

*Subd. 3. "Dominant in its field of operation" means exercising a controlling or major influence in a business activity in which a number of businesses are engaged. In determining whether a business is dominant, the following criteria, among others, shall be considered: number of employees; volume of business; financial resources; competitive status or position; ownership or control of materials, processes, patents, license agreements and facilities; sales territory; and nature of business activity. The following businesses shall be deemed dominant in their field of operation:*

*(a) Manufacturing businesses which employ more than 100 persons and have in the preceding three fiscal years exceeded a total of \$15,000,000 in gross receipts for the three year period;*

*(b) General construction businesses which in the preceding three fiscal years have exceeded a total of \$6,000,000 in gross receipts for the three year period;*

*(c) Specialty construction businesses which in the preceding three fiscal years have exceeded a total of \$3,000,000 in gross receipts for the three year period; and*

*(d) Nonmanufacturing businesses which employ more than 25 persons and have in the preceding three fiscal years exceeded a total of \$3,000,000 in gross receipts for the three year period.*

*Subd. 4. "Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in that field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.*

## **Sec. 2. [SMALL BUSINESS SET-ASIDE.]**

*Nothing in Minnesota Statutes, Section 471.345 shall be construed to prohibit Ramsey County from adopting a resolution, rule, regulation or ordinance which on an annual basis sets aside for awarding to small businesses a percentage of the value of the county's anticipated total procurement of goods and services, including construction, otherwise subject to that section, and which uses either a negotiated price or bid contract*

*procedure to award a procurement contract under a set-aside program allowed in this section. Any award based on a negotiated price shall not exceed by more than five percent the county's estimated price for the goods and services if they were purchased in the open market and not under the set-aside program.*

Sec. 3. Minnesota Statutes 1981 Supplement, 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 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 20 day period, the aggrieved party may file with the administrator within the 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 the fee set by the board of Ramsey County commissioners when the demand is for trial by court, (PLUS \$6 ADDITIONAL) and the fee as set by the Ramsey County commissioners when the demand is for trial by a jury of six. The above fee is not payable by the county.

Sec. 4. [RAMSEY COUNTY MEDICAL FACILITY WATER SYSTEM.]

*Subdivision 1. Ramsey County may issue and sell from time to time general obligation bonds of the county in an aggregate principal amount not to exceed \$5,000,000 to finance the construction, installation, modification or improvement of heating, cooling and domestic hot water systems serving buildings owned in whole or part, operated or maintained by the county or the Ramsey County medical center commission. The county shall pledge its full faith and credit and taxing powers for the payment of the bonds. Except as provided in this section, the bonds shall be issued in accordance with Minnesota Statutes, Chapter 475. The bonds may be issued and sold without submitting the question of the issuance of the bonds to a vote by the people. The bonds shall be in a form and bear interest at the rate that the county prescribes and shall be sold by the county to the bidder with the most favorable bid, after notice of the time and place for the receiving of the bids has been published according to law. The bonds shall not be included in computing the net debt of the county under any law, and the taxes required for payment of the bonds and interest on them shall not be subject to any limitation provided by other law.*

*Subd. 2. In substitution of, but not in addition to, powers granted to Ramsey County in subdivision 1, Ramsey County may levy and collect a tax, not to exceed the lesser of \$5,000,000 or two mills, upon all taxable property in Ramsey County to finance the construction, installation, modification or improvement of heating, cooling and domestic hot water systems serving buildings owned in whole or part, operated or maintained by the county or Ramsey County medical center commission. A levy made pursuant to this subdivision shall not be subject to any limitation provided by other law.*

*Subd. 3. The bonds described in subdivision 1 may not be issued and the tax described in subdivision 2 may not be levied until construction is commenced on a district heating system in St. Paul which is designed for heating or cooling or domestic hot water service to one or more buildings owned in whole or part, operated or maintained by the county or the Ramsey County medical center commission.*

#### Sec. 5. [EFFECTIVE DATE.]

*Sections 1, 2, and 4 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of Ramsey County.*

#### Sec. 6. [MAPLEWOOD; PROJECT; BONDS.]

*Subdivision 1. Notwithstanding Minnesota Statutes, Section 474.02. Subdivision 1b, the city of Maplewood may undertake a project consisting of properties, real or personal, used or useful, in connection with a revenue producing enterprise com-*

*prising a hotel or motel and may issue revenue bonds of the city to finance the project pursuant to Minnesota Statutes, Chapter 474, in an aggregate principal amount not to exceed \$10,000,000.*

*Subd. 2. This section is effective on the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of Maplewood."*

Delete the title and insert:

"A bill for an act relating to local government; providing for a Ramsey county small business set-aside program; authorizing Ramsey county commissioners to set fees for removal to municipal court; allowing Ramsey county to issue bonds or levy taxes for a medical facility water system; permitting a Maplewood bond issue; amending Minnesota Statutes 1981 Supplement, Section 488A.34, Subdivision 2."

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

House Conferees: FRANK J. RODRIGUEZ, SR., RANDY C. KELLY and RICHARD J. KOSTOHRYZ.

Senate Conferees: MARILYN M. LANTRY, GENE WALDORF and JEROME M. HUGHES.

Rodriguez, F., moved that the report of the Conference Committee on H. F. No. 1902 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1902, A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

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 18 nays as follows:

Those who voted in the affirmative were:

Aasness	Carlson, L.	Fjoslien	Himle	Kostohryz
Anderson, B.	Clark, J.	Forsythe	Hoberg	Laidig
Anderson, I.	Clawson	Greenfield	Hokanson	Lehto
Battaglia	Dahlvang	Gruenes	Jacobs	Lemen
Begich	Dean	Gustafson	Johnson, D.	Levi
Berkelman	Dempsey	Hanson	Jude	Long
Blatz	Drew	Harens	Kahn	Luknic
Brandl	Eken	Hauge	Kaley	Mann
Brinkman	Elioff	Haukoos	Kalis	Marsh
Byrne	Ellingson	Heap	Kelly	McCarron
Carlson, D.	Evans	Heinitz	Knickerbocker	McEachern



Metzen	Olsen	Rees	Sherman	Vellenga
Minne	Onnen	Rodriguez, C.	Sieben, M.	Voss
Munger	Osthoff	Rodriguez, F.	Simoneau	Weaver
Murphy	Otis	Rose	Skoglund	Welch
Nelsen, B.	Peterson, B.	Rothenberg	Stadum	Wenzel
Nelson, K.	Peterson, D.	Samuelson	Staten	Wynia
Norton	Piepho	Sarna	Stowell	Spkr. Sieben, H.
Novak	Pogemiller	Schoenfeld	Swanson	
O'Connor	Redalen	Schreiber	Valento	
Ogren	Reding	Shea	Vanasek	

Those who voted in the negative were:

Den Ouden	Hokr	Ludeman	Sviggum	Wigley
Erickson	Jennings	McDonald	Welker	
Esau	Kvam	Schafer	Wieser	

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

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1760

A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; amending Minnesota Statutes 1980, Sections 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; 626A.05, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Statutes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

**March 13, 1982**

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. 1760, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the amendments adopted by the Senate and that H. F. No. 1760 be further amended as follows:

Page 4, after line 3 insert:

"Sec. 6. Minnesota Statutes 1980, Section 626A.05, Subdivision 2, is amended to to read:

Subd. 2. [OFFENSES FOR WHICH INTERCEPTION OF WIRE OR ORAL COMMUNICATION MAY BE AUTHO-

RIZED.] A warrant authorizing interception of wire or oral communications by investigative or law enforcement officers may only be issued when (SUCH) *the* interception may provide evidence of the commission of *gambling* or any criminal felony offense involving murder, manslaughter, aggravated assault, aggravated robbery, kidnapping, aggravated rape, prostitution, bribery, perjury, escape from custody, theft, receiving stolen property, embezzlement, burglary, forgery, aggravated forgery, (GAMBLING,) and offenses relating to controlled substances, or an attempt or conspiracy to commit any (SUCH OFFENSE OR SAID) *of these* offenses, as punishable under sections 609.-185, 609.19, 609.195, 609.20, 609.225, 609.245, 609.25, 609.291, 609.321 to 609.324, 609.42, 609.48, 609.485, subdivision 4, clause (1), 609.52, 609.53, 609.54, 609.58, 609.625, 609.63, 609.76, 609.-825, and chapter 152."

Page 4, line 28, after the period insert: "*Section 6 is effective May 1, 1982, and applies to warrants issued on or after that date. Section 7 is effective August 1, 1982.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert: "providing for interception of certain wire or oral communications;"

Page 1, line 7, after the first semicolon insert "626A.05, Subdivision 2;"

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

House Conferees: LAWRENCE J. POGEMILLER, ARLENE I. LEHTO and DEAN E. JOHNSON.

Senate Conferees: ERIC D. PETTY, GREGORY L. DAHL and ALLAN A. SPEAR.

Pogemiller moved that the report of the Conference Committee on H. F. No. 1760 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1760, A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; amending Minnesota Statutes 1980, Sections 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; 626A.05, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Stat-

utes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

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 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 378.

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. 378

A bill for an act relating to marriage dissolution; clarifying factors to consider in awarding maintenance; amending Minnesota Statutes 1980, Section 518.552.

March 12, 1982

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. 378, 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. 378 be amended as follows:

Page 2, line 16, delete "*or education*"

Page 2, line 18, after "*outmoded*" insert "*and earning capacity has become permanently diminished*"

Page 2, after line 27 insert:

"Sec. 2. [EFFECTIVE DATE.] *Section 1 is effective May 1, 1982.*"

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

Senate Conferees: LINDA BERGLIN, RANDOLPH W. PETERSON and JIM RAMSTAD.

House Conferees: ANN WYNIA, MARY M. FORSYTHE and FRED C. NORTON.

Wynia moved that the report of the Conference Committee on S. F. No. 378 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 378, A bill for an act relating to marriage dissolution; clarifying factors to consider in awarding maintenance; amending Minnesota Statutes 1980, Section 518.552.

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 93 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kahn	Nysether	Sieben, M.
Anderson, G.	Erickson	Kaley	O'Connor	Simoneau
Anderson, I.	Evans	Knickerbocker	Ogren	Skoglund
Battaglia	Forsythe	Kostohryz	Olsen	Stowell
Begich	Greenfield	Laidig	Onnen	Stumpf
Berkelman	Gruenes	Lehto	Otis	Sviggum
Blatz	Gustafson	Levi	Peterson, B.	Swanson
Brandl	Halberg	Long	Peterson, D.	Tomlinson
Byrne	Hanson	Luknic	Piepho	Valan
Carlson, D.	Hauge	Marsh	Pogemiller	Valento
Carlson, L.	Heap	Mehrkens	Reding	Vanasek
Clark, J.	Heintz	Metzen	Rice	Vellenga
Clark, K.	Himle	Minne	Rodriguez, C.	Voss
Clawson	Hoberg	Munger	Rodriguez, F.	Weaver
Dahlvang	Hokanson	Murphy	Rose	Wenzel
Dempsey	Hokr	Nelsen, B.	Rothenberg	Wynia
Drew	Jacobs	Nelson, K.	Sarna	Spkr. Sieben, H.
Eken	Johnson, D.	Norton	Shea	
Elioff	Jude	Novak	Sherman	

Those who voted in the negative were:

Aasness	Fjoslien	Lemen	Redalen	Welker
Ainley	Haukoos	Ludeman	Schafer	Wigley
Brinkman	Jennings	Mann	Schoenfeld	
Den Ouden	Kalis	Niehaus	Sherwood	
Esau	Kvam	Osthoff	Staten	

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. 1894.

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. 1894

A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending

Minnesota Statutes 1980, Sections 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3; 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1.

March 12, 1982

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. 1894, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments, and that Senate File No. 1894 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 16.86, Subdivision 4, is amended to read:

Subd. 4. The commissioner, (NOTWITHSTANDING ANY LAW TO THE CONTRARY) *except in the case of energy conservation standards promulgated or amended pursuant to section 116H.12, subdivision 4*, shall hold all state hearings and make all determinations regarding any subject matter dealt with in the code including those in which another department or agency proposes to adopt or amend rules and regulations which are incorporated by reference into the code or whenever the commissioner proposes to incorporate such regulations into the state building code. In no event shall a state agency or department subsequently authorized to adopt rules and regulations involving state building code subject matter proceed to adopt the rules and regulations without prior consultation with the commissioner.

Sec. 2. Minnesota Statutes 1980, Section 116H.02, is amended by adding a subdivision to read:

Subd. 15. [DEFINITIONS.] *Wind energy conversion system (WECS) means any device, such as a wind charger, wind-*

*mill, or wind turbine, which converts wind energy to a form of useable energy.*

Sec. 3. Minnesota Statutes 1981 Supplement, Section 116H.07, is amended to read:

116H.07 [DUTIES.]

The commissioner shall:

(a) Manage the 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 and implement a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential, and transportation 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. 4. Minnesota Statutes 1981 Supplement, Section 116H.-088, Subdivision 1, is amended to read:

Subdivision 1. The 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) *assist in the development and implementation of adult and post-secondary energy education programs.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 116H.-095, Subdivision 4, is amended to read:

Subd. 4. [SET-ASIDE REQUIRED.] Every prime supplier shall allocate for sale or exchange monthly upon order of the commissioner a volume of *motor* 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) *monthly supply estimate.* 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) *monthly supply estimate.*

Sec. 6. Minnesota Statutes 1981 Supplement, Section 116H.-095, Subdivision 5, is amended to read:

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 *monthly* report of its estimated volume of gasoline and middle distillate (SALE) *deliveries.* 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 *motor* gasoline supplies and four percent of estimated middle distillate supplies as shown by the report.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 116H.10, Subdivision 4, is amended to read:

Subd. 4. Reports issued pursuant to this section, *other than individual corporate reports classified as nonpublic data in section 15.1682*, shall be available for public inspection in the office of the department during normal business hours.

Sec. 8. Minnesota Statutes 1981 Supplement, Section 116H.11, Subdivision 1, is amended to read:

Subdivision 1. By January 1 of each even-numbered year, the 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) *utility service* 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) *utility service* area energy need for the forthcoming (FIVE AND TEN) 20 year period which, in the judgment of the commissioner, will reasonably balance requirements of state (AND GEOGRAPHICAL AREA) *economic* 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.

Sec. 9. Minnesota Statutes 1981 Supplement, 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 COMMISSIONER,) shall, pursuant to chapter 15, adopt rules governing building design and construction standards regarding heat loss control, illumination and climate control. *To the maximum extent practicable, the rules providing for the energy portions of the building code shall be based on and conform to model codes generally accepted throughout the United States.* The rules shall apply to all new buildings and remodeling affecting heat loss control, illumination and climate control. 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 rules (SHALL BECOME PART OF THE STATE BUILDING CODE AND BE EFFECTIVE SIX MONTHS AFTER PROMULGATION) *adopted pursuant to this subdivision, shall be part of the state building code. Notwithstanding the provisions of this subdivision, all applications for approval of building specifications and plans may be submitted to the state building inspector as provided in Section 16.862.*

Sec. 10. Minnesota Statutes 1981 Supplement, Section 116H.-128, is amended to read:

116H.128 [REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS.]

The 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 and energy conservation 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) Other projects the commissioner deems appropriate and of direct benefit to Minnesota and other states of the upper mid-west.

Sec. 11. Minnesota Statutes 1980, Section 116H.15, Subdivision 1, is amended to read:

Subdivision 1. Any person who violates (SECTIONS 116H.01 TO 116H.15,) *any provision of this chapter or section 325F.20 (,) or 325F.21,* or any rule or regulation promulgated thereunder, or knowingly submits false information in any report required by (SECTIONS 116H.01 TO 116H.15,) *this chapter or section 325F.20 (,) or 325F.21* shall be guilty of a misdemeanor. Each day of violation shall constitute a separate offense.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 116H.15, Subdivision 2, is amended to read:

Subd. 2. The provisions of *this chapter and 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 commissioner, and the existence of an adequate remedy at law shall not be a defense to an action brought under this subdivision.

Sec. 13. Minnesota Statutes 1980, Section 116H.15, Subdivision 3, is amended to read:

Subd. 3. When the court finds that any person has violated (SECTIONS 116H.01 TO 116H.15,) *any provision of this chapter or section 325F.20 (,) or 325F.21,* or any rule or regulation thereunder, has knowingly submitted false information in any report required by (SECTIONS 116H.01 TO 116H.15,) *this chapter or section 325F.20 (,) or 325F.21,* or has violated any court order issued under (SECTIONS 116H.01 TO 116H.15,) *this chapter or section 325F.20 (,) or 325F.21,* the court may impose a civil penalty of not more than \$10,000 for each violation. These penalties shall be paid to the general fund in the state treasury.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 116H.18, is amended to read:

**116H.18 [ENERGY EFFICIENT BUILDING EDUCATION.]**

The commissioner shall develop a program to provide information and training to *persons in the state who influence the energy efficiency of new buildings, including 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. 15. [§25E.015] [RESIDENTIAL ENERGY SALES PRACTICES.]**

*Subdivision 1. [DEFINITION.] "Budget payment plan" means a billing method in which estimated annual energy consumption costs are billed to the consumer in ten or more approximately equal monthly payments.*

*Subd. 2. [BUDGET PAYMENT PLAN A CUSTOMER OPTION.] Not later than September 1, 1982, every supplier of electricity or space heating fuels that offers some of its residential customers a budget payment plan shall make the plan available to all residential customers who request it provided that any customer with an outstanding balance on an account shall be placed on a budget payment plan that includes repayment of the outstanding balance. Suppliers of fuel oil, liquified petroleum gas, firewood, and coal are exempt from the provisions of this subdivision.*

Sec. 16. Minnesota Statutes 1980, Section 500.30, is amended to read:

**500.30 [SOLAR OR WIND EASEMENTS.]**

*Subdivision 1. "Solar easement" means a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or solar skyspace for the purpose of ensuring adequate exposure of a solar energy system as defined in section 116H.02, subdivision 11, to solar energy.*

*Subd. 1a. "Wind easement" means a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or air space for the purpose of ensuring adequate exposure of a wind power system to the winds.*

Subd. 2. Any property owner may grant a solar *or wind* easement in the same manner and with the same effect as a conveyance of an interest in real property. The easements shall be created in writing and shall be filed, duly recorded, and indexed in the office of the recorder of the county in which the easement is granted. No duly recorded (SOLAR) easement shall be unenforceable on account of lack of privity of estate or privity of contract; such easements shall run with the land or lands benefited and burdened and shall constitute a perpetual easement, except that (A SOLAR) *an* easement may terminate upon the conditions stated therein or pursuant to the provisions of section 500.20.

Subd. 3. Any deed, will, or other instrument that creates a solar *or wind* easement shall include, but the contents are not limited to:

(a) a description of the real property subject to the (SOLAR) easement and a description of the real property benefiting from the solar *or wind* easement; *and*

(b) *for solar easements*, a description of the vertical and horizontal angles, expressed in degrees and measured from the site of the solar energy system, at which the solar easement extends over the real property subject to the (SOLAR) easement, or any other description which defines the three dimensional space, or the place and times of day in which an obstruction to direct sunlight is prohibited or limited;

(c) *a description of the vertical and horizontal angles, expressed in degrees, and distances from the site of the wind power system in which an obstruction to the winds is prohibited or limited;*

(d) any terms or conditions under which the (SOLAR) easement is granted or may be terminated;

((D)) (e) any provisions for compensation of the owner of the real property benefiting from the (SOLAR) easement in the event of interference with the enjoyment of the (SOLAR) easement, or compensation of the owner of the real property subject to the (SOLAR) easement for maintaining the (SOLAR) easement;

((E)) (f) any other provisions necessary or desirable to execute the instrument.

Subd. 4. A solar *or wind* easement may be enforced by injunction or proceedings in equity or other civil action.

Subd. 5. Any depreciation caused by any solar *or wind* easement which is imposed upon designated property, but not any

appreciation caused by any (SOLAR) easement which benefits designated property, shall be included in the valuation of the property for property tax purposes.

Sec. 17. [REPEALER.]

*Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, Subdivision 1, are repealed.*

Further, amend the title as follows:

Page 1, line 9, after "Sections" insert "16.86, Subdivision 4;"

Page 1, line 10, after the first semicolon, delete the remainder of the line

Page 1, line 11, delete "462.357, Subdivision 1;"

Page 1, line 15, before "116H.128;" insert "116H.12, Subdivision 4;"

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

Senate Conferees: GENE WALDORF, GREGORY L. DAHL and JOHN BERNHAGEN.

House Conferees: KEN G. NELSON, JIM EVANS and ANN WYNIA.

Nelson, K., moved that the report of the Conference Committee on S. F. No. 1894 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1894, A bill for an act relating to energy; changing the duties of the commissioner of the department of energy, planning and development; expanding the scope of certain energy education programs; changing certain residential energy sales programs; providing for wind energy conversion systems in county and municipal zoning law; creating wind easements; amending Minnesota Statutes 1980, Sections 116H.02, by adding a subdivision; 116H.15, Subdivisions 1 and 3, 394.25, Subdivision 3; 462.357, Subdivision 1; 500.30; Minnesota Statutes 1981 Supplement, Sections 116H.07; 116H.088, Subdivision 1; 116H.095, Subdivisions 4 and 5; 116H.10, Subdivision 4; 116H.11, Subdivision 1; 116H.128; 116H.15, Subdivision 2; 116H.18; proposing new law coded in Minnesota Statutes, Chapter 325E; repealing Minnesota Statutes 1980, Sections 116H.088, Subdivision 2; 116H.12, Subdivision 8; and Minnesota Statutes 1981 Supplement, Section 120.78, 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 95 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kelly	O'Connor	Sherman
Anderson, G.	Fjoslien	Knickerbocker	Ogren	Sieben, M.
Anderson, I.	Greenfield	Kostohryz	Olsen	Simoneau
Battaglia	Gruenes	Laidig	Onnen	Skoglund
Begich	Gustafson	Lehto	Osthoff	Stadum
Berkelman	Halberg	Levi	Otis	Staten
Blatz	Hanson	Long	Peterson, B.	Stowell
Brandl	Harens	Luknic	Peterson, D.	Stumpf
Brinkman	Hauge	Mann	Piepho	Swanson
Byrne	Heap	Marsh	Pogemiller	Tomlinson
Carlson, D.	Heinitz	McEachern	Reding	Vanasek
Carlson, L.	Himle	Metzen	Rees	Vellenga
Clark, J.	Hoberg	Minne	Rice	Voss
Clark, K.	Hokanson	Munger	Rodriguez, C.	Weaver
Clawson	Hokr	Murphy	Rodriguez, F.	Welch
Dahlvang	Jacobs	Nelsen, B.	Rothenberg	Wenzel
Drew	Johnson, D.	Nelson, K.	Samuelson	Wigley
Eken	Jude	Norton	Sarna	Wynia
Elioff	Kahn	Novak	Schreiber	Spkr. Sieben, H.

Those who voted in the negative were:

Ainley	Haukoos	Lemen	Niehaus	Sherwood
Dempsey	Jennings	Ludeman	Nysether	Sviggum
Den Ouden	Kaley	McCarron	Redalen	Valento
Erickson	Kalis	McDonald	Schafer	Welker
Esau	Kvam	Mehrkens	Schoenfeld	Wieser

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

The following conference committee report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1817

A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Min-

Minnesota Statutes, Chapter 221; repealing Minnesota Statutes 1981 Supplement, Section 161.465.

March 13, 1982

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. 1817, 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. 1817 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 160.283, Subdivision 3, is amended to read:

Subd. 3. For the purposes of sections 160.283 to 160.285 the term "resort" shall be as defined in Minnesota Statutes 1969, Section 157.01 or a golf course.

Sec. 2. [161.115] [TRUNK HIGHWAY SYSTEM; NEW ROUTE IN SUBSTITUTION OF EXISTING ROUTE.]

*Subdivision 1. [ADDITIONAL ROUTE.] There is added to the trunk highway system a new route described as follows:*

*Route No. 129. Beginning at a point on Route No. 3 at or near St. Cloud, thence extending in a southeasterly direction to a point on Route No. 212 as herein established; affording St. Cloud, Clearwater, and Monticello, a reasonable means of communication each with the other and other places within the state.*

*Subd. 2. [SUBSTITUTION.] The route established in subdivision 1 is substituted for trunk highway route numbered 129 as contained and described in Minnesota Statutes 1980, Section 161.115. Route numbered 129 as contained and described in that section is discontinued and removed from the trunk highway system.*

*Subd. 3. [DIRECTION TO REVISOR.] The revisor of statutes, in compiling the next and subsequent editions of the Minnesota Statutes, shall substitute the route established in subdivision 1 for the route discontinued and removed from the trunk highway system in subdivision 2.*

Sec. 3. [161.115] [TRUNK HIGHWAY SYSTEM; REMOVAL OF ROUTE NO. 278.]



*Route No. 278 as described in Minnesota Statutes 1981 Supplement, Section 161.115, is discontinued and removed from the trunk highway system. The revisor of statutes, in compiling the next and subsequent editions of Minnesota Statutes shall delete Route No. 278.*

Sec. 4. Minnesota Statutes 1980, Section 161.41, is amended to read:

**161.41 [SURPLUS PROPERTY NOT NEEDED FOR TRUNK HIGHWAY PURPOSES.]**

Subdivision 1. [COMMISSIONER MAY DECLARE SURPLUS.] The commissioner is authorized to declare as surplus any property acquired by the state for highway purposes, excluding real estate, which (HE) *the commissioner* determines (BY ORDER) to be no longer needed or necessary for state highway purposes.

Subd. 2. [DETERMINATION OF VALUE OF SURPLUS PROPERTY AND (TRANSFERENCE) DISPOSITION.] (THE ORDER SHALL DIRECT THAT) *The commissioner shall administer all aspects of the disposition of property declared to be surplus under this section. The commissioner shall first determine the value of the surplus property (SHALL BE DETERMINED, SUBJECT TO THE APPROVAL OF THE COMMISSIONER, BY THE DISTRICT ENGINEER IN WHOSE DISTRICT THE PROPERTY IS LOCATED, AND SHALL AUTHORIZE THE DISTRICT ENGINEER TO). The commissioner may then transfer the possession of the surplus property to any state agency (,) or political subdivision of (GOVERNMENT) this state or to the United States government upon receipt of payment (THEREFOR) in (THE) an amount (SO DETERMINED) equal to the value of the surplus property.*

*The commissioner may also sell the surplus property under the competitive bidding provisions of chapter 16 if no state agency or political subdivision of this state offers to purchase the surplus property for its determined value.*

Subd. 3. [MONEY RECEIVED TO BE CREDITED TO TRUNK HIGHWAY FUND.] *The commissioner shall deposit all money received under this section (SHALL BE DEPOSITED BY THE DISTRICT ENGINEER) with the state treasurer (AND) to be credited to the trunk highway fund.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 161.465, is amended to read:

**161.465 [REIMBURSEMENT FOR FIRE SERVICES.]**

Ordinary expenses incurred by a municipal or volunteer fire department in extinguishing a fire (OR EASING OR ELIMI-

NATING THE DANGER OF FIRE OR EXPLOSION WITHIN THE RIGHT-OF-WAY OF ANY STATE TRUNK HIGHWAY, OR) outside the right-of-way of *any trunk highway* if the fire originated within the right-of-way, upon approval of a police officer or an officer or employee of the department of public safety shall, upon certification to the commissioner of public safety by the proper official of the municipality or fire department within 60 days after the completion of the service, be reimbursed to the municipality or fire department from funds in the trunk highway fund. The commissioner of public safety shall take whatever action practicable to secure reimbursement to the trunk highway fund of moneys expended pursuant to this section from the person, firm or corporation responsible for the fire or danger thereof.

The provisions of this section shall not be construed to admit any state liability for damage or destruction to private property or for injury to persons resulting from a fire that originates within a trunk highway right-of-way.

Sec. 6. Minnesota Statutes 1980, Section 169.09, Subdivision 13, is amended to read:

Subd. 13. [ACCIDENT REPORTS CONFIDENTIAL.] All written reports and supplemental reports required *under this section* to be provided to the department of public safety (BY THIS SECTION) shall be without prejudice to the individual so reporting and shall be for the confidential use of the department of public safety (, THE MINNESOTA DEPARTMENT OF TRANSPORTATION,) and *other* appropriate state, federal, county and municipal governmental agencies for accident (PREVENTION) *analysis* purposes, except that the department of public safety or any law enforcement department of any municipality or county in this state shall, upon written request of any person involved in an accident or upon written request of the representative of his *or her* estate, (HIS) surviving spouse, or one or more (OF HIS) surviving next of kin, or a trustee appointed pursuant to section 573.02, disclose to the requester, his *or her* legal counsel or a representative of his *or her* insurer any information contained therein except the parties' version of the accident as set out in the written report filed by the parties or may disclose identity of a person involved in an accident when the identity is not otherwise known or when the person denies (HIS) presence at the accident. No report shall be used as evidence in any trial, civil or criminal, arising out of an accident, except that the department of public safety shall furnish upon the demand of any person who has, or claims to have, made a report, or, upon demand of any court, a certificate showing that a specified accident report has or has not been made to the department of public safety solely to prove a compliance or a failure to comply with the requirements that the report be made to the department of public safety. Disclosing any information contained in any accident report, except as provided herein, is unlawful and a misdemeanor.

Nothing herein shall be construed to prevent any person who has made a report pursuant to this chapter from testifying in any trial, civil or criminal, arising out of an accident, as to facts within (HIS) *the person's* knowledge. It is intended by this subdivision to render privileged the reports required but it is not intended to prohibit proof of the facts to which the reports relate. Legally qualified newspaper publications and licensed radio and television stations shall upon request to a law enforcement agency be given an oral statement covering only the time and place of the accident, the names and addresses of the parties involved, and a general statement as to how the accident happened without attempting to fix liability upon anyone, but said legally qualified newspaper publications and licensed radio and television stations shall not be given access to the hereinbefore mentioned confidential reports, nor shall any such statements or information so orally given be used as evidence in any court proceeding, but shall merely be used for the purpose of a proper publication or broadcast of the news.

This subdivision shall supercede other state law relating to data privacy or confidentiality with regard to accident reports. When these reports are released for accident (PREVENTION) *analysis* purposes the identity of any involved person shall not be revealed. Data contained in these reports shall only be used for accident (PREVENTION) *analysis* purposes, except as otherwise provided by this subdivision. Accident reports and data contained therein which may be in the possession or control of departments or agencies other than the department of public safety shall not be discoverable under any provision of law or rule of court.

*The department may charge authorized persons a \$5 fee for a copy of an accident report.*

**Sec. 7. Minnesota Statutes 1980, Section 169.80, Subdivision 1, is amended to read:**

Subdivision 1. [LIMITATIONS.] It is a misdemeanor for a person to drive or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80 to 169.88, or otherwise in violation of sections 169.80 to 169.88, and the maximum size and weight of vehicles as prescribed in sections 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no power or authority to alter these limitations except as express authority may be granted in sections 169.80 to 169.88.

When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

The provisions of sections 169.80 to 169.88 governing size, weight, and load shall not apply to fire apparatus, or to implements of husbandry temporarily moved upon a highway, or to loads of loose hay or corn stalks if transported by a horse-drawn vehicle or drawn by a farm tractor, or to a vehicle operated under the terms of a special permit issued as provided by law. For purposes of sections 169.80 to 169.88, a specialized vehicle resembling a low-slung two wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when the vehicle is used exclusively to transport implements of husbandry; and the term "temporarily moved upon a highway" shall mean a movement not to exceed 50 miles.

In addition to any other special permits authorized, an annual permit may be issued authorizing movements *on interstate highways and movements* exceeding 50 miles *on non-interstate highways* of oversize vehicles and loads when the vehicles or combination of vehicles are used exclusively to transport implements of husbandry. Annual permits are issued in accordance with the applicable provisions of section 169.86, except that the transporting vehicle or combination of vehicles may be moved at the discretion of the permittee without prior route approval from the permit issuing office of the department of transportation if:

(a) The overall width of the transporting vehicle, including load, does not exceed 12 feet;

(b) The transporting vehicle otherwise complies with equipment requirements and length, height and weight limitations prescribed by this chapter;

(c) The movement is made after the hour of sunrise and not later than 30 minutes after sunset;

(d) The movement is not made when visibility is impaired by weather, fog or other conditions rendering persons and

vehicles not clearly visible at a distance of 500 feet, or on Sundays *after twelve o'clock noon*, and holidays;

(e) The transporting vehicle shall display at the front and rear end of the load or vehicle a pair of flashing amber lights, as provided in section 169.59, subdivision 4, *whenever the overall width of the vehicle exceeds ten feet, six inches*; and

(f) The movement, if made on a trunk highway, is made on a trunk highway with a surfaced roadway width of not less than 24 feet.

The fee for an annual permit is \$24.

Sec. 8. [169.762] [PRESSURIZED FLAMMABLE GAS.]

*Subdivision 1. [MARKING REQUIRED.] Any vehicle within this state which carries liquefied petroleum gas fuel or natural gas in a tank attached to the vehicle in any concealed area, including but not limited to trunks, compartments, or under the vehicle, shall display on the exterior of the vehicle the words "Pressurized Flammable Gas", or a standard abbreviation or symbol as determined by the department of public safety, in block letters at least two inches high. The letters shall be of contrasting colors and shall be placed as near as possible to the area where the tank is located.*

*Subd. 2. [DISPENSING PROHIBITION.] No person shall dispense liquefied petroleum gas fuel or natural gas into any tank in a concealed area of a vehicle unless the vehicle is in compliance with the requirements of subdivision 1.*

*Subd. 3. [PENALTY.] Any owner convicted of violating the provisions of subdivisions 1 or 2 is guilty of a misdemeanor.*

Sec. 9. Minnesota Statutes 1980, Section 169.81, Subdivision 1, is amended to read:

*Subdivision 1. [HEIGHT.] (a) Except as provided in paragraph (b), no vehicle unladen or with load shall exceed a height of 13 feet six inches.*

*(b) A double-deck bus may not exceed a height of 14 feet three inches. Any carrier operating a double-deck bus exceeding 13 feet six inches shall obtain from the commissioner, with respect to highways under the commissioner's jurisdiction, and from local authorities, with respect to highways under their jurisdiction, an annual permit to operate the bus upon any highway under the jurisdiction of the party granting the permit. Annual permits shall be issued in accordance with applicable provisions of section 169.86. The fee for an annual permit issued*

by the commissioner is as provided in section 169.86, subdivision 5.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 169.81, Subdivision 3, is amended to read:

Subd. 3. [LENGTH OF COMBINATIONS AND SEMITRAILERS AND TRUCK-TRACTORS.] (a) *Except as provided in clause (c)*, no combination of vehicles coupled together (UNLADEN OR WITH LOAD), including truck-tractor and (SEMITRAILERS) *semitrailer*, 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, *unladen or with load*, shall exceed a total length of 60 feet. The *length* 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 sufficient 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 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) *deemed* 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 in-

crease 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 subdivision 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.

*(c) A combination of vehicles between 55 and 65 feet in length regularly engaged in the transportation of commodities and consisting of a truck and semitrailer or a truck-tractor and semitrailer drawing one additional semitrailer which may be equipped with an auxiliary dolly or a truck-tractor and semitrailer drawing one full trailer may operate only on divided highways having four or more lanes of travel, and on 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 the highway, for the purpose of providing access between the 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 those vehicles as prescribed by the United States Department of Transportation, Federal Highway Administration, Bureau of Motor Carrier Safety, and as may be amended. The total length of the combination, unladen or with load, shall not exceed 65 feet. For the purpose of registration, trailers coupled with a truck-tractor semitrailer combination shall be deemed semitrailers.*

Sec. 11. Minnesota Statutes 1981 Supplement, Section 169.825, Subdivision 8, is amended to read:

Subd. 8. [PNEUMATIC-TIRED VEHICLES.] No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state:

(a) Where the gross weight on any wheel exceeds 9,000 pounds, except that on designated routes the gross weight on any single wheel shall not exceed 10,000 pounds;

(b) Where the gross weight on any single axle exceeds 18,000 pounds, except that on designated routes the gross weight on any single axle shall not exceed 20,000 pounds;

(c) Where the maximum wheel load exceeds 600 pounds per inch of tire width or the manufacturer's recommended load, whichever is less;

(d) Where the gross weight on any axle of a tridem exceeds 15,000 pounds, except that for vehicles to which an additional axle has been added prior to June 1, 1981, the maximum gross

weight on any axle of a tridem (SHALL NOT EXCEED) *may be up to 16,000 pounds (AND) provided the gross weight of the tridem combination (SHALL) does not exceed 37,000 pounds where the first and third axles of the tridem are spaced seven feet apart; 38,500 pounds where the first and third axles of the tridem are spaced eight feet apart; and 39,900 pounds where the first and third axles of the tridem are spaced nine feet apart.*

(e) Where the gross weight on any group of axles exceeds the weights permitted under this section with any or all of the interior axles disregarded and their gross weights subtracted from the gross weight of all axles of the (VEHICLE) *group under consideration.*

Sec. 12. Minnesota Statutes 1981 Supplement, Section 169.-825, Subdivision 10, is amended to read:

Subd. 10. [GROSS WEIGHT SCHEDULE.] (a) No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state where the total gross weight on any group of two or more consecutive axles of any vehicle or combination of vehicles exceeds that given in the following table for the distance between the centers of the first and last axles of any group of two or more consecutive axles under consideration; the distance between axles being measured longitudinally to the nearest even foot, and when the measurement is a fraction of exactly one-half foot the next largest whole number in feet shall be used, except that when the distance between axles is more than three feet four inches and less than three feet six inches the distance of four feet shall be used:

Maximum gross weight in pounds on a group of

	2	3	4
Distances in feet between centers of foremost and rearmost axles of a group	consecutive axles of a 2-axle vehicle or of any vehicle or combination of vehicles having a total of 2 or more axles	consecutive axles of a 3-axle vehicle or of any vehicle or combination of vehicles having a total of 3 or more axles	consecutive axles of a 4-axle vehicle or any combination of vehicles having a total of 4 or more axles
4	34,000		
5	34,000		
	(35,000)		



6	34,000		
	(36,000)		
7	34,000	41,500	
	(37,000)		
8	34,000	42,000	
	(38,000)		
9	35,000	43,000	
	(39,000)		
10	36,000	43,500	49,000
	(40,000)		
11	36,000	44,500	49,500
12		45,000	50,000
13		46,000	51,000
14		46,500	51,500
15		47,500	52,000
16		48,000	53,000
17		49,000	53,500
18		49,500	54,000
19		50,500	55,000
20		51,000	55,500
21		52,000	56,000
22		52,500	57,000
23		53,500	57,500
24		54,000	58,000

25	(55,000)	59,000
26	(55,500)	59,500
27	(56,500)	60,000
28	(57,000)	61,000
29	(58,000)	61,500
30	(58,500)	62,000
31	(59,500)	63,000
32	(60,000)	63,500
33		64,000
34		65,000
35		65,500
36		66,000
37		67,000
38		67,500
39		68,000
40		69,000
41		69,500
42		70,000
43		71,000
44		71,500
45		72,000
46		(()72,500())
47		(73,500)
48		(74,000)

49	(74,500)
50	(75,500)
51	(76,000)

Maximum gross weight in pounds on a group of

	5	6	7
Distances in feet between centers of foremost and rearmost axles of a group	consecutive axles of a 5-axle vehicle or any combination of vehicles having a total of 5 or more axles	consecutive axles of a combination of vehicles having a total of 6 or more axles	consecutive axles of a combination of vehicles having a total of 7 or more axles
14	57,000		
15	57,500		
16	58,000		
17	59,000		
18	59,500		
19	60,000		
20	60,500	66,000	72,000
21	61,500	67,000	72,500
22	62,000	67,500	73,000
23	62,500	68,000	73,500
24	63,000	68,500	74,000
25	64,000	69,000	75,000
26	64,500	70,000	75,500
27	65,000	70,500	76,000
28	65,500	71,000	76,500

89th Day]

SATURDAY, MARCH 13, 1982

7995

29	66,500	71,500	77,000
30	67,000	72,000	77,500
31	67,500	73,000	78,500
32	68,000	73,500	79,000
33	69,000	74,000	79,500
34	69,500	74,500	80,000
35	70,000	75,000	
36	70,500	76,000	
37	71,500	76,500	
38	72,000	77,000	
39	72,500	77,500	
40	73,000	78,000	
41	74,000	79,000	
42	74,500	79,500	
43	75,000	80,000	
44	75,500		
45	76,500		
46	77,000		
47	77,500		
48	78,000		
49	79,000		
50	79,500		
51	80,000		

The gross weights shown in parentheses in this clause are permitted only on routes designated under section 169.832, subdivision 11.

(b) Notwithstanding any lesser weight in pounds shown in this table but subject to the restrictions on gross vehicle weights in clause (c), two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each and a combined gross load of 68,000 pounds provided the overall distance between the first and last axles of the consecutive sets of tandem axles is 36 feet or more.

(c) Notwithstanding the provisions of section 169.85, the gross vehicle weight of all axles of a vehicle or combination of vehicles shall not exceed the following:

(1) 80,000 pounds for routes designated under section 169.832, subdivision 11; and

(2) 73,280 pounds for any vehicle or combination of vehicles with five axles or less on all routes not designated under section 169.832, subdivision 11; and

(3) 80,000 pounds for any vehicle or combination of vehicles with six or more axles on all routes not designated under section 169.832, subdivision 11;

(d) The maximum weights specified in this subdivision for five (AND SIX) consecutive axles shall not apply to a combination of vehicles that includes a three axle semi-trailer first registered before (THE EFFECTIVE DATE OF LAWS 1981, CHAPTER 321, SECTIONS 1 TO 12. THE GROSS WEIGHT FOR FOUR OR FEWER CONSECUTIVE AXLES ON A COMBINATION OF VEHICLES EXCEPTED UNDER THIS CLAUSE SHALL NOT EXCEED ANY MAXIMUM WEIGHT SPECIFIED FOR FOUR OR FEWER CONSECUTIVE AXLES) August 1, 1981. All other weight limitations in this section are applicable;

(e) The maximum weights specified in this subdivision for five consecutive axles shall not apply to a four axle ready mix concrete truck which was equipped with a fifth axle prior to June 1, 1981. The maximum gross weight on four or fewer consecutive axles of vehicles excepted by this clause shall not exceed any maximum weight specified for four or fewer consecutive axles in this subdivision.

Sec. 13. Minnesota Statutes 1981 Supplement, Section 169.825 is amended by adding a subdivision to read:

*Subd. 12a. [GROSS WEIGHT REDUCTION ON RESTRICTED ROUTES.] The maximum weight on any single axle, two consecutive axles spaced within eight feet or less, three consecutive axles spaced within nine feet or less, or four consecutive axles spaced within 14 feet or less shall not exceed 18,000 pounds, 34,000 pounds, 48,000 pounds or 51,500 pounds respec-*

*tively multiplied by a factor of the axle weight in tons allowed on the restricted route divided by nine. No combination of axle weights shall exceed those weights specified in Minnesota Statutes 1981 Supplement, Section 169.825, Subdivision 10 for non-designated routes.*

Sec. 14. Minnesota Statutes 1981 Supplement, Section 169.86, Subdivision 5, is amended to read:

Subd. 5. [FEES.] The commissioner, with respect to highways under his jurisdiction, may charge a fee for each permit issued. 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;

(8) *double-deck buses.*

Sec. 15. Minnesota Statutes 1981 Supplement, Section 169.87, Subdivision 2, is amended to read:

Subd. 2. [SEASONAL LOAD RESTRICTIONS.] *Except for portland cement concrete roads*, from March 20 to May 15 of each year, the weight on any single axle shall not exceed five tons on a county or town road that has not been restricted as provided in subdivision 1. The gross weight on consecutive axles shall not exceed the gross weight allowed in section 169.825 multiplied by a factor of five divided by nine. This reduction shall not apply to the gross vehicle weight.

Sec. 16. Minnesota Statutes 1980, Section 173.02, Subdivision 2, is amended to read:

Subd. 2. "Advertising device" means any billboard, sign, notice, poster, display, or other device visible to and primarily intended to advertise and inform or to attract or which does attract the attention of operators and occupants of motor vehicles (ON THE INTERSTATE SYSTEM OF HIGHWAYS) and shall include any structure erected primarily for use in connection with the display of any such device and all lighting or other attachments used in connection therewith.

Sec. 17. Minnesota Statutes 1980, Section 174.03, Subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE TRANSPORTATION PLAN; PRIORITIES; SCHEDULE OF EXPENDITURES.] In order to best meet the present and future transportation needs of the public, to insure a strong state economy, to make most efficient use of public and private funds, and to promote the more efficient use of energy and other resources for transportation purposes, the commissioner shall:

(a) Three months after notification that the department is ready to commence operations and prior to the drafting of the statewide transportation plan the commissioner shall hold public hearings as may be appropriate solely for the purpose of receiving suggestions for future transportation alternatives and priorities for the state. The metropolitan council, regional development commissions and port authorities shall appear at the hearings and submit information concerning transportation related planning undertaken and accomplished by these agencies. Other political subdivisions may appear and submit such information at the hearings. These hearings shall be completed no later than six months from the date of the commissioner's notification;

(b) Develop, adopt, revise and monitor a statewide transportation plan, taking into account the suggestions and information submitted at the public hearings held pursuant to clause (a). The plan shall incorporate all modes of transportation and provide for the interconnection and coordination of different modes of transportation. The commissioner shall evaluate alternative transportation programs and facilities proposed for inclusion in the plan in terms of economic costs and

benefits, safety aspects, impact on present and planned land uses, environmental effects, energy efficiency, national transportation policies and priorities and availability of federal and other financial assistance;

(c) Based upon the statewide transportation plan, develop statewide transportation priorities and schedule authorized public capital improvements and other authorized public transportation expenditures pursuant to the priorities;

(d) Complete the plan and priorities required by this subdivision no later than July 1, 1978. (UPON COMPLETION, THE COMMISSIONER SHALL PROMULGATE THE PLAN AND PRIORITIES AS A RULE IN ACCORDANCE WITH CHAPTER 15.) Upon (PROMULGATION) *completion* of the plan and priorities, the commissioner shall prepare and periodically revise, as necessary, the schedule of authorized public transportation expenditures. (THE SCHEDULE, AND REVISIONS THERETO, NEED NOT BE PROMULGATED AS A RULE BUT SHALL NOT BE PREPARED OR REVISED WITHOUT PUBLIC HEARINGS) *The plan, priorities and schedule are exempt from the provisions of the administrative procedure act.*

Sec. 18. Minnesota Statutes 1980, Section 174.03, Subdivision 2, is amended to read:

Subd. 2. [IMPLEMENTATION OF PLAN.] After the adoption of the statewide transportation plan, the commissioner and the transportation regulation board shall take no action inconsistent with that plan. (NOTWITHSTANDING THE FOREGOING, THE COMMISSIONER AND THE BOARD SHALL HAVE AUTHORITY TO PROMULGATE EMERGENCY RULES PURSUANT TO SECTION 15.0412, SUBDIVISION 5, IF NECESSARY TO RESPOND TO TRANSPORTATION EMERGENCIES WHICH MAY REQUIRE AN IMMEDIATE TEMPORARY RESPONSE INCONSISTENT WITH THE STATEWIDE PLAN.)

Sec. 19. Minnesota Statutes 1981 Supplement, Section 221.011, Subdivision 22, is amended to read:

Subd. 22. "Exempt carrier" means any carrier exempt from this chapter (,) or exempted from any other law or rule by the commissioner or board. The following are so exempt except as otherwise specifically provided in (CLAUSE (C)) *section 20*:

(a) Any person engaged in farming or in transporting agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25 mile radius from the person's home post office. The carrier may transport other commodities within the area if the destination of each haul is a farm within the above described area. The owner of any truck operating under



this provision shall imprint the owner's name and address in prominent visible letters on the outside of the cab of the truck.

(b) Any occasional accommodation service beyond the 25 mile radius of the home post office by any person engaged in farming as a primary means of livelihood and actually residing on a farm and whose truck or trucks are licensed under provisions of section 168.013, subdivision 1c. Occasional accommodation service shall mean not in excess of six trips in any calendar year.

(c) Any person engaged in agricultural pursuits, who owns and uses a truck for transporting the products of that person's farm, or any person while engaged exclusively in the transportation of fresh vegetables from farms to canneries or viner stations, or from viner stations to canneries, or from canneries to canneries during the harvesting, canning or packing season, or potatoes, sugar beets, wild rice and rutabagas from the field of production to the first place of delivery or unloading, including but not limited to a processing plant, warehouse or railroad siding. (THIS TERM SHALL ALSO APPLY TO A MANUFACTURER, PRODUCER, DEALER OR DISTRIBUTOR WHO, IN THE PURSUIT OF BUSINESS, OWNS AND USES TRUCKS FOR THE PURPOSE OF TRANSPORTING THAT PERSON'S OWN PRODUCTS, AND SHALL APPLY TO ANY PERSON WHILE ENGAGED EXCLUSIVELY IN THE TRANSPORTATION OF PULPWOOD, CORD WOOD, MINING TIMBER, POLES, POSTS, DECORATIVE EVERGREENS, WOOD CHIPS, SAWDUST, SHAVINGS AND BARK FROM THE PLACE WHERE THE PRODUCTS ARE PRODUCED TO THE POINT WHERE THEY ARE TO BE USED OR SHIPPED; EXCEPT THAT THESE MANUFACTURERS, PRODUCERS, DEALERS OR DISTRIBUTORS TRANSPORTING THEIR OWN PRODUCTS AND THOSE PERSONS ENGAGED EXCLUSIVELY IN THE TRANSPORTATION OF WOOD OR WOOD PRODUCTS, TOGETHER WITH ANY TRANSPORTING VEHICLES LICENSED AND REGISTERED FOR A GROSS VEHICLE WEIGHT OF MORE THAN 10,000 POUNDS, SHALL BE SUBJECT TO THE REQUIREMENTS OF SECTION 221.031 INsofar AS THE PROVISIONS OF THAT SECTION APPLY TO DRIVER QUALIFICATIONS, MAXIMUM HOURS OF SERVICE OF DRIVERS, AND SAFETY OF OPERATIONS AND EQUIPMENT.)

(d) Any person while exclusively engaged in the transportation of dirt and sod within an area having a 50 mile radius from that person's home post office.

(e) Any person while exclusively engaged in the transportation of sand, gravel, bituminous asphalt mix, *concrete ready mix*, *concrete blocks or tile* or crushed rock to or from the point of loading or a place of gathering within an area having a 50 mile

radius from that person's home post office or a 50 mile radius from the site of construction or maintenance of public roads and streets.

(f) Any person engaged in the transportation of household goods for the federal government or any agency of the federal government or the transportation of household goods for the state government or any agency of state government, where competitive bids are required by law shall be exempt from the provisions of section 221.161.

(g) Any person engaged in transporting property or freight, excepting household goods and petroleum products in bulk, when the movement is entirely within the corporate limits of a city or between contiguous cities.

(h) Emergency vehicles including ambulances, tow trucks when picking up and transporting disabled or wrecked motor vehicles, and hearses when carrying proper and legal warning devices.

(i) Any person engaged in delivery or spreading of agricultural lime.

(j) Any person engaged in transporting rubbish as defined in section 443.27.

(k) Any person engaged in the transportation of grain samples under terms and conditions as the commissioner or board may prescribe.

(l) A motor vehicle, in this chapter referred to as a "commuter van," having a capacity of seven to 16 persons that is used principally to provide prearranged transportation of persons for a fee to or from their place of employment or to or from a transit stop authorized by a local transit authority which vehicle is to be operated by a person who does not drive the vehicle for that person's principal occupation but is driving it only to or from that person's principal place of employment, to or from a transit stop authorized by a local transit authority, or for personal use at other times by an authorized driver; provided, that commuter vans shall not be exempt from any provision of this chapter which by its terms explicitly applies to these vehicles.

*(m) Any manufacturer, producer, dealer or distributor who, in the pursuit of business, owns and uses trucks for the purpose of transporting that person's own products, except as otherwise provided in section 20.*

*(n) Any person while engaged exclusively in the transportation of pulpwood, cordwood, mining timber, poles, posts, deco-*

rator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped, except as otherwise provided in section 20.

Sec. 20. [221.032] [OPERATING REQUIREMENTS.]

*The exempt carriers set forth in section 221.011, subdivision 22, clauses (m) and (n), are subject to the requirements of section 221.031 insofar as the provisions of that section apply to driver qualifications, maximum hours of service for drivers, and safety of operations and equipment. This section is applicable only to transporting vehicles licensed and registered for a gross weight of more than 10,000 pounds.*

Sec. 21. Minnesota Statutes 1981 Supplement, Section 221-81, is amended to read:

221.81 [BUILDING MOVER REGULATION.]

Subdivision 1. [DEFINITION.] "Building mover" means any person, corporation, or other entity engaged in the business of raising, supporting off the foundation, and moving buildings, excluding mobile homes.

Subd. 2. [LICENSE.] All building movers operating in Minnesota shall be licensed by the board.

Subd. 3. [LICENSE APPLICATION.] To obtain a license to operate as a building mover an applicant shall file a petition with the commissioner specifying the name and address of its officers and other information as the board may reasonably require. The board shall issue the license upon compliance by the applicant with bonding and insuring requirements set by rule of the department and payment of (A) *an initial \$150 filing fee. A license once granted shall continue in full force and effect, subject to a \$100 annual renewal (FEES) fee and compliance with bonding and insuring requirements, unless revoked or suspended.*

*The commissioner, upon approval of a license for a building mover, shall issue a sufficient number of cab cards to each licensed mover to provide one cab card for each power unit used in moving buildings. The fee is \$50 for each cab card issued. The cab card must be carried at all times in a readily available place in the cab of the power unit for which it was issued. The building mover may also purchase up to five floater cab cards for a fee of \$200 for each floater card issued. Cab cards shall be effective for a 12-month period and shall continue from year to year thereafter upon payment of the required fee. Cab cards shall only be good for the period for which the license is effective.*

*Licenses shall be transferable pursuant to the provisions of section 221.151.*

Subd. 4. [LICENSE REVOCATION, SUSPENSION, DENIAL.] The board, after notice and a hearing, may revoke, suspend or deny a license for:

- (a) failure to pay application or renewal fees;
- (b) failure to comply with bonding and insuring requirements;
- (c) conduct of the applicant or license holder that impairs usage of public highways, roads, streets, or utilities;
- (d) conduct of the applicant or license holders that endangers the health and safety of users of the public highways, roads, streets or utilities; or
- (e) a course of conduct of the applicant or license holder that demonstrates unsafe or hazardous operation of the business.

Subd. 5. [SUSPENSION BY COMMISSIONER.] *The commissioner may suspend a license without a hearing for the following reasons:*

- (1) *Failure to pay the application or renewal fee; or*
- (2) *Failure to comply with bonding and insurance requirements.*

*The suspension shall continue until the fees have been paid and the bonding and insurance requirements have been satisfied.*

Subd. 6. [APPLICATION OF VIOLATION AND PENALTY PROVISIONS.] *The violation and penalty provisions of section 221.291 are applicable to this section.*

Subd. (5) 7. [RULES.] The commissioner shall promulgate rules establishing bonding and insuring requirements.

Subd. (6) 8. [LOCAL REGULATION.] No license to move buildings, bond or insurance coverage shall be required by a political subdivision of the state other than the license, bond and insurance coverage issued or required by the board or commissioner. A political subdivision or the department may require a permit which reasonably regulates the hours, routing, movement, parking or speed limit for a building mover operating on streets or roads within the jurisdiction of the political subdivision or highways within the jurisdiction of the commissioner. Neither the state nor a political subdivision may regulate rates charged by building movers.

*Subd. 9. [FEES DEPOSITED IN GENERAL FUND.] All fees collected pursuant to this section shall be deposited in the general fund.*

Sec. 22. Minnesota Statutes 1981 Supplement, 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) *Five-eighths* of such receipts shall be transmitted by that officer to the state treasurer and shall be credited to the (TRUNK HIGHWAY) *highway user tax distribution fund. Three-eighths of such receipts shall be credited to the general revenue fund of the county.*

Sec. 23. Minnesota Statutes 1980, Section 360.015, Subdivision 2, is amended to read:

**Subd. 2. [COOPERATION WITH FEDERAL AND OTHER AGENCIES.]** (HE) *The commissioner* shall cooperate with and assist the federal government, the municipalities of this state, and others engaged in aeronautics or the promotion of aeronautics (,) and shall seek to coordinate the aeronautical activities of these bodies. To this end, the commissioner is em-

powered to confer with or to hold joint hearings with any federal aeronautical agency in connection with any matter arising under sections 360.011 to 360.076, or relating to the sound development of aeronautics, and to avail himself of the cooperation, services, records, and facilities of such federal agencies, as fully as may be practicable, in the administration and enforcement of sections 360.011 to 360.076. (HE) *The commissioner shall reciprocate by furnishing to the federal agencies his cooperation, services, records, and facilities, in so far as may be practicable. The commissioner may also contract for the presentation of educational and informational programs that promote safety and interest in aeronautics.*

(HE) *The commissioner shall report to the appropriate federal agency all accidents in aeronautics in this state of which (HE) the commissioner is informed (AND). The commissioner shall also preserve, protect, and prevent the removal of the component parts of any aircraft involved in an accident being investigated by (HIM) the commissioner until a federal agency institutes an investigation (, AND). The commissioner shall report the following to the appropriate federal agency:*

(1) all refusals by (HIM) *the commissioner* to register federal licenses, certificates, or permits (AND);

(2) all revocations of certificates of registration, and the reasons therefor (,); and

(3) all penalties of which (HE) *the commissioner* has knowledge imposed upon airmen for violations of the laws of this state relating to aeronautics or for violations of the rules, regulations, or orders of the commissioner.

Sec. 24. Minnesota Statutes 1980, Section 360.017, Subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is hereby created a fund to be known as the state airports fund. (SUCH) *The fund shall consist of all moneys appropriated to it, or directed to be paid into it, by the legislature. The state airports fund shall be paid out on authorization of the commissioner and shall be used to acquire, construct, improve, maintain, and operate airports and other air navigation facilities and to assist municipalities in the acquisition, construction, improvement, and maintenance of airports and other air navigation facilities. The fund may also be used to promote interest and safety in aeronautics through education and information. Salaries and expenses in the department of transportation related to aeronautic planning, administration and operation shall be paid from the state airports fund. All allotments of money from the state airports fund for salaries and expenses shall be approved by the commissioner of finance.*

Sec. 25. Laws 1979, Chapter 280, Section 2, Subdivision 2, is amended to read:

Subd. 2. \$50,000,000, or so much thereof as is needed, is available for expenditure at a rate not exceeding \$12,500,000 per fiscal year for grants to political subdivisions for construction and reconstruction of key bridges on highways, streets and roads under their jurisdiction. The grants shall not exceed the following aggregate amounts:

- (1) To counties ..... \$8,500,000
- (2) To home rule charter and statutory cities .....  
\$1,000,000
- (3) To towns ..... \$21,000,000

Additional grants may be made in an aggregate amount not to exceed \$19,500,000 to the political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdiction. *Appropriations made in subdivisions 1, 2, or 3 may also be used for the following purposes:*

(1) *The costs of abandoning an existing bridge that is deficient and is in need of replacement, but where no replacement will be made.*

(2) *The costs of constructing a road or street that would facilitate the abandonment of an existing bridge determined to be deficient. The construction of the road or street must be judged to be more cost efficient than the reconstruction or replacement of the existing bridge.*

Sec. 26. [PROHIBITION ON ESTABLISHMENT OF NEW DIVISIONS IN DEPARTMENT OF TRANSPORTATION.]

*Notwithstanding any other law to the contrary, the commissioner of transportation shall not establish any new divisions in the department of transportation, other than consolidations of existing divisions.*

Sec. 27. [REPEALER.]

*Minnesota Statutes 1981 Supplement, Sections 169.861 and 169.825, Subdivision 12 are repealed.*

Sec. 28. [EFFECTIVE DATE.]

*Sections 1 to 7 and 9 to 27 are effective the day after final enactment. Section 8 is effective January 1, 1983."*

Delete the title and insert:

“A bill for an act relating to transportation; redefining “resort” for purposes of advertising device authorization; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; limiting the liability of the department of transportation for the cost of fighting certain fires; making certain accident reports available to governmental agencies for specified purposes and authorizing a fee for copies of these accident reports; governing the movement of certain vehicles on certain highways; establishing a height limitation for certain vehicles and providing for an annual permit fee for certain buses; expanding the definition of advertising devices; exempting the state transportation plan from the administrative procedure act; expanding the definition of exempt carrier; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and requiring fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; permitting additional uses of certain moneys appropriated for construction and reconstruction of bridges; limiting the authority of the commissioner of transportation to establish new divisions in the department of transportation; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; providing for seasonal load restrictions; requiring certain exterior markings on vehicles carrying liquified petroleum gas fuel in concealed tanks and prohibiting the dispensing of those fuels in unmarked vehicles; amending Minnesota Statutes 1980, Sections 160.283, Subdivision 3; 161.115; 161.41; 169.09, Subdivision 13; 169.80, Subdivision 1; 169.81, Subdivision 1; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 161.465; 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and by adding a subdivision; 169.86, Subdivision 5; 169.87, Subdivision 2; 221.011, Subdivision 22; 221.81; 299D.03, Subdivision 5; Laws 1979, Chapter 280, Section 2, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapters 169 and 221; repealing Minnesota Statutes 1981 Supplement, Sections 169.861 and 169.825, Subdivision 12.”

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

House Conferees: LYLE G. MEHRKENS, GEORGE C. DAHLVANG and GLEN H. ANDERSON.

Senate Conferees: STEVE ENGLER, CLARENCE M. PURFEERST and ROBERT J. SCHMITZ.



Mehrkens moved that the report of the Conference Committee on H. F. No. 1817 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1817, A bill for an act relating to transportation; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; exempting the state transportation plan from the provisions of the administrative procedure act; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and establishing fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; amending Minnesota Statutes 1980, Sections 161.41; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes 1981 Supplement, Sections 221.011, Subdivision 22; and 221.81; proposing new law coded in Minnesota Statutes, Chapter 221; repealing Minnesota Statutes 1981 Supplement, Section 161.465.

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

The question was taken on the repassage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Knickerbocker	Ogren	Sieben, M.
Ainley	Fjoslien	Kostohryz	Olsen	Simoneau
Anderson, B.	Forsythe	Kvam	Onnen	Skoglund
Anderson, G.	Greenfield	Laidig	Osthoff	Stadum
Anderson, I.	Gruenes	Lehto	Otis	Staten
Battaglia	Gustafson	Lemen	Peterson, B.	Stowell
Begich	Halberg	Levi	Peterson, D.	Stumpf
Blatz	Hanson	Long	Piepho	Sviggum
Brandl	Harens	Ludeman	Pogemiller	Swanson
Brinkman	Hauge	Luknic	Redalen	Tomlinson
Byrne	Haukoos	Mann	Reding	Valan
Carlson, D.	Heap	Marsh	Rees	Valento
Carlson, L.	Heinitz	McCarron	Rice	Vanasek
Clark, J.	Himle	McDonald	Rodriguez, C.	Veilenga
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, D.	Nelsen, B.	Schafer	Wieser
Eken	Jude	Nelson, K.	Schoenfeld	Wigley
Elioff	Kahn	Niehaus	Schreiber	Wynia
Ellingson	Kaley	Norton	Shea	Spkr. Sieben, H.
Erickson	Kalis	Novak	Sherman	
Esau	Kelly	Nysether	Sherwood	

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

## MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1856.

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. 1856

A bill for an act relating to state government; improving the state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 241.64, Subdivision 3; 241.65; 246.017, Subdivision 2; 299E.01, Subdivision 1; 299F.01, Subdivision 2; and 352D.02, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.05, Subdivision 4; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.41, Subdivision 4; 43A.42; 43A.44, Subdivision 2; 124.41, Subdivision 3; 254A.03, Subdivision 1; 352D.02, Subdivision 1; and 462A.04, Subdivision 8; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; 190.081; and 190.095; and Minnesota Statutes 1981 Supplement, Section 43A.08, Subdivision 2.

March 10, 1982

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. 1856, 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. 1856 be further amended as follows:

Page 18, line 17, strike "(g)" and insert "(h)"

Page 32, line 23, delete "by the board"

Page 35, delete lines 2 to 28

Page 39, line 12, after "(WHO)" insert "and"

Page 39, line 19, strike "such"

Page 44, line 16, delete "the day before the effective" and insert "March 10, 1982"

Page 44, line 17, delete "date of sections 13 and 14"

Page 44, line 21, after "position" insert ", but not to exceed five years after the effective date of this section. After the five-year period has expired, the employee shall have all rights granted pursuant to section 43A.07, subdivision 6, to an employee of a newly declassified position"

Page 44, line 31, delete "the effective date of this" and insert "March 10, 1982"

Page 44, line 32, delete "section"

Page 44, line 35, before the period insert ", but not to exceed five years after the employee's return to the position. After the five-year period has expired, the employee shall have all rights granted pursuant to section 43A.07, subdivision 6, to an employee of a newly declassified position"

Page 45, after line 3, insert:

"Sec. 64. [LIMITATION ON THE CONTRACTING-OUT OF SERVICES PROVIDED BY MEMBERS OF A STATE OF MINNESOTA OR UNIVERSITY OF MINNESOTA BARGAINING UNIT.]

Any contract entered into after the effective date of this section by the state of Minnesota or the University of Minnesota involving services, any part of which, in the absence of the contract, would be performed by members of a unit provided in section 179.741, subdivision 1 or 3, shall be subject to section 16.07

*and shall provide for the preferential employment by such a party of members of that unit whose employment with the state of Minnesota or the University of Minnesota is terminated as a result of that contract."*

Page 45, line 7, after the period insert "*Section 63, subdivisions 3 and 4, are repealed six years and 30 days after the effective date of section 63.*"

Page 45, line 9, after the period insert:

*"Section 64 is effective the day following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete "241.64, Subdivision 3; 241.65;"

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

Senate Conferees: ALLAN H. SPEAR, ROBERT O. ASHBACH and TOM A. NELSON.

House Conferees: FRED C. NORTON, JOHN T. ROSE and WAYNE A. SIMONEAU.

Norton moved that the report of the Conference Committee on S. F. No. 1856 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1856, A bill for an act relating to state government; improving the state's personnel management functions; amending Minnesota Statutes 1980, Sections 6.582; 11A.07, Subdivision 4; 12.04, Subdivision 1; 15.0575, Subdivision 3; 15.059, Subdivision 3; 15.43, Subdivision 1; 60B.09, Subdivision 2; 84.028, Subdivision 3; 84.081, Subdivision 1; 85A.03, Subdivision 2; 124.645, Subdivision 3; 128A.02, Subdivision 3; 136A.55, Subdivision 4; 144A.52, Subdivision 2; 168.325, Subdivision 1; 171.015, Subdivision 1; 216A.04, Subdivision 3; 241.64, Subdivision 3; 241.65; 246.017, Subdivision 2; 299E.01, Subdivision 1; 299F.01, Subdivision 2; and 352D.02, by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 3.855, Subdivision 3; 43A.02, Subdivision 28; 43A.04, Subdivisions 3, 4, and by adding a subdivision; 43A.05, Subdivision 4; 43A.08, Subdivisions 1, 3, and by adding subdivisions; 43A.11, Subdivisions 3, 4, 7 and 8; 43A.13, Subdivisions 1, 4 and 5; 43A.15, Subdivisions 6 and 10; 43A.17, Subdivision 4; 43A.18, Subdivisions 3 and 4; 43A.19, Subdivision 1; 43A.27, Subdivision 3; 43A.33, Subdivisions 1, 3 and 4; 43A.37, Subdivision 1; 43A.38; 43A.39; 43A.41, Subdivision 4; 43A.42; 43A.44, Subdivision 2; 124.41,

Subdivision 3; 254A.03, Subdivision 1; 352D.02, Subdivision 1; and 462A.04, Subdivision 8; Laws 1971, Extra Session, Chapter 3, Section 19, Subdivision 5; Laws 1980, Chapter 564, Article XII, Section 1, Subdivision 6; Laws 1981, Chapter 210, Section 55; repealing Minnesota Statutes 1980, Sections 12.05; 124.615, Subdivision 3; 190.081; and 190.095; and Minnesota Statutes 1981 Supplement, Section 43A.08, 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 93 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kaley	Norton	Schreiber
Anderson, G.	Fjoslien	Kelly	Novak	Sherman
Anderson, I.	Forsythe	Knickerbocker	Ogren	Sieben, M.
Battaglia	Greenfield	Kostohryz	Olsen	Simoneau
Begich	Gruenes	Laidig	Osthoff	Skoglund
Berkelman	Gustafson	Lehto	Otis	Stadum
Blatz	Hanson	Lemen	Peterson, B.	Stumpf
Brandl	Harens	Levi	Peterson, D.	Swanson
Byrne	Hauge	Long	Piepho	Tomlinson
Carlson, D.	Haukoos	Luknic	Pogemiller	Vanasek
Carlson, L.	Heap	Mann	Reding	Vellenga
Clark, J.	Heinitz	Marsh	Rice	Voss
Clark, K.	Himle	McCarron	Rodriguez, C.	Weaver
Clawson	Hoberg	McEachern	Rodriguez, F.	Welch
Dahlvang	Hokanson	Metzen	Rose	Wenzel
Dempsey	Jacobs	Minne	Rothenberg	Wynia
Eken	Johnson, D.	Munger	Samuelson	Spkr. Sieben, H.
Elioff	Jude	Murphy	Sarna	
Ellingson	Kahn	Nelson, K.	Schoenfeld	

Those who voted in the negative were:

Aasness	Esau	Mehrkens	Rees	Welker
Ainley	Hokr	Nelsen, B.	Schafer	Wieser
Brinkman	Kalis	Niehaus	Shea	Wigley
Den Ouden	Kvam	Nysether	Sherwood	
Drew	Ludeman	Onnen	Stowell	
Erickson	McDonald	Redalen	Sviggum	

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

The following conference committee report was received:

#### CONFERENCE COMMITTEE REPORT ON 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.

March 13, 1982

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

That the House accede to the Senate amendments and that H. F. No. 534 be further amended as follows:

Page 7, before line 6, insert:

*“(c) The state archivist shall notify any person from whom access is withheld pursuant to clause (a) of this subdivision. The person may, within 30 days of the day the notice is sent, appeal the archivist’s determination to the executive council of the society. The executive council shall, within 30 days of the filing of an appeal, issue a decision determining if the archivist has correctly applied the standards of clause (a). The decision of the executive council may be appealed to the district court of Ramsey County.”*

Page 10, line 7, delete “through” and insert “to”

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

House Conferees: JOHN T. CLAWSON and PEGGY BYRNE.

Senate Conferees PETER P. STUMPF, ROBERT J. TENNESSEN and STEVE LINDGREN.

Clawson moved that the report of the Conference Committee on H. F. No. 534 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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, as amended by Conference, and placed upon its repassage.

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

Those who voted in the affirmative were:

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

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

#### MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1522.

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. 1522

A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political

subdivisions; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Sections 367.10; 367.15; 368.01; Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision; and 471.98, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 462.

March 12, 1982

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. 1522, 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. 1522 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 367.10, is amended to read:

**367.10 [TOWN CLERK; BOND; OATH.]**

Every person elected or appointed to the office of town clerk, before he enters upon the duties of his office, shall give bond to the town, with sureties approved by the town treasurer, in such penal sum as the town board directs, conditioned for the faithful discharge of his duties. The bond, with his oath of office, shall be filed with the (CLERK OF THE DISTRICT COURT) *county auditor*, and an action may be maintained thereon by the town or any person aggrieved.

Sec. 2. Minnesota Statutes 1980, Section 367.15, is amended to read:

**367.15 [TOWN TREASURER; BOND.]**

Every town treasurer, before he enters upon the duties of his office, shall give bond to the town in an amount to be determined by the board, conditioned for the faithful discharge of his duties as such treasurer. Within six days thereafter the chairman shall file such bond, with his approval endorsed thereon, for record with the county (RECORDER) *auditor*.



Sec. 3. Minnesota Statutes 1980, Section 368.01, Subdivision 1, is amended to read:

Subdivision 1. [TOWNS DESCRIBED.] Any town (IN THIS STATE) having therein plated portions in which there reside 1,200 or more people or any towns having plated area within 20 miles of the city hall of a city of the first class having over 200,000 population shall have and possess the powers (AS ARE) enumerated in this section. The town board thereof may adopt, amend, or repeal (SUCH) ordinances, rules, and bylaws for any purposes (SO) enumerated as it deems expedient.

Sec. 4. Minnesota Statutes 1980, Section 368.01, is amended by adding a subdivision to read:

*Subd. 1a. [CERTAIN OTHER TOWNS.] Any town with a population of 1,000 or more according to the most recent federal decennial census that does not otherwise qualify pursuant to subdivision 1 to exercise the powers enumerated in this section, shall have and possess the enumerated powers upon an affirmative vote of the electors of the town at the annual town meeting.*

Sec. 5. Minnesota Statutes 1980, Section 368.01, Subdivision 30, is amended to read:

Subd. 30. [NOTICE TO COUNTY AUDITOR AND SECRETARY OF STATE.] The town clerk of each town exercising special powers pursuant to this section shall so notify in writing the county auditor of the county (WHEREIN SUCH) *in which the town is located and the secretary of state. The written notice shall be filed by the county auditor and the secretary of state as a public record.*

Sec. 6. Minnesota Statutes 1980, Section 368.01, is amended by adding a subdivision to read:

*Subd. 31. [CONTINUING AUTHORITY TO EXERCISE POWERS.] If a town exercises a power pursuant to this section it may continue to exercise the power notwithstanding any subsequent change in population.*

Sec. 7. [NOTICE.]

*A town exercising a power pursuant to Minnesota Statutes, Section 368.01 on or before the effective date of this act which has not notified the county auditor of the county in which the town is located shall do so and shall notify the secretary of state as provided in Minnesota Statutes, Section 368.01, Subdivision 30.*

Sec. 8. [375B.01] [COUNTIES: SUBORDINATE GOVERNMENTAL SERVICE DISTRICTS; PURPOSE.]

*It is the purpose of this act to provide a means by which a county as a unit of general local government can effectively provide and finance various governmental services for its residents.*

**Sec. 9. [375B.02] [DEFINITION.]**

*“Subordinate service district” means a compact and contiguous district within the county in which one or more governmental services or additions to countywide services are provided by the county and financed from revenues secured from within that district. The boundaries of a single subordinate service district may not embrace an entire county.*

**Sec. 10. [375B.03] [ESTABLISHMENT OF SERVICE DISTRICTS.]**

*Notwithstanding any provision of law requiring uniform property tax rates on real or personal property within the county, any county in this state, except a metropolitan county as defined in section 473.121, subdivision 4, and any other county containing a city of the first class, may establish subordinate service districts to provide and finance any governmental service or function which it is otherwise authorized to undertake. A function or service to be provided shall not include a function or service which the county generally provides throughout the county unless an increase in the level of the service is to be supplied in the service district.*

**Sec. 11. [375B.04] [CREATION BY COUNTY BOARD.]**

*The county board of commissioners of any county, except a metropolitan county as defined in section 473.121, subdivision 4, and any other county containing a city of the first class, may establish a subordinate service district in a portion of the county by adoption of an appropriate resolution. Before the adoption of the resolution, the county board shall hold a public hearing on the question of whether or not a subordinate service district shall be established. The resolution shall specify the service or services to be provided within the subordinate service district and shall specify the territorial boundaries of the district.*

**Sec. 12. [375B.05] [CREATION BY PETITION.]**

*Subdivision 1. [PETITION.] A petition signed by ten percent of the qualified voters within the portion of the county proposed for the subordinate service district may be submitted to the county board requesting the establishment of a subordinate county service district to provide any service or services which the county is otherwise authorized by law to provide. The petition shall include the territorial boundaries of the proposed district and shall specify the types of services to be provided within the district.*

*Subd. 2. [PUBLIC HEARING.] Upon receipt of the petition, and verification of the signatures by the county auditor, the county board shall, within 30 days following verification, hold a public hearing on the question of whether or not the requested district shall be established.*

*Subd. 3. [APPROVAL; DISAPPROVAL.] Within 30 days following the holding of a public hearing, the county board, by resolution, shall approve or disapprove the establishment of the requested district. A resolution approving the creation of the district may contain amendments or modifications of the district's boundaries or functions as set forth in the petition.*

**Sec. 13. [375B.06] [PUBLICATION AND EFFECTIVE DATE.]**

*Upon passage of a resolution authorizing the creation of a subordinate service district, the county board shall cause the resolution to be published once in the official newspaper. The resolution shall include a general description of the territory to be included within the district, the type of service or services to be undertaken in the district, a statement of the means by which the service or services will be financed, and a designation of the county agency or officer who will be responsible for supervising the provision of the service or services. The district shall be deemed established 30 days after publication or at a later date as may be specified in the resolution.*

**Sec. 14. [375B.07] [REFERENDUM.]**

*Subdivision 1. [PETITION.] Upon receipt of a petition signed by five percent of the qualified voters within the territory of the proposed district prior to the effective date of its creation as specified in section 375B.06, the creation shall be held in abeyance pending referendum vote of all qualified electors residing within the boundaries of the proposed district.*

*Subd. 2. [ELECTION.] The county board shall make arrangements for the holding of a special election not less than 30 nor more than 90 days after receipt of the petition within the boundaries of the proposed district. The question to be submitted and voted upon by the qualified voters within the territory of the proposed district shall be phrased substantially as follows:*

*"Shall a subordinate service district be established in order to provide (service or services to be provided) financed by (revenue sources)?"*

*If a majority of those voting on the question favor creation of the proposed district, the district shall be deemed created*

*upon certification of the vote by the county auditor. The county auditor shall administer the election.*

**Sec. 15. [375B.08] [EXPANSION OF THE BOUNDARIES OF A SUBORDINATE SERVICE DISTRICT.]**

*The county board, on its own motion or pursuant to petition, may enlarge any existing subordinate service district pursuant to the procedures specified in sections 375B.04 to 375B.07. Only qualified voters residing in the district to be added shall be eligible to participate in the election, but if five percent of the qualified voters residing in the existing service district petition to participate in the election, all qualified voters residing in the proposed service district shall be eligible.*

**Sec. 16. [375B.09] [FINANCING.]**

*Upon adoption of the next annual budget following the creation of a subordinate service district the county board shall include in the budget appropriate provisions for the operation of the district including, as appropriate, either a property tax levied only on property within the boundaries of the district or a levy of a service charge against the users of the service within the district, or any combination of a property tax and a service charge. A tax or service charge or a combination thereof shall not be imposed to finance a function or service in the service district which the county generally provides throughout the county unless an increase in the level of the service is to be supplied in the service district in which case, in addition to the countywide tax levy, only an amount necessary to pay for the increased level of service may be imposed.*

**Sec. 17. [375B.10] [WITHDRAWAL; ELECTION.]**

*Upon receipt of a petition signed by ten percent of the qualified voters within the territory of the subordinate service district requesting the removal of the district, or pursuant to its own resolution, the county board shall make arrangements for the holding of a special election within the boundaries of the service district not less than 30 nor more than 90 days after the resolution or receipt of the petition. The question to be submitted and voted upon by the qualified voters within the territory of the district shall be phrased substantially as follows:*

*“Shall the subordinate service district presently established be removed and the service or services of the county as provided for the service district be discontinued?”*

*If a majority of those voting on the question favor the removal and discontinuance of the services, the service district*

*shall be removed and the services shall be discontinued upon certification of the vote by the county auditor. The county auditor shall administer the election.*

**Sec. 18. [375B.11] [WITHDRAWAL; BY RESOLUTION OF COUNTY BOARD.]**

*The county board may by resolution withdraw a subordinate service district from the provisions of this chapter and discontinue the service provided within the service district. The county board shall cause notice of its intention to withdraw the service district to be published at least once in the official newspaper not more than six months or less than three months before the resolution is adopted. If a joint powers agreement is a part of the subordinate service district arrangement no withdrawal shall be effective under this section unless all parties to the joint powers agreement agree to the withdrawal.*

**Sec. 19. [375B.12] [LOCAL LAWS SUPERSEDED.]**

*A special law for a single county, except a metropolitan county as defined in section 473.121, subdivision 4, and any other county containing a city of the first class, which authorizes the county to establish subordinate service districts or areas is hereby superseded. Any service being provided pursuant to the special law on or before the effective date of sections 1 to 12 may continue to be provided pursuant to the special law.*

**Sec. 20. Minnesota Statutes 1980, Section 275.50, is amended by adding a subdivision to read:**

*Subd. 7. A tax or service charge levied by the county board within a subordinate service district pursuant to chapter 375B is a "special levy" and is not subject to tax levy limitations including those contained in sections 275.50 to 275.56 or any other law. Subsequent increases in the initial tax or service charge, or additional taxes or service charges imposed at a time later than the adoption of the initial tax or service charge shall be subject to levy limitation.*

**Sec. 21. Minnesota Statutes 1980, Section 462.352, Subdivision 2, is amended to read:**

**Subd. 2. "Municipality" means any city, including a city operating under a home rule charter, and any town (HAVING THE POWERS OF STATUTORY CITIES PURSUANT TO SECTION 368.01).**

**Sec. 22. Minnesota Statutes 1980, Section 462.357, Subdivision 6, is amended to read:**

Subd. 6. [APPEALS AND ADJUSTMENTS.] Appeals to the board of appeals and adjustments may be taken by any affected person upon compliance with any reasonable conditions imposed by the zoning ordinance. The board of appeals and adjustments has the following powers with respect to the zoning ordinance:

(1) To hear and decide appeals where it is alleged that there is an error in any order, requirement, decision, or determination made by an administrative officer in the enforcement of the zoning ordinance.

(2) To hear requests for variances from the literal provisions of the ordinance in instances where their strict enforcement would cause undue hardship because of circumstances unique to the individual property under consideration, and to grant such variances only when it is demonstrated that such actions will be in keeping with the spirit and intent of the ordinance. *“Undue hardship” as used in connection with the granting of a variance means the property in question cannot be put to a reasonable use if used under conditions allowed by the official controls, the plight of the landowner is due to circumstances unique to his property not created by the landowner, and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone shall not constitute an undue hardship if reasonable use for the property exists under the terms of the ordinance.* Undue hardship also includes, but is not limited to, inadequate access to direct sunlight for solar energy systems. Variances shall be granted for earth sheltered construction as defined in section 116H.02, subdivision 3, when in harmony with the ordinance. The board of appeals and adjustments or the governing body as the case may be, may not permit as a variance any use that is not permitted under the ordinance for property in the zone where the affected person's land is located. The board or governing body as the case may be, may permit as a variance the temporary use of a one family dwelling as a two family dwelling. The board or governing body as the case may be may impose conditions in the granting of variances to insure compliance and to protect adjacent properties.

Sec. 23. Minnesota Statutes 1980, Section 462.358, Subdivision 1a, is amended to read:

Subd. 1a. [AUTHORITY.] To protect and promote the public health, safety, and general welfare, to provide for the orderly, economic, and safe development of land, to preserve agricultural lands, to promote the availability of housing affordable to persons and families of all income levels, and to facilitate adequate provision for transportation, water, sewage, storm drainage, schools, parks, playgrounds, and other public services and facilities, a municipality may by ordinance adopt subdivision regulations establishing standards, requirements, and

procedures for the review and approval or disapproval of subdivisions. The regulations may contain varied provisions respecting, and be made applicable only to, certain classes or kinds of subdivisions. The regulations shall be uniform for each class or kind of subdivision.

A municipality may by resolution extend the application of its subdivision regulations to unincorporated territory located within two miles of its limits in any direction but not in a town which has adopted subdivision regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the subdivision of land equal distance from its boundaries within this area. (HOWEVER, IF A MUNICIPALITY EXTENDS THE APPLICATION OF ITS SUBDIVISION OR ZONING REGULATIONS TO UNINCORPORATED TERRITORY, UPON THE PETITION OF ANY COUNTY BOARD OR TOWN BOARD AFFECTED BY THE SUBDIVISION OR ZONING REGULATIONS, A JOINT BOARD SHALL BE ESTABLISHED CONSISTING OF A THREE MEMBER COMMITTEE WITH ONE MEMBER APPOINTED FROM EACH OF THE MUNICIPAL, TOWN AND COUNTY GOVERNING BODIES. THIS JOINT BOARD SHALL ADOPT ZONING AND SUBDIVISION REGULATIONS UNDER SECTIONS 462.351 TO 462.364 FOR THE ENTIRE AREA WITHIN TWO MILES OF THE CITY LOCATED WITHIN A TOWN, AND DESIGNATE ONE OF THE GOVERNING BODIES TO SERVE AS THE GOVERNING BODY AND BOARD OF APPEALS AND ADJUSTMENT FOR PURPOSES OF SECTIONS 462.357 AND 462.358 WITHIN THE AREA. DURING THE TIME BEFORE THE JOINT BOARD ADOPTS SUBDIVISION REGULATIONS, THE SUBDIVISION REGULATIONS WHICH THE MUNICIPALITY HAS EXTENDED SHALL APPLY.)

Sec. 24. [462.3585] [JOINT PLANNING BOARD.]

*Upon request of a home rule charter or statutory city council or county or town board by resolution presented to the county auditor of the county of the affected territory a board shall be established to exercise planning and land use control authority in the unincorporated area within two miles of the corporate limits of a city. The board shall have members in a number determined by the city, county, and town. Each governmental unit shall have an equal number of members. The members shall be appointed from the governing bodies of the city, county, and town. Upon request of more than one county or town board with respect to the unincorporated area within two miles of the corporate limits of a single city, the parties may create one board rather than a separate board for each county or town, with equal membership from each affected governmental unit. The board shall serve as the governing body and board of appeals and adjustments for purposes of sections 462.351 to 462.364 within the two-mile area. The board shall have all of the powers contained in sections 462.351 to 462.364 and shall have authority to adopt*

*and enforce the uniform fire code promulgated pursuant to section 299F.011. The city shall provide staff for the preparation and administration of land use controls unless otherwise agreed by the governmental units. If a municipality extends the application of its subdivision regulations to unincorporated territory located within two miles of its limits pursuant to section 462.358, subdivision 1a, before the creation of a joint board, the subdivision regulations which the municipality has extended shall apply until the joint board adopts subdivision regulations.*

**Sec. 25. [462.3595] [CONDITIONAL USE PERMITS.]**

*Subdivision 1. [AUTHORITY.] The governing body may by ordinance designate certain types of developments, including planned unit developments, and certain land development activities as conditional uses under zoning regulations. Conditional uses may be approved by the governing body or other designated authority by a showing by the applicant that the standards and criteria stated in the ordinance will be satisfied. The standards and criteria shall include both general requirements for all conditional uses, and insofar as practicable, requirements specific to each designated conditional use.*

*Subd. 2. [PUBLIC HEARINGS.] Public hearings on the granting of conditional use permits shall be held in the manner provided in section 462.357, subdivision 3.*

*Subd. 3. [DURATION.] A conditional use permit shall remain in effect as long as the conditions agreed upon are observed, but nothing in this section shall prevent the municipality from enacting or amending official controls to change the status of conditional uses.*

*Subd. 4. [FILING OF PERMIT.] A certified copy of any conditional use permit shall be filed with the county recorder or registrar of titles of the county or counties in which the municipality is located for record. The conditional use permit shall include the legal description of the property included.*

**Sec. 26. Minnesota Statutes 1980, Section 462.36, Subdivision 1, is amended to read:**

**Subdivision 1. [REQUIRED DOCUMENTS.]** *A certified copy of every ordinance, resolution, map, (OR) regulation adopted, or variance granted under the provisions of sections (462.358 AND) 462.357 to 462.359 and (AMENDMENTS THERETO) sections 3 and 4 of this act shall be filed with the county recorder of the county or counties in which the municipality adopting it is located. Ordinances, resolutions, maps or regulations filed with the county recorder pursuant to this subdivision do not constitute encumbrances on real property. The order issued by the governing body or board of appeals and*



*adjustments as the case may be, shall include the legal description of the property involved.*

Sec. 27. Minnesota Statutes 1980, Section 471.59, is amended by adding a subdivision to read:

*Subd. 10. [SERVICES PERFORMED BY GOVERNMENTAL UNITS; COMMONALITY OF POWERS.] Notwithstanding the provisions of subdivision 1 requiring commonality of powers between parties to any agreement, the governing body of any governmental unit as defined in subdivision 1 may enter into agreements with any other governmental unit to perform on behalf of that unit any service or function which the governmental unit providing the service or function is authorized to provide for itself.*

Sec. 28. Minnesota Statutes 1980, Section 471.98, Subdivision 2, is amended to read:

*Subd. 2. "Political subdivision" includes a statutory or home rule charter city (OR), a county or a town or an instrumentality thereof having independent policy making and appropriating authority. For the purposes of sections 471.98 and 471.981, the governing body of a town is the town board.*

**Sec. 29. [ST. LOUIS COUNTY HISTORICAL SOCIETIES.]**

*St. Louis county may provide funds and facilities for more than one historical society of which shall be subject to the provisions of Minnesota Statutes, Sections 138.051, 138.052, and 138.053 and other laws governing the conduct of county historical societies.*

**Sec. 30. [EFFECTIVE DATE.]**

*Sections 1 to 7, 23, 24, and 28 are effective the day following final enactment. Sections 22, 25, and 26 are effective January 1, 1983. Section 29 is effective the day after compliance with section 645.021, subdivision 3 by the St. Louis county board."*

Delete the title and insert:

"A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units; permitting subordinate service districts; providing for the

maintenance of St. Louis county historical societies; amending Minnesota Statutes 1980, Sections 275.50, by adding a subdivision; 367.10; 367.15; 368.01, Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision; and 471.98, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 462; and proposing new law coded as Minnesota Statutes, Chapter 375B."

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

**Senate Conferees:** MYRTON O. WEGENER, DAVE RUED and JACK DAVIES.

**House Conferees:** BERNARD J. BRINKMAN, GORDON O. VOSS and JOSEPH T. NIEHAUS.

Brinkman moved that the report of the Conference Committee on S. F. No. 1522 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1522, A bill for an act relating to local government; changing the filing of the bond of the town clerk and the town treasurer; permitting towns to self insure in the same way as other political subdivisions; authorizing certain towns to exercise special powers by affirmative vote of the town electors; requiring notice; authorizing towns to plan; providing for standards and criteria for conditional uses and variances; authorizing the establishment of a board for planning in certain areas; authorizing governmental units to provide services for other governmental units; amending Minnesota Statutes 1980, Sections 367.10; 367.15; 368.01, Subdivisions 1, 30, and by adding subdivisions; 462.352, Subdivision 2; 462.357, Subdivision 6; 462.358, Subdivision 1a; 462.36, Subdivision 1; 471.59, by adding a subdivision; and 471.98, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 462.

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 14 nays as follows:

Those who voted in the affirmative were:

Aasness	Brinkman	Dempsey	Greenfield	Himle
Ainley	Byrne	Eken	Gruenes	Hoberg
Anderson, B.	Carlson, D.	Eloff	Gustafson	Hokanson
Anderson, G.	Carlson, L.	Ellingson	Halberg	Jacobs
Battaglia	Clark, J.	Erickson	Hanson	Jennings
Begich	Clark, K.	Esau	Hauge	Johnson, D.
Berkelman	Clawson	Evans	Haukoos	Jude
Blatz	Dahlvang	Fjoslien	Heap	Kahn
Brandl	Dean	Forsythe	Heinitz	Kalis

Kelly	Minne	Peterson, D.	Shea	Vellenga
Knickerbocker	Munger	Piepho	Sherman	Voss
Kostohryz	Murphy	Pogemiller	Sherwood	Weaver
Kvam	Nelsen, B.	Reding	Sieben, M.	Welch
Laidig	Nelson, K.	Rice	Simoneau	Wenzel
Levi	Niehaus	Rodriguez, C.	Skoglund	Wieser
Long	Norton	Rodriguez, F.	Stadum	Wigley
Ludeman	Novak	Rose	Staten	Wynia
Luknic	Nysether	Rothenberg	Stowell	Spkr. Sieben, H.
Mann	Ogren	Sarna	Stumpf	
Marsh	Olsen	Schafer	Sviggum	
McEachern	Otis	Schoenfeld	Swanson	
Metzen	Peterson, B.	Schreiber	Vanasek	

Those who voted in the negative were:

Anderson, I.	Lemen	Onnen	Rees	Valento
Den Ouden	McCarron	Osthoff	Samuelson	Welker
Drew	McDonald	Redalen	Tomlinson	

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. 1671.

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. 1671

A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3.

March 13, 1982

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. 1671, 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. 1671 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 2, is amended to read:

Subd. 2. The board shall include as permanent members the (HEAD OF THE PLANNING DIVISION) *commissioner* 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, and a representative of the governor's office designated by the governor. The governor shall appoint five members from the general public to the board, subject to the advice and consent of the senate.

Sec. 2. Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, is amended to read:

Subd. 2a. The membership terms, compensation, removal, and filling of vacancies of (CITIZENS ADVISORY COMMITTEE MEMBERS OR) public members *of the board* (, AS APPROPRIATE, ON THE BOARD) shall be as provided in section 15.0575.

Sec. 3. Minnesota Statutes 1980, Section 116C.03, is amended by adding a subdivision to read:

*Subd. 3a. The representative of the governor's office shall serve as chairman of the board.*

Sec. 4. Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 4, is amended to read:

Subd. 4. The (COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT) *board* shall employ staff or consultants who will be assigned to work for the board on a continuous basis. *The staff may include an executive director who shall serve in the unclassified service and be responsible for administering the board's staff, work program, budget, and other duties delegated by the board.* 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. 5. Minnesota Statutes 1980, Section 116C.03, is amended by adding a subdivision to read:

*Subd. 5. The board shall contract with the department of energy, planning and development for administrative services necessary to the board's activities. The services shall include personnel, budget, payroll and contract administration.*

Sec. 6. Minnesota Statutes 1980, Section 116C.03, is amended by adding a subdivision to read:

*Subd. 6. The board shall adopt an annual budget and work program.*

Sec. 7. [SWIM TRANSFER.]

*The administration and maintenance of the system for water information management shall be transferred from the water planning board to the land management information center in the department of energy, planning, and development.*

Sec. 8. [APPROPRIATION.]

*Subdivision 1. \$195,000 of the appropriation made in Laws 1981, Chapter 356, Section 31, Subdivision 12, is reappropriated to the water planning board to further analyze, develop, and promote implementation of management recommendations of the 1979 framework water plan. This sum shall be available until June 30, 1983. The approved complement of the water planning board for the fiscal year ending June 30, 1983, is six. Notwithstanding any law to the contrary, the water planning board is extended until June 30, 1983.*

*Subd. 2. \$30,000 of the appropriation made in Laws 1981, Chapter 356, Section 31, Subdivision 12, is reappropriated to the department of energy, planning, and development for the purpose of section 7 of this act. This sum is available until June 30, 1983. The complement of the department is increased by one for the purpose of section 7.*

Sec. 9. [REPEALER.]

*Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivision 3, are repealed.*

Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective July 1, 1982."*

Amend the title as follows:

Page 1, line 4, after the semicolon insert "transferring the swim program from the water planning board to the department of energy, planning and development; extending the water planning board; appropriating money;"

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

Senate Conferees: JOHN BERNHAGEN, GENE MERRIAM and WILLIAM P. LUTHER.

House Conferees: WILLARD M. MUNGER, WALTER R. HANSON and WILLIAM D. DEAN.

Munger moved that the report of the Conference Committee on S. F. No. 1671 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1671, A bill for an act relating to environment; providing for the chairmanship, staff, and administration of the environmental quality board; amending Minnesota Statutes 1980, Section 116C.03, Subdivision 2a, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Section 116C.03, Subdivisions 2 and 4; repealing Minnesota Statutes 1980, Sections 116C.04, Subdivisions 8 and 9; 116C.05; 116C.07; and Minnesota Statutes 1981 Supplement, Section 116C.03, 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 100 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Aasness	Ellingson	Kelly	O'Connor	Sherman
Anderson, B.	Evans	Knickerbocker	Ogren	Sherwood
Anderson, G.	Fjoslien	Kostohryz	Olsen	Sieben, M.
Anderson, I.	Forsythe	Laidig	Onnen	Simoneau
Battaglia	Greenfield	Lehto	Osthoff	Skoglund
Begich	Gustafson	Lemen	Otis	Stadum
Berkelman	Halberg	Levi	Peterson, B.	Staten
Blatz	Hanson	Long	Peterson, D.	Stowell
Brandl	Harens	Luknic	Piepho	Stumpf
Brinkman	Hauge	Mann	Pogemiller	Swanson
Byrne	Haukoos	Marsh	Reding	Tomlinson
Carlson, D.	Heap	McCarron	Rice	Valan
Carlson, L.	Heinitz	McEachern	Rodriguez, C.	Vanasek
Clark, J.	Himle	Metzen	Rodriguez, F.	Vellenga
Clark, K.	Hoberg	Minne	Rose	Voss
Dahlvang	Hokanson	Munger	Rothenberg	Weaver
Dempsey	Jacobs	Murphy	Samuelson	Welch
Drew	Johnson, D.	Nelson, K.	Sarna	Wenzel
Eken	Jude	Norton	Schafer	Wynia
Elioff	Kahn	Novak	Schreiber	Spkr. Sieben, H.

Those who voted in the negative were:

Den Ouden	Jennings	Mehrrens	Schoenfeld	Wigley
Erickson	Kalis	Nelsen, B.	Sviggum	
Esau	Kvam	Niehaus	Valento	
Gruenes	Ludeman	Redalen	Welker	
Hokr	McDonald	Rees	Wieser	

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. 2000, A bill for an act relating to health and welfare; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; amending Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.11, Subdivision 2, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 256D.05, Subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

Greenfield moved that the House concur in the Senate amendments to H. F. No. 2000 and that the bill be repassed as amended by the Senate.

Samuelson moved that the House refuse to concur in the Senate amendments to H. F. No. 2000, 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 Samuelson motion and the roll was called. There were 76 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Ainley	Brinkman	Dempsey	Esau	Gruenes
Anderson, I.	Byrne	Den Ouden	Evans	Halberg
Berkelman	Carlson, D.	Eken	Fjoslien	Haukoos
Blatz	Dahlvang	Erickson	Forsythe	Heap

Heinitz	Kvam	Metzen	Rees	Valento
Himle	Laidig	Minne	Samuelson	Vanasek
Hoberg	Lehto	Murphy	Sarna	Welch
Hokanson	Lemen	Neisen, B.	Schafer	Welker
Hokr	Levi	Niehaus	Schoenfeld	Wenzel
Jennings	Long	Olsen	Schreiber	Wieser
Johnson, D.	Ludeman	Onnen	Shea	Wigley
Jude	Mann	Osthoff	Sherman	Spkr. Sieben, H.
Kaley	Marsh	Peterson, B.	Sherwood	
Kalis	McCarron	Piepho	Sieben, M.	
Knickerbocker	McEachern	Redalen	Stadum	
Kostohryz	Mehrkens	Reding	Stowell	

Those who voted in the negative were:

Battaglia	Ellingson	Luknic	Pogemiller	Sviggum
Begich	Greenfield	McDonald	Rice	Swanson
Brandl	Gustafson	Nelson, K.	Rodriguez, C.	Tomlinson
Carlson, L.	Hanson	Norton	Rodriguez, F.	Vellenga
Clark, J.	Harens	Novak	Rose	Voss
Clark, K.	Hauge	Nysether	Rothenberg	Weaver
Clawson	Jacobs	Ogren	Simoneau	Wynia
Drew	Kahn	Otis	Skoglund	
Elioff	Kelly	Peterson, D.	Staten	

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. 2000:

Greenfield, Samuelson and Forsythe.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1499.

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. 1499

A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; proposing new law coded in Minnesota Statutes, Chapter 168.



March 12, 1982

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. 1499, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendment.

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

Senate Conferees: JOE BERTRAM, ROBERT J. SCHMITZ and DENNIS FREDERICKSON.

House Conferees: C. THOMAS OSTHOFF, SHIRLEY A. HOKANSON and DONNA PETERSON.

Osthoff moved that the report of the Conference Committee on S. F. No. 1499 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1499, A bill for an act relating to motor vehicles; providing for special license plates for former prisoners of war; proposing new law coded in Minnesota Statutes, Chapter 168.

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 1 nay as follows:

Those who voted in the affirmative were:

Ainley	Dempsey	Heap	Laidig	Nelsen, B.
Anderson, B.	Den Ouden	Heinitz	Lehto	Nelson, K.
Anderson, I.	Drew	Himle	Lemen	Niehaus
Battaglia	Eken	Hoberg	Levi	Norton
Begich	Ellingson	Hokanson	Long	Novak
Berkelman	Erickson	Hokr	Ludeman	Nysether
Blatz	Esau	Jacobs	Luknic	O'Connor
Brandl	Evans	Jennings	Mann	Ogren
Brinkman	Fjoslien	Johnson, D.	Marsh	Olsen
Byrne	Forsythe	Jude	McCarron	Onnen
Carlson, D.	Gruenes	Kahn	McDonald	Osthoff
Carlson, L.	Gustafson	Kaley	McEachern	Otis
Clark, J.	Halberg	Kalis	Mehrkens	Peterson, B.
Clark, K.	Harens	Knickerbocker	Metzen	Peterson, D.
Clawson	Hauge	Kostohryz	Minne	Piepho
Dahlvang	Haukoos	Kvam	Munger	Pogemiller

Redalen	Samuelson	Simoneau	Tomlinson	Welker
Reding	Sarna	Skoglund	Valan	Wenzel
Rees	Schafer	Stadum	Valento	Wieser
Rice	Schoenfeld	Staten	Vanasek	Wigley
Rodriguez, C.	Schreiber	Stowell	Vellenga	Spkr. Sieben, H.
Rodriguez, F.	Sherman	Stumpf	Voss	
Rose	Sherwood	Sviggum	Weaver	
Rothenberg	Sieben, M.	Swanson	Welch	

Those who voted in the negative were:

Shea

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. 155.

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. 155

A bill for an act relating to public welfare; providing for retention of certain receipts by state hospitals; amending Minnesota Statutes 1980, Section 246.57.

March 12, 1982

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. 155, 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. 155 be further amended as follows:

Page 1, line 11, after "welfare" insert "*after consultation with the legislative advisory committee,*"

Page 1, line 15, after the period insert *"To the extent possible the commissioner shall anticipate the costs of these agreements by inclusion in the biennial budget request to the legislature. In addition, funding for shared service agreements may be provided from the contingent appropriation for state institutions to the extent that such agreements result in costs not covered by other appropriations. No additional employees shall be added to the legislatively approved complement for any state hospital or state nursing home as a result of entering into any shared service agreement."*

Page 1, line 16, strike "the" and insert "all"

Page 1, delete lines 18 to 25

Page 2, line 1, delete "3. [RECORDS.]" and insert "2. [REPORTS.]"

Page 2, line 2, delete *"maintain records"* and insert *"report biennially to the legislature"*

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

Senate Conferees: CLARENCE M. PURFEERST, NANCY BRATAAS and RANDOLPH W. PETERSON.

House Conferees: MARNIE J. LUKNIC, PAUL MCCARRON and DON SAMUELSON.

Luknic moved that the report of the Conference Committee on S. F. No. 155 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 155, A bill for an act relating to public welfare; providing for retention of certain receipts by state hospitals; amending Minnesota Statutes 1980, Section 246.57.

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	Berkelman	Clark, J.	Eken	Forsythe
Ainley	Blatz	Clark, K.	Elioff	Greenfield
Anderson, B.	Brandl	Clawson	Ellingson	Gruenes
Anderson, G.	Brinkman	Dahivang	Erickson	Gustafson
Anderson, I.	Byrne	Dempsey	Esau	Halberg
Battaglia	Carlson, D.	Den Ouden	Evans	Hanson
Begich	Carlson, L.	Drew	Fjoslien	Harens

Hauge	Laidig	Niehaus	Rodriguez, F.	Swanson
Haukoos	Lehto	Norton	Rose	Tomlinson
Heap	Lemen	Novak	Rothenberg	Valan
Heinitz	Levi	Nysether	Samuelson	Valento
Himle	Long	O'Connor	Sarna	Vanasek
Hoberg	Ludeman	Ogren	Schafer	Vellenga
Hokanson	Luknic	Olsen	Schoenfeld	Voss
Hokr	Mann	Onnen	Schreiber	Weaver
Jacobs	Marsh	Osthoff	Shea	Welch
Jennings	McCarron	Otis	Sherman	Welker
Johnson, D.	McDonald	Peterson, B.	Sherwood	Wenzel
Jude	McEachern	Peterson, D.	Sieben, M.	Wieser
Kahn	Mehrkens	Piepho	Simoneau	Wigley
Kaley	Metzen	Pogemiller	Skoglund	Wynia
Kalis	Minne	Redalen	Stadum	Spkr. Sieben, H.
Kelly	Munger	Reding	Staten	
Knickerbocker	Murphy	Rees	Stowell	
Kostohryz	Nelsen, B.	Rice	Stumpf	
Kvam	Nelson, K.	Rodriguez, C.	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. 1821.

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. 1821

A bill for an act relating to community corrections; clarifying and harmonizing the provisions of Minnesota Statutes relating to the administrative structure of participating counties, the composition of the corrections advisory board, the powers of probation officers, and the powers and duties of the commissioner of corrections; amending Minnesota Statutes 1980, Sections 401.01, Subdivision 2; 401.02, Subdivisions 1, 3, and 4; 401.06; 401.08, Subdivisions 1 and 2; and 401.13.

March 12, 1982

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. 1821, 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. 1821 be amended as follows:

Page 2, lines 15 through 17, reinstate the stricken and delete the underscored language

Pages 2 and 3 delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1980, Section 401.02, Subdivision 3, is amended to read:

Subd. 3. [ESTABLISHMENT AND REORGANIZATION OF ADMINISTRATIVE STRUCTURE.] Any county or group of counties which have qualified for participation in the community corrections subsidy program provided by this chapter may, after consultation with the judges of the district court, county court, municipal court, probate court and juvenile court having jurisdiction in the county or group of counties establish, organize, and reorganize an administrative structure and provide for the budgeting, staffing and operation of court services and probation, juvenile detention and juvenile correctional facilities, and other activities required to conform to the purposes of this chapter. No contrary general or special statute divests any county or group of counties of the authority granted by this subdivision. This subdivision does not apply to Ramsey County or *Hennepin County* or to the counties in the Arrowhead region. In *Hennepin County and Ramsey County* the county board and the judges of the district court, county court, municipal court, probate court and juvenile court shall (, BEFORE JANUARY 15, 1981,) prepare and implement (, SUBJECT TO THE APPROVAL OF THE COMMISSIONER OF CORRECTIONS,) a joint plan for reorganization of correctional services in the county providing for the administrative structure and providing for the budgeting, staffing and operation of court services and probation, juvenile detention and juvenile correctional facilities, and other activities required to conform to the purposes of this chapter. *The joint plan shall be subject to the approval of the commissioner of corrections and submitted to the legislature on or before January 15, 1983.*"

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

Senate Conferees: EARL W. RENNEKE, GERRY SIKORSKI and DONALD M. MOE.

House Conferees: GARY W. LAIDIG, PAUL MCCARRON and JAMES I. RICE.

Laidig moved that the report of the Conference Committee on S. F. No. 1821 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1821, A bill for an act relating to community corrections; clarifying and harmonizing the provisions of Minnesota Statutes relating to the administrative structure of participating counties, the composition of the corrections advisory board, the powers of probation officers, and the powers and duties of the commissioner of corrections; amending Minnesota Statutes 1980, Sections 401.01, Subdivision 2; 401.02, Subdivisions 1, 3, and 4; 401.06; 401.08, Subdivisions 1 and 2; and 401.13.

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

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 3 nays as follows:

**Those who voted in the affirmative were:**

Aasness	Erickson	Kelly	Norton	Shea
Ainley	Esau	Knickerbocker	Novak	Sherwood
Anderson, B.	Evans	Kostohryz	Nysether	Sieben, M.
Anderson, G.	Fjoslien	Kvam	O'Connor	Simoneau
Anderson, I.	Forsythe	Laidig	Ogren	Skoglund
Battaglia	Greenfield	Lehto	Olsen	Stadum
Begich	Gruenes	Lemen	Onnen	Staten
Berkelman	Gustafson	Levi	Osthoff	Stowell
Blatz	Halberg	Long	Otis	Stumpf
Brandl	Hanson	Ludeman	Peterson, D.	Sviggum
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	Rodriguez, C.	Vellenga
Clawson	Hoberg	Mehrkens	Rodriguez, F.	Voss
Dahlvang	Hokanson	Metzen	Rose	Weaver
Dempsey	Jacobs	Minne	Rothenberg	Welch
Den Ouden	Jennings	Munger	Samuelson	Wenzel
Drew	Johnson, D.	Murphy	Sarna	Wieser
Eken	Jude	Nelsen, B.	Schafer	Wigley
Elioff	Kaley	Nelson, K.	Schoenfeld	Wynia
Ellingson	Kalis	Niehaus	Schreiber	Spkr. Sieben, H.

**Those who voted in the negative were:**

Hokr                      Peterson, B.              Welker

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. 1704, A bill for an act relating to public safety; making it a felony to use or possess metal-penetrating bullets in the commission of a crime; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Hokanson moved that the House concur in the Senate amendments to H. F. No. 1704 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1704, A bill for an act relating to public safety; making it a felony to use or possess metal-penetrating bullets in the commission of a crime; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624.

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

Those who voted in the negative were:

Drew                      Hoberg                      Welker

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. 1702.

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. 1702

A bill for an act relating to corrections; authorizing the appointment of internal security investigators for adult correctional facilities in the unclassified civil service; clarifying the "good time" and solitary confinement provisions relating to county jails; amending Minnesota Statutes 1980, Sections 241.01, Subdivision 3a; 641.09; and 643.29, Subdivision 1.

March 12, 1982

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. 1702, 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. 1702 be further amended as follows:

Page 1, line 23, after the period insert: "*Inmates shall not exercise custodial functions or have authority over other inmates or serve on the board of directors or hold any executive position in any corporation, private industry or educational program located on the grounds of or conducted within a state correctional facility.*"



Amend the title as follows:

Page 1, line 2, after the semicolon insert: "limiting certain inmate functions;"

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

Senate Conferees: SAM G. SOLON, HOWARD A. KNUTSON and EARL W. RENNEKE.

House Conferees: DEAN E. JOHNSON, GARY W. LAIDIG and DAVID P. BATTAGLIA.

Johnson, D., moved that the report of the Conference Committee on S. F. No. 1702 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1702, A bill for an act relating to corrections; authorizing the appointment of internal security investigators for adult correctional facilities in the unclassified civil service; clarifying the "good time" and solitary confinement provisions relating to county jails; amending Minnesota Statutes 1980, Sections 241.01, Subdivision 3a; 641.09; and 643.29, 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 122 yeas and 3 nays as follows:

Those who voted in the affirmative were:

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

Weaver  
Welch

Wenzel  
Wieser

Wigley

Wynia

Spkr. Sieben, H.

Those who voted in the negative were :

McDonald

Rees

Welker

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. 2188, A bill for an act relating to public welfare ; providing for a mechanism in the program of aid to families with dependent children to minimize certain recipients' incentives to quit work ; amending Minnesota Statutes 1980, Section 256.74, Subdivisions 1, as amended ; and 1a, as amended.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Brandl moved that the House concur in the Senate amendments to H. F. No. 2188 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2188, A bill for an act relating to public welfare ; providing for a mechanism in the program of aid to families with dependent children to minimize certain recipients' incentives to quit work ; modifying certain provisions relating to medical assistance ; allowing a cause of action against responsible relatives ; providing for payments to health maintenance organizations ; appropriating money ; amending Minnesota Statutes 1980, Sections 256.74, Subdivisions 1, as amended, and 1a, as added ; 256B.04, by adding a subdivision ; 256B.05, Subdivision 2 ; 256B.06, Subdivision 3 ; 256B.14 ; 256B.19, Subdivision 1 ; 256B.27, Subdivision 3 ; and Minnesota Statutes 1981 Supplement, Section 256.966.

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

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 5 nays as follows :

Those who voted in the affirmative were :

Aasness  
Anderson, B.  
Anderson, G.  
Anderson, I.  
Battaglia  
Begich  
Berkelman  
Blatz

Brandl  
Brinkman  
Byrne  
Carlson, D.  
Carlson, L.  
Clark, J.  
Clark, K.  
Clawson

Dahlvang  
Dempsey  
Drew  
Eken  
Elioff  
Ellingson  
Erickson  
Esau

Evans  
Fjoslien  
Forsythe  
Greenfield  
Gruenes  
Gustafson  
Halberg  
Hanson

Harens  
Hauge  
Haukoos  
Heap  
Heinitz  
Himle  
Hoberg  
Hokanson

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

Those who voted in the negative were :

Ainley            Den Ouden        Jennings        Ludeman        Welker

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. 16.

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. 16

A bill for an act relating to probate; changing certain time limits and procedures for a personal representative to file an inventory and appraisalment; amending Minnesota Statutes 1980, Section 524.3-706.

March 12, 1982

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. 16, 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. 16 be amended as follows:

Page 1, line 16, strike "with the court or"

Page 1, line 17, strike "registrar"

Page 1, line 17, after the first "(AND)" insert "or"

Page 1, line 17, reinstate "(MAIL)"

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

**Senate Conferees: JACK DAVIES, RON SIELOFF and BOB LESSARD.**

**House Conferees: FRED C. NORTON, TAD JUDE and BILL PETERSON.**

Norton moved that the report of the Conference Committee on S. F. No. 16 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 16, A bill for an act relating to probate; changing certain time limits and procedures for a personal representative to file an inventory and appraisal; amending Minnesota Statutes 1980, Section 524.3-706.

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	Drew	Himle	Long	O'Connor
Ainley	Eken	Hoberg	Ludeman	Ogren
Anderson, B.	Elioff	Hokanson	Luknic	Olsen
Anderson, G.	Ellingson	Hokr	Mann	Onnen
Anderson, I.	Erickson	Jacobs	Marsh	Osthoff
Battaglia	Esau	Jennings	McCarron	Otis
Begich	Evans	Johnson, D.	McDonald	Peterson, B.
Berkelman	Fjoslien	Jude	McEachern	Peterson, D.
Blatz	Forsythe	Kahn	Mehrkens	Piepho
Brandl	Greenfield	Kaley	Metzen	Pogemiller
Brinkman	Gruenes	Kalis	Minne	Redalen
Byrne	Gustafson	Kelly	Munger	Reding
Carlson, L.	Halberg	Knickerbocker	Murphy	Rees
Clark, J.	Hanson	Kostohryz	Nelsen, B.	Rice
Clark, K.	Harens	Kvam	Nelson, K.	Rodriguez, C.
Clawson	Hauge	Laidig	Niehaus	Rodriguez, F.
Dahlvang	Haukoos	Lehto	Norton	Rose
Dempsey	Heap	Lemen	Novak	Rothenberg
Den Ouden	Heinitz	Levi	Nysether	Samuelson

Sarna	Sherwood	Stowell	Valento	Welker
Schafer	Sieben, M.	Stumpf	Vanasek	Wenzel
Schoenfeld	Simoneau	Sviggum	Vellenga	Wieser
Schreiber	Skoglund	Swanson	Voss	Wigley
Shea	Stadum	Tomlinson	Weaver	Wynia
Sherman	Staten	Valan	Welch	Spkr. Sieben, H.

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

The following conference committee report was received:

**CONFERENCE COMMITTEE REPORT ON H. F. NO. 1975**

A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 340.11, by adding a subdivision.

March 13, 1982

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. 1975, 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. 1975 be further amended as follows:

Page 1, line 10, before "*may*" insert "*, subdivision 1,*"

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

House Conferees: BOB MCEACHERN, JOHN J. SARNA and JAMES P. METZEN.

Senate Conferees: CHARLES R. DAVIS, GERRY SIKORSKI and DUANE D. BENSON.

McEachern moved that the report of the Conference Committee on H. F. No. 1975 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1975, A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 340.11, by adding a subdivision.

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 111 yeas and 12 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Den Ouden	Lemen	Onnen	Stowell	Wieser
Erickson	Mann	Schafer	Welker	
Esau	Niehaus	Sherwood		

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

## MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate 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. 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 Senate has appointed as such committee Messrs. Fredrickson, Merriam and Peterson, R. W.

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. 1220, A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

The Senate has appointed as such committee Messrs. Peterson, C. C.; Nelson; Pehler; Chmielewski 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 has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1239.

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. 1239

A bill for an act relating to the operation of state government; authorizing the state board of investment to employ investment management firms to invest certain funds on its behalf; appropriating money; amending Minnesota Statutes 1980, Section 11A.04.

March 12, 1982

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. 1239, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendment and that S. F. No. 1239 be further amended as follows:

In the title:

Page 1, line 5, after "behalf;" insert "permitting the board to invest in certain housing finance agency loans;"

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

Senate Conferees: DONALD M. MOE, ALLAN H. SPEAR and EARL W. RENNEKE.

House Conferees: LEO J. REDING, JOHN R. KALEY and JAMES I. RICE.

Reding moved that the report of the Conference Committee on S. F. No. 1239 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1239, A bill for an act relating to the operation of state government; authorizing the state board of investment to employ investment management firms to invest certain funds on its behalf; appropriating money; amending Minnesota Statutes 1980, Section 11A.04.

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

The question was taken on the repassage of the bill and the roll was called. There were 114 yeas and 9 nays as follows:

Those who voted in the affirmative were:

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



Minne	Otis	Rodriguez, F.	Skoglund	Vellenga
Murphy	Peterson, B.	Rose	Stadum	Voss
Nelsen, B.	Peterson, D.	Rothenberg	Staten	Weaver
Nelson, K.	Piepho	Sarna	Stowell	Welch
Norton	Pogemiller	Schoenfeld	Stumpf	Wenzel
Novak	Redalen	Schreiber	Sviggum	Wieser
O'Connor	Reding	Shea	Swanson	Wigley
Ogren	Rees	Sherman	Tomlinson	Wynia
Olsen	Rice	Sieben, M.	Valan	Spkr. Sieben, H.
Osthoff	Rodriguez, C.	Simoneau	Vanasek	

Those who voted in the negative were:

Den Ouden	McCarron	Nysether	Schafer	Welker
Esau	Niehaus	Onnen	Valento	

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. 2033, A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Sections 223.04; 223.07 to 223.11; 232.01; 232.02, Subdivisions 4, 5, 6, 7, 8 and 9; 232.03; 232.04; and 232.06, Subdivision 5; Minnesota Statutes 1981 Supplement, Sections 223.01; 223.02; 223.03; 223.05; and 232.02, Subdivisions 1, 2 and 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Anderson, G., moved that the House concur in the Senate amendments to H. F. No. 2033 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2033, A bill for an act relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Chapter 223, as amended; and Sections 232.01; 232.02, as amended; 232.04; and 232.06, Subdivision 5.

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

The question was taken on the repassage of the bill and the roll was called. There were 114 yeas and 11 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Hanson	Lemen	Voss	Welker
Ainley	Heinitz	McDonald		
Esau	Kahn	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. 1542, A bill for an act relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito control district and commission; increasing size of commission membership; increasing certain commission expenditure amounts; authorizing taxes; amending Minnesota Statutes 1980, Sections 473.701, Subdivisions 1, 2 and 3; 473.702; 473.703, Subdivision 1; 473.704, Subdivision 17; 473.705; and 473.711, Subdivision 2; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.713; and 473.717.

PATRICK E. FLAHAVER, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Skoglund moved that the House concur in the Senate amendments to H. F. No. 1542 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1542, A bill for an act relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito control district and commission; increasing size of commission membership; increasing certain commission expenditure amounts; authorizing taxes; amending Minnesota Statutes 1980, Sections 473.701, Subdivisions 1, 2 and 3; 473.702; 473.703, Subdivision 1; 473.704, Subdivision 17; 473.705; and 473.711, Subdivision 2; repealing Minnesota Statutes 1980, Sections 473.701, Subdivisions 5 and 6; 473.713; and 473.717.

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

The question was taken on the repassage of the bill and the roll was called. There were 92 yeas and 34 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Esau	McDonald	Rees	Valan
Ainley	Fjoslien	Mehrrens	Schafer	Valento
Carlson, D.	Haukoos	Nelsen, B.	Sherman	Vanasek
Dempsey	Jennings	Niehaus	Sherwood	Welker
Den Ouden	Kvam	Nysether	Stadum	Wieser
Drew	Lemen	Piepho	Stowell	Wigley
Erickson	Ludeman	Redalen	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. 522, A bill for an act relating to family; clarifying circumstances in which parent with custody of child may move to another state; amending Minnesota Statutes 1980, Section 518.175, Subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Dempsey moved that the House concur in the Senate amendments to H. F. No. 522 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 522, A bill for an act relating to family; clarifying circumstances in which parent with custody of child may move to another state; amending Minnesota Statutes 1980, Section 518.175, Subdivision 3.

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

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

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 1734, A bill for an act relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts; amending Minnesota Statutes 1981 Supplement, Section 484.70, Subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Olsen moved that the House concur in the Senate amendments to H. F. No. 1734 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1734, A bill for an act relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts; amending Minnesota Statutes 1981 Supplement, Section 484.70, Subdivision 1.

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

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Aasness	Dempsey	Haukoos	Levi	Nysether
Ainley	Den Ouden	Heap	Long	O'Connor
Anderson, B.	Drew	Heinitz	Ludeman	Ogren
Anderson, G.	Eken	Himle	Luknic	Olsen
Anderson, I.	Elioff	Hoberg	Mann	Onnen
Battaglia	Ellingson	Hokanson	Marsh	Osthoff
Begich	Erickson	Hokr	McCarron	Otis
Berkelman	Esau	Jacobs	McDonald	Peterson, B.
Blatz	Evans	Jennings	McEachern	Peterson, D.
Brandl	Ewald	Johnson, D.	Mehrkens	Piepho
Brinkman	Fjoslien	Jude	Metzen	Pogemiller
Byrne	Forsythe	Kaley	Minne	Redalen
Carlson, D.	Greenfield	Kelly	Munger	Reding
Carlson, L.	Gruenes	Knickerbocker	Murphy	Rees
Clark, J.	Gustafson	Kostohryz	Nelsen, B.	Rice
Clark, K.	Halberg	Kvam	Nelson, K.	Rodriguez, C.
Clawson	Hanson	Laidig	Niehaus	Rodriguez, F.
Dahlvang	Harens	Lehto	Norton	Rose
Dean	Hauge	Lemen	Novak	Rothenberg

Samuelson	Sherman	Staten	Valan	Welker
Sarna	Sherwood	Stowell	Valento	Wenzel
Schafer	Sieben, M.	Stumpf	Vanasek	Wieser
Schoenfeld	Simoneau	Sviggum	Vellenga	Wigley
Schreiber	Skoglund	Swanson	Weaver	Wynia
Shea	Stadum	Tomlinson	Welch	Spkr. Sieben, H.

Those who voted in the negative were:

Voss

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. 303.**

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. 303

A bill for an act proposing an amendment to the Minnesota Constitution, Article X, by adding a section to authorize at the track parimutuel betting on races if authorized by law; proposing an amendment to the Minnesota Constitution by repealing Article XIII, Section 5, the prohibition against lotteries.

March 13, 1982

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. 303, 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. 303 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [PROPOSED AMENDMENT.]

An amendment to the Minnesota Constitution, Article X, adding a section, is proposed to the people. If the amendment is adopted, the section will read:

Sec. 8. The legislature may authorize on-track parimutuel betting on horse racing in a manner prescribed by law.

Sec. 2. [SUBMISSION TO VOTERS.]

The amendment proposed in section 1 shall be submitted to the people at the 1982 general election. The question submitted shall be:

“Shall the Minnesota Constitution be amended to permit the legislature to authorize on-track parimutuel betting on horse racing in a manner prescribed by law?”

Yes .....

No .....

Delete the title and insert:

“A bill for an act proposing an amendment to the Minnesota Constitution, Article X, by adding a section to permit the legislature to authorize on-track parimutuel betting on horse racing.”

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

Senate Conferees: CLARENCE M. PURFEERST, TOM A. NELSON, RONALD R. DICKLICH, CONRAD M. VEGA and JIM RAMSTAD.

House Conferees: LEO J. REDING, RICHARD J. KOSTOHRYZ, CHARLES C. HALBERG, KENNETH J. McDONALD and C. THOMAS OSTHOFF.

Reding moved that the report of the Conference Committee on S. F. No. 303 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 Sarna and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

- |              |             |             |           |            |
|--------------|-------------|-------------|-----------|------------|
| Aasness      | Berkelman   | Carlson, L. | Drew      | Ewald      |
| Ainley       | Blatz       | Clark, J.   | Eken      | Fjoslien   |
| Anderson, G. | Brandl      | Dahlvang    | Elioff    | Forsythe   |
| Anderson, I. | Brinkman    | Dean        | Ellingson | Greenfield |
| Battaglia    | Byrne       | Dempsey     | Erickson  | Gruenes    |
| Begich       | Carlson, D. | Den Ouden   | Esau      | Gustafson  |

Halberg	Laidig	Norton	Rodriguez, F.	Swanson
Hanson	Lehto	Nysether	Rose	Tomlinson
Hauge	Lemen	O'Connor	Rothenberg	Valan
Haukoos	Ludeman	Ogren	Sarna	Valento
Heap	Luknic	Olsen	Schafer	Vanasek
Himle	Mann	Onnen	Schoenfeld	Vellenga
Hoberg	Marsh	Osthoff	Schreiber	Voss
Hokanson	McDonald	Otis	Shea	Weaver
Hokr	McEachern	Peterson, B.	Sherman	Welker
Jacobs	Mehrkens	Peterson, D.	Sherwood	Wenzel
Jude	Metzen	Piepho	Sieben, M.	Wieser
Kahn	Minne	Pogemiller	Simoneau	Wynia
Kalis	Munger	Redalen	Skoglund	Spkr. Sieben, H.
Kelly	Murphy	Reding	Stadum	
Knickerbocker	Nelsen, B.	Rees	Staten	
Kostohryz	Nelson, K.	Rice	Stumpf	
Kvam	Niehaus	Rodriguez, C.	Sviglum	

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.

S. F. No. 303, A bill for an act proposing an amendment to the Minnesota Constitution, Article X, by adding a section to authorize at the track parimutuel betting on races if authorized by law; proposing an amendment to the Minnesota Constitution by repealing Article XIII, Section 5, the prohibition against lotteries.

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 77 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Ainley	Eken	Kalis	Murphy	Schreiber
Anderson, B.	Elioff	Kelly	Novak	Sieben, M.
Anderson, G.	Evans	Kostohryz	O'Connor	Simoneau
Anderson, I.	Halberg	Lehto	Ogren	Stumpf
Begich	Harens	Levi	Olsen	Sviglum
Berkelman	Hauge	Long	Osthoff	Tomlinson
Blatz	Heap	Ludeman	Peterson, D.	Valan
Brinkman	Heintz	Luknic	Piepho	Valento
Byrne	Himle	Mann	Pogemiller	Vanasek
Carlson, L.	Hoberg	Marsh	Redalen	Welker
Clark, J.	Hokanson	McCarron	Reding	Wenzel
Clawson	Hokr	McDonald	Rees	Wieser
Dahlvang	Jacobs	McEachern	Rodriguez, F.	Spkr. Sieben, H.
Dean	Jennings	Mehrkens	Rose	
Dempsey	Jude	Metzen	Samuelson	
Drew	Kahn	Minne	Sarna	



Those who voted in the negative were:

Aasness	Fjoslien	Kvam	Otis	Skoglund
Battaglia	Forsythe	Laidig	Peterson, B.	Stadum
Brandl	Greenfield	Lemen	Rice	Stowell
Carlson, D.	Gruenes	Munger	Rodriguez, C.	Swanson
Clark, K.	Gustafson	Nelson, B.	Rothenberg	Vellenga
Den Ouden	Hanson	Nelson, K.	Schafer	Voss
Ellingson	Haukoos	Niehaus	Schoenfeld	Weaver
Erickson	Johnson, D.	Norton	Shea	Welch
Esau	Kaley	Nysether	Sherman	Wynia
Ewald	Knickerbocker	Onnen	Sherwood	

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.

#### SPECIAL ORDERS

S. F. No. 2126 was reported to the House.

There being no objection, S. F. No. 2126 was continued on Special Orders.

S. F. No. 1957 was reported to the House.

McDonald moved to amend S. F. No. 1957, as follows:

Page 1, after line 17, delete lines 18 to 25 and insert the following:

“Whereas it is the Constitutional responsibility of the Federal government of these United States to provide for our defense and to secure the peace; and,

Whereas the peace of the world under present conditions is best secured by the military power of the United States to deter war;”

Page 2, delete lines 1 to 3

A roll call was requested and properly seconded.

Peterson, B., moved to postpone S. F. No. 1957 indefinitely. The motion did not prevail.

The question recurred on the McDonald amendment and the roll was called. There were 47 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Aasness	Heap	Lemen	Rees	Valan
Ainley	Heinitz	Levi	Rose	Valento
Begich	Himle	Ludeman	Rothenberg	Weaver
Den Ouden	Hoberg	Marsh	Schafer	Welker
Erickson	Hokr	McDonald	Schoenfeld	Wenzel
Esau	Jennings	Nelsen, B.	Sherman	Wieser
Evans	Kaley	Niehaus	Sherwood	Wigley
Fjoslien	Knickerbocker	Onnen	Stadum	
Gruenes	Kvam	Peterson, B.	Stowell	
Haukoos	Laidig	Piepho	Sviggun	

Those who voted in the negative were:

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

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

Lemen offered an amendment to S. F. No. 1957.

#### POINT OF ORDER

Vanasek raised a point of order pursuant to section 401 of "Mason's Manual of Legislative Procedure" that the amendment was out of order. The Speaker ruled the point of order well taken and the amendment out of order.

Stowell moved to amend S. F. No. 1957 as follows:

Page 1, line 6, insert:

*"Whereas* the Minnesota Legislature is alarmed by recent Soviet aggression in Afghanistan; and

*Whereas* the legislature deplores the Soviet Union intervention in the domestic affairs of Poland; and

*Whereas* the Castro regime in Cuba is presently supplying men and material for the purposes of violent overthrow of several legitimate governments in Central America and;

*Whereas* these communist adventures jeopardize world peace and order and;

*Whereas* the possibility of thermal nuclear war is heightened and;”

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 45 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Aasness	Forsythe	Kvam	Onnen	Stowell
Carlson, D.	Gruenes	Laidig	Redalen	Sviggum
Dean	Haukoos	Lemen	Rees	Valan
Dempsey	Heap	Ludeman	Reif	Valento
Drew	Heinitz	Marsh	Rose	Weaver
Erickson	Hoberg	McDonald	Rothenberg	Welker
Esau	Johnson, D.	Nelsen, B.	Schafer	Wenzel
Evans	Kaley	Niehaus	Sherman	Wieser
Fjoslien	Knickerbocker	Olsen	Sherwood	Wigley

Those who voted in the negative were:

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

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

Nelsen, B., moved to amend S. F. No. 1957, as follows:

Page 2, line 15, delete “and to”

Page 2, line 16, after “Congress” delete the period and insert “, the premier of the Soviet Union, and to the Politburo of the Soviet Union.”

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 62 nays as follows:

## Those who voted in the affirmative were:

Aasness	Ewald	Johnson, D.	Niehaus	Sherman
Ainley	Fjoslien	Kaley	Olsen	Sherwood
Anderson, B.	Forsythe	Knickerbocker	Onnen	Stadum
Anderson, I.	Gruenes	Kvam	Peterson, B.	Stowell
Blatz	Halberg	Laidig	Piepho	Sviggum
Carlson, D.	Haukoos	Lemen	Redalen	Valan
Dean	Heap	Levi	Rees	Valento
Dempsey	Heinitz	Ludeman	Reif	Weaver
Den Ouden	Himle	Luknic	Rose	Welker
Drew	Hoberg	Marsh	Rothenberg	Wenzel
Erickson	Hokr	Mehrkens	Schafer	Wieser
Evans	Jennings	Nelsen, E.	Schreiber	Wigley

## Those who voted in the negative were:

Anderson, G.	Esau	Lehto	Otis	Staten
Battaglia	Greenfield	Long	Peterson, D.	Stumpf
Berkelman	Gustafson	Mann	Pogemiller	Swanson
Brandl	Hanson	McCarron	Reding	Tomlinson
Brinkman	Harens	McDonald	Rice	Vanasek
Byrne	Hauge	Minne	Rodriguez, C.	Vellenga
Carlson, L.	Hokanson	Munger	Rodriguez, F.	Voss
Clark, J.	Jacobs	Murphy	Samuelson	Welch
Clark, K.	Jude	Nelson, K.	Schoenfeld	Wynia
Clawson	Kahn	Norton	Shea	Spkr. Sieben, H.
Eken	Kalis	Novak	Sieben, M.	
Elioff	Kelly	O'Connor	Simoneau	
Ellingson	Kostohryz	Ogren	Skoglund	

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

S. F. No. 1957, A resolution memorializing the President and Congress of the United States in support of a mutual freeze with the Soviet Union on the testing, production, and deployment of nuclear weapons and delivery systems.

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 88 yeas and 17 nays as follows:

## Those who voted in the affirmative were:

Ainley	Clark, K.	Hanson	Lehto	Novak
Anderson, B.	Clawson	Harens	Long	O'Connor
Anderson, G.	Dahlvang	Hauge	Luknic	Ogren
Anderson, I.	Drew	Himle	Mann	Olsen
Battaglia	Eken	Jacobs	Marsh	Osthoff
Begich	Elioff	Johnson, D.	McCarron	Otis
Berkelman	Ellingson	Jude	Mehrkens	Peterson, B.
Blatz	Evans	Kahn	Metzen	Peterson, D.
Brandl	Ewald	Kalis	Minne	Piepho
Brinkman	Forsythe	Kelly	Munger	Pogemiller
Byrne	Greenfield	Knickerbocker	Murphy	Reding
Carlson, L.	Gruenes	Kostohryz	Nelson, K.	Reif
Clark, J.	Gustafson	Laidig	Norton	Rice

Rodriguez, C.	Schoenfeld	Skoglund	Tomlinson	Wenzel
Rodriguez, F.	Shea	Staten	Vanasek	Wynia
Rose	Sherman	Stumpf	Vellenga	Spkr. Sieben, H.
Samuelson	Sieben, M.	Sviggum	Voss	
Sarna	Simoneau	Swanson	Weich	

Those who voted in the negative were:

Aasness	Esau	Kaley	Nelsen, B.	Stowell
Dean	Heap	Kvam	Niehaus	
Dempsey	Heinitz	Lemen	Redalen	
Erickson	Hokr	McDonald	Rees	

The bill was passed and its title agreed to.

S. F. No. 2127, A resolution memorializing the President and Congress of the United States to take immediate steps to curb the sources of acid rain.

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

The bill was passed and its title agreed to.

The following conference committee report was received:

## CONFERENCE COMMITTEE REPORT ON 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.

March 13, 1982

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. 356, 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. 356 be further amended by deleting everything after the enacting clause and inserting:

"Section 1. [609.522] [COMPUTER CRIME; DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] For purposes of sections 1 to 3 the terms defined in this section have the meanings given them.*

*Subd. 2. [ACCESS.] "Access" means to instruct, communicate with, store data in, or retrieve data from a computer, computer system, or computer network.*

*Subd. 3. [COMPUTER.] "Computer" means an electronic device which performs logical, arithmetic and memory functions by the manipulations of signals, including but not limited to electronic or magnetic impulses.*

*Subd. 4. [COMPUTER SYSTEM.] "Computer system" means related, connected or unconnected, computers and peripheral equipment.*

*Subd. 5. [COMPUTER NETWORK.] "Computer network" means the interconnection of a communication system with a computer through a remote terminal, or with two or more interconnected computers or computer systems.*

*Subd. 6. [PROPERTY.] "Property" includes, but is not limited to, electronically processed or produced data and information contained in a computer or computer software in either machine or human readable form.*

*Subd. 7. [SERVICES.] "Services" includes but is not limited to, computer time, data processing, and storage functions.*

*Subd. 8. [COMPUTER PROGRAM.] "Computer program" means an instruction or statement or a series of instructions or statements, in a form acceptable to a computer, which directs the functioning of a computer system in a manner designed to provide appropriate products from the computer.*

*Subd. 9. [COMPUTER SOFTWARE.] "Computer software" means a computer program or procedures, or associated documentation concerned with the operation of a computer.*

*Subd. 10. [LOSS.] "Loss" means the greatest of the following:*

*(a) the retail market value of the property or services involved;*

*(b) the reasonable repair or replacement cost, whichever is less; or*

*(c) the reasonable value of the damage created by the unavailability or lack of utility of the property or services involved until repair or replacement can be effected.*

## **Sec. 2. [609.523] [COMPUTER DAMAGE.]**

*Subdivision 1. [ACTS.] Whoever does any of the following is guilty of computer damage and may be sentenced as provided in subdivision 2:*

*(a) Intentionally and without authorization damages or destroys any computer, computer system, computer network, computer software, or any other property specifically defined in section 1, subdivision 6; or*

*(b) Intentionally and without authorization and with intent to injure or defraud alters any computer, computer system, computer network, computer software, or any other property specifically defined in section 1, subdivision 6.*

*Subd. 2. [PENALTY.] Whoever commits computer damage may be sentenced as follows:*

*(a) To imprisonment for not more than ten years or to payment of a fine of not more than \$50,000, or both, if the damage, destruction or alteration results in a loss in excess of \$2,500, to the owner, his agent, or lessee;*

*(b) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, if the damage,*

*destruction or alteration results in a loss of more than \$500, but not more than \$2,500 to the owner, his agent or lessee; or*

*(c) In all other cases to imprisonment for not more than 90 days or to payment of a fine of not more than \$500, or both.*

**Sec. 3. [609.524] [COMPUTER THEFT.]**

*Subdivision 1. [ACTS.] Whoever does any of the following is guilty of computer theft and may be sentenced as provided in subdivision 2:*

*(a) Intentionally and without authorization or claim of right accesses or causes to be accessed any computer, computer system, computer network or any part thereof for the purpose of obtaining services or property; or*

*(b) Intentionally and without claim of right, and with intent to permanently deprive the owner of possession, takes, transfers, conceals or retains possession of any computer, computer system, or any computer software or data contained in a computer, computer system, or computer network.*

*Subd. 2. [PENALTY.] Anyone who commits computer theft may be sentenced as follows:*

*(a) To imprisonment for not more than ten years or to payment of a fine of not more than \$50,000, or both, if the loss to the owner, his agent, or lessee is in excess of \$2,500; or*

*(b) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, if the loss to the owner, his agent, or lessee is more than \$500 but not more than \$2,500; or*

*(c) In all other cases to imprisonment for not more than 90 days or to payment of a fine of not more than \$500, or both.*

**Sec. 4. [EFFECTIVE DATE.]**

*This act is effective August 1, 1982 and applies to all crimes committed on or after that date."*

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

House Conferees: PHYLLIS L. KAHN, ROBERT E. VANASEK and GARY W. LAIDIG.

Senate Conferees: WILLIAM P. LUTHER, JACK DAVIES and JIM RAMSTAD.



Kahn moved that the report of the Conference Committee on H. F. No. 356 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 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	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
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
Carison, 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	Metzen	Rodriguez, F.	Weaver
Dahlvang	Hokanson	Minne	Rose	Welch
Dean	Hokr	Munger	Rothenberg	Welker
Dempsey	Jacobs	Murphy	Samuelson	Wenzel
Den Ouden	Jennings	Nelsen, B.	Sarna	Wieser
Drew	Johnson, D.	Neison, K.	Schafer	Wigley
Eken	Jude	Niehaus	Schoenfeld	Wynia
Elioff	Kahn	Norton	Schreiber	Sprk. Sieben, H.
Ellingson	Kaley	Novak	Shea	
Erickson	Kalis	Nysether	Sherman	

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. 818.

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. 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.

March 10, 1982

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. 818, 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. 818 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1980, Section 84.111, is amended by adding a subdivision to read:

*Subd. 5. Notwithstanding the provisions of subdivisions 1 to 3, any person holding fee title to all property surrounding a body of public waters may use mechanical harvesting devices to harvest wild rice in those waters. This subdivision does not apply to:*

(a) *Any body of public waters greater than 125 acres in size;*

(b) *Any body of public waters to which the public has access directly or through a channel or watercourse;*

(c) *Any body of public waters within the original boundaries of any Indian reservation; or*

(d) *Harvesting of wild rice for use or sale by any person other than the owner of the surrounding property.*

Sec. 2. Minnesota Statutes 1980, Section 97.48, Subdivision 24, is amended to read:

Subd. 24. The commissioner may limit the number of persons who may hunt deer *or bear*, when he determines that the game supply or area open to hunting is too small for unrestricted hunting, and he may establish by order any practicable method, including a drawing, for impartially determining the persons who may hunt in such areas.

Sec. 3. Minnesota Statutes 1980, Section 97.4841, Subdivision 2, is amended to read:

Subd. 2. [STAMP REQUIRED.] *Except for residents under the age of 18 and over the age of 65 years*, no person (OVER THE AGE OF 18 AND UNDER THE AGE OF 65 YEARS) who is otherwise required to possess a Minnesota small game license shall hunt or take migratory waterfowl within this state without first purchasing a stamp and having the stamp in (HIS) possession while hunting or taking migratory waterfowl. 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 nonhunters who are interested in the preservation and development of habitat for migratory waterfowl. People who are hunting on their own property shall not be required to possess a Minnesota waterfowl stamp.

Sec. 4. 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.

Sec. 5. Minnesota Statutes 1980, Section 98.45, Subdivision 1, is amended to read:

Subdivision 1. Except as specifically permitted in chapters 97 to 102, no person may take, buy, sell, transport, or possess any protected wild animals of this state or any aquatic plants

without first procuring a license therefor as provided in section 98.46 or in section 98.48. Every license is issued for a year beginning on the first day of March and is void after the last day of the open season or the lawful time within that year during which the acts authorized may be performed. Except as provided in this section, no license to take deer with firearm or with bow and arrow may be issued after the day prior to the first day of the regular rifle season, and all license agents shall return all stubs and unsold license blanks to the county auditor on the first business day following the first day of such season. *A license to take deer with bow and arrow issued after the opening of the bow and arrow deer season shall not be valid until the fifth day after it is issued.* A resident who is discharged from the military or naval forces of the United States, or any active reserve or component thereof, during the regular season for taking deer by firearm or within ten days before its commencement, may be issued, at any time during the firearm deer season and upon a showing of his official discharge paper, a license to take deer with firearm. Only one license of each kind, except as authorized by order of the commissioner adopted pursuant to section 97.53 and except the non-resident short term angling license, may be issued to a person in any licensing year. No license may be transferred except as expressly authorized.

Sec. 6. Minnesota Statutes 1980, Section 98.47, Subdivision 7, is amended to read:

Subd. 7. No license *to buy or sell fish or to take fish commercially in international waters extending from Pigeon Point West to the North Dakota boundary line shall be issued to any person or member of (HIS) the person's household, or employee, engaged in the business of conducting a summer resort.*

Sec. 7. Minnesota Statutes 1980, Section 98.52, Subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided herein, the license of any person who is convicted of violating any provisions of chapters 97 to 102, or any order or regulation duly prescribed by the commissioner under authority thereof, relating to the license or to the wild animals covered thereby, shall immediately become null and void, and no big game license of any kind shall be issued to such person for three years after the date of:

(1) A conviction for a violation relating to big game which is classified as a gross misdemeanor, or for doing any act without a big game license for which chapters 97 to 102 require a big game license, or;

(2) A second conviction within a three year period for any other violation of chapters 97 to 102 relating to big game; or

(3) *A conviction for taking any big game animal out of season.*

No license of the kind related to the conviction shall be issued to (SUCH) a person for one year after the date of conviction if the license is other than a big game license. Every person convicted of doing anything without a license for which chapters 97 to 102 require a license, shall forfeit (HIS) *their* right to secure (SUCH A) *that* license for a period of one year from a conviction other than a conviction related to big game.

Sec. 8. Minnesota Statutes 1980, Section 99.27, Subdivision 1, is amended to read:

Subdivision 1. Breeding and propagating fur-bearing animals, game birds, *bear* or deer, shall be authorized under license only upon privately owned or leased lands and waters. "Private waters," as used herein, includes all bodies of waters or streams, whether meandered or not, of a shallow, swampy, marshy, or boggy nature, not navigable in fact, and of no substantial beneficial use to the general public. The owner or lessee, applying for the license, shall have first enclosed the area, in the manner approved by the commissioner, sufficiently to confine the respective birds or animals to be raised thereon. Licenses shall be granted only in cases where the commissioner finds the application is made in good faith with intention to actually carry on the business described in the application and where the facilities, in his judgment, are adequate therefor.

Sec. 9. 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. 10. Minnesota Statutes 1980, Section 100.29, Subdivision 3, is amended to read:

Subd. 3. (IT SHALL BE UNLAWFUL TO HAVE IN POSSESSION OUT OF DOORS, EXCEPT UPON TARGET RANGES OPERATED UNDER A PERMIT FROM THE COMMISSIONER, UNLESS UNLOADED AND CONTAINED IN A GUN CASE, OR UNLOADED AND BROKEN DOWN:)

((1) ANY RIFLE OR HANDGUN, EXCEPT A 22 CALIBER RIM-FIRE RIFLE OR HANDGUN CARRIED FOR THE SOLE PURPOSE OF TAKING SMALL GAME WHEN LAWFUL AND USING 22 CALIBER SHORT, LONG, OR LONG RIFLE BULLETS, OR ANY SHOTGUN WITH SLUGS, IN ANY TERRITORY WHEREIN THERE IS AN OPEN SEASON FOR TAKING DEER WITH FIREARMS, FOR A

PERIOD OF TEN DAYS PRECEDING AND FIVE DAYS SUCCEEDING SUCH SEASON;)

(2) ANY RIFLE, EXCEPT THOSE DESCRIBED IN THIS CLAUSE, IN A TERRITORY OPEN FOR THE TAKING OF DEER WITH SHOTGUNS AND SLUGS BUT NOT WITH RIFLES, DURING SUCH SEASON; (A) SMOOTH-BORE MUZZLE LOADING MUSKETS OF NOT LESS THAN 45 CALIBER AND RIFLE MUZZLE LOADING MUSKETS OF NOT LESS THAN 40 CALIBER THAT ARE INCAPABLE OF BEING LOADED AT THE BREECH, MAY BE POSSESSED AND USED FOR THE HUNTING OF DEER DURING SUCH OPEN SEASON AND (B) 22 CALIBER RIM-FIRE RIFLES OR HANDGUNS CARRIED FOR THE SOLE PURPOSE OF TAKING SMALL GAME WHEN LAWFUL AND USING 22 CALIBER SHORT, LONG, OR LONG RIFLE BULLETS, MAY BE POSSESSED AND USED DURING SUCH OPEN DEER SEASON;)

(3) ANY SLUGS FOR USE IN A SHOTGUN IN ANY TERRITORY OPEN FOR THE TAKING OF DEER WITH FIREARMS DURING THE OPEN SEASON, EXCEPT FOR SLUGS CARRIED FOR THE SOLE PURPOSE OF TAKING DEER OR BEAR.) *Within any area where deer may be taken by firearms, it shall be unlawful during the period beginning the tenth day before the open firearms season and ending the second day after the close of the season, inclusive, to have any firearm or ammunition in possession out of doors other than:*

(1) *Shotguns using shot;*

(2) *Handguns and rifles using .22 caliber short, long and long rifle cartridges; and*

(3) *Firearms described in subdivision 9, as legal for taking big game subject to weapon zone restrictions as prescribed by the commissioner, provided the bearer has a big game license on his person and is afield during the time and within the area the big game license is valid.*

*Except for pistols and revolvers carried in compliance with sections 624.714 to 624.715 and firearms in possession upon target ranges operated under a permit from the commissioner, all firearms carried out of doors other than in conformity with this subdivision must be unloaded and contained in a case or unloaded and contained in the trunk of a car with the trunk door closed.*

Sec. 11. Minnesota Statutes 1980, Section 100.29, Subdivision 9, is amended to read:

Subd. 9. (EXCEPT AS PROVIDED IN SUBDIVISION 3, AND IN THIS SUBDIVISION, IT SHALL BE UNLAWFUL

TO TAKE DEER, MOOSE, OR ANY OTHER WILD ANIMAL DURING DEER OR MOOSE SEASON IN OPEN DEER OR MOOSE HUNTING TERRITORY WITH A RIFLE OR FIREARM WHICH DISCHARGES A PROJECTILE, THE DIAMETER OF WHICH IS LESS THAN TWENTY-THREE HUNDREDTHS OF AN INCH, OR TO USE ANY CARTRIDGE LESS THAN 1-3/4 INCHES IN LENGTH, AND NOT CONTAINING A SOFT POINT OR EXPANDING BULLET, THE MEASUREMENT TO INCLUDE THE CARTRIDGE OR SHELL AND THE BULLET SEATED IN THE USUAL MANNER, PROVIDED CARTRIDGES OF 35 CALIBER OR LARGER MAY BE USED, REGARDLESS OF LENGTH, OR TO USE SHELLS CONTAINING BUCKSHOT, OR FINE SHOT EXCEPT FOR GAME BIRDS, AND EXCEPT THAT SMOOTH-BORE MUZZLE LOADING MUSKETS OF NOT LESS THAN 45 CALIBER AND RIFLED MUZZLE LOADING MUSKETS OF NOT LESS THAN 40 CALIBER THAT ARE INCAPABLE OF BEING LOADED AT THE BREECH MAY BE USED, AND PROVIDED FURTHER THAT HANDGUNS OF THE .357, .41, AND .44 MAGNUM CALIBER, USING AMMUNITION WITH A CASE LENGTH OF NOT LESS THAN 1.285 INCHES, AND OTHER CALIBERS OF SIMILAR PERFORMANCE AS DETERMINED BY THE COMMISSIONER, MAY BE USED TO TAKE DEER, MOOSE, BEAR, OR ANY WILD ANIMAL.) *A firearm or ammunition may be used to take big game if it meets the following requirements:*

(1) *Handguns, rifles, shotguns and all projectiles used therein shall be at least 23/100ths of an inch in caliber;*

(2) *All firearms shall be loaded only with ammunition containing single projectiles;*

(3) *All projectiles shall be of a soft point or an expanding bullet type;*

(4) *All ammunition shall have a case length of at least 1.285 inches; and*

(5) *Muzzleloaders must be incapable of being loaded at the breech. Smooth-bore muzzleloaders shall be at least .45 caliber and rifled muzzleloaders shall be at least .40 caliber.*

*It is unlawful to take big game with a .30 caliber M-1 carbine cartridge or with any other firearm or ammunition which does not meet the requirements provided in clauses (1) to (5).*

Sec. 12. Minnesota Statutes 1981 Supplement, 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;

(2) To trap fur bearing animals (, EXCEPT BEAVER,) for residents 18 years of age and older, \$13;

(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, \$100, provided that any employee, partner or officer buying or selling at the established place of business only for the licensee may secure a supplemental license for \$50;

(4) (TO TRAP BEAVER DURING AN OPEN SEASON OR BY PERMIT WHEN DOING DAMAGE, \$2.50;)

((5)) To guide bear hunters, \$75.

Sec. 13. Minnesota Statutes 1981 Supplement, Section 98.46, Subdivision 14, is amended to read:

Subd. 14. Fees for the following licenses, to be issued to non-residents, shall be:

(1) To take small game and unprotected quadrupeds with firearms and bow and arrows, \$35;

(2) To take deer and unprotected quadrupeds with firearms (AND BOW AND ARROWS), \$75;

(3) To take deer and unprotected quadrupeds with a bow and arrows only, (\$35) \$75;

(4) To take bear, \$100;

(5) To take turkeys, \$30, in addition to a small game license;

(6) To hunt raccoon, bobcat, fox, coyote, or Canada lynx, with or without dogs, \$100, in addition to nonresident small game license.

Sec. 14. Minnesota Statutes 1980, Section 98.46, Subdivision 21, is amended to read:

Subd. 21. The commissioner may by order require every licensee to tag *any fur bearing animal* at the place where (TRAPPED, BEAVER, FISHER OR OTTER) *taken*. The tag (WILL) *shall* be of a type prescribed by the commissioner and bearing (THE LICENSE NUMBER OF THE OWNER AND)



the year of its issue. Tags (WILL) shall be issued (WITH THE LICENSE) upon request of the licensee in a manner prescribed by the commissioner at no additional cost. (DURING THE CALENDAR YEARS 1977 AND 1978 THE COMMISSIONER SHALL REQUIRE THE TAGGING OF FISHER IN THE MANNER DESIGNATED IN THIS SUBDIVISION.)

Sec. 15. Minnesota Statutes 1980, Section 98.46, Subdivision 26, is amended to read:

Subd. 26. No nonresident shall possess or transport a raccoon, bobcat, Canada lynx, or fox taken in this state unless a tag of a type prescribed by the commissioner is affixed to the carcass. The number of tags which the commissioner shall prescribe by order will be issued with every nonresident license to take raccoon, bobcat, Canada lynx, or fox provided no such license or tags shall be issued after the fifth day from the commencement of the season for that licensing year.

Sec. 16. Minnesota Statutes 1981 Supplement, Section 97.4842, Subdivision 1, is amended to read:

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) angle in any stream designated by the commissioner as a trout stream (WITHIN THIS STATE) without first purchasing a stamp and having the stamp in his possession while angling for trout in any designated 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 sub-agents 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.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 98.50, Subdivision 5, is amended to read:

Subd. 5. Any resident desiring to sell the licenses referred to in subdivision 1 may either purchase for cash or obtain on consignment license blanks from a county auditor in groups of not less than five non-resident, and ten resident license blanks. In addition to the basic license fee, he shall collect a fee for issuing each license in the amount of \$1 for the license to take deer and for the sportsman license authorized in section 98.46, subdivision 2a, and 75 cents for all other licenses. The state migratory waterfowl stamp required by section 97.4841, the trout stamp required by section 97.4842, and any other similar state stamp required by statute, each shall be considered to be a "license" within the meaning of this subdivision except when such stamp and a small game or other appropriate license are issued in the same transaction in which case the stamp shall

be considered a part of the (SMALL GAME) *appropriate* 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. 18. Minnesota Statutes 1980, Section 101.42, Subdivision 7, is amended to read:

Subd. 7. Except as otherwise specifically permitted, it shall be unlawful to buy or sell any fish taken from the waters of this state, except rough fish and minnows, fish raised in a private hatchery when tagged or labeled as prescribed by the commissioner, fish taken under licensed commercial fishing operations, or lawfully taken and subject to sale from other states or countries; provided, black bass, rock bass, muskellunge, and sunfish may not be bought or sold in this state *except when bought or sold by a private hatchery in accordance with procedures and restrictions prescribed by order of the commissioner for the purpose of stocking waters for recreational fishing.*

Sec. 19. Minnesota Statutes 1980, Section 100.29, Subdivision 5, is amended to read:

Subd. 5. Except as permitted by section 98.48, subdivision 10, it (SHALL BE) *is* unlawful to take any wild animal by (MEANS OF) discharging any firearm or bow and arrow (THEREAT) from a motor vehicle or airplane or snowmobile

(, OR TO TRANSPORT ANY FIREARM). Except for a pistol or revolver carried in compliance with sections 624.714 and 624.715, it is unlawful to transport any firearm, including a muzzle loading firearm, in a motor vehicle or airplane or snowmobile, unless (1) the (SAME) firearm is unloaded in both barrels and magazine and (COMPLETELY) contained in a gun case expressly made for that purpose which is fully enclosed by being zipped, snapped, buckled, tied, or otherwise fastened, with no portion of the firearm exposed, or (UNLESS) (2) the firearm is unloaded and (CONTAINED) in the trunk of (THE) a car with the trunk door closed. It is also unlawful to transport (THE FOLLOWING) a bow and arrow in a motor vehicle, airplane, or snowmobile (: (1) A BOW AND ARROW) unless (1) unstrung (OR), (2) completely contained in a case, or (UNLESS) (3) contained in the trunk of the car with the trunk door closed (; (2) A MUZZLE LOADING FIREARM UNLESS FULLY UNLOADED AND COMPLETELY CONTAINED IN A GUN CASE EXPRESSLY MADE FOR THAT PURPOSE WHICH IS FULLY ENCLOSED BY BEING ZIPPED, SNAPPED, BUCKLED, TIED, OR OTHERWISE FASTENED, WITH NO PORTION OF THE FIREARM EXPOSED, AND IN THE CLOSED TRUNK OF A CAR OR REARMOST LOCATION OF A VEHICLE). A muzzle loading firearm with a flintlock ignition is fully unloaded if it has no priming powder in any pan and a muzzle loading firearm with percussion ignition is fully unloaded if it has no percussion cap on any nipple. Subject to the requirements of subdivision 17, migratory waterfowl may be taken from a floating craft including those propelled by motor, sail and wind, or both, if the motor is shut off and the sails are furled, the progress of the craft caused by such propulsion has ceased, and the craft is drifting, beached, moored, resting at anchor, or is being propelled by paddle, oars, or pole.

Sec. 20. Minnesota Statutes 1980, Section 101.42, is amended by adding a subdivision to read:

*Subd. 1a. No muskellunge less than 36 inches in length may be taken in any waters north of trunk highway No. 210.*

Sec. 21. [REPEALER.]

*Minnesota Statutes 1980, Sections 98.46, Subdivision 20 and 101.42, Subdivision 10, are repealed.*

Sec. 22. [EFFECTIVE DATE.]

*Sections 1, 3, 5, 7, 9, 10, 11, 12, and 17 are effective August 1, 1982. Sections 2, 8, 16, 18, 19, 20, and 21 are effective the day after final enactment. Sections 4, 6, 13, 14, and 15 are effective for licensing years beginning March 1, 1983."*

Delete the title and insert:

“A bill for an act relating to game and fish; altering requirements for taking and possession; increasing the deer license habitat amount; prescribing requirements for carrying and use of firearms and ammunition; prescribing penalties; restricting the season on cougar; restricting the taking of bear; removing a license fee for beaver; establishing nonresident fees for bobcat, fox, coyote and Canada lynx, allowing tagging for fur bearing animals; clarifying the trout stamp requirement; permitting certain fish to be bought or sold by private hatcheries; clarifying the transportation of firearms; clarifying the use of mechanical harvesting devices for wild rice; restricting the taking of certain muskellunge in certain areas of the state; amending Minnesota Statutes 1980, Sections 84.111, by adding a subdivision; 97.48, Subdivision 24; 97.4841, Subdivision 2; 97.49, Subdivision 1a; 98.45, Subdivision 1; 98.46, Subdivisions 21 and 26; 98.47, Subdivision 7; 98.52, Subdivision 1; 99.27, Subdivision 1; 100.27, Subdivision 1; 100.29, Subdivisions 3, 5 and 9; 101.42, Subdivision 7 and by adding a subdivision; Minnesota Statutes 1981 Supplement, Sections 97.4842, Subdivision 1; 98.46, Subdivisions 4 and 14; and 98.50, Subdivision 5; repealing Minnesota Statutes 1980, Sections 98.46, Subdivision 20; and 101.42, Subdivision 10.”

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

Senate Conferees: COLLIN C. PETERSON, BOB LESSARD and STEVE ENGLER.

House Conferees: LEO J. REDING, DAVID P. BATTAGLIA and JOHN DREW.

Reding moved that the report of the Conference Committee on S. F. No. 818 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 by Conference, 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 10 nays as follows:

Those who voted in the affirmative were:

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

Eken	Jennings	Minne	Rees	Stowell
Elioff	Johnson, D.	Munger	Reif	Stumpf
Ellingson	Jude	Murphy	Rice	Sviggum
Evans	Kahn	Nelsen, B.	Rodriguez, C.	Swanson
Ewald	Kaley	Nelson, K.	Rodriguez, F.	Tomlinson
Fjoslien	Kalis	Norton	Rose	Valan
Forsythe	Knickerbocker	Novak	Rothenberg	Valento
Gruenes	Kostohryz	O'Connor	Samuelson	Vanasek
Gustafson	Laidig	Ogren	Sarna	Vellenga
Hanson	Lehto	Olsen	Schoenfeld	Voss
Hauge	Levi	Onnen	Schreiber	Weaver
Haukoos	Long	Osthoff	Shea	Welch
Heap	Luknic	Otis	Sherman	Wenzel
Heinitz	Mann	Peterson, B.	Sherwood	Wieser
Himle	Marsh	Peterson, D.	Sieben, M.	Wigley
Hoberg	McDonald	Piepho	Simoneau	Wynia
Hokanson	McEachern	Pogemiller	Skoglund	
Hokr	Mehrkens	Redalen	Stadum	
Jacobs	Metzen	Reding	Staten	

Those who voted in the negative were:

Aasness	Erickson	Kvam	McCarron	Schafer
Ainley	Esau	Ludeman	Niehaus	Welker

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 to which was referred:

House Resolution No. 32, A resolution urging the President and Congress of the United States to resist attempts by the World Bank to assist on the construction of a taconite facility in Brazil.

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

The report was adopted.

#### HOUSE RESOLUTION NO. 32

A house resolution urging the President and Congress of the United States to resist attempts by the World Bank to assist on the construction of a taconite facility in Brazil.

*Whereas*, the taconite industry is the primary economic activity on the Iron Range Region employing the majority of workers from northeastern Minnesota; and,

*Whereas*, the present conditions of this mining industry is depressed causing thirty percent unemployment in northeast Minnesota; and,

*Whereas*, it has traditionally been the policy of the World Bank to deny loan requests which would potentially generate competition destructive to industries in the United States; and,

*Whereas*, application has been made to the World Bank for a loan for the construction of an iron ore production facility utilizing Brazilian ore; and,

*Whereas*, the Minnesota House of Representatives believes that development of the taconite facility utilizing Brazilian ore would be extremely damaging to the economic security of the taconite industry in the State of Minnesota as well as iron ore producers elsewhere in the United States; *Now, Therefore*,

*Be It Resolved* by the Minnesota House of Representatives that it recommends that the President and Congress of the United States take action to resist the loan application of Brazil to the World Bank for financing for the construction of iron ore producing facilities utilizing Brazilian ore.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to the President of the United States and Minnesota's Senators and Representatives in Congress.

Begich moved that House Resolution No. 32 be now adopted. The motion prevailed and House Resolution No. 32 was adopted.

### MESSAGES FROM THE SENATE, Continued

**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. 2000, A bill for an act relating to health and welfare; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; amending Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.-

11, Subdivision 2, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 256D.05, Subdivision 1.

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

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. 879, A bill for an act relating to juveniles; removing certain children from definition of "delinquent child"; defining "runaway," "habitual truant," "juvenile petty offender," "juvenile alcohol or controlled substance offender"; simplifying certain pleading and notice procedures; providing hearing rights and dispositional alternatives; amending Minnesota Statutes 1980, Sections 260.015, Subdivision 5, and by adding subdivisions; 260.111, Subdivision 1; 260.121, Subdivisions 1 and 2; 260.155, Subdivision 1; and 260.173, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 260.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Levi moved that the House concur in the Senate amendments to H. F. No. 879 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 879, A bill for an act relating to juveniles; removing certain children from definition of "delinquent child"; defining "runaway," "habitual truant," "juvenile petty offender," "juvenile alcohol or controlled substance offender"; simplifying certain pleading and notice procedures; providing hearing rights and dispositional alternatives; amending Minnesota Statutes 1980, Sections 260.015, Subdivision 5, and by adding subdivisions; 260.111, Subdivision 1; 260.121, Subdivisions 1 and 2; 260.155, Subdivision 1; and 260.173, Subdivision 3; Minnesota Statutes 1981 Supplement, Section 260.125, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 260.

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	Esau	Knickerbocker	O'Connor	Sieben, M.
Ainley	Evans	Kostohryz	Ogren	Simoneau
Anderson, B.	Ewald	Kvam	Olsen	Skoglund
Anderson, G.	Fjoslien	Laidig	Onnen	Stadum
Anderson, I.	Forsythe	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	Harens	Mann	Redalen	Valan
Byrne	Hauge	Marsh	Reding	Valento
Carlson, D.	Haukoos	McCarron	Rees	Vanasek
Carlson, L.	Heap	McDonald	Reif	Vellenga
Clark, J.	Heinitz	McEachern	Rice	Voss
Clark, K.	Himle	Mehrkens	Rodriguez, C.	Weaver
Clawson	Hoberg	Metzen	Rodriguez, F.	Welch
Dahlvang	Hokr	Minne	Rose	Welker
Dean	Jacobs	Munger	Rothenberg	Wenzel
Dempsey	Jennings	Murphy	Samuelson	Wieser
Den Ouden	Johnson, D.	Nelsen, B.	Sarna	Wigley
Drew	Jude	Nelson, K.	Schafer	Wynia
Eken	Kahn	Niehaus	Schoenfeld	Spkr. Sieben, H.
Elioff	Kaley	Norton	Schreiber	
Ellingson	Kalis	Novak	Sherman	
Erickson	Kelly	Nysether	Sherwood	

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. 1962, A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; changing certain fee provisions; providing penalties; appropriating money; amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.-08; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

And the Senate respectfully requests that a Conference Committee be appointed thereon. Messrs. Frederickson, Setzepfandt and Renneke 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. FLAHAVERN, Secretary of the Senate

Anderson, G., 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 House on S. F. No. 1962. 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. 1962:

Anderson, G.; Kalis and Johnson, D.

#### MESSAGES FROM THE SENATE, Continued

**Mr. Speaker:**

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1872, A bill for an act relating to the financing of government in this state; providing for the collection of taxes; providing for distribution of campaign funds after reapportionment; providing a formula for determining limitations on interest rates on municipal bonds; changing a public sale requirement; providing for withholding of income tax refunds from child support debtors; making technical corrections and administrative changes to the income tax and property tax refund; requiring registration of rental housing in the city of Minneapolis and denying certain income tax deductions for owners who fail to comply; extending the effective date of residential energy credits; requiring notification to school districts of certain property tax assessment challenge proceedings; authorizing school districts to participate at certain hearings; allowing disclosure of private data to permit vendor processing of income and sales tax returns; altering the date warrants are issued to the sheriff for collection of certain mobile home property taxes; requiring county auditors to combine certain legal descriptions for property tax purposes; providing for sales of unstamped cigarettes to members of Indian tribes; providing for the rounding off of market value amounts; permitting leases and installment purchases of equipment by local governments and providing for their tax and fiscal treatment; adopting certain federal provisions for purposes of the research and experimental expenditures credit; clarifying the neighborhood real estate trust provisions; changing certain procedures and interest rates applicable to delinquent property taxes and tax-forfeited land sales; restricting eligibility for the property tax refund; imposing certain requirements and restrictions on the use of tax increment financing; allowing issuance of bonds to promote tourism projects in the metropolitan area; allowing an exemption of property taxes on certain property located in municipal development districts providing for the valuation of certain agricultural property; allowing the town of Rice Lake to levy in excess of its levy limitation for taxes payable in 1982; permitting the towns of Erin, Forest, Webster, and Wheatland in Rice County to impose a special levy for fire protection

purposes; allowing a levy limit increase for Clearwater County; authorizing the issuance of bonds for certain facilities for the city of Bloomington and Lake County; authorizing the sale of bonds to finance the purchase of certain equipment in the city of Duluth; reducing the rate of interest on estate tax installment payments; changing the effective date of certain estate tax provisions to conform with federal law; providing that land-owners in unorganized townships receive a property tax credit for certain transmission lines; clarifying the taxation of gravel and the distribution of revenue; validating certain tax collections by Clay County; providing for the lease of hydropower sites by the state or local governmental units; imposing a hotel and motel tax in the city of St. Paul; authorizing the city of St. Paul to issue bonds for certain purposes; establishing a port authority for the city of South St. Paul; authorizing a waiver of certain security deposits in Olmsted County; exempting certain towns from general levy limits; delaying the coefficient of dispersion penalty; clarifying the taxation of meals and food products for sales tax purposes; providing that certain leasing of manufactured homes is not a sale for purposes of the sales tax; eliminating tax recapture or payment acceleration of deferred special assessments upon certain sales of qualifying agricultural property; providing for the rate and disposition of certain taconite credits; providing for school bonds and related taxation in certain school districts; providing for homestead for certain leasehold cooperatives; revising the metropolitan agricultural preserves act; providing for reassessment of homestead property damage by a disaster; providing an action to enjoin certain tax return preparers from engaging in certain conduct or from preparing returns; imposing penalties on a preparer for wilfully understating an income tax liability or wilfully overstating a property tax refund claim; clarifying the taxation of income of athletes and entertainers; altering certain unitary tax provisions; adopting certain federal income tax amendments; providing for the distribution of production tax proceeds; requiring a study of financial problems of border communities; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 105.482, Subdivision 1, and by adding subdivisions; 168.012, by adding a subdivision; 270.06; 270.07, Subdivision 1; 270.10, Subdivision 1; 270.70, Subdivisions 1, 2, 3, and 5, and by adding subdivisions; 270.75, by adding a subdivision; 272.02, Subdivision 1; 273.111, Subdivisions 9, 11, and by adding a subdivision; 273.121; 273.13, Subdivisions 7c and 17d; 273.133, by adding a subdivision; 273.42, as amended; 273.425; 273.73, Subdivisions 10 and 13; 273.74, Subdivisions 1, 3, and 4; 273.75, Subdivisions 2, 3, 4, 5, and 6, and by adding a subdivision; 273.76, Subdivisions 1 and 4; 273.77; 274.19, Subdivision 3; 278.01; 278.05, Subdivision 2 and 4; 278.08; 279.37, Subdivisions 1 and 2; 282.01, Subdivision 4, and by adding a subdivision; 282.014; 282.04, by adding a subdivision; 282.08; 282.09, Subdivision 1; 282.261; 290.01, by adding a subdivision; 290.012, Subdivision 2; 290.02; 290.03; 290.032, Subdivision 5; 290.06, Subdivisions 9 and 9a, and by adding a subdivision; 290.067, Subdivision 1; 290.079, Subdivision 1; 290.09, Sub-

divisions 16 and 17; 290.095, Subdivisions 3 and 4; 290.13, Subdivision 1; 290.133, Subdivision 1; 290.16, Subdivisions 15, as amended, and 16, as amended; 290.19, Subdivision 1; 290.281, Subdivision 1; 290.31, Subdivisions 5 and 19; 290.34, Subdivision 2, as amended; 290.36; 290.45, Subdivisions 1 and 2; 290.48, Subdivisions 3, 4, 6, and 8; 290.49, Subdivisions 3, 7, and by adding a subdivision; 290.50, by adding a subdivision; 290.53, Subdivisions 2 and 5, and by adding a subdivision; 290.54; 290.65, Subdivisions 9 and 11; 290.91; 290.92, Subdivisions 4a, 13, and 23; 290.93, Subdivision 9; 290.936; 291.015, as amended; 291.03, Subdivision 3, as amended; 291.051, as amended; 291.09, Subdivision 1a, as amended; 291.15; 296.01, Subdivision 8; 296.14, Subdivision 1; 296.17, Subdivision 11; 297A.33, Subdivision 2; 297A.39, Subdivisions 2 and 5; 297A.43; 297B.03; 465.71; 473H.02, Subdivision 2, and by adding a subdivision; 473H.04, Subdivisions 1 and 2; 473H.05, Subdivision 1, and by adding a subdivision; 473H.06, Subdivisions 1, 2, and 5; 473H.08, Subdivision 4; 473H.14; 473H.15, by adding a subdivision; 473H.16, Subdivision 3; 474.02, Subdivision 1b; 474.06; 475.55; 475.60, Subdivision 2; 508.25; 559.21, by adding a subdivision; 580.15; Minnesota Statutes 1981 Supplement, Sections 10A.31, Subdivision 5; 270.063; 270.66; 270.75, as amended, by adding a subdivision; 272.46; 273.11, Subdivisions 1 and 7; 273.13, Subdivision 9; 273.74, Subdivision 2; 275.50, Subdivision 2; 279.03; 290.01, Subdivisions 20, as amended, and 27; 290.05, Subdivisions 1 and 4; 290.06, Subdivision 14; 290.075; 290.081; 290.09, Subdivisions 1, 2, 4, 7, as amended, 15, and 29; 290.091, as amended; 290.095, Subdivision 11; 290.10; 290.131, Subdivision 1; 290.132, Subdivision 1; 290.136, Subdivision 1; 290.14; 290.17, Subdivision 2, as amended; 290.18, Subdivisions 1 and 2; 290.21, Subdivisions 3, and 4, as amended; 290.23, Subdivision 3; 290.31, Subdivisions 3 and 4; 290.32; 290.37, Subdivision 1; 290.41, Subdivision 2; 290.42; 290.431; 290.61; 290.92, Subdivisions 2a, 5, 5a, 6, and 15; 290.93, Subdivisions 1 and 10; 290.934, Subdivision 4; 290.9725; 290.974; 290A.03, Subdivisions 3, 8, 12, and 13; 290A.07, Subdivision 2a; 290A.11, Subdivision 1; 296.12, Subdivision 4; 297A.01, Subdivision 3; 297A.25, Subdivision 1, as amended; 298.225; 298.24, Subdivision 3; 298.28, Subdivision 1; 298.75; 474.03; 477A.04, Subdivision 2; Laws 1981, Third Special Session Chapter 2, Articles III, Section 6, Subdivisions 1 and 3, Section 22, and VI, Section 8; proposing new law coded in Minnesota Statutes, Chapters 270; 273; 290; 290A; 295; 297; 473H; repealing Minnesota Statutes 1980, Sections 210A.22; 290.06, Subdivision 3c; 290.0781; 290.079, Subdivisions 2, 3, 4, and 5; 290.08, Subdivision 21; 290.09, Subdivision 24; 290.13, Subdivisions 2, 4, and 10; 290.136, Subdivision 8; 290.26, Subdivision 5; 290.281, Subdivisions 3, 4, and 6; 290.31, Subdivisions 7, 8, 12, 13, 14, 15, 16, 17, 18, 20, 22, 23, 24, 25, and 26; 290.48, Subdivisions 1 and 9; 290.51; 290.65, Subdivisions 2, 3, 4, 5, 6, and 7; 290.973; 297A.33, Subdivision 6; 297A.36; 297A.39, Subdivision 6; 297A.40, Subdivision 2; Minnesota Statutes 1981 Supplement, Sections 290.079, Subdivision 6; 290.09, Subdivision 17a; 290.131, Subdivisions 2 and 3; 290.132, Subdivision

2; 290.133, Subdivision 2; 290.21, Subdivision 7; 290.26, Subdivisions 1 and 3; 290.281, Subdivision 2; 290.31, Subdivisions 6, 8a, 9, 10, 11, and 21; 290.48, Subdivision 2; and 290.971, Subdivision 7; 298.76.”

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 the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

The following conference committee report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 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.

March 13, 1982

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

That the House accede to the Senate amendments except the Merriam amendment and that the Senate recede from the Merriam amendment.

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

House Conferees: BRUCE ANDERSON, TAD JUDE and TERRY M. DEMPSEY.

Senate Conferees: DENNIS FREDERICKSON, GENE MERRIAM and RANDOLPH W. PETERSON.

Anderson, B., moved that the report of the Conference Committee on H. F. No. 788 be adopted and that the bill be repassed, as amended by the Conference Committee. The motion prevailed.

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, 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	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
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	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	Welker
Dean	Hokr	Munger	Samuelson	Wenzel
Dempsey	Jacobs	Murphy	Sarna	Wieser
Den Ouden	Jennings	Nelsen, B.	Schafer	Wigley
Drew	Johnson, D.	Nelson, K.	Schoenfeld	Wynia
Eken	Jude	Niehaus	Schreiber	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.

Kelly moved to recall H. F. No. 546 from the Senate for further consideration.

McCarron moved to lay the Kelly motion on the table.

## POINT OF ORDER

Rees raised a point of order pursuant to section 331 of "Mason's Manual of Legislative Procedure" that the McCarron motion was not in order.

The Speaker ruled the point of order well taken and the McCarron motion out of order.

The question recurred on the Kelly motion.

A roll call was requested and properly seconded.

## POINT OF ORDER

McCarron raised a point of order pursuant to rule 1.3 that the Kelly motion was not in order. The Speaker ruled the point of order well taken and the Kelly motion out of order.

## MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 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 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. 1176, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; authorizing rewards for information on violations; providing for pipeline testing; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Stat-

utes 1980, Sections 116.03, Subdivision 3; 466.01, by adding a subdivision; and 466.04, Subdivision 1; proposing new law coded as Minnesota Statutes, Chapter 115B; proposing new law coded in Minnesota Statutes, Chapter 116.

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. 1611, A bill for an act relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages; amending Minnesota Statutes 1980, Section 571.57.

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. 1902, A bill for an act relating to Ramsey County; permitting the county to establish a small business set-aside program.

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. 2065, A bill for an act relating to public welfare; providing for regulation of aversive or deprivation procedures

for behavior modification of mentally retarded individuals; proposing new law coded in Minnesota Statutes, Chapter 245.

**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. 2271, A resolution memorializing the President of the United States and the Administrator of the Federal Aviation Administration against any attempt to prohibit local governments from restricting aircraft noise.

**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. 1758.

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. 1758**

A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Section 609.485, Subdivision 3; proposing new law coded in Minnesota Statutes 1980, Chapter 152.

**March 13, 1982**

**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. 1758, 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. 1758 be further amended as follows :

Delete everything after the enacting clause and insert :

“Section 1. Minnesota Statutes 1980, Section 152.01, is amended by adding a subdivision to read :

*Subd. 18. [DRUG PARAPHERNALIA.] “Drug paraphernalia” means all equipment, products, and materials of any kind which are knowingly or intentionally used primarily in (1) manufacturing a controlled substance, (2) injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance, (3) testing the strength, effectiveness, or purity of a controlled substance, or (4) enhancing the effect of a controlled substance.*

**Sec. 2. [152.092] [POSSESSION OF DRUG PARAPHERNALIA PROHIBITED.]**

*It is unlawful for any person knowingly or intentionally to use or to possess drug paraphernalia. Any violation of this section is a petty misdemeanor.*

**Sec. 3. [152.093] [MANUFACTURE OR DELIVERY OF DRUG PARAPHERNALIA PROHIBITED.]**

*It is unlawful for any person knowingly or intentionally to deliver drug paraphernalia or knowingly or intentionally to possess or manufacture drug paraphernalia for delivery. Any violation of this section is a misdemeanor.*

**Sec. 4. [152.094] [DELIVERY OF DRUG PARAPHERNALIA TO A MINOR PROHIBITED.]**

*Any person 18 years of age or older who violates section 3 by knowingly or intentionally delivering drug paraphernalia to a person under 18 years of age who is at least three years his junior is guilty of a gross misdemeanor.*

**Sec. 5. [152.095] [ADVERTISEMENT OF DRUG PARAPHERNALIA PROHIBITED.]**

*It is unlawful for any person knowingly or intentionally to place in any newspaper, magazine, handbill, or other publication any advertisement or promotion for the sale of drug paraphernalia. A violation of this section is a misdemeanor.*

**Sec. 6. [152.096] [CONSPIRACIES PROHIBITED.]**

*Subdivision 1. [PROHIBITED ACTS; PENALTIES.] Any person who conspires to commit any act prohibited by section 152.09, except possession or distribution for no remuneration of a small amount of marijuana as defined in section 152.01, subdivision 16, is guilty of a felony and upon conviction may be imprisoned, fined, or both, up to the maximum amount authorized by law for the act the person conspired to commit.*

*Subd. 2. [CONVICTION OF CO-CONSPIRATOR NOT REQUIRED.] A person liable under this section may be charged with and convicted of conspiracy although the person or persons with whom he conspired have not been convicted or have been convicted of some other crime based on the same act.*

**Sec. 7. Minnesota Statutes 1980, Section 152.19, Subdivision 1, is amended to read:**

**Subdivision 1. The following are subject to forfeiture:**

**(1) All controlled substances which have been manufactured, distributed, dispensed or acquired in violation of this chapter;**

**(2) All raw materials, moneys, products and equipment of any kind which are used, or intended for use, in manufacturing, compounding, processing, delivering, importing, or exporting any controlled substance in violation of this chapter;**

**(3) All property which is used, or intended for use, as a primary container for property described in clauses (1) or (2);**

**(4) All drug paraphernalia as defined by section 1;**

**(5) All conveyances, including aircraft, vehicles or vessels, which are used, or intended for use, to transport, or in any manner to facilitate the transportation, for the purpose of sale or receipt of property described in clauses (1) or (2) having a retail value of \$100 or more, but:**

**(a) No conveyance used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section unless the owner or other person in charge of the conveyance is a consenting party or privy to a violation of this chapter.**

**(b) No conveyance is subject to forfeiture under this section unless the owner thereof is privy to a violation of this chapter, or that the use of the conveyance in such violation otherwise occurred with his knowledge or consent.**

**(c) A forfeiture of a conveyance encumbered by a bona fide security interest is subject to the interest of the secured party**

unless he had knowledge of or consented to the act or omission upon which the forfeiture is based.

(d) All books, records, and research products and materials, including formulas, microfilm, tapes, and data which are used, or intended for use, in violation of this chapter.

Sec. 8. Minnesota Statutes 1980, Section 152.19, Subdivision 3, is amended to read:

Subd. 3. In the event of a conviction for a gross misdemeanor or a misdemeanor, any conveyance seized pursuant to subdivision 1, clause ((4)) (5) of this section or any moneys seized pursuant to subdivision 1, clause (2) of this section, shall be returned to the person legally entitled thereto.

Sec. 9. Minnesota Statutes 1980, Section 152.19, Subdivision 5, is amended to read:

Subd. 5. Property shall be forfeited after a conviction deemed to be a felony according to the following procedure:

(1) A separate complaint shall be filed against the property describing it, charging its use in the specified violation, and specifying the time and place of its unlawful use.

(2) If the person arrested is acquitted, the court shall dismiss the complaint against any property seized pursuant to the preceding subdivisions and order the property returned to the persons legally entitled to it.

(3) If after conviction the court finds that the property, or any part thereof, was used in any violation as specified in the complaint, it shall order that the property unlawfully used be sold, destroyed, or disposed of by the appropriate state agency in the following manner:

(a) *The appropriate agency may retain the property for official use but shall not use any motor vehicle required to be registered pursuant to chapter 168A until title is properly transferred pursuant to chapter 168A;*

(b) Sell that which is not required to be destroyed by law and which is not harmful to the public;

((B)) (c) Require the commissioner of administration to take custody of the property and remove it for disposition in accordance with law; or

((C)) (d) Forward it to the federal (BUREAU OF NARCOTICS AND DANGEROUS DRUGS) drug enforcement administration.

*Any property retained pursuant to clause (3)(a) of this subdivision shall be used only in the performance of official duties of the appropriate agency, and shall not be used for any other purpose. All proceeds from property retained under clause (3)(a) of this subdivision which is later sold shall be disbursed as provided in clause (4) of this subdivision.*

(4) Proceeds from the sale of forfeited property, after payment of seizure, storage, and sale expenses and satisfaction of valid liens against the property, shall be forwarded to the state drug abuse authority for distribution of half of the net proceeds among licensed hospitals and licensed drug treatment facilities of this state for the care and treatment of patients with drug related physical and psychological disorders, and licensed drug analysis centers. The remaining half of net proceeds shall be returned to the appropriate state agency.

Sec. 10. Minnesota Statutes 1980, Section 609.485, Subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] This section does not apply to a person who is free on bail or who is on parole or probation, or subject to a stayed sentence or stayed execution of sentence, unless he (1) has been taken into actual custody upon revocation of the parole, probation, or stay of the sentence or execution of sentence, or (2) is in custody in a county jail or workhouse as a condition of a stayed sentence.

#### Sec. 11. [LOCAL REGULATIONS.]

*Sections 1 to 5, 7, and 8 do not pre-empt enforcement or preclude adoption of municipal or county ordinances prohibiting or otherwise regulating the manufacture, delivery, possession or advertisement of drug paraphernalia."*

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; allowing use of forfeited property; prohibiting the manufacture, delivery, possession, or advertising of drug paraphernalia; providing for civil forfeiture of drug paraphernalia; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Sections 152.01, by adding a subdivision; 152.19, Subdivisions 1, 3, and 5; and 609.485, Subdivision 3; proposing new law coded in Chapter 152."

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

Senate Conferees: MARV HANSON, GENE MERRIAM, HOWARD A. KNUTSON and RANDOLPH W. PETERSON.

House Conferees: RANDY C. KELLY, DAVID P. BATTAGLIA, TAD JUDE, WILLIAM SCHREIBER and CHARLES C. HALBERG.

Kelly moved that the report of the Conference Committee on S. F. No. 1758 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1758, A bill for an act relating to crimes; prohibiting conspiracies to violate controlled substances laws; clarifying the crime of escape from jail; prescribing penalties; amending Minnesota Statutes 1980, Section 609.485, Subdivision 3; proposing new law coded in Minnesota Statutes 1980, Chapter 152.

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 5 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Byrne	Clark, K.	Greenfield	Kahn	Staten
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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. 358.

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. 358

A bill for an act relating to intoxicating liquor; requiring proof of financial responsibility; amending Minnesota Statutes 1980, Sections 340.11, by adding a subdivision; 340.12; and 340.-353, by adding a subdivision.

March 13, 1982

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. 358, 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. 358 be amended as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1980, Section 340.035, Subdivision 1, is amended to read:

Subdivision 1. It (SHALL BE) *is* unlawful for any:

(1) Licensee or his employee to (SELL OR SERVE NON-INTOXICATING MALT LIQUOR TO ANY PERSON UNDER THE AGE OF 19 YEARS OR TO) permit any person under the age of 19 years to consume non-intoxicating malt liquor on the licensed premises *except as provided in paragraph (5) of this subdivision*;

(2) Person other than the parent or legal guardian to procure non-intoxicating malt liquor for any person under the age of 19 years;

(3) Person to induce a person under the age of 19 years to purchase or procure non-intoxicating malt liquor;

(4) Person under the age of 19 years to misrepresent his age for the purpose of obtaining non-intoxicating malt liquor;

(5) Person under the age of 19 years to consume any non-intoxicating malt liquor unless in the company of his parent or guardian;

(6) Person under the age of 19 years to (HAVE IN HIS POSSESSION) *possess* any non-intoxicating malt liquor, with intent to consume (SAME) *it* at a place other than the household of his parent or guardian. (POSSESSION OF SUCH NON-INTOXICATING MALT LIQUOR AT A PLACE OTHER THAN THE HOUSEHOLD OF HIS PARENT OR GUARDIAN SHALL BE PRIMA FACIE EVIDENCE OF INTENT TO CONSUME THE SAME AT A PLACE OTHER THAN THE HOUSEHOLD OF HIS PARENT OR GUARDIAN.)”

Page 1, line 11, after “*liquor*” insert “*or non-intoxicating malt liquor*”

Page 1, line 12, delete “*January*” and insert “*March*”

Page 1, line 12, delete “*1982*” and insert “*1983*”

Page 1, line 15, after “*license*” insert “, *provided this subdivision does not apply to non-intoxicating malt liquor licensees with sales of less than \$10,000 of non-intoxicating malt liquor per year, nor to holders of on-sale wine licenses under section 340.11, subdivision 20, with sales of less than \$10,000 of wine per year*”

Page 1, line 20, delete “*said*” and insert “*the*”

Page 2, line 1, delete “*said*” and insert “*the*”

Page 2, line 7, delete “*such as*” and insert “*which*”

Page 2, line 10, delete “*Nothing in*”

Page 2, line 10, delete “*shall prohibit*” and insert “*does not prohibit*”

Page 2, line 14, after “*liquor*” insert “*or non-intoxicating malt liquor*”

Page 2, line 15, delete “*establish a program to*”

Page 2, line 16, delete “*assist*” and insert “*advise*”

Page 2, line 17, delete “*in obtaining*” and insert “*of those persons offering*”

Page 2, line 18, delete everything after the period

Page 2, delete line 19, and insert "*The commissioner of insurance may, if necessary, establish an assigned risk pool by rule adopted under the administrative procedure act, sections 15.041 to 15.052.*"

Page 2, line 24, strike "to be"

Page 2, line 28, strike both commas

Page 2, lines 29 and 36, strike "such" and insert "*the*"

Page 2, lines 29 and 36, strike the first comma

Page 2, lines 29 and 36, strike ", in lieu thereof,"

Page 2, line 33, strike the comma

Page 3, lines 5, 17, and 29, strike both commas

Page 3, lines 7, 14, 21 and 31, strike "such" and insert "*the*"

Page 3, line 7, strike the first comma

Page 3, line 7, strike ", in lieu thereof,"

Page 3, line 13, strike "to be"

Page 3, line 14, strike the comma

Page 3, line 14, strike "as"

Page 3, line 15, strike "shall require" and insert "*requires*"

Page 3, line 18, strike "in lieu thereof,"

Page 3, line 19, strike the comma

Page 3, lines 20 and 30, strike "shall determine, which" and insert "*determines. The*"

Page 3, line 27, strike the first comma

Page 3, line 27, strike ", in lieu"

Page 3, line 28, strike "thereof," and strike the second comma

Page 4, line 7, delete "1" and insert "2"

Page 4, line 7, strike "no cancellation"



Page 4, line 8, strike "of the same" and insert "*it may not be cancelled*"

Page 4, line 8, strike ", can be made"

Page 4, line 10, strike "the same" and insert "*it*"

Page 4, line 17, strike "No payment of any claim by"

Page 4, strike lines 18 and 19

Page 4, line 20, strike "brought against the insured or company thereafter."

Page 4, line 28, strike the comma and insert ". *Bonds*"

Page 4, line 30, strike "All such" and insert "*The*"

Page 4, line 33, strike "such" and insert "*the*"

Page 5, line 1, strike the first comma

Page 5, line 2, after "distribution" insert a comma

Page 5, lines 4, 7, 14, 15, 30, and 32, strike "such" and insert "*the*"

Page 5, lines 26 and 29, strike "such"

Page 5, line 31, strike "said" and insert "*the*"

Page 6, line 2, delete "*January*" and insert "*March*"

Page 6, line 2, delete "*1982*" and insert "*1983*"

Page 6, line 4, delete "*1*" and insert "*2*"

Page 6, after line 4, insert:

"Sec. 5. Minnesota Statutes 1980, Section 340.73, Subdivision 1, is amended to read:

Subdivision 1. It (SHALL BE) *is* unlawful for any person, except a licensed pharmacist to sell, give, barter, furnish, deliver, or dispose of, in any manner, either directly or indirectly, any (SPIRITUOUS, VINOUS, MALT, OR FERMENTED) *intoxicating* liquors or *non-intoxicating malt liquors* in any quantity, for any purpose, (WHATEVER,) to any person under the age of 19 years, or to any *obviously* intoxicated person (, OR TO ANY PUBLIC PROSTITUTE).

Sec. 6. Minnesota Statutes 1980, Section 340.73, Subdivision 3, is amended to read:

Subd. 3. Whoever (SHALL) in any way (PROCURE) *procures intoxicating liquor or non-intoxicating malt liquor* for the use of any person named in this section shall be deemed to have sold it to (SUCH) *that* person. Any person violating any of the provisions of this section is guilty of a gross misdemeanor.

Sec. 7. Minnesota Statutes 1980, Section 340.95, is amended to read:

**340.95 [INJURIES CAUSED BY INTOXICATION, CIVIL ACTIONS.]**

Every husband, wife, child, parent, guardian, employer, or other person who is injured in person or property, or means of support, *or incurs other pecuniary loss* by any intoxicated person, or by the intoxication of any person, has a right of action, in his own name, against any person who, by illegally selling or bartering intoxicating liquors *or non-intoxicating malt liquors*, caused the intoxication of (SUCH) *that* person, for all damages (,) sustained (; AND). All damages recovered by a minor under this section shall be paid either to (SUCH) *the* minor or to his parent, guardian, or next friend, as the court directs (; AND). All suits for damages under this section shall be by civil action in any court of this state having jurisdiction (THEREOF). Actions for damages based upon liability imposed by this section shall be governed by section 604.01. The provisions of section 604.01, as applied under this section, (HOWEVER SHALL) *do not* (BE APPLICABLE) *apply* to actions *for injury to person, property, or loss of means of support* brought by a husband, wife, child, parent, guardian or other dependent of an intoxicated person. (NO RECOVERY SHALL BE HAD IN ANY ACTION OR ACTIONS PURSUANT TO THIS SECTION IN EXCESS OF \$250,000 FOR ALL DAMAGES TO ONE PERSON AND \$500,000 FOR ALL DAMAGES TO TWO OR MORE PERSONS ARISING OUT OF A SINGLE INSTANCE OF THE ILLEGAL SALE OR BARTER OF INTOXICATING LIQUOR.)

Sec. 8. Minnesota Statutes 1980, Section 340.951, is amended to read:

**340.951 [NOTICE OF INJURY.]**

Every person who claims damages, *and every person or his insurer who claims contribution or indemnity*, from any municipality owning and operating a municipal liquor store or from the licensee of any licensed liquor establishment for or on account of any injury within the scope of section 340.95, shall give a written notice to the governing body of the municipality or the licensee of the liquor establishment, as the case may be, stating:

(1) The time and date when, and person to whom (SUCH) *the liquor was sold (,) or bartered (, OR GIVEN)*;

(2) The name and address of the person or persons who were injured or whose property was damaged;

(3) The approximate time and date and the place where any injury to person or property occurred. *Every municipality or licensee who claims contribution or indemnification from any other licensee or municipality shall give a written notice in the form and manner specified in this section to the other municipality or licensee.*

No error or omission in the notice shall void the effect of the notice, if otherwise valid, unless (SUCH) *the error or omission is of a substantially material nature.*

*In the case of claims for contribution or indemnity this notice shall be served within 120 days after the injury occurs, or within 60 days after receiving written notice of a claim for contribution or indemnity, whichever is applicable, and no action for contribution or indemnity therefor shall be maintained unless (SUCH) the notice has been given (, AND UNLESS IT IS COMMENCED WITHIN ONE YEAR AFTER SUCH INJURY. THE TIME FOR GIVING THE NOTICE SHALL NOT INCLUDE ANY PERIOD OF TIME NEXT SUCCEEDING THE OCCURRENCE OF THE INJURY DURING WHICH THE PERSON INJURED IS INCAPACITATED FROM GIVING SUCH NOTICE BY REASON OF THE INJURY SUSTAINED). In the case of a claim for damages the notice shall be served by the claimant's attorney within 120 days of the date of entering an attorney-client relationship with the person in regard to the claim, and no action for damages shall be maintained unless the notice has been given.*

Actual notice of sufficient facts to reasonably put the governing body of the municipality or the licensee of the liquor establishment, as the case may be, or its insurer, on notice of a possible claim, shall be construed to comply with the notice requirements herein.

*No action shall be maintained for injury under section 340.95 unless commenced within two years after the injury."*

Page 6, delete line 6 and insert:

*"Sections 2 to 4 are effective March 1, 1983. Sections 1, 5, 6, 7 and 8 are effective the day following final enactment and apply to all causes of action arising on and after that day, except that any changes in notice requirements in section 8 are not effective until 30 days following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "making certain sales of non-intoxicating malt liquor illegal; providing civil liability for illegal sales of intoxicating liquor and non-intoxicating malt liquor;"

Page 1, line 4, after "Sections" insert "340.035, Subdivision 1;"

Page 1, line 5, after "subdivision" insert "; 340.73, Subdivisions 1 and 3; 340.95; and 340.951"

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

Senate Conferees: ROBERT J. TENNESSEN, OTTO T. BANG, JR., JACK DAVIES, GERRY SIKORSKI and DUANE D. BENSON.

House Conferees: TODD H. OTIS, ANN WYNIA, TAD JUDE and CHARLES C. HALBERG.

Otis moved that the report of the Conference Committee on S. F. No. 358 be adopted and that the bill be repassed as amended by the Conference Committee.

McCarron moved that the House refuse to adopt the report of the Conference Committee on S. F. No. 358, that the Conference Committee be discharged, and that the Speaker appoint a new Conference Committee of 5 members.

A roll call was requested and properly seconded.

The question was taken on the McCarron motion and the roll was called. There were 39 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Ainley	Heap	Luknic	Piepho	Valan
Anderson, G.	Hoberg	Mann	Reding	Vanasek
Brinkman	Jacobs	McCarron	Samuelson	Voss
Dahlvang	Jennings	Niehaus	Sarna	Welch
Eken	Kalis	O'Connor	Schafer	Welker
Fjoslien	Knickerbocker	Olsen	Schreiber	Wieser
Harens	Kostohryz	Osthoff	Sherman	Wigley
Haukoos	Ludeman	Peterson, B.	Sviggum	

Those who voted in the negative were:

Aasness	Berkelman	Carlson, L.	Dean	Ellingson
Anderson, B.	Blatz	Clark, J.	Dempsey	Erickson
Battaglia	Brandl	Clark, K.	Den Ouden	Esau
Begich	Carlson, D.	Clawson	Elioff	Evans

Ewald	Kahn	Minne	Redalen	Stowell
Forsythe	Kelly	Munger	Rees	Stumpf
Greenfield	Kvam	Murphy	Reif	Swanson
Gruenes	Laidig	Nelsen, B.	Rice	Tomlinson
Gustafson	Lehto	Nelson, K.	Rodriguez, F.	Valento
Halberg	Lemen	Norton	Rose	Vellenga
Hauge	Levi	Novak	Rothenberg	Weaver
Heinitz	Long	Nysether	Schoenfeld	Wenzel
Himle	Marsh	Ogren	Sieben, M.	Wynia
Hokanson	McDonald	Onnen	Simoneau	Spkr. Sieben, H.
Hokr	McEachern	Otis	Skoglund	
Johnson, D.	Mehrkens	Peterson, D.	Stadum	
Jude	Metzen	Pogemiller	Staten	

The motion did not prevail.

The question recurred on the Otis motion. The motion prevailed.

S. F. No. 358, A bill for an act relating to intoxicating liquor; requiring proof of financial responsibility; amending Minnesota Statutes 1980, Sections 340.11, by adding a subdivision; 340.12; and 340.353, by adding a subdivision.

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 82 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Battaglia	Ewald	Kvam	Osthoff	Simoneau
Begich	Forsythe	Laidig	Otis	Skoglund
Berkelman	Greenfield	Lehto	Peterson, B.	Stadum
Blatz	Gruenes	Lemen	Peterson, D.	Staten
Brandl	Gustafson	Levi	Piepho	Stowell
Byrne	Halberg	Long	Pogemiller	Swanson
Carlson, D.	Hanson	Mann	Redalen	Tomlinson
Carlson, L.	Hauge	Marsh	Rees	Valento
Clark, J.	Heap	McDonald	Reif	Vanasek
Clark, K.	Heinitz	Minne	Rice	Vellenga
Clawson	Himle	Munger	Rodriguez, C.	Weaver
Dean	Hokanson	Murphy	Rodriguez, F.	Wenzel
Dempsey	Hokr	Nelson, K.	Rose	Wynia
Den Ouden	Johnson, D.	Norton	Rothenberg	Spkr. Sieben, H.
Elioff	Jude	Novak	Sherman	
Ellingson	Kahn	Nysether	Sherwood	
Evans	Kelly	Ogren	Sieben, M.	

Those who voted in the negative were:

Aasness	Fjoslien	Kostohryz	Olsen	Sviggunn
Ainley	Harens	Ludeman	Onnen	Voss
Anderson, B.	Haukoos	McCarron	Reding	Welch
Anderson, G.	Hoberg	McEachern	Samuelson	Welker
Brinkman	Jacobs	Mehrkens	Sarna	Wieser
Dahlvang	Jennings	Metzen	Schafer	Wigley
Eken	Kaley	Nelsen, B.	Schoenfeld	
Erickson	Kalis	Niehaus	Schreiber	
Esau	Knickerbocker	O'Connor	Stumpf	

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

The following conference committee reports were received:

## CONFERENCE COMMITTEE REPORT ON H. F. NO. 2000

A bill for an act relating to health and welfare; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; amending Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.11, Subdivision 2, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 256D.05, Subdivision 1.

March 13, 1982

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

The Honorable Jack Davies  
President of the Senate

We, the undersigned conferees for H. F. No. 2000, 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. 2000 be further amended as follows:

Pages 4 to 6, delete sections 8 and 9 and insert:

"Sec. 8. Minnesota Statutes 1981 Supplement, 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 (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 SUBDIVISION IS LIMITED TO FIVE WEEKS PER CALENDAR YEAR); *provided that no individual shall be eligible for general assistance if the individual 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.*

Sec. 9. Minnesota Statutes 1980, Section 256D.05, is amended by adding a subdivision to read:

*Subd. 1a. [TEMPORARY STANDARDS.] Notwithstanding the provisions of subdivision 1, from the day following final enactment of this act until June 30, 1983, 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 who is suffering from a permanent or temporary illness, injury, or incapacity which is both medically certified and prevents the person from engaging in suitable employment, and who, if the medical certification establishes that the illness, injury, or incapacity is temporary and recommends a reasonable plan for rehabilitation, is following the plan;*

*(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 mentally retarded;*

*(h) A person who is unable to secure suitable employment due to a lack of marketable skills 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 subdivision is limited to five weeks per calendar year;*



(i) A person who has an application pending for the program of supplemental security income for the aged, blind and disabled or has been terminated from that program and has an appeal from that termination pending, and who has executed an interim assistance authorization agreement pursuant to the provisions of section 256D.06, Subdivision 5; or

(j) A person who is unable to secure suitable employment because his advanced age significantly affects his ability to engage in substantial work. This clause is effective January 1, 1983.

*This subdivision is repealed July 1, 1983.*

#### Sec. 10. [APPROPRIATIONS.]

*\$12,000 is reappropriated from Laws 1981, Chapter 360, Article I, Section 2, to the commissioner of public welfare for the purposes of the statewide hearing impaired program.*

#### Sec. 11. [REVENUE; APPROPRIATION.]

*Subdivision 1. [APPROPRIATION.] There is appropriated from the general fund to the department of revenue, for the fiscal year indicated, to implement the administrative and auditing responsibilities of a unitary large scale audit unit.*

*Fiscal Year 1982*

*-0-*

*Fiscal Year 1983*

*\$900,000*

*The approved complement of the department is increased by three positions in fiscal year 1982 and 23 additional positions in fiscal year 1983.*

*Subd. 2. [COMPUTER DESIGN.] In the development of the computer system for corporate taxation, the department of revenue shall include a method for identifying funds collected as a result of direct department auditing efforts.*

*Subd. 3. [AUDIT REQUESTED.] The legislative auditor, as approved by the legislative audit commission, shall conduct audits of the fair share and unitary tax collection programs of the department of revenue.*

*Subd. 4. [REPORT TO THE LEGISLATURE.] The commissioner of revenue shall report to the chairmen of the house appropriations, house tax, senate finance, and senate tax committees by March 1, 1983. The report shall contain the tax collections realized through the unitary large scale audit program; an estimate of potential tax collections; and recommendations about the level of staffing necessary to maximize collections."*

Page 6, line 22, after "9" insert "and 11"

Page 6, line 23, after the period insert "*Section 10 is effective July 1, 1982.*"

Renumber the section in sequence

Amend the title as follows:

Page 1, line 2, delete "health and welfare" and insert "state government"

Page 1, line 8, after the semicolon, insert "enhancing the state's ability to fund health and welfare programs by strengthening tax collection efforts; supplementing appropriations for the department of revenue; reappropriating money;"

Page 1, line 13, before the period insert ", and by adding a subdivision"

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

House Conferees: LEE GREENFIELD, DON SAMUELSON and MARY M. FORSYTHE.

Senate Conferees: GERRY SIKORSKI, FRANKLIN J. KNOLL and HOWARD A. KNUTSON.

Greenfield moved that the report of the Conference Committee on H. F. No. 2000 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 2000, A bill for an act relating to health and welfare; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; amending Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.11, Subdivision 2, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 256D.05, 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 90 yeas and 37 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Ewald	Kahn	Norton	Schoenfeld
Anderson, G.	Forsythe	Kalis	Novak	Shea
Anderson, I.	Greenfield	Kelly	O'Connor	Sherman
Battaglia	Gruenes	Kostohryz	Ogren	Sieben, M.
Begich	Gustafson	Laidig	Olsen	Simoneau
Berkelman	Halberg	Lehto	Osthoff	Skoglund
Brandl	Hanson	Long	Otis	Staten
Brinkman	Harens	Luknic	Peterson, D.	Stumpf
Byrne	Hauge	Mann	Pogemiller	Sviggum
Carlson, L.	Heap	Marsh	Redalen	Swanson
Clark, J.	Heinitz	McCarron	Reding	Tomlinson
Clark, K.	Himle	McEachern	Rees	Vanasek
Clawson	Hoberg	Metzen	Reif	Vellenga
Dahlvang	Hokanson	Minne	Rice	Voss
Dean	Hokr	Munger	Rodriguez, C.	Welch
Eken	Jacobs	Murphy	Rodriguez, F.	Wenzel
Elioff	Johnson, D.	Nelsen, B.	Rothenberg	Wynia
Ellingson	Jude	Nelson, K.	Sarna	Spkr. Sieben, H.

## Those who voted in the negative were:

Aasness	Esau	Levi	Piepho	Valento
Ainley	Evans	Ludeman	Rose	Weaver
Blatz	Fjoslien	McDonald	Schafer	Welker
Carlson, D.	Haukoos	Mehrkens	Schreiber	Wieser
Dempsey	Jennings	Niehaus	Sherwood	Wigley
Den Ouden	Knickerbocker	Nysether	Stadum	
Drew	Kvam	Onnen	Stowell	
Erickson	Lemen	Peterson, B.	Valan	

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

## CONFERENCE COMMITTEE REPORT ON 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.

March 13, 1982

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. 678, 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. 678 be amended as follows :

Delete everything after the enacting clause and insert :

“Section 1. Minnesota Statutes 1980, Section 10A.01, Subdivision 7b, is amended to read :

Subd. 7b. “Donation in kind” means anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate or for the purpose of promoting or defeating a ballot question. Donation in kind includes an approved expenditure. *Donation in kind does not include the publishing or broadcasting, at any time, of any information, news item or editorial comment by the news media. Any rules or regulations to the contrary have no force or effect and are repealed.*

Sec. 2. Minnesota Statutes 1980, Section 10A.02, Subdivision 13, is amended to read :

Subd. 13. The provisions of chapter 15 apply to the board (.) *except that* the board may *not* promulgate rules (TO CARRY OUT THE PURPOSES OF SECTIONS 10A.01 TO 10A.34).

Sec. 3. Minnesota Statutes 1981 Supplement, Section 201.071, Subdivision 1, is amended to read :

Subdivision 1. [FORM.] Registration cards shall be of suitable size and weight for mailing, and shall contain the following information in substantially the following form :

VOTER REGISTRATION CARD

(Please print or type)

Date: .....

1. Name: .....  
Last First Middle Initial

2. Address: .....  
Street or Route No.

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

3. Telephone Number :

4. Date of birth ((OPTIONAL)) : Month: ... Day: ... Year: ...  
(year optional)

5. Last registration if any .....  
Street or Route Number

.....  
City (or Township) Zip

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

.....  
Signature of Voter

Sec. 4. Minnesota Statutes 1981 Supplement, Section 203B.02, Subdivision 1, is amended to read:

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 sections 203B.04 to 203B.15.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 203B.04, Subdivision 1, is amended to read:

Subdivision 1. [APPLICATION PROCEDURES.] Except as otherwise allowed by subdivision 2, an application for absentee ballots for any election may be submitted at any time not (MORE THAN 45 DAYS NOR) less than one day before the day of that election. An application submitted pursuant to this subdivision shall be in writing and shall be submitted to:

(a) The county auditor of the county where the applicant maintains residence; or

(b) The municipal clerk of the municipality where the applicant maintains residence.

An application shall be accepted if it is signed and dated by the applicant, contains the applicant's residence and mailing addresses and states that the applicant is eligible to vote by absentee ballot for one of the reasons specified in section 203B.02.

Sec. 6. Minnesota Statutes 1981 Supplement, Section 204B.12, Subdivision 1, is amended to read:

Subdivision 1. [BEFORE PRIMARY.] A candidate may withdraw his name from the primary ballot by filing an affidavit of withdrawal with the same official who received the affidavit of candidacy. The affidavit shall request that official to withdraw the candidate's name from the ballot and shall be filed no later than (SIX) *three* days after the last day for filing for the office.

Sec. 7. Minnesota Statutes 1981 Supplement, Section 204B.19, Subdivision 1, is amended to read:

Subdivision 1. [INDIVIDUALS QUALIFIED TO BE ELECTION JUDGES.] Any individual who is eligible to vote in an election precinct is qualified to be appointed as an election judge for that precinct subject to the provisions of this section. (IF AN INSUFFICIENT NUMBER OF ELIGIBLE VOTERS MAINTAINING RESIDENCE IN ANY PRECINCT ARE WILLING AND QUALIFIED TO BE APPOINTED ELECTION JUDGES FOR THAT PRECINCT, THE APPOINTING AUTHORITY MAY APPOINT AS AN ELECTION JUDGE FOR THAT PRECINCT ANY QUALIFIED INDIVIDUAL WHO IS ELIGIBLE TO VOTE IN THE TERRITORY UNDER THE JURISDICTION OF THE AUTHORITY WHICH ESTABLISHED THE PRECINCT.) *If the files of the appointing authority do not contain sufficient voters within a precinct who are qualified and willing to serve as election judges, election judges may be appointed who reside in another precinct in the same municipality. If there are not sufficient voters within the municipality who are qualified and willing to serve as election judges, election judges may be appointed who reside in the county where the precinct is located.*

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).

(SUBD. 3. [EXCEPTIONS.] NOTWITHSTANDING SUBDIVISION 2, CLAUSE (D), THE FOLLOWING INDIVIDUALS MAY SERVE AS ELECTION JUDGES IN MUNICIPALITIES WITH ONLY ONE ELECTION PRECINCT:)

((A) ANY TOWN CLERK, TOWN TREASURER OR MEMBER OF A TOWN BOARD; AND)

((B) ANY CITY CLERK OR MEMBER OF THE CITY COUNCIL OF ANY STATUTORY CITY.)

Subd. (4) 3. [ADDITIONAL QUALIFICATIONS PERMITTED; EXAMINATION.] The appointing authority may establish additional qualifications which are not inconsistent with the provisions of this section and which relate to the ability of an individual to perform the duties of an election judge. The appointing authority may examine any individual who seeks appointment as an election judge to determine whether the individual meets any qualification established under this section.

Subd. (5) 4. [PARTY BALANCE REQUIREMENT.] No more than half of the election judges in a precinct may be members of the same major political party unless the election board consists of an odd number of election judges, in which case the number of election judges who are members of the same major political party may be one more than half the number of election judges in that precinct.

*Subd. 5. [TIME OFF FROM WORK TO SERVE AS ELECTION JUDGE.] Every individual who is selected to serve as an election judge pursuant to section 204B.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. 8. Minnesota Statutes 1981 Supplement, Section 204B.21, Subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT LISTS; DUTIES OF POLITICAL PARTIES AND COUNTY AUDITOR.] (AT LEAST 65 DAYS BEFORE ANY) *On July 1 in a year in which there is an election for a partisan political office, the county or legislative district chairmen of each major political party, whichever is designated by the state party, shall prepare a list of eligible voters to act as election judges in each election precinct in the county or legislative district. The chairmen shall furnish the lists to the county auditor of the county in which the precinct is located.*

(AT LEAST 55 DAYS BEFORE THE DATE OF THE ELECTION,) *By July 15 the county auditor shall furnish to the*

appointing authorities a list of the appropriate names for each election precinct in the jurisdiction of the appointing authority. Separate lists shall be submitted by the county auditor for each major political party.

Sec. 9. Minnesota Statutes 1981 Supplement, Section 204B.-27, Subdivision 1, is amended to read :

Subdivision 1. [BLANK FORMS.] At least (15) 25 days before every state election the secretary of state shall transmit to each county auditor a sufficient number of blank county abstract forms, affidavits of challenged voters, and any other blank forms that the secretary of state deems necessary for the conduct of the election.

Sec. 10. Minnesota Statutes 1981 Supplement, Section 204B.-31, is amended to read :

[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) 43A.18, Subdivision (1) 2 ;

(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) *an* amount (ALLOWED FOR STATE EMPLOYEES IN ACCORDANCE WITH RULES ADOPTED) *set by the county board* pursuant to Minnesota Statutes, Section 471.665, Subdivision 1 ;

(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) *set by the county board* pursuant to Minnesota Statutes, Section 471.665, Subdivision 1 ;

(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 *and in attending training sessions required by section 204B.25, subdivision 1.* 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 ALLOWED FOR STATE EMPLOYEES PURSUANT TO SECTION 471.665, SUBDIVISION 1) to be set by the governing body or town board that sets the compensation of the election judge; 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. 11. Minnesota Statutes 1981 Supplement, Section 204B.-34, Subdivision 1, is amended to read:

Subdivision 1. [STATE ELECTIONS.] At least 15 days before any state primary or state general election the municipal clerk shall post in his office a notice stating the officers to be nominated or elected, the location of each polling place in the municipality, and the hours for voting. *An optional provision of the notice may include municipal officers to be nominated or elected.* The county auditor shall post a similar notice in his office including information concerning any polling places in unorganized territory in the county. The governing body of a municipality or county may publish this notice in addition to posting it. Failure to give the notice required in this section shall not invalidate a state primary or state general election.

Sec. 12. Minnesota Statutes 1981 Supplement, Section 204B.-35, Subdivision 4, is amended to read:

Subd. 4. [ABSENTEE BALLOTS; PREPARATION; DELIVERY.] Ballots necessary to fill applications of absentee voters shall be prepared and delivered at least (15) *20* days before the election to the officials who administer the provisions of chapter 203B.

Sec. 13. Minnesota Statutes 1981 Supplement, Section 204C.-32, Subdivision 2, is amended to read:

Subd. 2. [STATE CANVASS.] The state canvassing board shall meet at the secretary of state's office on the second Tuesday after the state primary to canvass the certified copies of the county canvassing board reports received from the county auditors. (UPON COMPLETION OF THE CANVASS) *Two days*

after the canvassing board declares the results, the secretary of state shall (PROMPTLY) certify the names of the nominees to the county auditors and shall mail to each nominee a notice of nomination.

Sec. 14. Minnesota Statutes 1981 Supplement, Section 204C.-33, Subdivision 2, is amended to read:

Subd. 2. [COUNTY CANVASSING BOARD REPORTS; PUBLIC AVAILABILITY.] (UPON PAYMENT OF A \$1 FEE,) The county auditor of each county shall provide a certified copy of the county canvassing board report to anyone who requests it *upon payment of costs of reproduction actually incurred by the auditor's office. The auditor shall not take into account the general office expenses or other expenses.*

Sec. 15. Minnesota Statutes 1981 Supplement, Section 204D.-06, is amended to read:

204D.06 [CERTIFICATION OF NAMES BY SECRETARY OF STATE.]

At least (32) ~~42~~ days before a state primary, the secretary of state shall certify to the county auditors the names of all candidates who have properly filed affidavits of candidacy with the secretary of state and who will be voted for in their respective counties at that primary.

Sec. 16. Minnesota Statutes 1981 Supplement, Section 204D.-11, Subdivision 1, is amended to read:

Subdivision 1. [WHITE BALLOT; RULES; REIMBURSEMENT.] The names of the candidates for all partisan offices voted on at the state general election (AND CANDIDATES FOR THE OFFICE OF JUSTICE AND CHIEF JUSTICE OF THE SUPREME COURT) shall be placed on a single ballot printed on white paper which shall be known as the "white ballot". This ballot shall be prepared by the county auditor subject to the rules of the secretary of state. The state shall reimburse the counties for the cost of preparing the white ballot and the envelopes required for the returns of that ballot. The secretary of state shall adopt rules for preparation and time of delivery of the white ballot and for reimbursement of the counties' costs.

Sec. 17. Minnesota Statutes 1981 Supplement, Section 204D.-11, Subdivision 5, is amended to read:

Subd. 5. [BALLOT HEADINGS.] The white, pink and special federal white ballot shall be headed with the words "State General Election Ballot". The canary ballot shall be headed with the words "(COUNTY AND JUDICIAL DISTRICT GENERAL ELECTION BALLOT) *Ballot of Nonpartisan Candidates*".

Sec. 18. Minnesota Statutes 1981 Supplement, Section 204D.-14, is amended to read:

**204D.14 [WHITE AND CANARY BALLOTS; NONPARTISAN OFFICES.]**

Subdivision 1. [ROTATION OF NAMES.] The names of candidates for nonpartisan offices on the (WHITE AND) canary (BALLOTS) *ballot* shall be rotated in the manner provided for rotation of names on state partisan primary ballots by section 204D.08, subdivision 3.

Subd. 2. [UNCONTESTED OFFICES.] Nonpartisan offices for which there is only one candidate shall appear after all contested offices on the (APPROPRIATE WHITE OR) canary ballot.

Sec. 19. Minnesota Statutes 1981 Supplement, Section 204D.-15, Subdivision 2, is amended to read:

Subd. 2. [DISTRIBUTION.] The pink ballot shall be provided in groups of 50. At least (15) *25* 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 section 204B.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.

Sec. 20. Minnesota Statutes 1980, Section 205.02, is amended to read:

**205.02 [(APPLICATION) STATUTES APPLICABLE.]**

*Subdivision 1. [MINNESOTA ELECTION LAW.] Except as provided in (SECTIONS 205.01 to 205.17 ALL OF) this chapter the provisions of the Minnesota election law (ARE APPLICABLE) apply to municipal elections, so far as practicable.*

*Subd. 2. [CITY ELECTIONS.] In all statutory and home rule charter cities, the primary, general and special elections held for choosing city officials and deciding public questions relating to the city shall be held as provided in this chapter, except that sections 205.02; section 2, subdivisions 2 to 7; 205.07 to 205.13 and sections 8 and 9 do not apply to a city whose charter provides the manner of holding its primary, general or special elections.*

Sec. 21. Minnesota Statutes 1981 Supplement, Section 205.03, Subdivision 1, is amended to read:

Subdivision 1. [CITIES.] In all statutory and home rule charter city elections the governing body of the city, by resolution adopted prior to the giving of notice of the election, may

designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all subsequent city elections, until the resolution is revoked. *Cities referred to in this subdivision shall make certification of election hours to the county auditor upon adoption of the resolution giving notice of election.*

Sec. 22. Minnesota Statutes 1981 Supplement, Section 205.03, Subdivision 3, is amended to read:

Subd. 3. [OTHER TOWNS.] In any election of town officers in a town other than a town described in subdivision 2, the town board, by resolution adopted prior to the giving of notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all subsequent town elections. The resolution shall remain in force until revoked by the town board. *Towns referred to in this subdivision shall make certification of the election hours to the county auditor in January of each year.*

Sec. 23. [205.065] [PRIMARY ELECTIONS.]

*Subdivision 1. [CITIES OF FIRST CLASS.] A municipal primary for the purpose of nominating elective officers may be held in any city of the first class on the second or third Tuesday in March of any year in which a municipal general election is to be held for the purpose of electing officers.*

*If the majority of the governing body of a city of the first class adopted a resolution after June 24, 1957 establishing the second or third Tuesday in March for holding its municipal primary in any year in which its municipal general election is held, and if the city clerk or other officer of the city charged with keeping the minutes and records of the governing body filed a certified copy of the resolution with the secretary of state and another certified copy of the resolution with the county recorder of the county in which the city is located, the time established by the resolution for holding the municipal primary is fixed, and the governing body of the city may not change the time unless the authority to make the change is conferred on the governing body by the legislature, or by an amendment to the charter of the city duly ratified and accepted by the eligible voters of the city, in accordance with the constitution of the state of Minnesota, Article IV, Section 36, and other applicable law.*

Subd. 2. [RESOLUTION OR ORDINANCE.] *The governing body of a city of the second, third, or fourth class or a town containing a statutory city may, by ordinance or resolution adopted at least six weeks before the next municipal general election, elect to choose nominees for municipal offices by a primary as provided in subdivisions 2 to 7. The resolution or ordinance, when adopted, is effective for all ensuing municipal elections*

*until it is revoked. Subdivisions 2 to 7 do not apply to a city the charter of which specifically prohibits or provides for a municipal primary.*

*Subd. 3. [DATE.] The municipal primary shall be held two weeks before the municipal general election or at another time designated by the governing body in the ordinance or resolution adopting the primary system. The clerk shall give notice of the primary in the manner provided in section 205.16.*

*Subd. 4. [CANDIDATES, FILING.] The clerk shall place upon the primary ballot without partisan designation the names of individuals whose candidacies have been filed and for whom the proper filing fee has been paid. When not more than twice the number of individuals to be elected to a municipal office file for nomination for the office, their names shall not be placed upon the primary ballot and shall be placed on the municipal general election ballot as the nominees for that office.*

*Subd. 5. [RESULTS.] The municipal primary shall be conducted and the returns made in the manner provided for the state primary so far as practicable. Within two days after the primary, the governing body of the municipality shall canvass the returns, and the two candidates for each office who receive the highest number of votes, or a number of candidates equal to twice the number of individuals to be elected to the office, who receive the highest number of votes, shall be the nominees for the office named. Their names shall be certified to the municipal clerk who shall place them on the municipal general election ballot without partisan designation and without payment of an additional fee.*

*Subd. 6. [RECOUNT.] A losing candidate at the municipal primary may request a recount of the votes for that nomination subject to the requirements of section 204C.36.*

*Subd. 7. [VACANCY IN NOMINATION.] When a vacancy occurs in a nomination made at a municipal primary, the vacancy shall be filled in the manner provided in section 204B.13.*

**Sec. 24. Minnesota Statutes 1980, Section 205.07, Subdivision 1, is amended to read:**

**205.07 [CITY GENERAL ELECTION.]**

**Subdivision 1. [DATE.]** The (REGULAR CITY) municipal general election in each statutory city shall be held (BIENNIALY) on the first Tuesday after the first Monday in November in every even-numbered year; except that the governing body of (ANY) a statutory city may, by ordinance passed at a regular meeting held before September 1 of any year, elect

to hold the election on the first Tuesday after the first Monday in November in each odd-numbered year. (ANY) A city which (IS) *was* a village on January 1, 1974 and (HAS) before that date provided for a system of biennial elections in the odd-numbered year shall continue to hold its elections in that year until changed in accordance with this section. When a city changes its elections from one year to another, and does not provide (OTHERWISE) *for the expiration of terms* by ordinance, the term of (ANY) *an* incumbent expiring at a time when no (CITY) *municipal* election is held in the months immediately prior (THERETO) *to expiration* is extended until the date for taking office following the next scheduled (CITY) *municipal* election. If (SUCH) *the* change results in having three councilmen to be elected at a succeeding election, the two (PERSONS) *individuals* receiving the highest vote shall serve for terms of four years and the (PERSON) *individual* receiving the third highest number of votes shall serve for a term of two years. To (THE EXTENT NECESSARY TO) provide (FOR) an orderly transition to the odd or even year election plan, the council may adopt supplementary ordinances regulating initial elections (,) *and* officers to be chosen at (SUCH) *the* elections (,) and shortening or lengthening the terms of incumbents and those (SO) *elected at the initial election* so as to conform as soon as possible to the regular schedule provided in section 412.02, subdivision 1. Whenever the time (FOR HOLDING) of the (CITY) *municipal* election is changed, the city clerk immediately shall notify in writing the county auditor and secretary of state of the change of date (; AND). Thereafter the (REGULAR CITY) *municipal general* election shall be held on the first Tuesday after the first Monday in November in each odd-numbered or even-numbered year until the ordinance is revoked and (SIMILAR) *notification of the change* is made.

Sec. 25. Minnesota Statutes 1981 Supplement, Section 205.10, is amended to read:

205.10 [(SPECIAL) CITY SPECIAL ELECTIONS.]

Subdivision 1. [QUESTIONS.] Special elections may be held in (ANY) *a* statutory or home rule charter city on (ANY) *a* question on which the voters are authorized by law or charter to pass judgment. A special election may be ordered by the city council on its own motion or, on a question that has not been submitted to the voters in an election within *the previous* six months (PREVIOUSLY), upon a petition signed by a number of voters equal to 20 percent of the votes cast at the last (REGULAR CITY) *municipal general* election. (NO) *A* question (SO SUBMITTED SHALL BE DEEMED) *is* carried (WITHOUT SUCH A) *only with the majority* in its favor (AS MAY BE) required by law or charter (IN THE PARTICULAR INSTANCE). The election officials for (ANY) *a* special election shall be the same as for the (LAST PRECEDING REGULAR CITY) *most recent municipal general* election unless changed

according to law. Otherwise special elections shall be conducted and the returns made in the manner provided for the (REGULAR) municipal *general* election. (THIS SECTION IS NOT APPLICABLE TO ANY CITY THE CHARTER OF WHICH SPECIFICALLY PROHIBITS OR REGULATES THE HOLDING OF SPECIAL ELECTIONS.)

Subd. 2. [VACANCIES IN CITY OFFICES.] Special elections shall be held in statutory cities in conjunction with (REGULAR CITY) *municipal general* elections to fill vacancies in elective city offices as provided in section 412.02, subdivision 2a.

Sec. 26. Minnesota Statutes 1980, Section 205.13, as amended by Laws 1981, Chapter 29, Article VII, Section 10, is amended to read:

205.13 [(MUNICIPAL ELECTIONS,) CANDIDATES, FILING.]

Subdivision 1. [AFFIDAVIT OF CANDIDACY.] Not more than six nor less than four weeks before the municipal primary, or before the municipal general election if there is no municipal primary, (ANY) *an individual who is* eligible and (DESIRING) *desires* to have his name placed on the official ballot as a candidate for an office to be voted for at the election shall file his affidavit of candidacy with the municipal clerk. The affidavit shall be *in* substantially the same form as (REQUIRED OF CANDIDATES FOR STATE OFFICES) *that in section 204B.06, subdivision 1. The municipal clerk shall also accept an application (ALSO MAY BE) signed by not less than five voters and filed on behalf of (ANY) an eligible voter in the municipality whom they desire to be a candidate, if service of a copy of the application (IS) has been made on the candidate and proof of service is endorsed on the application (BEFORE FILING) being filed. Upon (PAYMENT) receipt of the proper filing fee (TO THE CLERK), the clerk shall place the name of the candidate on the official ballot without partisan designation.*

Subd. 2. [NOTICE OF FILING DATES.] At least two weeks before the first day to file affidavits of candidacy, the municipal clerk shall publish a notice stating the first and last dates on which affidavits of candidacy may be filed in (HIS) *the clerk's* office and the closing time for filing on the last day for filing (, AND HE). *The clerk shall post a similar notice at least ten days before the first day to file affidavits of candidacy.*

Subd. 3. [FILING FEES.] *Unless the charter of a city provides the amount of the fee for filing an application or affidavit of candidacy for city office, the filing fee for a municipal office is as follows:*

- (a) *In first class cities, \$20;*
- (b) *In second and third class cities, \$5; and*
- (c) *In fourth class cities and towns, \$2.*

*Subd. 4. [PETITION IN PLACE OF FEES.] A candidate for municipal office may file a petition in place of the filing fees specified in subdivision 3. The petition shall meet the requirements of section 204B.11, subdivision 2.*

*Subd. 5. [NOMINATING PETITION; CITIES OF THE FIRST CLASS.] A nominating petition filed on behalf of a candidate for municipal office in a city of the first class shall be signed by eligible voters who reside in the election district from which the candidate is to be elected. The number of signers shall be at least 500, or two percent of the total number of individuals who voted in the municipality, ward, or other election district at the last preceding municipal general election, whichever is greater.*

*Subd. 6. [WITHDRAWAL.] A candidate for a municipal elective office may withdraw from the election by filing an affidavit of withdrawal with the municipal clerk by 12 o'clock noon of the day after the last day for filing affidavits of candidacy. Thereafter, no candidate may file an affidavit of withdrawal.*

Sec. 27. Minnesota Statutes 1980, Section 205.16, is amended to read:

205.16 [(MUNICIPAL ELECTIONS,) NOTICE.]

Subdivision 1. [PUBLICATION AND POSTING.] In every statutory city and (EVERY) home rule charter city, the charter of which does not provide the manner (IN WHICH) of giving notice of (AN) a municipal election (IS GIVEN FOR EVERY ELECTION HELD WITHIN THE CITY FOR MUNICIPAL PURPOSES), the city clerk shall, except as (HEREINAFTER) otherwise provided in this section, (CAUSE) give two weeks' published notice, and may also (CAUSE) give ten days' posted notice, of the election, stating the time (AND PLACE THEREOF) of the election, the location of each polling place, the offices to be filled, and all propositions or questions to be voted upon at the election. In (ANY) a city of the fourth class (,) the council may dispense with publication of the notice of the (REGULAR CITY) municipal general election, in which case (,) ten days' posted notice shall be given. The city clerk shall also post a copy of the notice in (HIS) the clerk's office for public inspection.



Subd. 2. [SAMPLE BALLOT, PUBLICATION.] In all statutory and home rule charter cities, for every *municipal* election (HELD WITHIN THE CITY FOR MUNICIPAL PURPOSES), the city clerk shall, at least one week before the election, publish a sample ballot in the official newspaper of the city, except that the council of (ANY) *a fourth class city may dispense with publication.*

Subd. 3. [SAMPLE BALLOT, POSTING.] For every *municipal* election (HELD WITHIN ANY MUNICIPALITY FOR MUNICIPAL PURPOSES,) the municipal clerk shall (,) at least four days before the election (,) post a sample ballot in (HIS) *the clerk's* office for public inspection, and (A) *post a sample ballot (SHALL ALSO BE POSTED)* in each polling place *on election day.*

Sec. 28. Minnesota Statutes 1980, Section 205.17, as amended by Laws 1981, Chapter 29, Article VII, Section 13, and Chapter 172, Section 2, is amended to read:

205.17 [(CITY OR TOWN ELECTION,) BALLOTS (, FORM).]

Subdivision 1. [SECOND, THIRD AND FOURTH CLASS CITIES; TOWNS.] In all statutory and home rule charter cities of the second, third and fourth class, and in all towns, for the (REGULAR) *municipal general* election, the municipal clerk shall (PREPARE AND CAUSE TO BE) *have* printed on light green paper the official ballot (UPON WHICH) *containing* the names of all candidates for municipal offices (SHALL BE PRINTED). The ballot shall be printed in blocks of 50 (INSO-FAR AS PRACTICABLE), shall be headed "City or Town Election Ballot," (AND) shall state the name of the city or town (,) *and* the date of the election, and (OTHERWISE) shall conform *in other respects* to the white ballot used at the general election. The names shall be arranged on city ballots in the manner provided for the state elections. On town ballots names of the candidates for each office shall be arranged alphabetically according to the (SURNAME OF EACH CANDIDATE) *candidates' surnames.*

Subd. 2. [FIRST CLASS CITIES.] In all cities of the first class, for the (REGULAR) *municipal general* election, the city clerk shall (PREPARE AND CAUSE TO BE) *have* printed in blocks of 50 a partisan ballot upon which the names of all candidates for the office of mayor and for the city council are printed, and a nonpartisan ballot upon which the names of all candidates for all other city offices are printed. The partisan ballot shall be printed on light orange paper and shall be headed "(PARTISAN) City (ELECTION) *Partisan General* Ballot". The nonpartisan ballot shall be printed on light green paper and shall be headed "(NONPARTISAN) City (ELECTION) *Nonpartisan General* Ballot". Both ballots shall state the name of the city (,)

and the date of the (ELECTIONS) *election* and (OTHERWISE) conform in all other respects to the white ballot used at the state general election. The names of the candidates on the nonpartisan ballot shall be rotated in the manner prescribed for the rotation of names on nonpartisan ballots in state general elections.

On the partisan ballot the (NAME) *names* of the candidates for mayor shall be placed first. The order of the names of the candidates shall be in the manner prescribed for state general elections in section 204D.13.

Subd. 3. [PRIMARY (ELECTION) BALLOTS.] The municipal primary (ELECTION) ballot (OF) in cities of the second, third and fourth class and towns and the nonpartisan primary ballot in cities of the first class shall conform as far as practicable with the (REGULAR) municipal general election ballot except that it shall be printed on white paper (, AND). No blank spaces (MAY NOT) shall be provided for writing in the names of candidates.

(SUBD. 4. THE CITY OF THE FIRST CLASS NON-PARTISAN PRIMARY ELECTION BALLOT SHALL CONFORM AS FAR AS PRACTICABLE WITH THE REGULAR MUNICIPAL ELECTION BALLOT EXCEPT THAT IT SHALL BE PRINTED ON WHITE PAPER. THE CITY OF THE FIRST CLASS) *The* partisan primary (ELECTION) ballot in cities of the first class shall conform as far as practicable with the state (CONSOLIDATED) *partisan* primary (ELECTION) ballot.

Subd. (5) 4. [BLUE BALLOTS; QUESTIONS.] All questions relating to the adoption of a city charter or *charter* amendments (THERE TO,) or (ANY) a proposition for the issuance of bonds, and all other questions (AND PROPOSITIONS) relating to city affairs submitted at (ANY) an election to the (ELECTORS) *voters* of the municipality, shall be printed on one separate blue (COLORED) ballot and shall be prepared, printed and distributed under the direction of the city clerk at the same time and in the same manner as other (CITY) *municipal* ballots. The ballots, when voted, shall be deposited in a separate *blue* ballot box (, PAINTED BLUE, TO BE PROCURED) *provided* by the local authorities for each voting precinct. The ballots shall be canvassed, counted, and returned in the same manner as other (CITY) *municipal* ballots (, AND THE TALLY BOOKS AND). *The* returns shall provide appropriate blank spaces for the counting, canvassing and returning of the results of the questions submitted on the blue ballot.

Subd. (6) 5. [STATUTORY CITIES; VACANCIES.] In statutory cities, the names of candidates to fill vacancies at (ANY) a special election held as provided in section 412.02, subdivision 2a, shall be placed on the (CITY) *municipal* primary and (REGULAR) *general* election ballots. The names of candi-

dates to fill a vacancy in the office of councilman in a statutory city shall be listed under the separate heading "Special election for councilman to fill vacancy in term expiring . . . . .", with the date of expiration of the term and any other information (AS MAY BE) necessary to distinguish the office. Under the heading for the office of mayor in a special election shall be the words "To fill vacancy in term expiring . . . . .".

Sec. 29. [205.175] [VOTING HOURS.]

*Subdivision 1. [CITIES.] In all statutory and home rule charter city elections the governing body of the city, by resolution adopted prior to giving notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all subsequent municipal elections, until the resolution is revoked.*

*Subd. 2. [METROPOLITAN AREA TOWNS.] At any election of town officers, in a town which is located within 60 miles of a city of the first class having a population of at least 250,000, the town board, by resolution adopted prior to giving notice of the election, may designate the time during which the polling places will remain open for voting at the next succeeding and all subsequent town elections, provided that the polling places shall open no later than 10:00 a.m. and shall close no earlier than 8:00 p.m. The resolution shall remain in force until it is revoked by the town board.*

*Subd. 3. [OTHER TOWNS.] In any election of town officers in a town other than a town described in subdivision 2, the town board, by resolution adopted prior to giving notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all subsequent town elections. The resolution shall remain in force until it is revoked by the town board.*

Sec. 30. [205.185] [PROCEDURE.]

*Subdivision 1. [MATERIALS, BALLOTS.] The municipal clerk shall prepare and have printed the necessary election materials, including ballots, for a municipal election.*

*Subd. 2. [ELECTION, CONDUCT.] A municipal election shall be by secret ballot and shall be held and the returns made in the manner provided for the state general election, so far as practicable.*

*Subd. 3. [CANVASS OF RETURNS, CERTIFICATE OF ELECTION, BALLOTS, DISPOSITION.] Within two days after an election, the governing body shall canvass the returns and declare the results of the election. After the time for con-*

*testing elections has passed, the municipal clerk shall issue a certificate of election to each successful candidate. In case of a contest, the certificate shall not be issued until the outcome of the contest has been determined by the proper court. In case of a tie vote, the governing body shall determine the results by lot. The clerk shall certify the results of the election to the county auditor, and the clerk shall be the final custodian of the ballots and the returns of the election.*

*Subd. 4. [RECOUNT.] A losing candidate at a municipal election may request a recount of the votes for that office subject to the requirements of section 204C.36.*

Sec. 31. Minnesota Statutes 1980, Section 205.20, as amended by Laws 1981, Chapter 29, Article VII, Sections 14 and 15, is amended to read:

205.20 [UNIFORM MUNICIPAL ELECTION DAY.]

Subdivision 1. ([DEFINITION.] FOR THE PURPOSES OF THIS SECTION, THE TERM MUNICIPALITY MEANS A HOME RULE CHARTER CITY.)

(SUBD. 2.) [(UNIFORM MUNICIPAL ELECTION DAY ESTABLISHED) ESTABLISHMENT.] There is hereby established a uniform municipal election day *for home rule charter cities*. The uniform municipal election day shall be the first Tuesday after the first Monday in November in odd-numbered years. (MUNICIPAL) Officials elected on that date shall take office on the first business day of January next succeeding their election for (SUCH) *the term* (AS) which is provided by law (OR AS IS HEREINAFTER PROVIDED). The governing body of a (MUNICIPALITY) *home rule charter city* may designate a date for the municipal primary *which is not less than 14 days before the uniform municipal election day*.

Subd. (3) 2. [ADOPTION BY CITY.] Notwithstanding any provision of law or municipal charter to the contrary, and subject to the provisions of this section, the governing body of a (MUNICIPALITY) *home rule charter city* may *adopt* by ordinance (ADOPT) the uniform municipal election day as its municipal election day.

Subd. (4) 3. [MODIFICATION OF TERMS OF OFFICE.] If the uniform municipal election day is adopted, the terms of all incumbents *who* at the time of adoption of the ordinance (HOLDING) *hold* offices filled by municipal election *and* whose terms end at a different date are (HEREBY) extended to the first business day in January of the even numbered year first following the date the term would otherwise expire, unless this extension would be longer than 13 months. If the extension would be longer than 13 months, the terms of (SUCH) *those* incum-

bents are (HEREBY) shortened so as to end on the first business day in January of the even numbered year first preceding the date the term would otherwise expire.

Notwithstanding any provision of law or municipal charter to the contrary, the governing body of a (MUNICIPALITY) *home rule charter city* adopting the uniform municipal election day shall *designate* in the adopting ordinance (DESIGNATE) a new term for each office to be filled where the term for (SUCH) *the* office at the time of the ordinance is an odd number of years. (SUCH) *The* new terms shall be *for* an even number of years and for no more than one year longer than the term in effect at the time of the adoption of the ordinance. At the time of any election, the governing body may also provide that one or more members of (ANY) *a* multi-member body shall be elected for a shorter term than is otherwise provided, if and in the manner necessary to achieve staggered terms on (SUCH) *the* multi-member (BODIES) *body* so that, to the extent (MATHEMATICALLY) possible, (THE SAME) *an equal* number of members is (THEREAFTER) chosen at each election, exclusive of those chosen to fill vacancies for unexpired terms.

Subd. (5) 4. [EFFECT OF ORDINANCE; REFERENDUM.] An ordinance adopting the uniform municipal election day (SHALL NOT BECOME) *is* effective (UNTIL) 90 days after passage and publication or at (SUCH) *a* later date (AS IS) fixed in the ordinance. Within 60 days after passage and publication of (SUCH AN) *the* ordinance, a petition requesting a referendum on the ordinance may be filed with the (MUNICIPAL) *city* clerk. The petition shall be signed by eligible voters equal in number to five percent of the total number of votes cast in the (MUNICIPALITY) *city* at the last state general election. If the (MUNICIPALITY) *city* has a system of permanent registration of voters, only registered voters are eligible to sign the petition. If the requisite petition is filed within the prescribed period, the ordinance shall not become effective until it is approved by (A MAJORITY OF) *at least* 55 percent of *the* voters voting on the question at a general or special election held at least 60 days after submission of the petition. If the petition is filed, the governing body may reconsider its action in adopting the ordinance.

Sec. 32. Minnesota Statutes 1980, Section 205.84, is amended to read:

#### 205.84 [WARDS IN CERTAIN CITIES.]

Subdivision 1. [GENERAL PROVISIONS.] In (ANY) *a* statutory city electing councilmen by wards, wards shall be as equal in population as practicable and each ward shall be composed of compact, contiguous territory. Each councilman shall be a resident of the ward for which he is elected, but a change in

ward boundaries does not disqualify a councilman from serving for the remainder of his term.

Subd. 2. [REDEFINING WARD BOUNDARIES.] The council may by ordinance redefine ward boundaries after (ANY REGULAR) a municipal general election. *The council shall hold a public hearing on the proposed ordinance before its adoption. One week's published notice of the hearing shall be given.* Within six months after the official certification of each federal decennial or special census, the council shall either confirm the existing ward boundaries as conforming to the standards of subdivision 1 or redefine ward boundaries to conform to those standards. If the council fails to take either action within the time required, no further compensation shall be paid to the mayor or councilmen until the wards of the city are either reconfirmed or redefined as required by this section. An ordinance establishing new ward boundaries shall apply to the first election held at least six months after adoption of the ordinance. (NO REDIVISION OF THE CITY INTO WARDS SHALL BE MADE UNTIL THE COUNCIL HAS HELD A PUBLIC HEARING ON THE PROPOSED ORDINANCE AFTER ONE WEEK'S PUBLISHED NOTICE.)"

Sec. 33. [REPEALER.]

*Minnesota Statutes 1980, Sections 205.04; 205.11, Subdivisions 1, 2, 3, 4, and 5; 205.14, Subdivisions 1, 2, and 3; 205.19; 205.21; and Minnesota Statutes 1981 Supplement, Sections 201.091, Subdivision 6; 204B.12, Subdivision 2; 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.14, Subdivision 4; and 205.15 are repealed.*

Sec. 34. [EFFECTIVE DATE.]

*Sections 1 to 19, 21, 22, and 33 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 3, delete "amending"

Page 1, delete lines 4 to 13 and insert "exempting certain transactions from the definition of donation in kind; removing the rulemaking authority of the ethical practices board; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; recodifying municipal elections law; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 7b; 10A.02, Subdivision 13; 205.02; 205.07, Subdivision 1; 205.13, as amended; 205.16; 205.17, as amended; 205.20, as amended; 205.84; and Minnesota Statutes 1981 Supplement, Sections 201.071, Subdivision 1; 203B.02, Subdivision 1; 203B.04, Subdivision 1; 204B.-12, Subdivision 1; 204B.19, Subdivision 1; 204B.21, Subdivision

1; 204B.27, Subdivision 1; 204B.31; 204B.34, Subdivision 1; 204B.35, Subdivision 4; 204C.32, Subdivision 2; 204C.33, Subdivision 2; 204D.06; 204D.11, Subdivisions 1 and 5; 204D.14; 204D.15, Subdivision 2; 205.03, Subdivisions 1 and 3; 205.10; proposing new law coded in Minnesota Statutes 1980, Chapter 205; and repealing Minnesota Statutes 1980, Sections 205.04; 205.11, Subdivisions 1, 2, 3, 4, and 5; 205.14, Subdivisions 1, 2, and 3; 205.19; 205.21; and Minnesota Statutes 1981 Supplement, Sections 201.091, Subdivision 6; 204B.12, Subdivision 2; 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.14, Subdivision 4; and 205.15."

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

House Conferees: C. THOMAS OSTHOFF, LONA A. MINNE and DONNA PETERSON.

Senate Conferees: ROBERT J. SCHMITZ, PETER P. STUMPF and GEORGE S. PILLSBURY.

Osthoff moved that the report of the Conference Committee on H. F. No. 678 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 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 101 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Ainley	Clark, J.	Gruenes	Johnson, D.	Mann
Anderson, B.	Clawson	Gustafson	Jude	Marsh
Anderson, G.	Dahlvang	Halberg	Kahn	McCarron
Battaglia	Dean	Hanson	Kalis	McEachern
Begich	Eken	Harens	Kelly	Mehrckens
Berkelman	Elioff	Hauge	Knickerbocker	Metzen
Blatz	Ellingson	Heap	Kostohryz	Minne
Brandl	Evans	Heinitz	Laidig	Munger
Brinkman	Ewald	Himle	Lehto	Murphy
Byrne	Fjoslien	Hoberg	Levi	Nelson, B.
Carlson, D.	Forsythe	Hokanson	Long	Nelson, K.
Carlson, L.	Greenfield	Jacobs	Luknic	Norton

Novak	Pogemiller	Schoenfeld	Sviggum	Wenzel
O'Connor	Redalen	Schreiber	Swanson	Wieser
Ogren	Reding	Shea	Tomlinson	Wigley
Olsen	Reif	Sieben, M.	Valan	Wynia
Onnen	Rice	Simoneau	Vanasek	Spkr. Sieben, H.
Osthoff	Rodriguez, F.	Skoglund	Vellenga	
Otis	Rose	Stadum	Voss	
Peterson, D.	Rothenberg	Staten	Weaver	
Piepho	Samuelson	Stumpf	Welch	

Those who voted in the negative were:

Dempsey	Esau	Kvam	Peterson, B.	Schafer
Den Ouden	Haukoos	Ludeman	Rees	Welker
Drew	Jennings	McDonald		
Erickson	Kaley	Niehaus		

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

### MESSAGES FROM THE SENATE, Continued

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 536.

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. 536

A bill for an act relating to local government; providing for the board membership and powers of the Moose Lake and Windemere area sanitary sewer district; amending Laws 1974, Chapter 400, Section 3, Subdivision 12, as amended; and Section 4, Subdivision 2, as amended; repealing Laws 1974, Chapter 400, Section 8, Subdivision 5, as amended.

March 13, 1982

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



That the Senate accede to the House amendments and that S. F. No. 536, as it appears in the House unofficial engrossment (UESF0536), be further amended as follows:

Page 4, lines 15 to 17, reinstate the stricken language

Page 4, line 16, after "facilities" insert "*in the town of Moose Lake*"

Page 6, after line 3, insert:

"Sec. 8. [LAKE WILSON LEVY LIMIT.]

*Subdivision 1. The city of Lake Wilson may in the fiscal year ending June 30, 1983, exceed the levy limits provided by Minnesota Statutes, Chapter 275, by a maximum of \$15,000.*

*Subd. 2. This section is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the city of Lake Wilson.*

Sec. 9. [CARVER COUNTY; ELECTRONIC FUNDS TRANSFERS.]

*Subdivision 1. Carver County may make electronic funds transfers in the same way as a school district in accordance with the conditions of Minnesota Statutes, Section 471.38, Subdivision 3. The county board may discharge the duties of the school board under that subdivision.*

*Subd. 2. This section is effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of Carver County.*

Sec. 10. [CITY OF FINLAYSON; INTERPRETATION OF FIRE CODE PROVISION.]

*Other law to the contrary notwithstanding, the city of Finlayson may make reasonable interpretations regarding the application of any rule or amendment to the uniform fire code which affects the location of dwelling units or sleeping facilities near service stations.*

Sec. 11. Minnesota Statutes 1980, Section 238.02, Subdivision 3, is amended to read:

Subd. 3. "Cable communications system" (SHALL MEAN ANY) means a system which operates for hire the service of receiving and amplifying programs broadcast by one or more television or radio stations and (ANY) other programs originated by a cable communications company or by another party, and distributing (SUCH) the programs by wire, cable, microwave or other means, whether (SUCH) the means are owned or leased,

to persons who subscribe to (SUCH) the service. (SUCH) The definition does not include:

(a) (ANY) a system which serves fewer than 50 subscribers or a system which serves more than 50 but fewer than 1,000 subscribers if the governing bodies of all political subdivisions served by the system, vote, by resolution, to remove the system from the provisions of chapter 238. Any system which serves more than 50 but fewer than 1,000 subscribers that has been removed from the provisions of chapter 238 shall be returned to the provisions of chapter 238 if the governing bodies of fifty per cent or more of the political subdivisions served by the system vote, by resolution in favor of the return;

(b) (ANY) a master antenna television system;

(c) (ANY) a specialized closed-circuit system which does not use the public rights-of-way for the construction of its physical plant; and

(d) (ANY) a translator system which receives and rebroadcasts over-the-air signals.

Sec. 12. Minnesota Statutes 1980, Section 238.03, is amended to read:

### 238.03 [APPLICATION.]

(THE PROVISIONS OF) Sections 238.01 to 238.17 (SHALL) apply to every cable communications system and every cable communications company as defined in section 238.02, operating within the state, including a cable communications company which constructs, operates and maintains a cable communications system in whole or in part through the facilities of a person franchised to offer common or contract carrier services. Persons possessing (FRANCHISES) franchises for any of the purposes (CONTEMPLATED BY THE PROVISIONS) of sections 238.01 to 238.17 (SHALL BE DEEMED TO BE) are subject to (THE PROVISIONS OF) sections 238.01 to 238.17 although no property (MAY HAVE) has been acquired, business transacted or franchises exercised.

Sec. 13. Minnesota Statutes 1980, Section 238.05, is amended by adding a subdivision to read:

Subd. 18. The board shall adopt rules to ensure that all cable communications systems as defined in section 238.02, subdivision 3, and all systems which would meet that definition but for the number of subscribers served, provide adequate access for educational and governmental programming. In adopting the rules, the board shall give consideration to both the needs of the community and the capability of the system.

Sec. 14. Minnesota Statutes 1980, Section 238.06, Subdivision 6, is amended to read:

Subd. 6. The board may require from (ANY) a cable communications system granted a certificate of confirmation information and supporting documentation in the form (AND AT THE TIMES) the board (MAY DEEM) *deems appropriate on an annual basis, or on sale, transfer or other major activity within a cable communications company. The board shall not release economic data of the cable communications company, including operating revenues and profitability, to the general public or to other cable communication companies except in furtherance of specific duties or obligations of the board.*

Sec. 15. Minnesota Statutes 1980, Section 238.09, Subdivision 6, is amended to read:

Subd. 6. Except as provided in subdivision 3, (EVERY) a cable communications company shall (BE REQUIRED TO) secure a certificate of confirmation from the board before becoming operational. Except as provided in subdivisions 3, 4, 5, and 9, (SUCH) *the certificate may be granted after full board proceedings and shall be for (A PERIOD OF TEN YEARS) the same number of years as the initial franchise period. A renewal certificate of confirmation may be issued prior to the expiration of (ANY) an existing certificate.*

Sec. 16. Minnesota Statutes 1980, Section 238.09, Subdivision 7, is amended to read:

Subd. 7. (ANY) A renewal of a certificate of confirmation shall be for (A PERIOD OF TEN YEARS) *the same number of years as the renewal franchise period. A renewal certificate of confirmation may be issued prior to the expiration of (ANY) an existing certificate.*

Sec. 17. Minnesota Statutes 1980, Section 238.11, Subdivision 2, is amended to read:

Subd. 2. No cable communications company may prohibit or limit (ANY) a program or class or type of program presented over a leased channel or (ANY) a channel made available for public access, governmental or educational purposes. *The cable communications company is not liable for programming content.*

Sec. 18. Minnesota Statutes 1980, Section 238.12, Subdivision 1, is amended to read:

Subdivision 1. (EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION,) The rates charged by a cable communications company (SHALL BE THOSE SPECIFIED IN THE

FRANCHISE, WHICH MAY ESTABLISH, OR PROVIDE FOR THE ESTABLISHMENT OF REASONABLE CLASSIFICATIONS OF SERVICE AND CATEGORIES OF SUBSCRIBERS, OR SPECIFY DIFFERENT RATES FOR DIFFERING SERVICES OR FOR SUBSCRIBERS IN DIFFERENT CATEGORIES) *may be established in the franchise by the municipality.*

Sec. 19. Minnesota Statutes 1980, Section 238.12, Subdivision 2, is amended to read:

Subd. 2. (SUCH RATES MAY NOT BE CHANGED EXCEPT AS PROVIDED FOR IN THE APPROVED FRANCHISE) *Procedures for rate changes may be established in the approved franchise by the municipality.*

Sec. 20. [HUMAN RIGHTS; APPROPRIATIONS.]

*The commissioner of human rights shall coordinate the provision of human rights services in the city of Duluth with other state agencies. The commissioner shall provide the services, including at least one employee at the Duluth location, in a cost-effective manner during the biennium ending June 30, 1983.*

*For purposes of this section, there is appropriated from the general fund to the commissioner of human rights the sum of \$20,000 to be made available until June 30, 1983.*

Sec. 21. [REPEALER.]

*Minnesota Statutes 1980, Section 35.695, is repealed."*

Page 6, line 4, delete "8" and insert "22"

Page 6, line 7, delete "9" and insert "23"

Page 6, line 8, delete "8" and insert "22"

Page 6, line 13, after the period insert "*Sections 11 to 19 are effective the day following final enactment.*"

Delete the title and insert:

"A bill for an act relating to government operations; providing for powers of the Western Lake Superior Sanitary District; providing for the board membership and powers of the Moose Lake and Windemere area sanitary sewer district; authorizing the city of Sandstone to exchange certain lands with the federal government; authorizing the city of Lake Wilson to exceed certain levy limits; authorizing Carver County to make electronic funds transfers; authorizing the city of Finlayson to interpret certain fire code provisions; changing certain definitions and

procedures relating to cable communications system franchises and operations; requiring the commissioner of human rights to provide coordination services; eliminating certain animal licensing and registration requirements; appropriating money; amending Minnesota Statutes 1980, Sections 238.02, Subdivision 3; 238.03; 238.05, by adding a subdivision; 238.06, Subdivision 6; 238.09, Subdivisions 6 and 7; 238.11, Subdivision 2; and 238.12, Subdivisions 1 and 2; Laws 1971, Chapter 478, Section 2, Subdivision 17; Section 8, as amended; Section 9, Subdivision 1; and Section 9a, Subdivision 1, as amended; Laws 1974, Chapter 400, Section 3, Subdivision 12, as amended; and Section 4, Subdivision 2, as amended; repealing Minnesota Statutes 1980, Section 35.695; and Laws 1974, Chapter 400, Section 8, Subdivision 5, as amended."

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

Senate Conferees: FLORIAN CHMIELEWSKI, A. O. H. SETZEPFANDT and NANCY BRATAAS.

House Conferees: DOUGLAS W. CARLSON and JOHN A. AINLEY.

Carlson, D., moved that the report of the Conference Committee on S. F. No. 536 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 536, A bill for an act relating to local government; providing for the board membership and powers of the Moose Lake and Windemere area sanitary sewer district; amending Laws 1974, Chapter 400, Section 3, Subdivision 12, as amended; and Section 4, Subdivision 2, as amended; repealing Laws 1974, Chapter 400, Section 8, Subdivision 5, as amended.

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

The question was taken on the repassage of the bill and the roll was called. There were 69 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Ainley	Erickson	Johnson, D.	Murphy	Schafer
Anderson, B.	Evans	Kalis	Niehaus	Schoenfeld
Anderson, I.	Ewald	Kelly	O'Connor	Schreiber
Battaglia	Fjoslien	Knickerbocker	Ogren	Stadum
Begich	Greenfield	Kostohryz	Olsen	Staten
Berkelman	Gustafson	Kvam	Onnen	Stowell
Blatz	Halberg	Laidig	Otis	Swanson
Brinkman	Hanson	Lehto	Peterson, B.	Valan
Carlson, D.	Hauge	Levi	Redalen	Voss
Carlson, L.	Heap	Mann	Reding	Weaver
Dahlvang	Heinitz	Marsh	Rees	Welch
Dempsey	Himle	McDonald	Rodriguez, F.	Wenzel
Eken	Hoberg	Mehrkens	Rothenberg	Spkr. Sieben, H.
Elioff	Jacobs	Munger	Sarna	

Those who voted in the negative were:

Aasness	Esau	Ludeman	Pogemiller	Valento
Anderson, G.	Forsythe	Luknic	Rose	Vanasek
Brandl	Harens	McCarron	Samuelson	Vellenga
Byrne	Haukoos	McEachern	Shea	Welker
Clark, J.	Hokr	Metzen	Sherman	Wieser
Clark, K.	Jennings	Nelsen, B.	Sherwood	Wigley
Clawson	Jude	Norton	Sieben, M.	Wynia
Dean	Kahn	Nysether	Simoneau	
Den Ouden	Kaley	Osthoff	Skoglund	
Drew	Lemen	Peterson, D.	Sviggum	
Ellingson	Long	Piepho	Tomlinson	

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. 1621.

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. 1621

A bill for an act relating to state government; removing the geographic limitation on state and public employees' eligibility for the state employee transportation program; amending Minnesota Statutes 1981 Supplement, Section 16.756, Subdivision 1a.

March 12, 1982

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. 1621, 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. 1621 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1981 Supplement, Section 16.756, Subdivision 1a, is amended to read:

Subd. 1a. State and other public employees and their spouses (WHO LIVE OR WORK OUTSIDE THE METROPOLITAN AREA) and other people who work in buildings owned or leased by the state shall also be eligible for the employee transportation program established through this section; provided, however, that the driver and substitute driver of every van pool are state employees; and provided, further, that state employees constitute a majority of the members of every van pool. Available space in van pools must, whenever possible, be filled by state employees.

Sec. 2. Minnesota Statutes 1980, Section 394.22, Subdivision 12, is amended to read:

Subd. 12. "Official map" means a map adopted in accordance with section 394.361 which may show existing county roads and county state aid highways, proposed future county roads and highways (AND), the area needed for widening existing county roads and highways, and existing and future state trunk highway rights of way. An official map may also show the location of existing public land and facilities and other land needed for future public purposes, including public facilities such as parks, playgrounds, schools, and other public buildings, civic centers, and travel service facilities. When requested in accordance with section 394.32, subdivision 3, an official map may include existing and planned public land uses within incorporated areas.

Sec. 3. Minnesota Statutes 1980, Section 462.352, Subdivision 10, is amended to read:

Subd. 10. "Official map" means a map adopted in accordance with section 462.359 (SHOWING) which may show existing (STREETS,) and proposed future streets (AND), roads, and highways of the municipality and county, the area needed for widening of existing streets, roads, and highways of the municipality and county, and existing and future county state aid highways and state trunk highway rights of way. An official map may also show the location of existing and future public land and facilities within the municipality. In counties in the metropolitan area as defined in section (473.122) 473.121, official maps may for a period of up to five years designate the boundaries of areas reserved for purposes of soil conservation, water supply conservation, flood control and surface water drainage and removal including appropriate regulations protecting such areas against encroachment by buildings, other physical structures or facilities.

Sec. 4. Minnesota Statutes 1980, Section 473.167, is amended to read:

473.167 [(APPROVAL OF) HIGHWAY PROJECTS.]

Subdivision 1. [CONTROLLED ACCESS HIGHWAYS; COUNCIL APPROVAL.] Before acquiring land for or con-

structing a controlled access highway in the area, hereinafter a project, the state transportation department or local government unit proposing such acquisition or construction shall submit to the council a statement describing the proposed project. The statement shall be in the form and detail required by the council. Immediately upon receipt of the statement, the council shall transmit a copy to the metropolitan transit commission, which shall review and evaluate the project in relationship to the development program and report its recommendations and comments to the council. The council shall also review the statement to ascertain its consistency with its policy plan and the development guide. No such project may be undertaken unless the council determines that it is consistent with the policy plan and development program. This approval shall be in addition to the requirements of any other statute, ordinance or regulation.

*Subd. 2. [LOANS FOR ACQUISITION.] The council may make loans to counties, towns, and statutory and home rule charter cities within the metropolitan area for the purchase of property within the right-of-way of a state trunk highway shown on an official map adopted pursuant to section 394.361 or 462.359 or for the purchase of property within the proposed right-of-way of a principal or intermediate arterial highway designated by the council as a part of the metropolitan highway system plan and approved by the council pursuant to subdivision 1. The loans shall be made by the council, from the fund established pursuant to this subdivision, for purchases approved by the council. The loans shall bear no interest. The council shall make loans only to avert the imminent conversion or the granting of approvals which would allow the conversion of property to uses which would jeopardize its availability for highway construction. The council shall not make loans for the purchase of property at a price which exceeds the fair market value of the property or which includes the costs of relocating or moving persons or property. A private property owner may elect to receive the purchase price either in a lump sum or in not more than four annual installments without interest on the deferred installments. If the purchase agreement provides for installment payments, the council shall make the loan in installments corresponding to those in the purchase agreement. The recipient of an acquisition loan shall convey the property for the construction of the highway at the same price which the recipient paid for the property. Upon notification by the council that the plan to construct the highway has been abandoned or the anticipated location of the highway changed, the recipient shall sell the property at market value in accordance with the procedures required for the disposition of the property. All rents and other money received because of the recipient's ownership of the property and all proceeds from the conveyance or sale of the property shall be paid to the council. The proceeds of the tax authorized by subdivision 3, all money paid to the council by recipients of loans, and all interest on the proceeds and payments shall be maintained as a separate fund. For adminis-*



*tration of the loan program the council may expend from the fund each year an amount no greater than three percent of the amount that a metropolitan area tax levy of five one-hundredths of a mill would raise in that year.*

*Subd. 3. [TAX.] The council may levy a tax on all taxable property in the metropolitan area, as defined in section 473.121, to provide funds for loans made pursuant to subdivision 2. The tax shall be certified by the council, levied, and collected in the manner provided by section 473.08. The tax shall be in addition to that authorized by section 473.249 and any other law and shall not affect the amount or rate of taxes which may be levied by the council or any metropolitan agency or local governmental unit. The amount of the levy shall be as determined and certified by the council, except as otherwise provided in this subdivision. The tax shall not be levied at a rate higher than five one-hundredths of one mill. The tax shall not be levied at a rate higher than that determined by the council to be sufficient, considering the other anticipated revenues of and disbursements from the loan fund, to produce a balance in the loan fund at the end of the next calendar year equal to twice the amount that a tax levy of five one-hundredths of a mill would raise in that year.*

**Sec. 5. [APPROPRIATION; AMTRAK.]**

*\$200,000 is appropriated from the general fund to the commissioner of transportation to assist the Amtrak North Star Line. This appropriation is available until June 30, 1983. Receipts from gifts, grants, and other contributions from public and private sources for the North Star Line are also appropriated to the commissioner of transportation for that purpose for the period ending June 30, 1983.*

**Sec. 6. [EFFECTIVE DATE.]**

*Sections 1 and 5 are effective the day after final enactment. Section 4 is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."*

Delete the title and insert:

*"A bill for an act relating to transportation; changing eligibility for a state transportation program; providing for transportation information on official maps; providing conditions for purchase of land for transportation facilities; appropriating money for the Amtrak North Star Line; amending Minnesota Statutes 1980, Sections 394.22, Subdivision 12; 462.352, Subdivision 10; and 473.167; and Minnesota Statutes 1981 Supplement, Section 16.756, Subdivision 1a."*

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

Senate Conferees: GENE MERRIAM, CHARLES R. DAVIS and STEVE ENGLER.

House Conferees: GORDON O. VOSS, PAUL MCCARRON and WILLIAM SCHREIBER.

Voss moved that the report of the Conference Committee on S. F. No. 1621 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1621, A bill for an act relating to state government; removing the geographic limitation on state and public employees' eligibility for the state employee transportation program; amending Minnesota Statutes 1981 Supplement, Section 16.756, Subdivision 1a.

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 54 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Drew	Kalis	Novak	Sherman
Anderson, I.	Eken	Kelly	O'Connor	Sieben, M.
Battaglia	Elioff	Kostohryz	Ogren	Simoneau
Begich	Ellingson	Laidig	Osthoff	Skoglund
Berkelman	Evans	Lehto	Otis	Staten
Brandl	Forsythe	Long	Peterson, D.	Stumpf
Byrne	Greenfield	Mann	Pogemiller	Vellenga
Carlson, D.	Gustafson	Marsh	Reding	Voss
Carlson, L.	Hanson	McDonald	Rice	Welch
Clark, J.	Harens	Mehrkens	Rodriguez, C.	Wenzel
Clark, K.	Hauge	Munger	Rodriguez, F.	Wynia
Dahivang	Hokanson	Murphy	Sarna	Spkr. Sieben, H.
Dean	Jude	Nelson, K.	Schoenfeld	
	Kahn	Norton	Schreiber	

Those who voted in the negative were:

Aasness	Haukoos	Lemen	Onnen	Stowell
Ainley	Heap	Levi	Peterson, B.	Sviggum
Blatz	Heinitz	Ludeman	Piepho	Swanson
Dempsey	Himle	Luknic	Redalen	Tomlinson
Den Ouden	Hoberg	McCarron	Reif	Valan
Erickson	Hokr	McEachern	Rose	Valento
Esau	Jennings	Metzen	Rothenberg	Weaver
Ewald	Johnson, D.	Minne	Samuelson	Welker
Fjoslien	Kaley	Niehaus	Schafer	Wieser
Gruenes	Knickebocker	Nysether	Sherwood	Wigley
Halberg	Kvam	Olsen	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. 1706.

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. 1706

A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

March 13, 1982

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. 1706, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendments and that S. F. No. 1706 be further amended as follows:

Page 5, line 18 of the Wynia amendment, delete "5" and insert "11"

Page 5, line 20 of the Wynia amendment, after "*enactment.*" insert "*Sections 5 to 10 are effective March 1, 1983.*"

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

Senate Conferees: ERIC D. PETTY, DON FRANK and DENNIS FREDERICKSON.

House Conferees: ANN WYNIA, LEE GREENFIELD and DAVID B. GRUENES.

Wynia moved that the report of the Conference Committee on S. F. No. 1706 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1706, A bill for an act relating to insurance; authorizing separate accounts for certain pension plans; amending Minnesota Statutes 1981 Supplement, Section 61A.282, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapter 61A.

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 2 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
Battaglia	Forsythe	Kvam	Onnen	Stadum
Begich	Greenfield	Laidig	Otis	Staten
Berkelman	Gruenes	Lehto	Peterson, B.	Stowell
Blatz	Gustafson	Lemen	Peterson, D.	Stumpf
Brandl	Halberg	Long	Piepho	Sviggum
Brinkman	Hanson	Ludeman	Pogemiller	Swanson
Byrne	Harens	Luknic	Redalen	Tomlinson
Carlson, D.	Hauge	Mann	Reding	Valan
Carlson, L.	Haukoos	Marsh	Rees	Valento
Clark, J.	Heap	McCarron	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	Wenzel
Den Ouden	Jacobs	Murphy	Sarna	Wieser
Drew	Jennings	Nelsen, B.	Schafer	Wigley
Eken	Johnson, D.	Nelson, K.	Schoenfeld	Wynia
Elioff	Jude	Niehaus	Schreiber	Spkr. Sieben, H.
Ellingson	Kahn	Norton	Shea	

Those who voted in the negative were:

Rice                      Welker

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 1907.

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. 1907

A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

March 13, 1982

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. 1907, 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. 1907 be further amended as follows:

Page 2, line 21, after "*municipalities*" insert "*located within the metropolitan area, as defined in section 473.121, subdivision 2,*"

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

Senate Conferees: GENE MERRIAM, WILLIAM P. LUTHER and R. W. PETERSON.

House Conferees: JOEL JACOBS, JAMES P. METZEN and ELTON R. REDALEN.

Jacobs moved that the report of the Conference Committee on S. F. No. 1907 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1907, A bill for an act relating to real property; requiring certification by the municipality prior to transfer by the county auditor of certain unplatted properties; proposing new law coded in Minnesota Statutes, Chapter 272.

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	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
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	Pogemiller	Tomlinson
Byrne	Hauge	Mann	Redalen	Valan
Carlson, D.	Haukoos	Marsh	Reding	Vaiento
Carlson, L.	Heap	McCarron	Rees	Vanasek
Clark, J.	Heinitz	McDonald	Reif	Voss
Clark, K.	Himle	McEachern	Rice	Weaver
Clawson	Hoberg	Mehrchern	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, D.	Nelsen, B.	Schafer	Wynia
Eken	Jude	Nelson, K.	Schoenfeld	Spkr. Sieben, H.
Elioff	Kahn	Niehaus	Schreiber	
Ellingson	Kaley	Norton	Shea	
Erickson	Kalis	Novak	Sherman	

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. 1962.

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. 1962

A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; changing certain fee provisions; providing penalties; appropriating money; amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.08; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, Subdivision 1.

March 13, 1982

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. 1962, 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. 1962 be further amended as follows:

Page 12, after line 18, insert:

*"Subd. 3. [INSPECTION, SAMPLING.] The commissioner or his authorized agent shall sample, inspect, and grade grains received or distributed from grain warehouses at such time and place and to such an extent as he may deem necessary to determine whether sampling, inspection, and grading conducted by the warehouse operator conforms with the standards set by the board of grain standards. The commissioner may obtain any additional information he deems necessary and is authorized to enter upon any public or private premises during regular business hours in order to carry out the provisions of this subdivision."*

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

Senate Conferees: DENNIS FREDERICKSON, A. O. H. SETZEPFANDT and EARL W. RENNEKE.

House Conferees: GLEN H. ANDERSON, HENRY J. KALIS and DEAN E. JOHNSON.

Anderson, G., moved that the report of the Conference Committee on S. F. No. 1962 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1962, A bill for an act relating to agriculture; providing for the regulation of grain storage warehouse operators; changing certain fee provisions; providing penalties; appropriating money; amending Minnesota Statutes 1980, Section 236.02; Minnesota Statutes 1981 Supplement, Sections 231.16; and 233.08; proposing new law coded in Minnesota Statutes, Chapter 232; repealing Minnesota Statutes 1980, Sections 232.06, Subdivisions 2, 3, 4, 6 and 7; 232.07 to 232.19; Minnesota Statutes 1981 Supplement, Section 232.06, 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 101 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Ainley	Elioff	Knickerbocker	Olsen	Sieben, M.
Anderson, B.	Ellingson	Kostohryz	Onnen	Simoneau
Anderson, G.	Evans	Kvam	Osthoff	Skoglund
Anderson, I.	Ewald	Laidig	Otis	Stadum
Battaglia	Forsythe	Lehto	Peterson, D.	Staten
Begich	Greenfield	Levi	Pogemiller	Stowell
Berkelman	Gustafson	Long	Redalen	Stumpf
Blatz	Hauge	Ludeman	Reding	Sviggum
Brandl	Haukoos	Mann	Rees	Swanson
Brinkman	Heap	Marsh	Reif	Tomlinson
Byrne	Himle	McEachern	Rice	Valan
Carlson, D.	Hoberg	Mehrkens	Rodriguez, C.	Vanasek
Carlson, L.	Hokanson	Metzen	Rodriguez, F.	Vellenga
Clark, J.	Hokr	Minne	Rose	Weaver
Clark, K.	Jacobs	Munger	Rothenberg	Welch
Clawson	Jennings	Murphy	Samuelson	Wenzel
Dahlvang	Johnson, D.	Nelsen, B.	Sarna	Spkr. Sieben, H.
Dean	Jude	Nelson, K.	Schoenfeld	
Dempsey	Kaley	Nysether	Schreiber	
Den Ouden	Kalis	O'Connor	Shea	
Eken	Kelly	Ogren	Sherman	

Those who voted in the negative were:

Aasness	Halberg	McCarron	Piepho	Wigley
Drew	Hanson	McDonald	Schafer	Wynia
Erickson	Heinitz	Niehaus	Sherwood	
Esau	Kahn	Norton	Voss	
Fjoslien	Lemen	Novak	Welker	
Gruenes	Luknic	Peterson, B.	Wieser	

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. 2000.

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. 2000

A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

March 13, 1982

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. 2000, 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. 2000 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [CITY OF BROOKLYN CENTER; HOUSING INTEREST ASSISTANCE PROGRAM; FINDINGS AND PURPOSE.]

*The legislature of the state of Minnesota finds that preservation of the quality of life in a metropolitan city is dependent upon the maintenance, provision, and preservation of an adequate housing stock; that accomplishing this is a public purpose; that there are housing units in the city of Brooklyn Center that do not meet the applicable housing codes, some of which need to be destroyed, and some of which can be rehabilitated; that there are vacant lots upon which new housing units can be constructed; that a need exists to construct new housing on vacant lots and to replace housing which is destroyed; that a need exists for mortgage credit to be made available at reasonable interest rates for new construction; that many owners, would-be purchasers or providers of housing units are unable to afford mortgage credit at market rates of interest; and that subsidizing interest rates can be an effective means of achieving the above-stated purposes.*

Sec. 2. [AUTHORIZATION FOR HOUSING INTEREST BUY-DOWN PROGRAM.]

*Subdivision 1. The Brooklyn Center housing and redevelopment authority may develop and administer an interest buy-down program to assist with the financing of housing, located anywhere within the boundaries of the city of Brooklyn Center, for occupancy primarily by persons of low or moderate income to achieve the purposes set forth in section 1. In developing the program the authority shall consider:*

*(a) the availability and affordability of other governmental programs;*

*(b) the availability and affordability of private market financing;*

(c) *the need for more affordable mortgage credit to encourage the construction and enable the purchase of housing units within the city of Brooklyn Center.*

*Subd. 2. In establishing and operating a housing interest buy-down program the authority may use or pledge to use any revenue of the authority to:*

(a) *pay any of the interest due on loans made pursuant to Minnesota Statutes, Chapter 462C, to purchasers of housing units;*

(b) *pay any of the interest due on bonds issued pursuant to Minnesota Statutes, Chapter 462C, the proceeds of which are used primarily to provide loans to the purchasers of housing units; and*

(c) *pay any of the interest due on loans made by any person to the purchasers of housing units in the city of Brooklyn Center, but the purchaser must intend to occupy the housing unit as a principal place of residence at the time the loan is made.*

*Subd. 3. The authority shall promulgate regulations for the housing interest buy-down program.*

### Sec. 3. [LIMITATIONS.]

*Housing interest buy-down shall not be provided when the authority determines that financing for the purchase of a housing unit is otherwise available from private lenders upon terms and conditions which are affordable by the applicant, as provided by the authority in its regulations.*

*At least 80 percent of the aggregate dollar amount of funds appropriated by an authority within any calendar year to provide interest reduction assistance for financing of construction, rehabilitation or purchase of single family housing, as that term is defined in section 462C.02, subdivision 4, when the financing is provided pursuant to chapter 462C, shall be appropriated for housing units which are to be sold or occupied by families or individuals with an adjusted gross income which is equal to or less than 110 percent of median family income. At least 80 percent of the aggregate dollar amount of funds appropriated by an authority within any calendar year to provide interest reduction assistance for financing of construction, rehabilitation or purchase of single family housing as that term is defined in section 462C.02, when the financing is not provided pursuant to chapter 462C, shall be appropriated for housing units which are to be sold or occupied by families or individuals with an adjusted gross income which is equal to or less than 110 percent of median family income. For the purposes of this subdivision, "median family income" means the median family income established by the*

*United States department of housing and urban development for the non-metropolitan county or the standard metropolitan statistical area, as the case may be. The adjusted gross income may be adjusted by the authority for family size.*

**Sec. 4. [APPLICATION OF OTHER LAW.]**

*The city of Brooklyn Center may establish an interest buy-down program either under the provisions of sections 1 to 3 or the provisions of Minnesota Statutes, Chapter 462.*

**Sec. 5. 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 or other security guaranteeing the payment (OF NET RENTALS) when due (UNDER THE PROJECT LEASE) of principal of and interest on the bonds pursuant to chapters 462C, 474, or both chapters, or to accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds pursuant to (CHAPTER) chapters 462C, 474, or both chapters, which revenues in the reserve shall not exceed, subsequent to the fifth anniversary of the date of issue of the first bond issue secured by the reserve, an amount equal to 20 percent of the aggregate principal amount of the outstanding and nondefeased bonds secured by the reserve. These revenues shall not be used to circumvent existing levy limit law.

**Sec. 6. Minnesota Statutes 1980, Section 462.445 is amended by adding a subdivision to read:**

*Subd. 11a. [INTEREST REDUCTION PROGRAM, LIMITATIONS.] An authority may provide interest reduction assistance for a rental housing development which is located in a targeted area as defined in section 462C.02 without regard to the limitations imposed upon assisted housing units by subdivision 11.*

**Sec. 7. [BROOKLYN CENTER HOME ENERGY CONSERVATION PROGRAM.]**

*Subdivision 1. The city of Brooklyn Center may establish a home energy conservation improvement program to provide means for the city to aid all residents of the city to maintain their home energy requirements by reducing overall energy demand, thus tending to assure the continuance of essential public, industrial, and commercial activities. The expenditures of public funds authorized by this section are determined to be necessary governmental actions, particularly under present conditions of uncertain and limited energy supplies, increasing costs for gas and oil, and difficulty and delay in the increase of energy supplies from all sources due to environmental concerns.*

*Provisions for the operation and financing of the program shall be made by and pursuant to resolutions adopted by the city council. The powers granted by this section are supplemental, and the procedures authorized for exercising them are alternative to those provided in other law.*

*Subd. 2. "Residential energy conservation improvement" means the following devices, methods, and materials, if recommended by an approved energy audit and having a maximum cost of \$3,000, which increase the efficiency of residential use of energy:*

- (1) Insulation and ventilation;*
- (2) Storm or thermal doors or windows;*
- (3) Caulking and weatherstripping;*
- (4) Furnace efficiency modifications and replacements;*
- (5) Thermostat or lighting controls; and*
- (6) Systems to turn off or vary the delivery of energy.*

*The term "residential energy conservation improvement" does not include any device or method which creates, converts, or actively uses energy from renewable sources such as solar, wind, or biomass.*

*Subd. 3. To provide for home energy conservation improvements, when requested by the owner of a one to four unit residential building, the city may develop a program which allows:*

*(a) The city to negotiate and contract with contractors to perform work or furnish materials or both, for one or more projects, in accordance with schedules coordinated and approved by the city;*

*(b) The homeowner, subject to the approval of the city, to negotiate and contract with contractors to perform work or*

*furnish materials or both, for one or more projects, in accordance with schedules coordinated and approved by the city; or*

*(c) The city to contract with a homeowner for labor or materials or both, provided that in such cases the city may inspect the work performed and shall not pay the homeowner for his labor.*

*Subd. 4. [PAYMENTS.] (a) The city may contract with each homeowner for payment of the cost in cash upon completion of the project, with payment secured by deposit in advance of an amount equal to at least 90 percent of the contract price, or by a written commitment by a bank or other approved financial institution to loan the full amount of the contract price to the homeowner. The homeowner, the financial institution and the city, may agree to any convenient method of repayment.*

*(b) The city may accept payment by a promissory note in a principal amount equal to the contract price, repayable in equal periodic installments, including both principal and interest on the declining principal balance. Provisions may be agreed upon to permit or restrict repayment.*

*(c) The city may specially assess the benefited property in the manner provided in Minnesota Statutes, Chapter 429.*

*Debts for improvements are a first and prior lien on the property improved as provided in Minnesota Statutes, Section 514.67. If not paid when due they shall be entered upon the tax rolls and collected with and as a part of the taxes on the property, with the same interest and penalties.*

*Subd. 5. In addition to revenue obtained pursuant to any other law, the city may sell revenue bonds on or obligations pursuant to Minnesota Statutes, Chapter 462C to finance the home energy conservation improvement program authorized by this section.*

*Subd. 6. This section is effective upon approval by the governing body of the city of Brooklyn Center and upon compliance with Minnesota Statutes, Section 645.021, Subdivision 3.*

*Sec. 8. Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended by Laws 1980, Chapter 573, Section 4, is amended to read:*

#### *Sec. 4. [DUTIES OF THE PERSONNEL BOARD.]*

*Subdivision 1. [BOARD PROCEEDINGS.] When any member of the board is not present at the time a matter is submitted to the board such matter shall be deemed submitted to each member of the board with like effect as though each*

member of the board had been present at the time of submission of such matter. Whenever during the consideration of a matter which is before the board, there is a change in the personnel of the board, the matter shall be deemed submitted to the new member, or members, as though said new member, or members, had been a member of the board at the time of the submission of the matter.

No meetings of the board shall be held unless at least (THREE) *four* members are present. A majority vote of all members shall constitute the decision of the board. The board shall keep records and minutes of its business and official actions which shall be open to public inspection subject to such reasonable rules as to time and place of inspection as the board may establish.

Sec. 9. Laws 1965, Chapter 855, Section 7, Subdivision 3, as amended by Laws 1980, Chapter 573, Section 7, is amended to read:

Subd. 3. [UNCLASSIFIED SERVICE, COMPENSATION.] The director shall establish a compensation plan in accordance with section 6, clause (e) for those employees in the unclassified service identified in subdivision 2, clauses (c), (d), (f), (h), (i), (j), (k), (l), (m), (n), (o), (r) and (s).

Sec. 10. Laws 1965, Chapter 855, Section 7, Subdivision 4, as amended by Laws 1980, Chapter 573, Section 7, is amended to read:

Subd. 4. [UNCLASSIFIED SERVICE, TENURE, BENEFITS.] The positions in the unclassified service enumerated in subdivision 2, clauses (c), (d), (h), (i), (j), (k), (l), (m), (n), (o), (q), (r) and (s) shall not have permanent tenure but shall have all other benefits provided for in this act. The term of office of any position established by another statute shall be as provided in it.

Sec. 11. Laws 1979, Chapter 55, Section 1, is amended to read:

Section 1. [COUNTY BOARD; SELF INSURANCE.]

Notwithstanding any contrary provision of other law, the board of commissioners of Hennepin county may insure the county against any claim of liability or loss using funds of the county, without procuring insurance from any private insurance company when the county board considers it to be in the best interests of the county. This provision shall not be construed as an increase of the liability limitations or as a waiver of defenses allowable in any action pursuant to Minnesota Statutes, Chapter 466. The board may transfer amounts of money from funds of the county to the funds the county may establish for the

above purposes in accord with generally accepted accounting principles. The term "liability" shall extend to all liability or loss that may be covered by any form of insurance, including but not limited to malpractice, general liability, or workers' compensation. (THIS ACT SHALL NOT AUTHORIZE SELF INSURANCE AGAINST RISKS AS DEFINED IN MINNESOTA STATUTES, SECTION 60A.06, SUBDIVISION 1, CLAUSES (4) AND (5)(A).) *Minnesota Statutes, Section 471.617 applies to Hennepin County.*

Sec. 12. Laws 1979, Chapter 198, Article II, Section 7, Subdivision 1, is amended to read:

Sec. 7. [CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [TAX ANTICIPATION CERTIFICATES.]  
At any time after the first day of the year following the making of an annual tax levy, the county board may, by resolution and without public referendum, issue certificates of indebtedness in anticipation of the collection of taxes levied for any fund and not yet collected. The total of all certificates issued against any fund for any year with interest thereon until maturity, together with all orders outstanding against the fund, shall not exceed the total current taxes for the fund uncollected at the time of issuance plus the cash currently in the fund. If certificates are issued against the anticipated tax levy for any fund, any unpaid orders outstanding against the fund shall be redeemed from the proceeds of the certificates. All tax anticipation certificates shall be negotiable and shall be payable to the order of the payee and shall have a definite due date but may be payable on or before that date. No certificate shall be issued to become due and payable later than the first day of April of the year following the year of issuance. Certificates shall be sold for not less than par and accrued interest and shall bear interest at a rate (NOT TO EXCEED SEVEN PERCENT PER ANNUM) *that conforms to Minnesota Statutes, Section 475.55*, payable at maturity or at such earlier times as the board may determine. Each certificate shall state upon its face the fund for which the proceeds of the certificate shall be used, the total amount of the certificates so issued against the fund and the total amount embraced in the tax levy for that fund. They shall otherwise be issued on terms and conditions as the board may determine. The proceeds of the taxes assessed on account of the fund against which tax anticipation certificates are issued and the full faith and credit of the county shall be irrevocably pledged for the redemption of the certificate in the order of issuance against the fund.

Sec. 13. Laws 1979, Chapter 198, Article II, Section 7, Subdivision 2, is amended to read:

Subd. 2. [EQUIPMENT ACQUISITION; CAPITAL NOTES.] The board may, by resolution and without public

referendum, issue (CERTIFICATES OF INDEBTEDNESS) *capital notes* within existing debt limits for the purpose of purchasing ambulance and other medical equipment, road construction or maintenance equipment, public safety equipment and other capital equipment having an expected useful life at least equal to the term of the (CERTIFICATES) *notes* issued. The (CERTIFICATES) *notes* shall be payable in not more than five years and shall be issued on terms and in a manner as the board determines. The total principal amount of the (CERTIFICATES OF INDEBTEDNESS) *notes* issued for any fiscal year shall not exceed one percent of the total annual budget for that year and shall be issued solely for the purchases authorized in this subdivision. A tax levy shall be made for the payment of the principal and interest on such (CERTIFICATES) *notes* as in the case of bonds.

#### Sec. 14. [COMMISSIONERS COMPENSATION.]

*No per diem payment shall be allowed county board members for service on the county board or any other county body. County board members shall pay for parking in county owned parking facilities where payment is required. County board members may be allowed mileage for use of their personal automobile at a rate per mile.*

*The Hennepin county board may set the salary of board members by resolution limited to that subject. Adjustments in commissioners' salaries shall be adopted by the county board by resolution prior to a general election to take effect January 1 of the succeeding year.*

#### Sec. 15. [REGIONAL RECREATIONAL OPEN SPACE.]

*The housing outparcel on Nicollet Island referred to by Laws 1981, Chapter 304, Section 2, is more particularly described as follows:*

*A parcel bounded on the north by Hennepin Avenue, on the south by Merriam Street, on the west by Wilder Street, and on the east by East Island Avenue, as said streets are presently located;*

*Together with a parcel bounded on the north by the Burlington Northern Railroad right-of-way, on the south by Hennepin Avenue, on the east by East Island Avenue, and on the west by West Island Avenue;*

*Together with a parcel bounded on the north by Maple Place, on the south by the Burlington Northern Railroad right-of-way, on the east by Nicollet Street, and on the west by West Island Avenue;*



*Together with lots 7, 8, and 9, and the west 60 feet of lot 10, block 1, Nicollet Island;*

*Together with lots 6 and 7, and lots 10 to 16, inclusive, block 3, Nicollet Island.*

Sec. 16. [EFFECTIVE DATE.]

*Sections 1 to 4 are effective the day after compliance by the governing body of the city of Brooklyn Center with Minnesota Statutes, Section 645.021, Subdivision 3. Sections 5 and 6 are effective the day following final enactment. Sections 8 to 14 are effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the Hennepin County board. Section 15 is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington the day after final enactment."*

Delete the title and insert:

"A bill for an act relating to local government; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program; providing security for housing and redevelopment bonds; permitting housing and redevelopment authorities to provide interest rate reduction assistance; allowing the city of Brooklyn Center certain housing related powers; regulating the debt, personnel, insurance and compensation powers of Hennepin county; describing land to be acquired for open space purposes; amending Minnesota Statutes 1980, Sections 462.445, by adding a subdivision; 273.75, Subdivision 4; Laws 1965, Chapter 855, Section 4, Subdivision 1, as amended, and Section 7, Subdivisions 3, as amended, and 4, as amended; Laws 1979, Chapter 55, Section 1; and Laws 1979, Chapter 198, Article II, Section 7, Subdivisions 1 and 2."

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

Senate Conferees: WILLIAM P. LUTHER, RANDOLPH W. PETERSON, and STEVE ENGLER.

House Conferees: ROBERT L. ELLINGSON, JOEL JACOBS and WILLIAM SCHREIBER.

Ellingson moved that the report of the Conference Committee on S. F. No. 2000 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 2000, A bill for an act relating to the city of Brooklyn Center; authorizing the Brooklyn Center housing and redevelopment authority to carry out a housing interest buy-down program.

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 18 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Knickerbocker	Olsen	Skoglund
Anderson, G.	Ewald	Kostohryz	Onnen	Stadum
Anderson, I.	Fjoslien	Laidig	Otis	Staten
Battaglia	Greenfield	Lehto	Peterson, B.	Stowell
Begich	Gruenes	Lemen	Peterson, D.	Stumpf
Berkelman	Gustafson	Levi	Piepho	Swanson
Blatz	Halberg	Long	Pogemiller	Tomlinson
Brandl	Hanson	Luknic	Redalen	Valan
Brinkman	Hauge	Mann	Reding	Valento
Byrne	Heap	Marsh	Rees	Vanasek
Carlson, D.	Heinitz	McEachern	Reif	Vellenga
Carlson, L.	Himle	Mehrkens	Rodriguez, C.	Voss
Clark, J.	Hoberg	Metzen	Rodriguez, F.	Welch
Clark, K.	Hokanson	Minne	Rothenberg	Wenzel
Clawson	Jacobs	Munger	Samuelson	Wieser
Dahlvang	Johnson, D.	Murphy	Sarna	Wigley
Dean	Jude	Nelson, K.	Schoenfeld	Wynia
Drew	Kahn	Norton	Schreiber	Spkr. Sieben, H.
Eken	Kaley	Novak	Sherman	
Elioff	Kalis	O'Connor	Sieben, M.	
Ellingson	Kelly	Ogren	Simoneau	

Those who voted in the negative were:

Aasness	Erickson	Kvam	Nelsen, B.	Swiggum
Ainley	Esau	Ludeman	Niehaus	Welker
Dempsey	Haukoos	McCarron	Schafer	
Den Ouden	Jennings	McDonald	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. 1025, A bill for an act relating to safety; imposing an additional fee for two-wheeled vehicle endorsements for motorcycle safety programs; providing for the disposition of the proceeds of the additional fee; prescribing duties of commissioner of public safety; establishing an account; appropriating money; amending Minnesota Statutes 1981 Supplement, Section 171.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 126.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Marsh moved that the House concur in the Senate amendments to H. F. No. 1025 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1025, A bill for an act relating to safety; imposing an additional fee for two-wheeled vehicle endorsements for motorcycle safety programs; providing for the disposition of the proceeds of the additional fee; exempting from the motor vehicle excise tax certain purchasers of motorized bicycles for resale; prescribing duties of the commissioners of public safety and education; establishing a fund; appropriating money; amending Minnesota Statutes 1980, Sections 171.06, by adding a subdivision; 297B.035, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 126.

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 13 nays as follows:

## Those who voted in the affirmative were:

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

## Those who voted in the negative were:

Ainley	Esau	McCarron	Schafer	Welker
Anderson, G.	Kahn	McDonald	Shea	
Erickson	Ludeman	Nelsen, B.	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:

S. F. No. 1964.

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. 1964

A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; amending Minnesota Statutes 1980, Section 299D.03, Subdivision 2; repealing Minnesota Statutes 1980, Sections 299C.041; and 299D.03, Subdivision 3.

March 14, 1982

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. 1964, 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. 1964 be further amended as follows:

Delete everything after the enacting clause and insert:

**"Section 1. [486.055] [COURT REPORTER TRANSCRIPT FEE CHARGES; REPORTING REQUIREMENTS.]**

*Subdivision 1. [REPORTING REQUIREMENTS.] Each court reporter who charges a fee for the preparation of transcripts shall by April 15 of each year file with the district administrator of his judicial district and the county commissioners of the district an accounting of gross receipts and net income from these receipts for the prior calendar year. The accounting report shall specify the amount received in payment for the sale of transcripts.*

Sec. 2. Minnesota Statutes 1980, Section 179.66, Subdivision 7, is amended to read:

Subd. 7. The employer shall not meet and negotiate or meet and confer with any employee or group of employees who are at the time designated as a member or part of an appropriate employee unit except through the exclusive representative if one is certified for that unit or as provided for in section 179.69, subdivision 1, *provided that this subdivision shall not be deemed to prevent the communication to the employer, other than through the exclusive representative, of advice or recommendations by professional employees, when such communication is a part of the employee's work assignment.*

Sec. 3. Minnesota Statutes 1980, Section 179.72, Subdivision 7, is amended to read:

Subd. 7. The arbitration panel or arbitrator selected by the parties shall resolve the issues in dispute between the parties as submitted by the board, and the panel's decision and order shall be final and binding upon the parties. *The panel shall be restricted, if the parties agree in writing to so limit the panel's jurisdiction, except as provided by subdivision 7b to selecting between the final offers on each impasse item submitted by the parties to the panel, or the final offer of one or the other party in its entirety.* Provided, however, that no decision of the panel which violates any provision of the laws of Minnesota or rules or regulations promulgated thereunder or municipal charters or ordinances or resolutions enacted pursuant thereto, or which causes a penalty to be incurred thereunder, shall have any force or effect. In considering a dispute and issuing its order the panel shall give due consideration to the statutory rights and obligations of public employers to efficiently manage and conduct its operations within the legal limitations surrounding the financing of such operations. The panel's orders shall be issued by a majority vote of its members considering a given dispute. The panel shall have no jurisdiction over nor authority to entertain any matter or issue not within the definition stated in section 179.63, subdivision 18; provided, however, items not within terms and conditions of employment may be included in an arbitration decision if such items are contained in the employer's final position. Any issue or order or part thereof issued by the panel determining any matter not included under section 179.63, subdivision 18 or the employer's final position shall be void and of no effect. The panel shall render its decision within ten days from the date that all arbitration proceedings have been concluded, but in any event must issue its order by the last date the employer is required by statute, charter, ordinance or resolution to submit its tax levy or budget or certify its taxes voted to the appropriate public officer, agency, public body or office, or by November 1, whichever date is earlier. The panel's order shall be for such period as the panel shall direct, except that orders determining con-

tracts for teacher units shall be effective to the end of the contract period as determined by section 179.70, subdivision 1.

Sec. 4. Minnesota Statutes 1980, Section 179.72, Subdivision 7b is amended to read:

Subd. 7b. Notwithstanding the provisions of subdivision 7, for (ESSENTIAL EMPLOYEES,) supervisory employees, confidential employees, and principals and assistant principals who are not employees of the executive branch of the state of Minnesota, the panel shall be restricted to selecting between the final offers on each impasse item submitted by the parties to the panel.

Sec. 5. Minnesota Statutes 1980, Section 299D.03, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the highway patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants, or supervisors.

(3) (COMMENCING JULY 4, 1979, THE SALARIES FOR ALL MEMBERS OF THE HIGHWAY PATROL, EXCEPT FOR THE CHIEF SUPERVISOR AND THE LIEUTENANT COLONEL SHALL BE AS SHOWN IN THE FOLLOWING TABLE:

TOTAL YEARS OF SERVICE					
BASE SALARY	6 MONTHS	1 YEAR	2 YEARS	3 YEARS	
TROOPER	\$1186	1229	1327	1377	1439
	4 THRU 6 YEARS	7 THRU 11 YEARS	12 THRU 20 YEARS	AFTER 20 YEARS	
TROOPER	\$1511	1566	1625	1687	

## TROOPER I

5 THRU 11 YEARS	12 THRU 20 YEARS	AFTER 20 YEARS
\$1566	1625	1687

## CORPORAL

10 THRU 20 YEARS	AFTER 20 YEARS
\$1650	1712

## STAFF SERGEANT

## YEARS

7	8	9	10	11	12 THRU 20	AFTER 20
\$1656	1687	1719	1753	1786	1817	1880

## TIME IN RANK

## CAPTAIN

BASE SALARY	1 YEAR	2 YEARS	AFTER 12 YEARS TOTAL SERVICE	AFTER 20 YEARS TOTAL SERVICE
\$1959	2020	2083	2143	2202

## MAJOR

2239	2301	2363	2425)
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(COMMENCING JULY 2, 1980, THE SALARIES FOR ALL MEMBERS OF THE HIGHWAY PATROL, EXCEPT FOR THE CHIEF SUPERVISOR AND THE LIEUTENANT COLONEL SHALL BE AS SHOWN IN THE FOLLOWING TABLE:

## TOTAL YEARS OF SERVICE

## TROOPER

BASE SALARY	6 MONTHS	1 YEAR	2 YEARS	3 YEARS
\$1257	1303	1407	1460	1525

## TROOPER

4 THRU 6 YEARS	7 THRU 11 YEARS	12 THRU 20 YEARS	AFTER 20 YEARS
\$1602	1660	1723	1788

TROOPER I

5 THRU 11 YEARS	12 THRU 20 YEARS	AFTER 20 YEARS
\$1660	1723	1788

CORPORAL

10 THRU 20 YEARS	AFTER 20 YEARS
\$1749	1815

STAFF SERGEANT

YEARS

7	8	9	10	11	12 THRU 20	AFTER 20
\$1755	1788	1822	1858	1893	1926	1993

TIME IN RANK

CAPTAIN

BASE SALARY	1 YEAR	2 YEARS	AFTER 12 YEARS TOTAL SERVICE	AFTER 20 YEARS TOTAL SERVICE
\$2077	2141	2208	2272	2334

MAJOR

\$2373	2439	2505	2571)
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(EMPLOYEES DESIGNATED AS STATION SERGEANTS SHALL RECEIVE AN ADDITIONAL THREE PERCENT ABOVE THE CURRENT RATE ROUNDED TO THE NEAREST DOLLAR FOR THE DURATION OF THE APPOINTMENT. EMPLOYEES PERMANENTLY ASSIGNED EXCLUSIVELY TO TWIN CITY METROPOLITAN FREEWAY DUTY SHALL BE DESIGNATED FREEWAY TROOPERS AND SHALL BE COMPENSATED \$25 PER MONTH ABOVE THE CURRENT SALARY WHEN SO ASSIGNED. SALARY INCREASES IN ACCORDANCE WITH THE ABOVE SCHEDULE SHALL BECOME EFFECTIVE FOR THE PAYROLL PERIOD NEAREST THE EMPLOYEE'S ANNIVERSARY DATE OF EMPLOYMENT.)

((4) UPON PROMOTION, THE PERSON WILL BE PAID AT THE BASE SALARY RATE OF PAY IN EFFECT FOR THAT RANK, AND SHALL SUBSEQUENTLY BE ELIGIBLE FOR THE TIME IN RANK INCREASES CALCULATED FROM THE EFFECTIVE DATE OF PROMOTION.)



(5) ANY TIME IN RANK INCREASES IN SALARY PROVIDED FOR IN THE TABLES IN CLAUSE (3), SHALL BE EFFECTIVE FOR THE PAYROLL PERIOD NEAREST THE EMPLOYEE'S ANNIVERSARY DATE OF EMPLOYMENT.)

The salary rates for all highway patrol troopers, corporals and sergeants (AS CITED IN CLAUSE (3)) shall be deemed to include reimbursement for shift differential, meal and business expenses incurred by highway patrol troopers, corporals and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Sec. 6. Laws 1979, Chapter 332, Article I, Section 116, as amended by Laws 1980, Chapter 617, Section 44, is amended to read:

Sec. 116. [EFFECTIVE DATE.]

The effective dates for Article I are as follows: sections 2, 4, 8, 40, 45, 46, 47, 58, 61, 65, 82-91, and 113 are effective upon final enactment. Section 64, is effective June 30, 1980. Sections 3, 5, 6 and 7 are effective July 1, 1981. The remaining provisions of Article I are effective July 1, 1979. The provisions of section 47 shall apply to all disciplinary actions taken on or after the effective date of section 47. The provisions of section 63 shall expire on July 1, 1981, but shall apply to all arbitration proceedings which are to determine contractual provisions for the 1981-1983 biennium. The provisions of section 64 shall expire on July 1, (1981) 1983, but shall apply to all arbitration proceedings which are to determine contractual provisions for the next contract period. The provisions of sections 93 to 111 and 113 shall expire on July 1, 1981. The provisions of section 137.02, subdivision 4, shall not apply to sections 93 to 111.

Sec. 7. [RATIFICATION; STATE OF MINNESOTA.]

*Subdivision 1. The labor agreement between the state of Minnesota and the bureau of criminal apprehension agents' association, Minnesota conservation officers' association and Minnesota state patrol officers' association, approved by the legislative commission on employee relations on August 18, 1981, is hereby ratified.*

*Subd. 2. The labor agreement between the state of Minnesota and the American federation of state, county and municipal employees, council 6, approved by the legislative commission on employee relations on August 19, 1981, is hereby ratified.*

*Subd. 3. The labor agreement between the state of Minnesota and the Minnesota nurses association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 4. The labor agreement between the state of Minnesota and the interfaculty organization, Minnesota education association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 5. The labor agreement between the state of Minnesota and the Minnesota community college faculty association, Minnesota education association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 6. The labor agreement between the state of Minnesota and the Minnesota state university association of administrative and service faculty, international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 7. The arbitration award and the resulting labor agreement between the state of Minnesota and the Minnesota government engineers' council, approved by the legislative commission on employee relations on March 1, 1982, are hereby ratified.*

*Subd. 8. The labor agreement between the state of Minnesota and the association of health treatment professionals, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 9. The labor agreement between the state of Minnesota and the Minnesota association of professional employees, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 10. The labor agreement between the state of Minnesota and the state residential schools education association, approved by the legislative commission on employee relations on January 26, 1982, is hereby ratified.*

*Subd. 11. The labor agreement between the state of Minnesota and the middle management association, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

*Subd. 12. The commissioner of employee relations' plan for certain unrepresented state employees, approved by the legislative commission on employee relations on November 19, 1981, is hereby ratified.*

Sec. 8. [RATIFICATION; UNIVERSITY OF MINNESOTA.]

*Subdivision 1. The salary supplements provided in the labor agreement between the regents of the University of Minnesota and the international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on September 3, 1981, are hereby ratified.*

*Subd. 2. The salary supplements provided in the labor agreement between the regents of the University of Minnesota and the international brotherhood of teamsters, local 320, approved by the legislative commission on employee relations on November 19, 1981, are hereby ratified.*

*Subd. 3. The salary supplements provided in the labor agreement between the regents of the University of Minnesota and the American federation of state, county and municipal employees, council 6, and local 1164, American federation of labor-congress of industrial organizations, approved by the legislative commission on employee relations on September 29, 1981, are hereby ratified.*

*Subd. 4. The salary supplements provided in the University of Minnesota regents' compensation plan for unrepresented nursing professional, noninstructional (nonacademic appointment) professional and supervisory employees, approved by the legislative commission on employee relations on January 12, 1982, are hereby ratified.*

*Subd. 5. The salary supplements provided in the University of Minnesota regents' compensation plan for unrepresented clerical and office, technical, managerial and confidential employees, approved by the legislative commission on employee relations on November 19, 1981, are hereby ratified.*

*Subd. 6. The salary supplements provided in the University of Minnesota regents' compensation plan for unrepresented twin cities and outstate instructional, graduate assistant and noninstructional (academic appointment) professional employees, approved by the legislative commission on employee relations on January 12, 1982, are hereby ratified.*

Sec. 9. [INTERIM APPROVAL.]

*After adjournment of the 1982 session of the legislature, the legislative commission on employee relations may give interim approval to a negotiated agreement, arbitration award, salary supplement, or compensation plan submitted to it in accordance with other law. The legislative commission on employee relations shall submit the agreement, award, salary supplement, or plan to the entire legislature for ratification in the same manner and*

*with the same effect as provided in section 179.74, subdivision 5.*

**Sec. 10. [SALARY OF EXECUTIVE SECRETARY; HIGHER EDUCATION COORDINATING BOARD.]**

*Notwithstanding any other law to the contrary, the higher education coordinating board may establish the salary of its executive director.*

**Sec. 11. [COURT REPORTERS.]**

*The departmental and classification seniority of an individual who was employed as a court reporter in state service prior to his appointment as a court reporter in the office of administrative hearings pursuant to Laws 1975, Chapter 380, Section 16, shall carry forward and be credited to his employment with the office of administrative hearings.*

**Sec. 12. [REVIEW OF EXECUTIVE POSITIONS.]**

*The legislative commission on employee relations is directed to review the executive positions contained in section 15A.081, those that have been removed through legislative action, and those that have never been included. This review shall consider managerial and programmatic responsibilities and authority, the skill and effort required by each position, and compensation accorded. The commission may utilize the findings of the 1980 governor's task force on executive and judicial compensation. The commission shall report back to the legislature by February 15, 1983, its recommendations relative to appropriate inclusion in section 15A.081 and equitable compensation for comparable executive positions.*

**Sec. 13. [REPEALER.]**

*Minnesota Statutes 1980, Sections 299C.041 and 299D.03, Subdivision 3, are repealed.*

**Sec. 14. [REPEALER.]**

*Minnesota Statutes 1980, Section 179.72, Subdivision 7a is repealed.*

**Sec. 15. [EFFECTIVE DATE.]**

*Section 14 is effective July 1, 1982. The remaining sections are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; clarifying meet and confer status for professional employees; extending final offer arbitration to certain public employee impasses under PELRA; removing it for others except on a voluntary basis; amending Minnesota Statutes 1980, Sections 179.66, Subdivision 7; 179.72, Subdivisions 7 and 7b; 299D.03, Subdivision 2; Laws 1979, Chapter 332, Article I, Section 116, as amended; proposing new law coded in Minnesota Statutes, Chapter 486; repealing Minnesota Statutes 1980, Sections 179.72, Subdivision 7a; 299C.041; and 299D.03, Subdivision 3."

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

Senate Conferees: FRANKLIN J. KNOLL, ALLAN H. SPEAR, GEORGE S. PILLSBURY, DONALD M. MOE and TOM A. NELSON.

House Conferees: WAYNE A. SIMONEAU, MICHAEL R. SIEBEN, CHARLES C. HALBERG and FRED C. NORTON.

Simoneau moved that the report of the Conference Committee on S. F. No. 1964 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1964, A bill for an act relating to state government; ratifying state employee and University of Minnesota labor agreements and compensation plans; amending Minnesota Statutes 1980, Section 299D.03, Subdivision 2; repealing Minnesota Statutes 1980, Sections 299C.041; and 299D.03, 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 75 yeas and 53 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Hanson	Knickerbocker	Nysether	Sherwood
Ainley	Hauge	Kvam	Onnen	Stadum
Brinkman	Haukoos	Lemen	Peterson, B.	Stowell
Dean	Heap	Levi	Piepho	Valan
Dempsey	Heinitz	Ludeman	Redalen	Valento
Den Ouden	Himle	Mann	Rees	Weaver
Drew	Hoberg	McDonald	Reif	Welker
Erickson	Hokr	McEachern	Rothenberg	Wieser
Esau	Jennings	Mehrkens	Schafer	Wigley
Ewald	Jude	Nelsen, B.	Schreiber	
Forsythe	Kaley	Niehaus	Sherman	

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. 1948.

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. 1948

A bill for an act relating to the Hennepin County park reserve district and the city of Anoka; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.

March 13, 1982

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. 1948, 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. 1948 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [HENNEPIN PARKS; DAMS.]

*Subdivision 1. Subject to the provisions of this act the Hennepin county park reserve district may develop and maintain a hydroelectric generation and transmission facility and use or distribute the power generated by the facility in connection with any dam owned by the district. In all cases, the foregoing authority shall be exercised only with another local government unit.*

*Subd. 2. Notwithstanding subdivision 1, in connection with the park property known as the Coon Rapids dam regional park and the Coon Rapids dam which is a part of it, the district may exercise the authority granted in section 1, subdivision 1, but it may do so only jointly with the city of Anoka pursuant to Minnesota Statutes, Section 471.59, pursuant to an agreement by the parties under section 471.59 adopted prior to June 7, 1982.*

*Subd. 3. The agreement shall be limited to the principles stated in this section and in sections 2 and 3 and its effectiveness shall be contingent upon an affirmative determination in the proceedings described in section 2. The agreement shall provide that it shall be amended from time to time in order to interpret and apply these principles, by consent of the parties, or if agreement is not reached, pursuant to section 3, subdivision 4.*

## Sec. 2. [FEDERAL ORDER.]

*Anoka and the district shall jointly apply to the Federal Energy Regulatory Commission for a declaratory order stating that the parties may amend their competing applications as now on file for a hydroelectric preliminary permit so that: (a) the applications may be deemed as a single, joint application for the permit pursuant to the terms of this act; (b) the single, joint application shall retain the same effective filing date as the application of the first of the parties to have filed; (c) the single, joint application and operation of the project pursuant to the terms of section 3 shall be deemed the application of a municipality as provided in section 3(7) of the Federal Power Act and be entitled to the preference provided for in that act; and (d) if Anoka does not exercise its option under section 3, subdivision 3 the permit shall be deemed exclusively the permit of the district and such local government unit as may join with the district.*

## Sec. 3. [AGREEMENT WITH ANOKA.]

*Subdivision 1. The agreement of Anoka and the district under Minnesota Statutes, Section 471.59, shall include the principles set forth in this section and be incorporated in full in the application of the parties to the Federal Energy Regulatory Commission made pursuant to section 2.*

*Subd. 2. The parties shall both seek the fulfillment of the following coequal goals: (a) the development of the hydroelec-*

*tric facilities to maximize the use of the public waters in the production of energy; and (b) the preservation and protection of the park as a major regional open space recreational area maximizing the integrity of and the existing public recreational uses of the park, and, to the extent feasible, limiting the exclusive dedication of any park property and facilities to electric generation and distribution purposes.*

*Subd. 3. The district shall jointly with Anoka contract in a timely manner for a feasibility study on the hydropower potential of the dam. Following completion of the feasibility study, the district shall grant to Anoka the first option for rights in and to the property of the park as may be required to allow Anoka to develop the generating, transmission and distribution facilities of the hydroelectric project, to finance its development, to operate and maintain the facilities and utilize or distribute the energy produced by the facilities, all for a term not to exceed 50 years and subject to renewal provisions as the parties may agree. In consideration of the foregoing, Anoka shall pay to the district an annual fee which shall provide to the district reasonable compensation for the fair value of the rights in and to the property which are contributed by the district for hydroelectric generating or distributing facilities for the full term of the agreement. If Anoka does not declare its intention to exercise its option within 90 days of the completion of the feasibility study, the district may grant such rights to any other local government unit.*

*Subd. 4. If the parties are unable to agree upon the interpretation or application of the foregoing or any terms of the agreement, they shall submit to arbitration as provided by law and the rules of the American Arbitration Association, except that the arbitrator or arbitration panel shall be composed of the persons appointed in the manner provided by this subdivision and shall handle any and all matters relating to the agreement in a timely and on-going basis. If the parties agree, one person may serve as the arbitrator. If not, a panel of three arbitrators shall be utilized. Anoka shall appoint a person experienced in public utility management or the development of hydroelectric generating projects, or both. The district shall appoint a person experienced in public park management, and those persons shall appoint the third member of the panel.*

#### **Sec. 4. [EFFECTIVE DATE.]**

*The provisions of this act shall be effective the day after compliance with Minnesota Statutes, Section 645.021, Subdivision 3, by the governing body of the Hennepin county park reserve district and the council of the city of Anoka. If compliance with section 645.021, subdivision 3, has not occurred before May 7, 1982, this act is void."*

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



Senate Conferees: WILLIAM P. LUTHER, GENE MERRIAM and RANDOLPH W. PETERSON.

House Conferees: ROBERT L. ELLINGSON, TAD JUDE and JOHN E. BRANDL.

Ellingson moved that the report of the Conference Committee on S. F. No. 1948 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

S. F. No. 1948, A bill for an act relating to the Hennepin County park reserve district and the city of Anoka; authorizing the district to participate in hydroelectric power generation with other local government units under certain conditions.

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

The question was taken on the repassage of the bill and the roll was called. There were 104 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kalis	O'Connor	Sherwood
Anderson, B.	Evans	Kelly	Ogren	Sieben, M.
Anderson, G.	Ewald	Knickerbocker	Olsen	Simoneau
Anderson, I.	Fjoslien	Kostohryz	Onnen	Skoglund
Battaglia	Forsythe	Kvam	Otis	Stadum
Begich	Greenfield	Laidig	Peterson, B.	Staten
Berkelman	Gruenes	Lehto	Peterson, D.	Stowell
Blatz	Gustafson	Lemen	Piepho	Stumpf
Brandl	Halberg	Levi	Pogemiller	Sviggum
Brinkman	Hanson	Long	Redalen	Swanson
Byrne	Harens	Luknic	Reding	Tomlinson
Carlson, D.	Hauge	Mann	Rees	Valento
Carlson, L.	Haukoos	Marsh	Rice	Vanasek
Clark, J.	Heap	Minne	Rodriguez, C.	Vellenga
Clawson	Heinitz	Munger	Rodriguez, F.	Voss
Dahlvang	Himle	Murphy	Rothenberg	Weaver
Dean	Hoberg	Nelsen, B.	Samuelson	Welch
Drew	Hokanson	Nelson, K.	Sarna	Wenzel
Eken	Jacobs	Niehaus	Schoenfeld	Wieser
Elioff	Johnson, D.	Norton	Schreiber	Wynia
Ellingson	Jude	Novak	Sherman	

Those who voted in the negative were:

Ainley	Esau	Ludeman	Reif	Wigley
Dempsey	Kahn	McDonald	Schafer	
Den Ouden	Kaley	Nysether	Welker	

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

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1760, A bill for an act relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; providing for interception of certain wire or oral communications; amending Minnesota Statutes 1980, Sections 609.53, Subdivisions 1 and 3; and 609.58, Subdivision 2; 626A.05, Subdivision 2; Minnesota Statutes 1981 Supplement, Section 609.53, Subdivisions 1a and 4; repealing Minnesota Statutes 1980, Section 609.53, Subdivision 2; and Minnesota Statutes 1981 Supplement, Section 609.53, Subdivision 2a.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. 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. 1817, A bill for an act relating to transportation; redefining "resort" for purposes of advertising device authorization; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; limiting the liability of the department of transportation for the cost of fighting certain fires; making certain accident reports available to governmental agencies for specified purposes and authorizing a fee for copies of these accident reports; governing the movement of certain vehicles on certain highways; establishing a height limitation for certain vehicles and providing for an annual permit fee for certain buses; expanding the definition of advertising devices; exempting the state transportation plan from the administrative procedure act; expanding the definition of exempt carrier; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and requiring fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; permitting additional uses of certain moneys appropriated for construction and reconstruction of bridges; limiting the authority of the commissioner of transportation to establish new divisions in the department of transportation; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle

weights on restricted routes; modifying the distribution of receipts collected as fines; providing for seasonal load restrictions; requiring certain exterior markings on vehicles carrying liquified petroleum gas fuel in concealed tanks and prohibiting the dispensing of those fuels in unmarked vehicles; amending Minnesota Statutes 1980, Sections 160.283, Subdivision 3; 161.115; 161.41; 169.09, Subdivision 13; 169.80, Subdivision 1; 169.81, Subdivision 1; 173.02, Subdivision 2; 174.03, Subdivisions 1 and 2; 360.015, Subdivision 2; 360.017, Subdivision 1; Minnesota Statutes, 1981 Supplement, Sections 161.465; 169.81, Subdivision 3; 169.825, Subdivisions 8, 10, and by adding a subdivision; 169.86, Subdivision 5; 169.87, Subdivision 2; 221.011, Subdivision 22; 221.81; 299D.03, Subdivision 5; Laws 1979, Chapter 280, Section 2, Subdivision 2; proposing new law coded in Minnesota Statutes, Chapters 169 and 221; repealing Minnesota Statutes, 1981 Supplement, Sections 169.861 and 169.825, Subdivision 12."

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. 1885, A bill for an act relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules.

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. 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 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. 492, A bill for an act relating to crimes; adding a peace officer and a parole or probation officer to the sentencing guidelines commission; correcting a statutory reference; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property; amending Minnesota Statutes 1980, Section 244.09, Subdivisions 1 and 2; proposing new law coded in Minnesota Statutes, Chapter 375.

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. 1799, A bill for an act relating to health; allowing certain nursing homes and hospitals to share an administrator; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the threshold of review; providing for additional waivers; requiring reports; amending Minnesota Statutes 1980, Sections 144A.04, Subdivision 5; 145.833, Subdivision 5; 145.835, Subdivisions 3 and 4; Minnesota Statutes 1981 Supplement, Sections 250.05, Subdivision 4; 447.45, Subdivision 1; and 474.03; proposing new law coded in Minnesota Statutes, Chapter 144; repealing Minnesota Statutes 1980, Sections 145.832 to 145.845, as amended; and Minnesota Statutes 1981 Supplement, Sections 62D.22, Subdivision 6; 145.834; and 145.845.

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. 1663, A bill for an act relating to law libraries; recodifying the laws governing county law libraries; amending Minnesota Statutes 1980, Sections 134.34, by adding a subdivision; 140.34; 140.35; 140.36; 140.37; 140.38; 140.39; 140.40; 140.44; 140.45; 140.46; and 480.09, Subdivision 5; proposing new law coded in Minnesota Statutes 1980, Chapter 140; repealing Minnesota Statutes 1980, Sections 140.01 to 140.20; 140.212 to 140.33; 140.41 to 140.435; Minnesota Statutes 1981 Supplement, Section 140.21."

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. 1573, A bill for an act relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; prohibiting their manufacture, sale, transfer and delivery; providing penalties; amending Minnesota Statutes 1980, Sections 152.09, Subdivision 1; 152.15, by adding a subdivision; proposing new law coded in Minnesota Statutes, Chapter 152.

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. 1712, A bill for an act relating to public welfare; designating the commissioner of public welfare as the state authority for federal mental health, alcohol and drug abuse block grants; prescribing a formula for distribution of certain federal funds to counties and defining duties of counties in the use of the funds; amending the community social services act; removing certain requirements related to biennial plans and the sliding fee

for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for parental responsibility for the cost of care of mentally retarded, epileptic, or emotionally handicapped children based on ability to pay; providing for allocation of funds to counties; amending Minnesota Statutes 1980, Sections 245.70; 245.71; 254A.16, by adding subdivisions; 256E.09, Subdivision 4; Minnesota Statutes 1981 Supplement, Sections 245.84, Subdivision 2; 252.27, Subdivision 2; 254A.03, Subdivision 1; 256E.03, Subdivision 2; 256E.05, Subdivision 3; and 256E.07, Subdivision 3; proposing new law coded in Minnesota Statutes, Chapter 245; repealing Minnesota Statutes 1981 Supplement, Section 256E.07, 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. 552, A bill for an act relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty; amending Minnesota Statutes 1980, Sections 327.07; and 327.14, Subdivision 8.

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. 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 subdivisions; and 171.19.

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. 438, A bill for an act relating to retirement; clarifying the retirement service credit for certain participants in the Minnesota demonstration job-sharing program; Minnesota state retirement system; imposing liability for certain omitted employee contributions on the employing unit; elective state officers retirement plan; providing benefit adjustments for retired constitutional officers and surviving spouses; public employees retirement association; increasing the family maximum on survivors benefits; teachers retirement association; authorizing the reimbursement of certain employing unit expenses with respect to board members; providing for the crediting of service credit for employees on a four day work week; modifying survivor benefits; exempting certain money and credits of teachers retirement funds; limiting the amount of public employee retirement annuities; limiting the powers of city officials regarding the administration of relief associations; supreme court justices retirement plan; providing a deferred retirement annuity; modifying a vesting requirement; permitting the repayment of a refund by a member of the Virginia firefighters relief association; validating the purchase of prior service credit for a certain county commissioner; permitting payment of omitted contributions; granting a proportionate annuity for certain persons; authorizing certain persons in various retirement funds to purchase prior service credit and military service credit; authorizing an amendment to the articles of incorporation of the Minneapolis teachers retirement fund association, clarifying various provisions of retirement law; amending Minnesota Statutes 1980, Sections 352.04, Subdivision 8; 354.06, Subdivision 4; 354A.094, Subdivision 4; 354A.11; 354A.35, by adding a subdivision; 356.41; 423A.01, Subdivision 2; 490.025, Subdivisions 2 and 3; Minnesota Statutes 1981 Supplement, Sections 43A.34, Subdivision 4; 43A.465; 69.77, Subdivision 2; 353.31, Subdivision 1; 354.091; 354.46, Subdivisions 1 and 2; 354.47, Subdivision 1; 354.48, Subdivision 10; 354.66, Subdivision 4; 354A.12, Subdivision 1; 356.371, Subdivisions 1 and 2; 422A.06, Subdivisions 1, 3, 4 and 5; Laws 1981, Chapter 156, Section 7; proposing new law coded in Minnesota Statutes, Chapters 352C; 356; and 423A; repealing Minnesota Statutes 1980, Sections 356.60, Subdivisions 2 and 3; and 423.815; Minnesota Statutes 1981 Supplement, Sections 354.48, Subdivision 4a; 356.60, Subdivision 1; Laws 1978, Chapters 690, Section 2; and 720, Section 13; Laws 1981, Chapter 68, Section 1; 160, Section 10; and 224, Sections 73, 92 and 118."

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. 1499, A bill for an act relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal admissions by consent, involuntary emergency admissions and for involuntary commitment by civil judicial procedures; providing for rights of persons admitted under voluntary, emergency or involuntary judicial procedures; requiring pre-petition screening; providing for commitment hearings and procedures in conformance with due process; requiring a hearing and review 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.23.

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. 1550, A bill for an act relating to the city of Big Falls; authorizing the establishment of detached banking facilities.

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. 1699, A bill for an act relating to education; requiring all public elementary and secondary schools to provide instruction in chemical dependency prevention; amending Minnesota Statutes 1980, Section 126.03; and proposing new law coded in Chapter 126.

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. 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; revising various time limits; amending Minnesota Statutes 1980, Section 487.30, by adding a subdivision; 488A.12, Subdivision 3; 488A.14, Subdivision 4; 488A.16, Subdivisions 2, 5, and 6; 488A.17, Subdivisions 2 and 3; 488A.29, Subdivision 3; 488A.31, Subdivision 4; 488A.33, Subdivision 2; 488A.34, Subdivision 12; and Minnesota Statutes 1981 Supplement, Section 488A.34, 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. 2000, A bill for an act relating to health and welfare; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; amending Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.11, Subdivision 2, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 256D.05, 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. 2058, A bill for an act relating to public welfare; providing for classification access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; prescribing penalties; amending Minnesota Statutes 1980, Sections 626.556, Subdivisions 3, 7, and by adding a subdivision; 626.557, Subdivision 19, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 626.556, Subdivision 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. 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. 678, A bill for an act relating to elections; changing certain election procedures, requirements and time limits; exempting certain transactions from the definition of donation in kind; removing the rulemaking authority of the ethical practices board; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; recodifying municipal elections law; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 7b; 10A.02, Subdivision 13; 205.02; 205.07, Subdivision 1; 205.13, as amended; 205.16; 205.17, as amended; 205.20, as amended; 205.84; and Minnesota Statutes 1981 Supplement, Sections 201.071, Subdivision 1; 203B.02, Subdivision 1; 203B.04, Subdivision 1; 204B.12, Subdivision 1; 204B.19, Subdivision 1; 204B.21, Subdivision 1; 204B.27, Subdivision 1; 204B.31; 204B.34, Subdivision 1; 204B.35, Subdivision 4; 204C.32, Subdivision 2; 204C.33, Subdivision 2; 204D.06; 204D.11, Subdivisions 1 and 5; 204D.14; 204D.15, Subdivision 2; 205.03, Subdivisions 1 and 3; 205.10; proposing new law coded in Minnesota Statutes 1980, Chapter 205; and repealing Minnesota Statutes 1980, Sections 205.04; 205.11, Subdivisions 1, 2, 3, 4, and 5; 205.14, Subdivisions 1, 2, and 3; 205.19; 205.21; and Minnesota Statutes 1981

Supplement, Sections 201.091, Subdivision 6; 204B.12, Subdivision 2; 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.14, Subdivision 4; and 205.15.

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. 1975, A bill for an act relating to local government; permitting towns to issue off-sale liquor licenses; amending Minnesota Statutes 1980, Section 340.11, by adding a subdivision.

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. 2080, A bill for an act relating to economic development; providing for a Minnesota conference on job formation; appropriating money.

H. F. No. 930, A bill for an act relating to the collection and dissemination of data; classifying data as private, confidential, nonpublic, and protected nonpublic; amending Minnesota Statutes 1980, Sections 15.162, Subdivision 4; 15.1621, Subdivision 1; 15.1642, Subdivision 5; 15.165, Subdivision 2; 15.1678; 15.1679; 15.1691, Subdivision 6; 15.1692, Subdivision 2; 169.09, Subdivision 13; 268.12, Subdivision 12; Minnesota Statutes 1981 Supplement, Sections 15.1682; 15.1699; 15.775, Subdivision 2; 15.781, Subdivisions 1, 2, and 4; and 15.784, Subdivision 2; proposing new law coded in Chapter 15.

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.

H. F. No. 1834, A bill for an act relating to claims against the state; providing for payment of various claims; providing for cancelation of old claims; appropriating money.

H. F. No. 2005, A bill for an act relating to employment; providing for equitable compensation relationships among certain government employees; amending Minnesota Statutes 1981 Supplement, Sections 43A.01, by adding a subdivision; 43A.02, by adding subdivisions; 43A.05, by adding a subdivision; and 43A.-18, Subdivision 8.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 8, A Concurrent Resolution relating to adjournment of the Senate and House of Representatives for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

### MOTIONS AND RESOLUTIONS

Hauge moved that the rules of the House be so far suspended that H. F. No. 1898 be recalled from the Committee on Labor-Management Relations, 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 Hauge motion and the roll was called. There were 59 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Johnson, D.	Niehaus	Schreiber
Ainley	Ewald	Kaley	Nysether	Shea
Anderson, B.	Fjoslien	Kalis	Olsen	Sherman
Anderson, G.	Forsythe	Kvam	Onnen	Sherwood
Blatz	Gruenes	Laidig	Peterson, B.	Stadum
Brinkman	Halberg	Lemen	Piepho	Stowell
Dean	Hauge	Levi	Rees	Stumpf
Dempsey	Haukoos	Ludeman	Reif	Sviggum
Den Ouden	Heap	Luknic	Rodriguez, C.	Valan
Drew	Heinitz	Marsh	Rothenberg	Weaver
Erickson	Himle	McDonald	Schafer	Welker
Esau	Hoberg	Mehrkens	Schoenfeld	

Those who voted in the negative were:

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

The motion did not prevail.

Fjoslien moved that the rules of the House be so far suspended that H. F. No. 1728 be recalled from the Committee on Rules and Legislative Administration, be given its second and third readings and be placed upon its final passage. The motion did not prevail.

McDonald moved that the rules of the House be so far suspended that H. F. No. 2135 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, March 18, 1982. 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, March 18, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## NINETIETH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 18, 1982

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 David Buuck, Joy Lutheran Church, Cambridge, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Anderson, B.; Brinkman; Frerichs; Sherman and Zubay were excused.

Anderson, R.; Elioff; Himle and Olsen were excused until 2:00 p.m. Haukoos and Peterson, B., were excused until 3:00 p.m. Ogren was excused until 4:00 p.m.

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

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. Nos. 1965, 1957 and 1962 have been placed in the members' files.

#### HOUSE ADVISORIES

The following House Advisory was introduced :

Mann introduced :

H. A. No. 73, A proposal to study effects of summer air tour packages to Minnesota from other states.

The advisory was referred to the Committee on Commerce and Economic Development.

Eken moved that the remaining bills on Special Orders and General Orders be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

#### REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Eken for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption :

*Be It Resolved*, that the Chief Clerk of the House of Representatives be and hereby is instructed that during the period of time between adjournment sine die in 1982 and convening of the House of Representatives in 1983, the House Chamber, House Retiring Room, House Hearing and Conference Rooms, House Offices, and the Chief Clerk's Offices, shall be left in their present status and reserved for use by the House of Representatives, Legislative Interim Committees, House Standing Committees and Subcommittees, and to such other use as the Speaker of the House may deem necessary. The House Chamber and House Retiring Room shall be available for the annual meeting of the Territorial Pioneers, and the House Chamber, House Retiring Room and the unused Hearing Rooms shall be available annually to the Hi-Y Model Legislature and Girls' State, provided these organizations confirm dates with the Speaker of the House at least 30 days in advance.

*Be It Further Resolved*, that the Custodian of the State Capitol shall be instructed that the corridors and rotunda are to be kept

clear of all furniture and that all legislative furniture is to remain in the legislative rooms.

The motion prevailed and the report was adopted.

Eken for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Be It Resolved*, that the House of Representatives retain those parts of parking lots B, C, D, and E, during the period of time between adjournment sine die in 1982 and convening of the House of Representatives in 1983, which are necessary for use of members and employees of the House of Representatives.

The motion prevailed and the report was adopted.

Eken for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Be It Resolved*, that the Committee on Rules and Legislative Administration be and hereby is assigned, during the interim following adjournment sine die in 1982, all functions within its usual jurisdiction.

*Be It Further Resolved*, that the Committee on Rules and Legislative Administration shall contract for necessary printing of the House of Representatives for the 73rd Regular Session and any extra sessions held prior to the 74th Regular Session.

The motion prevailed and the report was adopted.

Eken for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Be It Resolved*, that the Chief Clerk of the House of Representatives be authorized and hereby is directed to correct and approve the Journal of the House for the last day of the 72nd Regular Session.

*Be It Further Resolved*, that the Chief Clerk of the House of Representatives be and hereby is authorized to include in the Journal of the House for the last day of the 72nd Regular Session any subsequent proceedings and any appointments to legislative interim committees or commissions created by legislative action or by law.

The motion prevailed and the report was adopted.

Eken moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED



The House reconvened and was called to order by the Speaker.

The following conference committee report was received:

**CONFERENCE COMMITTEE REPORT ON H. F. NO. 2190**

A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block grant funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article I, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12.

March 18, 1982

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. 2190, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that House File No. 2190 be further amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE I**

**STATE AGENCY APPROPRIATION REDUCTIONS**

Section 1. [APPROPRIATION REDUCTIONS: SUMMARY.]

The sums set forth in the columns designated "APPROPRIATION REDUCTIONS" are reduced from the various general fund appropriations to the specified agencies. The figures "1982" or "1983" whenever used in this article, mean that the listed appropriation reductions are from the appropriations for the years ending June 30, 1982 or June 30, 1983, respectively.

**SUMMARY OF REDUCTIONS BY FUNCTION**  
(Including transfers to other funds)

	1982	1983	TOTAL
STATE DEPARTMENTS . . . . .	(\$1,500,000)	(\$15,971,800)	(\$17,471,800)
TRANSPORTATION AND OTHER AGENCIES . . . . .	(348,000)	(1,502,000)	(1,850,000)
EDUCATION . . . . .	(535,000)	(1,685,000)	(2,220,000)
WELFARE, CORRECTIONS, HEALTH . . . . .	(-0-)	(8,623,000)	(8,623,000)
TOTAL . . . . .	(\$2,383,000)	(\$27,781,800)	(\$30,164,800)

**APPROPRIATION REDUCTIONS**

- |  | 1982 | 1983 |
|--|------|------|
|--|------|------|
- Sec. 2. [APPROPRIATION REDUCTIONS.]
- Subdivision 1. [STATE DEPARTMENTS.]

The general fund appropriations in Laws 1981, Chapters 306, 346 and 356 as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

- |                           |       |             |
|---------------------------|-------|-------------|
| (a) Legislature . . . . . | (-0-) | (2,000,000) |
|---------------------------|-------|-------------|

The legislative coordinating commission shall apportion this appropriation reduction among the senate, the house of representatives, and the various legislative commissions, including the legislative commission on Minnesota resources. The reduction applied to the legislative commission on Minnesota resources shall be apportioned by that commission among the several programs and activities in Laws 1981, Chapter 356, Section 31.

- |                                   |             |           |
|-----------------------------------|-------------|-----------|
| (b) Contingent Accounts . . . . . | (1,000,000) | (800,000) |
|-----------------------------------|-------------|-----------|

This is a reduction in the fuel and utilities contingent account.

	1982	1983
	\$	\$
(c) Executive Council .....	(500,000)	(-0-)
(d) Administration .....	(-0-)	(290,000)

The commissioner of administration shall implement this appropriation reduction by a delay in implementation of the 911 telephone emergency system.

(e) Agriculture .....	(-0-)	(283,000)
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The commissioner of agriculture shall implement this appropriation reduction by elimination of the shade tree disease control program.

(f) Natural Resources .....	(-0-)	(450,000)
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This reduction shall include closing the metropolitan region office. The commissioner of natural resources shall submit to the legislature by January 1, 1983 a plan to reduce the number of regional offices to three for the 1983-1985 biennium.

(g) Housing Finance Agency

The sum of \$1,600,000 is reappropriated from the general fund appropriation in Laws 1981, Chapter 306, Section 21, Paragraph (b), for the home ownership assistance fund to the housing development fund created in Minnesota Statutes, Section 462A.20 for the purpose of Laws 1982, Chapter 380.

(h) Salary Supplement .....	(-0-)	(2,000,000)
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(i) Retirements .....	(-0-)	(7,648,800)
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(1) \$2,648,800 of this reduction is made in recognition of the reduced employer contributions required by Minnesota Statutes, Sections 352.04 and 352.92, as amended by this act.

Of this amount \$450,000 is reduced from the appropriations made to the University of Minnesota in Laws 1981, Chap-

1982

1983

\$

\$

ter 359, Sections 7 to 11, allocated among the various appropriation accounts by the commissioner of finance.

\$268,800 is reduced from the public transit appropriation made to the metropolitan transit commission in Laws 1981, Chapter 363, Section 55, Subdivision 1.

It is estimated that the rate changes in Minnesota Statutes, Sections 352.04, Subdivision 3 and 352.92, Subdivision 2, as amended by this article, will produce reductions from employer general fund contributions for state employees to the Minnesota state retirement system of \$1,930,000 in fiscal year 1983.

If an actuarial valuation prepared pursuant to Minnesota Statutes, Section 356.20 or 356.215 and filed with the commissioner of finance before June 30, 1983 shows that the reduced employer and employee contributions provided for by this article will not be sufficient to amortize the unfunded accrued liability of the state employees retirement fund by the established date for full funding, the reduced employer and employee contributions provided for by this article shall cease to be effective and the employer and employee contributions shall return to the rates in effect before the enactment of this article, effective the first full pay period beginning more than 30 days following the filing of the actuarial valuation with the commissioner of finance.

(2) \$2,500,000 of this reduction shall be applied to the appropriation for teachers retirement association contributions statewide, pursuant to Minnesota Statutes, Section 354.43.

(3) \$2,500,000 of this reduction represents a reduction in teachers social security contributions pursuant to Minnesota Statutes, Section 355.46.

(j) Supplies and Expenses .....

(-0-) (2,500,000)

	1982	1983
	\$	\$

The commissioner of finance shall apportion this reduction against general fund appropriations to all state agencies in the executive branch, other than the state university system, state community college system, and the University of Minnesota. The commissioner of finance shall determine the proportion of supply and expense budgets which shall be reduced for each agency. The proportion may differ by agency if the commissioner determines that an agency has a particular need because of other appropriations reductions. The agencies may propose to accomplish the reduced expenditures in categories other than supply and expenses. The commissioner shall submit his proposed apportionment of the reductions to the chairman of the senate finance committee and the chairman of the house appropriations committee, who shall make their recommendations on the apportionment. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation.

Subd. 2. [TRANSPORTATION AND OTHER AGENCIES.

The general fund appropriations in Laws 1979, Special Session, Chapter 1, and Laws 1981, Chapters 346, 357, and 363, as amended by Laws 1981, First Special Session, Chapter 4, Article 4, are reduced by the listed amounts:

(a) Transportation .....	(348,000)	(937,000)
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\$687,000 of this reduction is from metropolitan transit commission operating grants.

\$250,000 of this reduction shall be implemented by a reduction in statewide non-metropolitan transit commission operating assistance grants.

The \$348,000 reduction in fiscal year 1982 represents the unencumbered balances of the appropriations in Laws 1977,

1982

1983

\$

\$

Chapter 454, Section 5, Paragraph (b) for paratransit service demonstration grant programs and for regular route transit demonstration program grants, which are hereby canceled. Any portion of the encumbered balance of these appropriations that becomes unencumbered is also canceled.

(b) Public Safety ..... (-0-) (200,000)

The bureau of criminal apprehension shall bear part of the burden of this appropriation reduction.

(c) Commerce ..... (-0-) (100,000)

A plan for the reorganization of the department shall be developed by the commissioner of administration in coordination and cooperation with all affected state agencies and submitted to the legislature by September 15, 1982. The plan shall provide for the net reduction of at least six positions from upper level management and their attendant clerical support staff. The plan shall include draft legislation to implement the reorganization. The biennial budget submitted by the agency shall be based on this reorganization plan.

(d) Minnesota Historical Society ... (-0-) (122,000)

The executive director of the Minnesota historical society shall implement this appropriation reduction by reductions in the Minnesota Historical Society Operations program, other than the Minnesota military history museum at Fort Snelling and Camp Ripley.

(e) Arts, Board of the ..... (-0-) (143,000)

The board of the arts shall apply \$33,900 of this appropriation reduction to appropriations for regional arts programs.

	1982	1983
	\$	\$

## Subd. 3. [EDUCATION.]

The general fund appropriations in Laws 1973, Chapter 768, Section 14, Subdivision 8, and in Laws 1981, Chapter 359, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

(a) Education, Department of .....	(-0-)	(420,000)
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None of this reduction shall be taken from appropriations for the Indian scholarship program.

\$120,000 of this reduction shall be apportioned by the state board of education among the fiscal year 1983 appropriations for the Minnesota curriculum services center, the vocational student organization center, and vocational area agricultural coordinators. The commissioner of education is encouraged to solicit contributions from nonpublic sources to supplement state appropriations for these programs.

(b) Higher Education Coordinating Board .....	(235,000)	(1,265,000)
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The reduction for fiscal year 1982 is intended to cancel any balance remaining from the appropriation and accrued interest on the appropriation in Laws 1973, Chapter 768, Section 14, Subdivision 8.

(c) State University Board .....	(210,000)	(-0-)
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This reduction is in the state university board contingent account.

(d) State Community College Board .....	(90,000)	(-0-)
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This reduction is in the state university college board contingent account.

## Subd. 4. [WELFARE, CORRECTIONS, HEALTH.]

The general fund appropriations in Laws 1981, Chapter 360, as amended by Laws 1981, First Special Session, Chapter 2, are reduced by the listed amounts:

	1982	1983
	§	§
(a) Public Welfare .....		(-0-) (7,873,000)

\$4,373,000 of this appropriation reduction is attributable to the differential state hospital rates authorized by this act.

Notwithstanding Laws 1981, Third Special Session Chapter 2, Article I, Section 2, Subdivision 4, clause (a), the commissioner of public welfare shall increase grants for aid to families with dependent children and general assistance by seven percent on February 1, 1983, rather than October 1, 1982, unless federal law or regulation requires otherwise. \$3,000,000 of the appropriation reduction in the department of public welfare is attributable to this delay.

\$500,000 of this appropriation reduction is attributable to elimination of mandates as recommended by the governor's task force on health care and authorized by this act.

The commissioner of public welfare shall apply to the department of health and human services to obtain waivers to: (1) eliminate the requirement that each nursing home must have a medical director; (2) require that each resident be seen by a physician only once every six months or less frequently if the physician determines and documents that this frequency is unnecessary; and (3) eliminate the requirement that each nursing home have consultants in the areas of medical records, diet, social work, activities programs, and psychiatric services.

When the commissioner obtains a waiver for any of these purposes, the commissioner shall eliminate any equivalent state requirements and shall reduce rates paid for allowed costs to the extent allowed by the federal waiver or waivers.

(b) Health .....	(-0-) (750,000)
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*Subd. 5. [APPROPRIATION AVAILABILITY.] If the appropriation from the general fund to an agency listed in this section in either year of the biennium ending June 30, 1983, is insufficient, upon the advance approval of the commissioner of finance the appropriation for the other year is available for it.*

*Subd. 6. [RELATION TO PRIOR REDUCTIONS.] The appropriation reductions in this section are in addition to the general reductions, general staff reductions, and other reductions made in previous appropriation acts.*

*Subd. 7. [PROGRESS REPORTS.] Each state agency whose appropriation is reduced by this section shall submit a revised spending plan to the commissioner of finance pursuant to Minnesota Statutes, Section 16A.14. The revised spending plan shall be formulated on a quarterly basis in order to permit the commissioner of finance to monitor the agency's success at meeting its spending and position reduction goals. The commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives promptly after the end of each quarter of any agency that has failed to meet its spending and position reduction goals for that quarter.*

Sec. 3. Minnesota Statutes 1980, Section 161.20, is amended by adding a subdivision to read:

*Subd. 4. [DEBT COLLECTION.] The commissioner shall make reasonable and businesslike efforts to collect money owed to the department arising from damages to state owned property and other causes related to trunk highways. When a debt has been reduced to a money judgment, the commissioner may contract for debt collection services for the purpose of collecting the judgment. Money received as full or partial payment shall be deposited in the trunk highway fund. When money is collected through contracted services, the commissioner may make payment for the service from the money collected. The amount necessary for payment of contractual collection costs is appropriated from the trunk highway fund.*

Sec. 4. Minnesota Statutes 1980, Section 246.50, Subdivision 5, is amended to read:

*Subd. 5. "Cost of care" means the commissioner's determination of the anticipated average per capita cost of all maintenance, treatment and expense, including depreciation of buildings and equipment, interest paid on bonds issued for capital improvements to state hospitals, and indirect costs related to the operation other than that paid from the Minnesota state building fund, at all of the state hospitals for the mentally ill or mentally (DEFICIENT) retarded or chemically dependent during the current year for which billing is being made. The commissioner shall determine the anticipated average per capita cost. The commis-*

*sioner may establish one all inclusive rate or separate rates for each patient disability group, and may establish separate charges for each hospital. "Cost of care" for outpatient or day-care patients shall (NOT EXCEED 50 PERCENT OF THE TOTAL AVERAGE PER CAPITA COST FOR RESIDENT PATIENTS AS DETERMINED BY THE COMMISSIONER OF PUBLIC WELFARE) be on a cost for service basis under a schedule the commissioner shall establish.*

For purposes of this subdivision "resident patient" means a person who occupies a bed while housed in a hospital for observation, care, diagnosis, or treatment.

For purposes of this subdivision "outpatient" or "day-care" patient means a person who makes use of diagnostic (OR), therapeutic, counseling, or other service in a state hospital facility or through state hospital personnel but does not occupy a (REGULAR) hospital bed overnight.

For the purposes of collecting from the federal government for the care of those patients eligible for medical care under the social security act "cost of care" shall be determined as set forth in the rules and regulations of the Department of Health (, EDUCATION, AND WELFARE) and Human Services or its successor agency.

Sec. 5. Minnesota Statutes 1980, Section 246.50, Subdivision 6, is amended to read:

Subd. 6. "Relatives" means the spouse, and parents and, in the case of the mentally ill or chemically dependent, children of a patient, in that order of liability for cost of care.

Sec. 6. Minnesota Statutes 1980, Section 246.51, is amended to read:

246.51 [PAYMENT FOR CARE AND TREATMENT; TERMINATION.]

*Subdivision 1. [PROCEDURES.]* The commissioner shall make investigation as necessary to determine, and as circumstances require redetermine, what part of the cost of care, if any, the patient is able to pay. If the patient is unable to pay the full cost of care the commissioner shall make a determination as to the ability of the relatives to pay. *The patient or relatives or both shall provide the commissioner documents and proofs necessary to determine their ability to pay.* (HOWEVER, IN NO CASE SHALL THE RELATIVES, UNLESS THEY RESIDE OUTSIDE THE STATE, BE ORDERED TO PAY MORE THAN TEN PERCENT OF THE COST OF CARE FOR EACH PATIENT NOT TO EXCEED \$125 PER MONTH. VOLUNTARY PAYMENTS IN EXCESS OF \$125 PER MONTH MAY BE ACCEPTED BY THE COMMISSIONER. THE COMMISSIONER

MAY REQUIRE PAYMENT OF THE FULL PER CAPITA COST OF CARE IN STATE HOSPITALS FOR CHILDREN WHOSE PARENTS OR GUARDIANS DO NOT RESIDE IN MINNESOTA.) *Failure to provide the commissioner with sufficient information to determine ability to pay may make the patient or relatives, both, liable for the full per capita cost of care until the time when sufficient information is provided. No parent shall be liable for the cost of care given a patient at a state hospital after the patient has reached the age of 18 years. The commissioner's determination shall be conclusive in any action to enforce payment of the cost of care unless appealed from as provided in section 246.55. All money received shall be paid to the state treasurer and placed in the general fund of the state and a separate account kept of it. Responsibility under this section shall not apply to those relatives having gross earnings of less than \$11,000 per year.*

*Subd. 2. [RULES.] The commissioner shall adopt, pursuant to the administrative procedure act, rules establishing uniform standards for determination of patient liability and relative, guardian or conservator responsibility for care provided at state hospitals. These rules shall have the force and effect of law.*

Sec. 7. Minnesota Statutes 1981 Supplement, Section 246.511 is amended to read:

246.511 [RELATIVE RESPONSIBILITY.]

(NOTWITHSTANDING THE PROVISIONS OF LAWS 1981, CHAPTER 360, ARTICLE I, SECTION 2, SUBDIVISION 5, 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's relatives, pursuant to the commissioner's authority under section 246.51, be ordered to pay more than ten percent of the cost of care, unless they reside outside the state. *The commissioner may accept voluntary payments in excess of ten percent. The commissioner may require full payment of the full per capita cost of care in state hospitals for patients whose parent, parents, spouse, guardian or conservator do not reside in Minnesota.*

Sec. 8. Minnesota Statutes 1980, Section 246.53, is amended to read:

246.53 [CLAIM AGAINST ESTATE OF DECEASED PATIENT.]

*Subdivision 1. [PATIENT'S ESTATE.] Upon the death of a patient, or a former patient, the total cost of care given (HIM) the patient, less the amount actually paid toward the cost of (SUCH) care by the patient and (HIS) the patient's relatives,*

shall be filed by the commissioner as a claim against the estate of (SUCH) *the* patient with the court having jurisdiction to probate the estate and all proceeds collected by the state in (SUCH) *the* case shall be divided between the state and county in proportion to the cost of care each has borne.

*Subd. 2. [PREFERRED STATUS.] An estate claim in subdivision 1 shall be considered an expense of the last illness for purposes of section 524.3-805.*

If the commissioner of public welfare (SHALL DETERMINE) *determines* that the property or estate of any (SUCH) patient is not (TO) more than *needed to care for and maintain the (WIFE) spouse and minor or dependent children of (SUCH) a deceased patient, (HE SHALL HAVE) the commissioner has* the power to compromise the claim of the state in (SUCH) *a* manner (AS HE, IN HIS JUDGMENT AND UPON INVESTIGATION, MAY DEEM) *deemed* just and proper.

*Subd. 3. [EXCEPTION FROM STATUTE OF LIMITATIONS.] Any statute of limitations which limits the commissioner in recovering the cost of care obligation incurred by a patient or former patient shall not apply to any claim against an estate made hereunder to recover cost of care.*

Sec. 9. Minnesota Statutes 1980, Section 352.04, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 64, is amended to read:

**Subd. 2. [EMPLOYEE CONTRIBUTIONS.]** The employee contribution to the fund shall be an amount equal to (3.73) *3.46* percent of salary, beginning with the first full pay period after December 31, 1981 (; PROVIDED, HOWEVER, THAT FOR THE PERIOD BEGINNING WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 31, 1981, AND ENDING WITH THE LAST FULL PAY PERIOD BEFORE JULY 1, 1982, THE CONTRIBUTION SHALL BE AN AMOUNT EQUAL TO 3.46 PERCENT OF SALARY). These contributions shall be made by deduction from salary in the manner provided in subdivision 4.

Sec. 10. Minnesota Statutes 1980, Section 352.04, Subdivision 3, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 65, is amended to read:

**Subd. 3. [EMPLOYER CONTRIBUTIONS.]** The employer contribution to the fund shall be an amount equal to the total amount deducted from the salaries of employees on each payroll abstract, plus an additional (1.87) *1.58* percent of salary beginning with the first full pay period after (DECEMBER 31, 1981; PROVIDED, HOWEVER, THAT) *July 1, 1982*. For the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the

contribution shall be an amount equal to 3.46 percent of salary plus an additional 1.74 percent of salary. The employer contribution shall be made in the manner provided in subdivisions 5 and 6.

Sec. 11. Minnesota Statutes 1980, Section 352.92, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 66, is amended to read:

Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] Beginning with the first full pay period after (DECEMBER 31, 1981) *July 1, 1982*, in lieu of employee contributions payable under section 352.04, subdivision 2, contributions by covered correctional employees shall be in an amount equal to (4.89) *4.50* percent of salary (; PROVIDED, HOWEVER, THAT). For the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be in an amount equal to 3.78 percent of salary.

Sec. 12. Minnesota Statutes 1980, Section 352.92, Subdivision 2, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 67, is amended to read:

Subd. 2. [EMPLOYER CONTRIBUTIONS.] Beginning with the first full pay period after (DECEMBER 31, 1981) *July 1, 1982*, in lieu of employer contributions payable under section 352.04, subdivision 3, the employer shall contribute for covered correctional employees (1) an amount equal to 1-1/2 times the deduction from salaries of covered correctional employees on each payroll abstract, plus (2) an additional amount of (4.08) *1.32* percent of salaries of covered correctional employees on each payroll abstract (; PROVIDED, HOWEVER, THAT). For the period beginning with the first full pay period after December 31, 1981, and ending with the last full pay period before July 1, 1982, the contribution shall be an amount equal to 5.66 percent of salaries of covered correctional employees on each payroll abstract plus an additional amount equal to 3.16 percent of salaries of covered correctional employees on each payroll abstract.

Sec. 13. [362.43] [CERTIFIED STATE DEVELOPMENT COMPANY.]

*Subdivision 1. [PURPOSE; OBJECTIVES.] The commissioner of energy, planning and development may create, promote and assist a state development company, also known as a "503" certified development company, which will qualify as a certified development company for the purposes of 15 United States Code, section 697 and Code of Federal Regulations, title 13, section 108.503.*

*The commissioner shall utilize the development company program to stimulate the state's economic activity.*

*The development company and its directors and officers shall comply with the organizational, operational, regulatory and reporting requirements as promulgated by the United States small business administration and the guidelines contained in the by-laws, articles of incorporation, and standard operating procedure prescribed by the small business administration.*

**Subd. 2. [CAPITAL, LOAN LIMITS; MEMBERSHIP REQUIREMENTS.]** *The capital for a certified state development company shall be derived from corporate holders or members, each of whom shall not have more than ten percent of the voting control of the certified state development company. The company shall have a minimum of ten members. Membership shall be, to the greatest extent practicable, in proportion to the population of each economic development region to the total population of the state. The loan limit of each member shall be established at the time of its acceptance as a member and shall be computed on the basis of the financial information contained in or made a part of its application for membership. All loan limits shall be established at the thousand dollar amount nearest the amount computed in accordance with the provisions of the articles of incorporation and this section.*

**Subd. 3. [MEMBERS.]** *Members shall be representatives of local government, community organizations, financial institutions, and businesses in Minnesota and which, upon application, have been accepted for membership by a majority vote of the members of the board of directors present at any regular or special meeting of the board at which there is a quorum. A "financial institution" is a business organization recognized under Minnesota or federal law as a banking institution, trust company, savings and loan association, insurance company, or a corporation, partnership, foundation or other institution licensed to do business in the state of Minnesota and engaged primarily in lending or investing money.*

**Subd. 4. [MEMBERSHIP APPLICATIONS.]** *Applications for membership shall be submitted to the board of directors on forms provided by the corporation and accompanied by additional information as the form may require. Application forms shall provide that if the application is approved, and the applicant accepted for membership by the board of directors prior to withdrawal of the application, the applicant agrees to become a member upon the acceptance and to assume all of the rights and obligations of a member as set forth in the corporation's by-laws, the articles of incorporation, and Minnesota Statutes, Chapters 301 and 362. Notice of approval or rejection of an application shall be forwarded, by certified or registered United States mail, to the applicant for the attention of the person signing the application, within 15 days following the date upon which the approval or rejection is made. Approval of the application constitutes acceptance of the applicant as a member of the corporation.*

*Subd. 5. [OFFICERS.] The executive officers of the corporation shall be a president, one or more vice presidents including the executive vice president, a secretary, and a treasurer. None of the officers, except the president, need be directors. One person may hold the offices and perform the duties of any two or more of the offices. The board of directors by majority vote may leave unfilled for any period it may fix any office except that of president, treasurer, or secretary.*

*Subd. 6. [DEPARTMENT ASSISTANCE.] The commissioner of energy, planning and development shall make available the professional staff of the department to provide services to the certified state development company including, but not limited to, accounting, legal and business assistance services. The staff shall have the capability to package, process, close and service loans made through the development company.*

*Subd. 7. [REPORTS.] The development company shall submit to the small business administration annual reports on its operation. When requested by the small business administration, interim reports of a similar nature will be provided. The reports shall be provided in accordance with the instructions and attachments set forth by the small business administration. The development company shall comply with all regulations issued under the small business investment act of 1958, as amended, as well as applicable state and federal laws affecting its operation.*

*Subd. 8. [REVOLVING FUND.] The certified state development company may charge a one time processing fee up to the maximum allowed by the small business administration on a debenture issued for loan purposes. In addition, a fee for servicing loans may be imposed up to the maximum allowed by the small business administration based on the unpaid balance of each debenture. There is established a program of business services revolving fund in the state treasury. Proceeds from fees collected on loans processed with assistance from department staff shall be deposited in the program of business services revolving fund. Moneys in the fund are appropriated to the commissioner of energy, planning and development for the purposes of this section.*

**Sec. 14. Minnesota Statutes 1980, Section 362.51, Subdivision 1, is amended to read:**

**Subdivision 1.** A small business finance agency is hereby created and is constituted as an authority to act on behalf of the state within the scope of the powers granted to it in sections 362.132 and 362.50 to 362.53 to implement a loan program by which, in cooperation with cities, towns, counties and private or public lenders, adequate funds may be provided on sufficiently favorable terms to assist and encourage the establishment, maintenance and growth of small business in Minnesota and to reduce

to a manageable level the cost of the control of pollution and disposal of waste resulting from the operations of small business.

Because of its ability to pool or combine loans to be funded from one or more issues of bonds, *whether or not the interest on the bonds is exempt from federal income taxes*, the agency will be able to spread its financing costs among the small businesses to which the agency makes loans, thereby reducing costs incurred by each small business.

Sec. 15. Minnesota Statutes 1981 Supplement, Section 362.52, Subdivision 2, is amended to read:

Subd. 2. The agency may participate with financial institutions in making or purchasing business loans not exceeding \$1,000,000 in principal amount, to be serviced by such institutions, provided that:

(a) The agency's share shall not exceed 90 percent of the total principal amount, and shall be payable with interest at the same times but not necessarily at the same interest rate as the share of the financial institution, and both shares shall be equally and ratably secured by a valid mortgage on or security interest in real or personal property or by any other security satisfactory to the agency to secure payment of the loan *provided, that the agency's share may equal 100 percent of the total principal amount of the business loan if the financial institution participating in the making or purchasing of the business loan by servicing the loan, purchases 100 percent of the total amount of the bonds issued by the agency in connection with the loan;*

(b) The total principal amount shall not exceed 90 percent of the value of the property securing the loan, unless the amount in excess of 90 percent is:

(1) Loaned from available funds which are not proceeds received directly from the sale of the agency's bonds or notes and are not restricted under the terms of any resolution or indenture securing bonds or notes, or

(2) Insured or guaranteed by a federal agency or by a private insurer qualified to write such insurance in the state, insuring a percentage of any claim for loss at least equal to that percentage of the value by which the loan exceeds 90 percent thereof;

(c) The value of the property securing the loan shall be certified by the participating financial institution, on the basis of such appraisals, bids, purchase orders, and engineers' certificates as the agency may require; provided that the value of items purchased and constructed from the proceeds of the loan shall not be deemed to exceed the contract price of purchase or construction;



(d) The agency shall not disburse funds under a commitment to participate in a loan for the construction or substantial improvement of property until the construction or improvement has been completed, unless a financial institution furnishes an irrevocable letter of credit or a qualified corporate surety furnishes payment and performance bonds, satisfactory to the agency and in an aggregate amount equal to the amount payable under the construction contract; and

(e) No other indebtedness may be secured by a mortgage on or security interest in property securing a business loan made or purchased pursuant to this subdivision without the prior express written authorization of the agency.

Sec. 16. Minnesota Statutes 1980, Section 362.53, Subdivision 13, is amended to read:

Subd. 13. It may sell any of its obligations at public or private sale, at such price or prices as the agency shall determine, notwithstanding the limitation on sale price in the fourth sentence of section 462A.09, *and notwithstanding whether or not the interest on any of its obligations is subject to federal income taxes.*

Sec. 17. Minnesota Statutes 1980, Section 487.39, Subdivision 1, is amended to read:

Subdivision 1. An aggrieved party may appeal to the district court from a determination of a county court or a county municipal court. The provisions of this section govern all appeals from the county court and the county municipal court; appeal provisions of all other statutes are inapplicable except as stated in section 484.63.

(a) Except as provided in clause (b), the appeal in a civil case shall be taken by filing written notice thereof with the clerk of court of the county in which the action was heard not more than 30 days after written notice of the court's determination has been served upon the aggrieved party or (HIS) *the party's attorney* (, OR IN ANY EVENT WITHIN THREE MONTHS AFTER THE DETERMINATION IN A CIVIL CASE). *Written notice of the court's determination shall be served by the clerk of court upon the aggrieved party or the party's attorney within 45 days after the determination in a civil case.*

(b) In the appeal of petty misdemeanor, ordinance or criminal cases the written notice of appeal shall be filed with the clerk of court of the county in which the action was heard within ten days of the conviction or other determination, and sentencing thereon, appealed from.

(c) A written notice of appeal shall be served by the appellant upon all parties to the original proceedings or their at-

torneys not more than five days after filing a written notice of appeal and proof of (SUCH) service shall be filed with the clerk of county court or county municipal court in the county in which the action was heard not more than three days after the service of (SUCH) notice on the opposite party or (HIS) *the party's* attorney. The appeal shall be heard and determined by a district court appellate panel pursuant to section 484.63.

Sec. 18. Minnesota Statutes 1981 Supplement, Section 510.05, is amended to read:

510.05 [LIMITATIONS.]

Such homestead exemption shall not extend to any mortgage lawfully obtained thereon, to any valid lien for taxes or assessments, to a claim filed pursuant to section 256B.15 or section 246.53 or to any charge arising under the laws relating to laborers or materialmen's liens.

Sec. 19. Minnesota Statutes 1980, Section 524.3-805, is amended to read:

524.3-805 [CLASSIFICATION OF CLAIMS.]

(a) If the applicable assets of the estate are insufficient to pay all claims in full, the personal representative shall make payment in the following order:

- (1) costs and expenses of administration;
- (2) reasonable funeral expenses;
- (3) debts and taxes with preference under federal law;
- (4) reasonable and necessary medical and hospital expenses of the last illness of the decedent, including compensation of persons attending him;
- (5) debts and taxes with preference under other laws of this state;
- (6) all other claims.

(b) No preference shall be given in the payment of any claim over any other claim of the same class, and a claim due and payable shall not be entitled to a preference over claims not due, *except that if claims for expenses of the last illness involve only claims filed under section 246.53 for costs of state hospital care and claims filed under section 256B.15, claims filed under section 246.53 have preference over claims filed under section 256B.15.*

Sec. 20. Minnesota Statutes 1981 Supplement, Section 525.145, is amended to read:

525.145 [DESCENT OF HOMESTEAD.]

(1) Where there is a surviving spouse the homestead, including a mobile home which is the family residence, shall descend free from any testamentary or other disposition thereof to which the spouse has not consented in writing or by election to take under the will as provided by law, as follows:

(a) If there be no surviving child or issue of any deceased child, to the spouse;

(b) If there be children or issue of deceased children surviving, then to the spouse for the term of the spouse's natural life and the remainder in equal shares to the children and the issue of deceased children by right of representation.

(2) Where there is no surviving spouse and the homestead has not been disposed of by will it shall descend as other real estate.

(3) Where the homestead passes by descent or will to the spouse or children or issue of deceased children, it shall be exempt from all debts which were not valid charges thereon at the time of decedent's death; (IN ALL OTHER CASES) *except that the homestead shall be subject to a claim filed pursuant to section 246.53 for state hospital care or 256B.15. If the homestead passes to a person other than a spouse or child or issue of a deceased child, it shall be subject to the payment of the items mentioned in section 525.16. No lien or other charge against any homestead which is so exempted shall be enforced in the probate court, but the claimant may enforce the lien or charge by an appropriate action in the district court.*

Sec. 21. [EFFECTIVE DATE.]

*This article is effective the day following final enactment.*

## ARTICLE II

### TAXES AND PAYMENT SHIFTS

Section 1. Minnesota Statutes 1981 Supplement, Section 275.50, Subdivision 2, as amended by House File No. 1872, Article XXXV, Section 1, of the 1982 Regular Session, is amended to read:

Subd. 2. [GOVERNMENTAL SUBDIVISION.] "Govern-

mental subdivision" means a county, home rule charter city, statutory city, (OR) town or *special taxing district determined by the department of revenue*, except a town that has a population of less than 5,000 according to the most recent federal census, provided that the population of an incorporated municipality located within the boundaries of a town is not included in the population of the town. The term does not include school districts or the metropolitan transit commission created pursuant to section 473.404.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 290A.07, Subdivision 2a, is amended 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. 3. Minnesota Statutes 1981 Supplement, Section 290A.07, Subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision (2 OR) 2a 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.

Sec. 4. Minnesota Statutes 1981 Supplement, Section 297A.01, Subdivision 3, as amended by House File No. 1872, Article XXXIV, Section 1, of the 1982 Regular Session, 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 other than manufactured homes used for residential purposes for a continuous period of 30 days or more, 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; church organization. Notwithstanding section 297A.-25, subdivision 1, clause (a), taxable food or meals include, but is not limited to, the following:

- (i) heated food or drinks;
  - (ii) sandwiches prepared by the retailer;
  - (iii) single sales of prepackaged ice cream or ice milk novelties prepared by the retailer;
  - (iv) hand-prepared or dispensed ice cream or ice milk products including cones, sundaes, and snow cones;
  - (v) soft drinks and other beverages prepared or served by the retailer;
  - (vi) gum;
  - (vii) ice;
  - (viii) all food (, EXCEPT CANDY,) sold in vending machines;
  - (ix) party trays prepared by the retailers; and
  - (x) all meals and single servings of packaged snack food, single cans or bottles of pop, sold in restaurants and bars;
- (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;

*(g) The furnishing for a consideration of cable television services, including charges for basic monthly service, charges for monthly premium service, and charges for any other similar cable television services.*

Sec. 5. Minnesota Statutes 1981 Supplement, Section 297A.-25, Subdivision 1, as amended by Laws 1981, Third Special Session Chapter 2, Article V, Section 2, and as amended by House File No. 1872, Article XXXIV, Section 2, of the 1982 Regular Session, 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, and 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. *This exemption does not include the following:*

*(i) candy 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 *by the purchaser* 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); *provided that the property is not subject to tax in that state or country to which it is transported for storage or use, or, if subject to tax in that other state, that state allows a similar exemption from property purchased therein and transported to Minnesota for use in this state; except that sales of tangible personal property that is shipped or transported for use outside Minnesota shall be taxed at the rate of the use tax imposed by the state to which the property is shipped or transported, unless that state has no use tax, in which case the sale shall be taxed at the rate generally imposed by this state; and provided further that sales of tangible personal property to be used in other states or countries as part of a maintenance contract shall be specifically exempt; 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 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 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 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.

(s) 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.

(t) 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.

(u) 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.

(v) 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 trans-

ferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota.

(w) 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.

(x) 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).

(y) 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.

(z) The gross receipts from the sale of sanitary napkins, tampons, or similar items used for feminine hygiene.

#### Sec. 6. [340.986] [ON-SALE LIQUOR TAX.]

*In addition to the taxes imposed by section 297A.02 and chapter 340, a tax is imposed in the amount of five percent on the*

*gross receipts from all retail on-sales of intoxicating liquor and fermented malt beverages when sold at a licensed on-sale liquor establishment or municipal liquor store within the state. The tax shall be reported and paid to the commissioner of revenue with and as part of the state sales and use taxes, and shall be subject to the same penalties, interest, and enforcement provisions. The tax collected pursuant to this section shall be deposited in the general fund.*

Sec. 7. Laws 1981, Third Special Session Chapter 2, Article III, Section 22, is amended to read:

**Sec. 22. [EFFECTIVE DATE.]**

Sections 1 and 19 to 21 are effective February 1, 1982. The provision of section 2 relating to commodity tax straddles and section 7 are effective for taxable years beginning after December 31, 1980. The provisions of section 2 relating to the exclusion of dividend and interest income are effective for taxable years beginning after December 31, 1981. Section 2, clauses (a)(22), (b)(24), the portion of clause (a)(16) relating to recovery property, (b)(25), and sections 8, 11, and 12 are effective for property placed in service after December 31, 1980 in taxable years ending after that date. Section 2, clauses (a)(17), (b)(2), the portion of clause (a)(16) relating to gain from the sale or disposition of property and section 9 are effective for **(THE SALE OR OTHER DISPOSITION OF PROPERTY AFTER JUNE 30, 1982)** *taxable years beginning after December 31, 1982.* Section 6 is effective for taxable years beginning after December 31, 1981. Section 10 is effective for the sale or other disposition of property after December 31, 1982. Sections 13, 14, and 15 are effective for income earned after December 31, 1981. Section 16 is effective for taxable years beginning after December 31, 1981. Sections 17 and 18 are effective for petitions filed after January 31, 1982.

Sec. 8. House File No. 1872, Article I, Section 73, as enacted by the 1982 Regular Session, is amended to read:

**Sec. 73. [EFFECTIVE DATE.]**

Sections 2, 19 and 67 are effective for taxable years beginning after December 31, 1980, Sections 47, 51, 52, 53, 55, 57, and 59 are effective May 1, 1982. Sections 46 and 54 are effective for bankruptcy proceedings filed on or after October 1, 1979. Sections 12, 45, 50, 56, 58, 64, 66, and 68 are effective the day after final enactment. Section 65 is effective for claims based on rent paid in 1982 and subsequent years. The provisions of section 42 requiring that non-game wildlife designations be made on original returns is effective for taxable years beginning after December 31, 1979, and claims based on rent paid in 1980 and subsequent years, and property taxes payable in 1981 and subsequent years. Those provisions of section 63 that relate to net

operating loss carrybacks are effective the day after final enactment. The balance of section 63 is effective for claims based on rent paid in 1982 and succeeding years and property taxes payable in 1983 and succeeding years. The change in section 1, clause (b)(2) is effective for (THE SALE OR OTHER DISPOSITION OF PROPERTY AFTER JUNE 30, 1982) taxable years beginning after December 31, 1982. The rest of this article is effective for taxable years beginning after December 31, 1981.

**Sec. 9. [HOMESTEAD CREDIT; REDUCTIONS.]**

*The certification of homestead credit for taxes payable 1982 as shown on the abstract of tax lists shall be reduced by \$30,000,000 by the commissioner of revenue as follows:*

*(a) \$20,500,000 shall be subtracted from the total certifications relating to the county levies;*

*(b) \$5,500,000 shall be subtracted from the total certifications relating to the city levies;*

*(c) \$2,000,000 shall be subtracted from the total certification relating to the town levies; and*

*(d) \$2,000,000 shall be subtracted from the total certification relating to special taxing district levies.*

*Each county, each city, each town, and each special taxing district will receive a proportionate reduction from its original certification after the reduction pursuant to section 10.*

**Sec. 10. [ADDITIONAL REDUCTION FOR COUNTIES CONTAINING A FIRST CLASS CITY.]**

*Before reducing the original certifications pursuant to section 9, the commissioner shall reduce the certification for Hennepin, Ramsey, and St. Louis counties. Hennepin county shall be reduced by \$1,160,900; Ramsey county shall be reduced by \$565,200; and St. Louis county shall be reduced by \$273,900. These counties shall apply at least one-half of this aid reduction to reduce county administrative costs rather than to reduce services provided directly to the public.*

**Sec. 11. [HOMESTEAD CREDIT; PAYMENT.]**

*The total amount of the appropriation from the general fund to the commissioner of revenue for homestead credit payments for taxes payable in 1982, including the amount appropriated to the commissioner of education pursuant to section 12, shall not exceed \$451,600,000. If the amount of homestead credit payable in 1982, following the reduction in sections 9 and 10 exceeds \$451,600,000, the amount in excess of \$451,600,000 shall be pro-*

*portionately reduced from the amounts due to each county, special taxing district, city, town and school district.*

*The proportionate distribution will be made using the certifications after the reductions made pursuant to sections 9 and 10.*

**Sec. 12. [273.1392] [PAYMENT; AIDS TO SCHOOL DISTRICTS.]**

*The amounts of homestead credit under section 273.13, subdivisions 6, 7, and 14a; wetlands credit and reimbursement under section 273.115; native prairie credit and reimbursement under Section 273.116; attached machinery aid under section 273.138; reimbursement under section 273.139; and agricultural preserve credit under section 473H.10, shall be certified to the department of education by the department of revenue. The amounts so certified shall be paid according to the schedule for payment of foundation aids pursuant to section 124.11. The sum sufficient to make the payments required by this section is appropriated from the general fund to the commissioner of education.*

**Sec. 13. [REPEALER.]**

*(a) Minnesota Statutes 1981 Supplement, Section 290A.07, Subdivision 2, is repealed.*

*(b) Laws 1981, First Special Session, Chapter 1, Article III, Section 3, Subdivision 6, as amended by Laws 1981, Third Special Session Chapter 2, Article IV, Section 15, is repealed.*

**Sec. 14. [EFFECTIVE DATE.]**

*Section 1 is effective for taxes levied in 1982 and thereafter, payable in 1983, and thereafter. Sections 2, 3, and 13, clause (a), are effective for claims based on rent paid in 1982 and thereafter, and property taxes payable in 1983 and thereafter. Sections 4, 5, and 6 are effective for sales occurring on or after May 1, 1982. Sections 7, 8, 9, 10, 11, 12, and 13, clause (b), are effective the day after final enactment."*

Delete the title and insert:

**"A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983, with certain conditions; imposing various cost-saving measures; authorizing collection of debts related to trunk highways; clarifying certain provisions for determination of cost of care at state hospitals; directing the commissioner of public welfare to promulgate rules; altering the method of charging for out patient care; reducing employer and employee contributions to the Minnesota state retirement system; authorizing a certified state development company; making certain**

changes in the small business finance agency to provide for small business loans; giving claims against estates of deceased patients preferred status; allowing certain claims against estates for medical assistance in some instances; altering the date on which certain property tax refunds are paid; making technical corrections; imposing a tax on on-sales of liquor; delaying the 60 percent exclusion on capital gains for individuals; reducing certain payments to governmental subdivisions; altering the payment date of certain aids to school districts; imposing the sales tax on sales of candy and soft drinks, cable television services, and certain property transported outside Minnesota; appropriating money; amending Minnesota Statutes 1980, Sections 161.20, by adding a subdivision; 246.50, Subdivisions 5 and 6; 246.51; 246.53; 352.04, Subdivisions 2, as amended; and 3, as amended; 352.92, Subdivisions 1, as amended; and 2, as amended; 362.51, Subdivision 1; 362.53, Subdivision 13; 487.39, Subdivision 1; 524.3-805; Minnesota Statutes 1981 Supplement, Sections 246.511; 275.50, Subdivision 2, as amended; 290A.07, Subdivisions 2a, and 3; 297A.01, Subdivision 3, as amended; 297A.25, Subdivision 1, as amended; 362.52, Subdivision 2; 510.05; 525.145; Laws 1981, Third Special Session Chapter 2, Article III, Section 22; House File No. 1872, Article I, Section 73; proposing new law coded in Minnesota Statutes, Chapters 273; 340; and 362; repealing Minnesota Statutes 1981 Supplement, Sections 290A.07, Subdivision 2; Laws 1981, First Special Session, Chapter 1, Article III, Section 3, Subdivision 6, as amended."

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

House Conferees: MICHAEL R. SIEBEN, DON SAMUELSON, PHYLLIS L. KAHN and LYNDON R. CARLSON.

Senate Conferees: GERALD L. WILLET, GERRY SIKORSKI, WILLIAM P. LUTHER, TIMOTHY J. PENNY and STEVE ENGLER.

Sieben, M., moved that the report of the Conference Committee on H. F. No. 2190 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 Anderson, I., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Aasness	Brandl	Dempsey	Ewald	Hauge
Ainley	Byrne	Den Ouden	Fjoslien	Heap
Anderson, G.	Carlson, D.	Drew	Forsythe	Heinitz
Anderson, I.	Carlson, L.	Eken	Greenfield	Himle
Anderson, R.	Clark, J.	Elioff	Gruenes	Hoberg
Battaglia	Clark, K.	Ellingson	Gustafson	Hokanson
Begich	Clawson	Erickson	Halberg	Hokr
Berkelman	Dahlvang	Esau	Hanson	Jacobs
Blatz	Dean	Evans	Harens	Jennings

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

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

H. F. No. 2190, A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article I, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12.

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.

Eken moved that those not voting be excused from voting. The motion did not prevail.

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

There were 60 yeas and 67 nays as follows:



Those who voted in the affirmative were :

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

Those who voted in the negative were :

Aasness	Forsythe	Knickerbocker	Olsen	Stadum
Ainley	Gruenes	Kvam	Onnen	Stowell
Anderson, R.	Halberg	Laidig	Peterson, B.	Stumpf
Blatz	Harens	Lemen	Piepho	Sviggum
Carlson, D.	Hauge	Levi	Redalen	Vaia
Dean	Haukoos	Ludeman	Rees	Valento
Dempsey	Heap	Luknic	Reif	Voss
Den Ouden	Heinitz	Marsh	Rothenberg	Weaver
Drew	Himle	McCarron	Sarna	Welker
Erickson	Hoberg	McDonald	Schafer	Wieser
Esau	Hokr	Mehrkens	Schoenfeld	Wigley
Evans	Jennings	Nelsen, B.	Schreiber	
Ewald	Johnson, D.	Niehaus	Shea	
Fjoslien	Kaley	Nysether	Sherwood	

The bill was not repassed, as amended by Conference.

## MOTIONS AND RESOLUTIONS

Osthoff moved that H. F. No. 678 be recalled from the Governor for further consideration by the House. 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, March 19, 1982.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SECOND SESSION - 1982

## NINETY-FIRST DAY

SAINT PAUL, MINNESOTA, FRIDAY, MARCH 19, 1982

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 Reverend Einar J. Oberg, Executive Secretary of Lutheran Orient Mission, Minneapolis, 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.	Greenfield	Laidig	Osthoff	Staten
Battaglia	Gruenes	Lehto	Otis	Stowell
Begich	Gustafson	Lemen	Peterson, B.	Stumpf
Berkelman	Halberg	Levi	Peterson, D.	Sviggum
Blatz	Hanson	Long	Piepho	Swanson
Brandl	Harens	Ludeman	Pogemiller	Tomlinson
Byrne	Hauge	Mann	Redalen	Valan
Carlson, D.	Haukoos	Marsh	Reding	Valento
Carlson, L.	Heap	McCarron	Rees	Vanasek
Clark, J.	Heinitz	McDonald	Reif	Vellenga
Clark, K.	Himle	McEachern	Rice	Voss
Clawson	Hoberg	Mehrkens	Rodriguez, C.	Weaver
Dahlvang	Hokanson	Metzen	Rodriguez, F.	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	Sprk. Sieben, H.
Ellingson	Kahn	Norton	Shea	
Erickson	Kaley	Novak	Sherman	

A quorum was present.

Brinkman, Frerichs, Luknic, Searles and Zubay were excused.

Rose was excused until 4:00 p.m.

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

## PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 19, 1982

The Honorable Harry Sieben, Jr.  
Speaker  
Minnesota House of Representatives

Dear Mr. Speaker:

Pursuant to the request of the House, I am herewith returning House File 678.

Sincerely,

ALBERT H. QUIE  
Governor

Osthoff moved that the vote on March 13, 1982, whereby H. F. No. 678 was repassed by the House as amended by the Conference Committee be now reconsidered; that H. F. No. 678 be returned to the Senate with the request that the Senate reconsider the vote whereby H. F. No. 678 was repassed as amended by the Conference Committee; and that H. F. No. 678 be returned to the Conference Committee for further consideration. The motion prevailed.

Osthoff moved that the action whereby H. F. No. 678 was given its third reading, as amended by Conference, and the vote whereby the Conference Committee Report on H. F. No. 678 was adopted be reconsidered. The motion prevailed.

## ANNOUNCEMENT BY THE SPEAKER ON VETO MESSAGES

The Speaker announced to the House that veto messages had been received from Governor Albert H. Quie on H. F. Nos. 1176, 1234 and 1726.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House File was introduced:

Sieben, M., introduced:

H. F. No. 2297, A bill for an act relating to public welfare; appropriating money for the income maintenance program.

The bill was read for the first time.

MOTIONS AND RESOLUTIONS

Mann moved that House Advisory No. 73 be recalled from the Committee on Commerce and Economic Development and be referred to the Committee on Transportation. The motion prevailed.

Fjoslien and Wenzel introduced:

House Resolution No. 36, A house resolution proclaiming the week of March 15 to 20, 1982, to be Alcohol Fuels Week in Minnesota.

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

Fjoslien, Wenzel and Wigley introduced:

House Resolution No. 37, A house resolution proclaiming March 18, 1982, to be "Agriculture Day" in Minnesota.

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.

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

MOTION FOR RECONSIDERATION

Stumpf moved that the vote whereby H. F. No. 2190 was not passed, as amended by Conference, on Thursday, March 18, 1982, be now reconsidered. The motion prevailed.

H. F. No. 2190, as amended by Conference, was reported to the House.

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

H. F. No. 2190, A bill for an act relating to education; changing the requirements for membership on the higher education coordinating board; allowing the regional management information centers to be considered governmental units for purposes of the joint powers law; requiring the approval of a plan for spending federal education block grant funds for state administrative purposes; allowing the immigration history research center to use donated services or donated property to meet its matching requirements; broadening the planning process relating to declining enrollments in higher education; repealing mandates; amending Minnesota Statutes 1980, Sections 136A.02, Subdivision 1; 471.59, by adding a subdivision; Laws 1981, Chapter 359, Section 2, Subdivision 8; and Section 9, Subdivision 12; Third Special Session Chapter 2, Article I, Section 6, Subdivision 1; repealing Minnesota Statutes, Sections 120.17, Subdivision 10; and 121.12.

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 68 yeas and 57 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Forsythe	Kvam	Olsen	Stowell
Ainley	Gruenes	Laidig	Onnen	Sviggum
Anderson, R.	Haukoos	Lemen	Osthoff	Valan
Blatz	Heap	Levi	Peterson, B.	Valento
Dean	Heinitz	Ludeman	Redalen	Voss
Den Ouden	Himle	Marsh	Rees	Weaver
Drew	Hoberg	McCarron	Reif	Welker
Erickson	Hokr	McDonald	Rothenberg	Wieser
Esau	Jennings	Mehrkens	Schafer	Wigley
Evans	Johnson, D.	Nelsen, B.	Schreiber	
Ewald	Kaley	Niehaus	Sherwood	
Fjoslien	Knickerbocker	Nysether	Stadum	

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 adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 13, A Concurrent Resolution relating to the delivery of bills to the Governor after final adjournment.

PATRICK E. FLAHAVEN, Secretary of the Senate

## SUSPENSION OF RULES

Eken moved that the Rules be so far suspended that Senate Concurrent Resolution No. 13 be now considered and be placed upon its adoption. The motion prevailed.

## SENATE CONCURRENT RESOLUTION NO. 13

A Senate concurrent resolution relating to the delivery of bills to the governor after final adjournment.

*Whereas*, the Minnesota Constitution, Article IV, Section 23, authorizes the presentation to the Governor after sine die adjournment of bills that passed in the last three days of the session; *Now, Therefore*,

*Be it Resolved* by the Senate of the State of Minnesota, the House of Representatives concurring, that upon adjournment sine die of the 72nd regular session of the Legislature, bills shall be presented to the Governor as follows:

(a) The Speaker of the House of Representatives, the Chief Clerk of the House of Representatives, the President of the Senate, and the Secretary of the Senate shall certify and sign each bill in the same manner and upon the same certification as each bill is signed for presentation to the Governor prior to adjournment sine die, and each of those officers shall continue in his designated capacity during the three days following the date of final adjournment.

(b) The Chief Clerk of the House of Representatives and the Secretary of the Senate, in accordance with the rules of the respective bodies and under the supervision and direction of the standing Committee on Rules and Legislative Administration and the standing Committee on Rules and Administration, shall carefully enroll each bill and present them to the Governor in the same manner as each bill is enrolled and presented to the Governor prior to the adjournment of the Legislature sine die.

(c) The Revisor of Statutes shall continue to assist in all of the functions relating to enrollment of bills of the House of Representatives and of the Senate under the supervision of the Chief Clerk of the House of Representatives and the Secretary of the Senate in the same manner that his assistance was rendered prior to the adjournment of the Legislature sine die.

*Be it Further Resolved* that the Secretary of the Senate is directed to deliver copies of this resolution to the Governor and the Secretary of State.

Eken moved that Senate Concurrent Resolution No. 13, be now adopted.

The motion prevailed and Senate Concurrent Resolution No. 13 was adopted.

Stadum was excused while in conference committee.

The Speaker called Wynia to the Chair.

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

March 18, 1982

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

Dear Mr. Speaker:

Returned to you herewith please find H. F. No. 1726. I strongly believe that the Commissioner of Education should remain as a member of the State University Board, and am therefore vetoing this piece of legislation.

The Commissioner, as the spokesman for elementary and secondary education in Minnesota, provides direct communication on behalf of that segment of our educational system to the Board during its deliberations and decision-making processes. The input which the Commissioner is able to provide by his presence on the State University Board can be important in developing educational policy for the State.

I recognize that the number of elementary and secondary teachers which is currently being trained at our State universities is declining. However, I also believe that there will be a time in the future when the need for teachers in our schools will increase.

I have no objection to the provisions contained in Section 3 of the bill. However, I feel so strongly that the Commissioner of Education should remain on the State University Board that I feel compelled to veto this legislation.

Sincerely,

ALBERT H. QUITE  
Governor



Elioff moved that H. F. No. 1726 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.

There being no objection rule 2.1 regarding use of the electric voting system was suspended.

The question was taken on the motion to reconsider and repass H. F. No. 1726, 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.

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

There were 106 yeas and 10 nays as follows :

Those who voted in the affirmative were :

Aasness	Ellingson	Kaley	Nelson, K.	Sieben, M.
Ainley	Evans	Kalis	Norton	Simoneau
Anderson, B.	Ewald	Kelly	Novak	Skoglund
Anderson, G.	Fjoslien	Knickerbocker	O'Connor	Staten
Anderson, I.	Forsythe	Kostohryz	Ogren	Stowell
Anderson, R.	Greenfield	Laidig	Olsen	Stumpf.
Battaglia	Gruenes	Lehto	Osthoff	Sviggum
Begich	Gustafson	Lemen	Otis	Swanson
Berkelman	Halberg	Levi	Peterson, B.	Tomlinson
Blatz	Hanson	Long	Peterson, D.	Valan
Brandl	Hauge	Ludeman	Piepho	Vanasek
Byrne	Heap	Mann	Pogemiller	Vellenga
Carlson, D.	Heinitz	Marsh	Reding	Voss
Carlson, L.	Himle	McCarron	Rees	Weaver
Clark, J.	Hoberg	McDonald	Reif	Welch
Clark, K.	Hokr	McEachern	Rice	Wenzel
Clawson	Jacobs	Mehrkens	Rodriguez, C.	Wynia
Dahlvang	Jennings	Metzen	Rodriguez, F.	Spkr. Sieben, H.
Dean	Johnson, C.	Minne	Rothenberg	
Drew	Johnson, D.	Munger	Samuelson	
Eken	Jude	Murphy	Sarna	
Elioff	Kahn	Nelsen, B.	Schreiber	

Those who voted in the negative were :

Den Ouden	Esau	Niehaus	Redalen	Valento
Erickson	Haukoos	Onnen	Sherwood	Welker

Having received the required two-thirds vote, the bill was repassed.

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 18, 1982

The Honorable Harry Sieben  
Speaker  
Minnesota House of Representatives

Dear Mr. Speaker:

Attached, herewith, please find H. F. No. 1234, which I am returning to you, unsigned.

It appears that the intent of the proposal is to make it possible for the State of Minnesota to grant certain paid medical insurance benefits to its retired employees. However, the bill does not specify a program or procedure on how this is to be accomplished.

Sincerely,

ALBERT H. QUIE  
Governor

Tomlinson moved that H. F. No. 1234 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.

There being no objection rule 2.1 regarding use of the electric voting system was suspended.

The question was taken on the motion to reconsider and repass H. F. No. 1234, 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.

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

There were 102 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Den Ouden	Heap	Lehto	Ogren
Anderson, G.	Drew	Himle	Lemen	Olsen
Anderson, I.	Eken	Hoberg	Long	Onnen
Anderson, R.	Elioff	Hokanson	Mann	Osthoff
Battaglia	Ellingson	Hokr	Marsh	Otis
Begich	Evans	Jacobs	McCarron	Peterson, B.
Berkelman	Ewald	Johnson, C.	McEachern	Peterson, D.
Blatz	Fjoslien	Johnson, D.	Mehrrens	Piepho
Brandl	Forsythe	Jude	Metzen	Pogemiller
Byrne	Greenfield	Kahn	Minne	Reding
Carlson, L.	Gruenes	Kaley	Munger	Rees
Clark, J.	Gustafson	Kalis	Murphy	Reif
Clark, K.	Halberg	Kelly	Nelson, K.	Rice
Clawson	Hanson	Knickerbocker	Norton	Rodriguez, C.
Dahlvang	Harens	Kostohryz	Novak	Rodriguez, F.
Dean	Hauge	Laidig	O'Connor	Rothenberg

Samuelson	Sieben, M.	Sviggum	Vellenga	Wynia
Sarna	Simoneau	Swanson	Voss	Spkr. Sieben, H.
Schoenfeld	Skoglund	Tomlinson	Weaver	
Shea	Staten	Valan	Welch	
Sherman	Stumpf	Vanasek	Wenzel	

Those who voted in the negative were:

Aasness	Haukoos	Ludeman	Redalen	Valento
Ainley	Heinitz	McDonald	Schafer	Welker
Carlson, D.	Jennings	Nelsen, B.	Schreiber	Wigley
Erickson	Kvam	Niehaus	Sherwood	
Esau	Levi	Nysether	Stowell	

Having received the required two-thirds vote, the bill was repassed.

The Speaker resumed the Chair.

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 19, 1982

The Honorable Harry Sieben  
Speaker  
Minnesota House of Representatives

Dear Mr. Speaker:

I am returning to you unsigned, H. F. No. 1176, the Environmental Response and Liability Act. While I have been a strong supporter of responsible legislation to address the problems which our State faces as result of the proliferation of hazardous waste, I do not believe that H. F. No. 1176 meets society's standards of reasonableness or fundamental fairness in the solutions it imposes on the people, businesses and governments of our State.

My greatest concern about H. F. No. 1176 is the structure of legal standards it establishes for determining liability. The doctrine of strict liability, which imposes legal liability without regard to whether an action was performed negligently or responsibly, is a standard which the State has a right to impose for future actions of hazardous waste generators, transporters and disposers. But to impose this strict liability on persons or corporations which acted reasonably and in accordance with the laws and scientific knowledge which existed many years ago violates both the spirit and the letter of the prohibition in the United States Constitution against a state passing any ex post facto law. I believe that this retroactive application of the doctrine of strict liability must be eliminated and that the actions of persons involved in hazardous waste disposal in the past should be judged against the standards of negligence established in our common law.

Of additional concern to me is the question of whether persons involved in the generation and disposal of hazardous wastes would have the opportunity to adequately insure against the tremendous potential liabilities imposed by H. F. No. 1176. I have consulted with representatives of the insurance industry, as well as the commissioner of insurance. Based on these discussions, I have concluded that the unique standards of liabilities imposed by the bill, together with the uncertainty of the extent of potential damages, will result in unreasonably high insurance costs. In addition, the stability of the insurance marketplace over time causes some concern for the future costs we may be imposing on the State's businesses. Further, since the new standards of liability are effective on July 1, 1982, the opportunity for businesses to intelligently define their insurance needs and secure the most cost effective coverage will be very limited. This additional significant cost of doing business in Minnesota, coupled with our high workers' compensation and corporate and personal income tax rates, would jeopardize the future health of our State's economy.

If H. F. No. 1176 were allowed to become law in its present form, I believe that it would further damage Minnesota's already troubled economy and would provide yet another disincentive for businesses to remain and grow in Minnesota, creating the vital jobs to which our citizens are entitled. This bill puts Minnesota at an even greater disadvantage than they already face from competitors in surrounding states.

There is a clear and demonstrable need for legislation which provides adequate funding to clean up hazardous waste sites in Minnesota when the persons responsible are either unavailable, unwilling or financially unable to do so. Further, there is no question that hazardous waste generators, transporters and disposers must be held responsible for damage they cause by lack of care or negligence.

Legislation is required to meet four needs: 1) State matching funds of at least 10 percent must be raised in order for Minnesota to receive federal cleanup money; 2) authority must be provided to the Pollution Control Agency (PCA) so that it can clean up hazardous waste situations before litigation is completed; 3) there must be fairness, equity and justice in liability standards for disposal practices that previously were considered legal and responsible; and 4) there must be fair, equitable and just liability standards established so that the Waste Management Board (WMB) can complete its siting responsibilities. Such standards must clearly establish the fact that all citizens of Minnesota will be adequately protected.

If the Legislature is willing, I believe that the defects in this legislation can be remedied. The Legislature can act quickly to address my concerns about the retroactive application of this

law and about establishing more reasonable limitations on future liability during the present legislative session. If the Legislature is unable or unwilling to immediately revise the offensive provisions of this bill, the State will benefit from the results of the Federal Superfund Study Panel which is presently studying the liability provisions of such statutes and is expected to issue its report later this year. Problems of hazardous waste disposal in Minnesota must be addressed, and I will work with the Legislature to develop a fair, balanced and reasonable law to provide the necessary hazardous waste protection for every Minnesotan.

Sincerely,

ALBERT H. QUIE  
Governor

Long moved that H. F. No. 1176 be now reconsidered and re-passed, the objections of the Governor notwithstanding, pursuant to Article IV, Section 23, of the Constitution of the State of Minnesota.

There being no objection rule 2.1 regarding use of the electric voting system was suspended.

The question was taken on the motion to reconsider and repass H. F. No. 1176, 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. There were 82 yeas and 45 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Aasness	Forsythe	Kaley	Nelsen, B.	Sherman
Ainley	Halberg	Kalis	Niehaus	Sherwood
Blatz	Haukoos	Kvam	Nysether	Stadum
Carlson, D.	Heap	Lemen	Peterson, B.	Stowell
Den Ouden	Heinitz	Levi	Redalen	Sviggum
Erickson	Himle	Ludeman	Rees	Valan
Esau	Hoberg	Marsh	Reif	Valento
Evans	Hokr	McDonald	Schafer	Welker
Fjoslien	Jennings	Mehrkens	Schreiber	Wigley

Not having received the required two-thirds vote, the bill was not re-passed.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate does not accede to the request of the House to reconsider the vote whereby H. F. No. 678 was repassed as amended by the Conference Committee:

H. F. No. 678, A bill for an act relating to elections; changing certain election procedures, requirements and time limits; exempting certain transactions from the definition of donation in kind; removing the rulemaking authority of the ethical practices board; changing eligibility requirements and compensation for election judges; authorizing time off from work for election judges; recodifying municipal elections law; amending Minnesota Statutes 1980, Sections 10A.01, Subdivision 7b; 10A.02, Subdivision 13; 205.02; 205.07, Subdivision 1; 205.13, as amended; 205.16; 205.17, as amended; 205.20, as amended; 205.84; and Minnesota Statutes 1981 Supplement, Sections 201.071, Subdivision 1; 203B.02, Subdivision 1; 203B.04, Subdivision 1; 204B.12, Subdivision 1; 204B.19, Subdivision 1; 204B.21, Subdivision 1; 204B.27, Subdivision 1; 204B.31; 204B.34, Subdivision 1; 204B.35, Subdivision 4; 204C.32, Subdivision 2; 204C.33, Subdivision 2; 204D.06; 204D.11, Subdivisions 1 and 5; 204D.14; 204D.15, Subdivision 2; 205.03, Subdivisions 1 and 3; 205.10; proposing new law coded in Minnesota Statutes 1980, Chapter 205; and repealing Minnesota Statutes 1980, Sections 205.04; 205.11, Subdivisions 1, 2, 3, 4, and 5; 205.14, Subdivisions 1, 2, and 3; 205.19; 205.21; and Minnesota Statutes 1981 Supplement, Sections 201.091, Subdivision 6; 204B.12, Subdivision 2; 205.03; 205.10; 205.11, Subdivision 4a; 205.121; 205.14, Subdivision 4; and 205.15.

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. 2190, A bill for an act relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983, with certain conditions; imposing various cost-saving measures; authorizing collection of debts related to trunk highways; clarifying certain provisions for determination of cost of care at state hospitals; directing the commissioner of public welfare to promulgate rules; altering the method of charging for outpatient care; reducing employer and employee contributions to the Minnesota state retirement system; authorizing a certified state development company; making certain changes in the small business finance agency to provide for small business loans; giving claims against estates of deceased patients preferred status; allowing certain claims against estates for medical assistance in some instances; altering the

date on which certain property tax refunds are paid; making technical corrections; imposing a tax on on-sales of liquor; delaying the 60 percent exclusion on capital gains for individuals; reducing certain payments to governmental subdivisions; altering the payment date of certain aids to school districts; imposing the sales tax on sales of candy and soft drinks, cable television services, and certain property transported outside Minnesota; appropriating money; amending Minnesota Statutes 1980, Sections 161.20, by adding a subdivision; 246.50, Subdivisions 5 and 6; 246.51; 246.53; 352.04, Subdivisions 2, as amended; and 3, as amended; 352.92, Subdivisions 1, as amended; and 2, as amended; 362.51, Subdivision 1; 362.53, Subdivision 13; 487.-39, Subdivision 1; 524.3-805; Minnesota Statutes 1981 Supplement, Sections 246.511; 275.50, Subdivision 2, as amended; 290A.07, Subdivisions 2a, and 3; 297A.01, Subdivision 3, as amended; 297A.25, Subdivision 1, as amended; 362.52, Subdivision 2; 510.05; 525.145; Laws 1981, Third Special Session Chapter 2, Article III, Section 22; House File No. 1872, Article I, Section 73; proposing new law coded in Minnesota Statutes, Chapters 273; 340; and 362; repealing Minnesota Statutes 1981 Supplement, Sections 290A.07, Subdivision 2; Laws 1981, First Special Session, Chapter 1, Article III, Section 3, Subdivision 6, as amended.

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 repassage by the Senate of the following House File, notwithstanding the veto by the Governor:

H. F. No. 1234, A bill for an act relating to employees and officials of the state; clarifying certain hospital and medical benefits for retired or disabled state officials and employees; amending Minnesota Statutes 1980, Section 471.61, Subdivision 2a.

The enrolled copy of House File No. 1234, with all of the signatures of the officers of the Senate and the House together with the Governor's objections, is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1726, A bill for an act relating to education; removing the commissioner of education from the state university board and as secretary of the board; allowing teachers at a com-

munity college or state university to accrue seniority during a leave of absence; amending Minnesota Statutes 1980, Sections 136.12, Subdivision 1; 136.13; and 136.88, Subdivision 5.

The enrolled copy of House File No. 1726, with all of the signatures of the officers of the Senate and the House together with the Governor's objections, 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. 2169.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2169, A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, omitted and obsolete references and text; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a non-controversial nature in the 1982 regular session and the third special session of 1981; redefining drug paraphernalia to exclude items used in conjunction with permitted uses under the controlled substance law; amending Minnesota Statutes 1980, Sections 62C.142, Subdivision 3; 62D.101, Subdivision 3; 123.933, Subdivision 3; 152.01, Subdivision 18, as amended; 244.09, Subdivision 2, as amended; 327.14, Subdivision 8; 340.951, as amended; 475.61, Subdivision 3, as amended; Minnesota Statutes 1981 Supplement, Sections 56.12; 124.2125, Subdivision 1, as amended; 124.73, Subdivision 1; 273.13, Subdivision 9, as amended; 475.55, Subdivision 2, as amended; Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, as amended; Laws enacted at the 1982 regular session styled as S. F. Nos. 1451, Section 20, Subdivision 1; 1538, Section 13; 1818, by adding a section; H. F. No. 1025; proposing new law coded in Minnesota Statutes, Chapter 327; repealing laws enacted at the 1982 regular session styled as H. F. Nos. 552 and 1663, Section 1.

The bill was read 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. 2169 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. 2169 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 2169 was read for the second time.

S. F. No. 2169, A bill for an act relating to legislative enactments; correcting erroneous, ambiguous, omitted and obsolete references and text; correcting miscellaneous oversights, inconsistencies, ambiguities, unintended results and errors of a non-controversial nature in the 1982 regular session and the third special session of 1981; redefining drug paraphernalia to exclude items used in conjunction with permitted uses under the controlled substance law; amending Minnesota Statutes 1980, Sections 62C.142, Subdivision 3; 62D.101, Subdivision 3; 123.933, Subdivision 3; 152.01, Subdivision 18, as amended; 244.09, Subdivision 2, as amended; 327.14, Subdivision 8; 340.951, as amended; 475.61, Subdivision 3, as amended; Minnesota Statutes 1981 Supplement, Sections 56.12; 124.2125, Subdivision 1, as amended; 124.73, Subdivision 1; 273.13, Subdivision 9, as amended; 475.55, Subdivision 2, as amended; Laws 1981, Third Special Session Chapter 2, Article IV, Section 1, as amended; Laws enacted at the 1982 regular session styled as S. F. Nos. 1451, Section 20, Subdivision 1; 1538, Section 13; 1818, by adding a section; H. F. No. 1025; proposing new law coded in Minnesota Statutes, Chapter 327; repealing laws enacted at the 1982 regular session styled as H. F. Nos. 552 and 1663, 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.

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

There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

## MOTIONS AND RESOLUTIONS

Elioff moved that the rules be so far suspended that House Resolution No. 33 be recalled from the Committee on Rules and Legislative Administration and be placed upon its adoption. The motion prevailed.

### HOUSE RESOLUTION NO. 33

A House resolution urging the Federal Energy Regulatory Commission to hold hearings in Minnesota whenever increases in natural gas are being considered.

*Whereas*, the Federal Energy Regulatory Commission is empowered by federal law to establish, review, and enforce rates for the transportation of natural gas; and,

*Whereas*, the transportation rates are ultimately reflected in the price of natural gas to the ultimate consumer; and,

*Whereas*, the cost of natural gas to consumers is of crucial importance to Minnesota since the state is completely dependent on energy transported from outside the state; and,

*Whereas*, the commission holds public hearings before considering rate increases; and,

*Whereas*, in order for Minnesotans to effectively present their views at any hearings, it is necessary that public hearings be held in Minnesota; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that the Federal Energy Regulatory Commission is urged to hold public hearings in Minnesota whenever the establishment, review, or enforcement of rates and charges for the transportation and sale of natural gas by a producer or gatherer doing business in Minnesota or by a natural gas pipe-

line or natural gas company doing business in Minnesota is to be considered.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to enroll this resolution, to be authenticated by his signature and that of the Speaker, and present it to the Chairman of the Federal Energy Regulatory Commission.

Elioff moved that House Resolution No. 33 be now adopted. The motion prevailed and House Resolution No. 33 was adopted.

#### POINT OF ORDER

Schreiber raised a point of order regarding the entry of veto messages from the Governor in the Journal pursuant to the Minnesota Constitution, Article IV, Section 23. The Speaker ruled the point of order well taken and veto messages to be entered in the Journal.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Vanasek for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Be It Resolved*, that a Committee of five members be appointed by the Speaker to advise the Senate that the House of Representatives is about to adjourn sine die and to ascertain if there is any business pending.

The motion prevailed and the report was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Committee to notify the Senate that the House is about to adjourn sine die:

Vanasek; Laidig; Novak; Carlson, D., and Munger.

Halberg, Hoberg and Valan were excused for the remainder of today's session.

The following conference committee report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1220

A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

March 19, 1982

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. 1220, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendments and that H. F. No. 1220 be further amended as follows:

Amend the amendment placed on H. F. No. 1220 by the Committee on Rules and Administration, adopted by the Senate March 12, 1982, as follows:

Page 1, after line 8, insert:

"Section 1. [176A.01] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] For the purpose of sections 1 to 14 the terms defined in this section have the meanings given them.*

*Subd. 2. [BOARD.] "Board" means the board of directors of the Minnesota workers' compensation insurance corporation.*

*Subd. 3. [CORPORATION.] "Corporation" means the Minnesota workers' compensation insurance corporation.*

*Subd. 4. [FUND.] "Fund" means the workers' compensation insurance fund established pursuant to section 11.*

*Subd. 5. [MANAGER.] "Manager" means the chief executive officer of the Minnesota workers' compensation insurance corporation.*

Sec. 2. [176A.02] [CREATION OF CORPORATION;  
BOARD OF DIRECTORS.]

*Subdivision 1. [CREATION.] The Minnesota workers' compensation insurance corporation is created as a nonprofit, public corporation.*

*Subd. 2. [BOARD OF DIRECTORS.] The corporation shall be administered and controlled by a board of directors consisting of six members appointed by the governor with the advice and consent of the senate. Each board member shall serve*

*for a term of six years and shall hold office until a successor is appointed and qualifies.*

*The first members appointed shall serve terms which shall expire as follows: two on January 7, 1985; two on January 5, 1987; and two on January 3, 1989.*

*The board shall annually elect a chairman from among its members and may elect other officers as it deems necessary.*

*Compensation of board members, removal of members and filling of vacancies shall be as provided for state boards in section 15.0575.*

*Neither the board, any of its members, nor any officer or employee of the fund shall be held liable in a personal capacity for any act performed or obligation incurred in connection with the administration, management or operation of the corporation.*

### Sec. 3. [176A.03] [GENERAL POWERS.]

*For the purpose of carrying out the specific powers granted to the board pursuant to sections 1 to 14 the board may exercise the following powers:*

- (a) It may sue and be sued;*
- (b) It may have a seal and alter it at will;*
- (c) It may adopt, amend and repeal bylaws, rules and procedures relating to its operation;*
- (d) It may enter into contracts;*
- (e) It may in its own name rent, lease, buy or sell property or construct or repair buildings necessary to provide space for its operations; and*
- (f) It may hire employees and set their compensation.*

### Sec. 4. [176A.04] [MEMBER OF RATING AND REINSURANCE ASSOCIATIONS.]

*Effective January 1, 1985, the board shall be a member of a data service organization and the workers' compensation reinsurance association.*

### Sec. 5. [176.A.05] [TREATMENT AS STATE AGENCY.]

*Subdivision 1. [EXEMPTIONS.] The corporation and the board are exempt from the following provisions applicable to other state agencies and boards:*

*(a) Rulemaking and contested case procedures pursuant to sections 15.041 to 15.051;*

*(b) Civil service and public employee bargaining provisions of chapters 43A and 179; and*

*(c) All provisions of chapters 16 and 16A.*

*Subd. 2. [ECONOMIC INTEREST DISCLOSURE.] Members of the board and the manager shall file statements of economic interest with the ethical practices board as provided in section 10A.09.*

**Sec. 6. [176A.06] [MANAGER.]**

*Subdivision 1. [APPOINTMENT.] The board shall appoint a manager who shall be responsible for the day-to-day operation of the corporation. The manager shall have proven successful experience as an executive at the general management level. The compensation of the manager shall be set by the board. The manager may be removed at the pleasure of the board.*

*Subd. 2. [BOND.] The manager shall be bonded in an amount and with sureties as approved by the board. The manager shall file the bond with the secretary of state. The premium for the bond shall be paid out of the fund.*

*Subd. 3. [POWERS.] The board may delegate any of its general or specific powers to the manager subject to the direction and approval of the board.*

**Sec. 7. [176A.07] [ADMINISTRATION OF STATE CLAIMS.]**

*Subdivision 1. [PAYMENT BY BOARD.] Beginning July 1, 1983, the board shall administer all claims for compensation of state employees under chapter 176, including claims in which the loss was incurred or reported before July 1, 1983. The provisions of chapter 176 apply to claims administered under this subdivision. For the purpose of chapter 176 the board shall be treated as the insurer of state employees and the state agency or department employing a claimant shall be considered the employer. Compensation due on state claims administered pursuant to this subdivision shall be paid from the state compensation revolving account upon warrants prepared by the board and submitted to the state treasurer.*

*Subd. 2. [REIMBURSEMENT BY AGENCIES.] The agencies and departments of the state shall reimburse the board for*

*all claims paid to their employees pursuant to subdivision 1. At the end of each calendar quarter, the board shall notify each agency and department of the total amount due under this subdivision. The agency or department shall pay the amount due within 14 days of receipt of this notice. All amounts paid to the board shall be deposited in the state compensation revolving account.*

Sec. 8. [176A.08] [INSURANCE OF STATE LIABILITY.]

*Subdivision 1. [POWERS AND DUTIES.] Beginning January 1, 1985, the board shall insure the liability of the state to pay workers' compensation claims under chapter 176 for all losses incurred on and after January 1, 1985. The board may exercise all powers necessary and convenient to carry out the duties of an insurer under chapter 176 with respect to state claims. Not later than July 1, 1984, the board shall adopt bylaws and procedures for its operation including the form of policies of insurance which will be issued to state agencies and departments.*

*Subd. 2. [PREMIUMS; DETERMINATION AND PAYMENT.] Not later than July 1 of each year, beginning on July 1, 1984, the board shall determine an annual insurance premium for all state departments and agencies which is adequate to insure the workers' compensation losses incurred by the agencies and departments during the next fiscal year. The premium shall be calculated in accordance with workers' compensation insurance rates allowed under chapter 79 or rates otherwise established according to law. The premium shall be sufficient to pay the operating expenses of the board during the fiscal year and to establish adequate reserves for the full payment of losses incurred during the fiscal year as payment becomes due in the future. The premiums shall include an experience rating or retrospective rating plan which is approved by the workers' compensation rating association for use by its members and which is approved by the board and the commissioner of administration.*

*The premium for each department or agency shall be separately calculated if the premium is credible. In order to provide for continuous accountability of claims experience for each agency and department, the board shall, for those agencies and departments without a separately calculated premium, devise a method for allocating the cost of the annual premium among those agencies and departments. Each state agency and department shall pay its annual premium or allocation of premium in advance to the board within 14 days after the beginning of the fiscal year to which the premium applies. Premiums paid pursuant to this subdivision shall be deposited in a separate state claims account in the workers' compensation insurance fund.*

*Subd. 3. [PAYMENT OF INSURED CLAIMS.] All claims insured under this section which the board determines to be due under chapter 176 or which it agrees or is ordered to pay pursuant to any proceeding under that chapter shall be paid from the separate state claims account in the workers' compensation insurance fund and may not be paid from any other assets of the fund.*

*Subd. 4. [PAYMENT OF OUTSTANDING STATE CLAIMS.] The board shall continue payment of state workers' compensation losses incurred before January 1, 1985, pursuant to the provisions of section 7.*

*Subd. 5. [LIABILITY OF STATE.] In the event that funds are insufficient to pay any workers' compensation claim which is due to a state employee as provided in sections 7 and 8 the board shall prepare a warrant for the amount due and present it to the commissioner of finance who shall pay the amount from any unencumbered balance in the general fund.*

**Sec. 9. [176A.09] [STUDY OF STATE CLAIMS EXPERIENCE.]**

*The board shall analyze the workers' compensation claims experience of state agencies and departments during the five calendar years ending December 31, 1983 in order to determine actuarially sound premiums for insurance policies issued to state agencies and departments pursuant to section 8, subdivisions 1 to 3.*

*The board shall also determine the total estimated incurred workers' compensation losses of the state that are outstanding as of January 1, 1985, and shall formulate a plan for the full funding of reserves necessary to pay those losses. Not later than November 1, 1984, the board shall submit this plan to the legislature for its consideration.*

*This section is repealed January 1, 1985.*

**Sec. 10. [176A.10] [AUTHORITY TO INSURE OTHER EMPLOYERS.]**

*Subdivision 1. [POWERS.] Beginning January 1, 1985, the board may insure any public or private employer against liability for workers' compensation claims of their employees under chapter 176. The board may exercise all powers necessary and convenient to conduct a workers' compensation insurance operation. The board shall adopt bylaws and operating procedures for the conduct of its insurance operation.*

*Subd. 2. [SUBJECT TO LICENSING AND REGULATION.] The board shall not begin operations as an insurer under this section until it has met the requirements of chapter*



60A for licensing of a stock company writing workers' compensation insurance. Sections 1 to 14 shall be considered the certificate of incorporation of the board. Except as provided in section 12, subdivision 1, the insurance operations of the board are subject to all of the provisions of chapters 60A and 60B. The commissioner of insurance has the same powers with respect to the board as he has with respect to a private workers' compensation insurer under chapters 60A and 60B. The board shall be considered an insurer for the purposes of chapters 79 and 176. With respect to the operation and procedures relating to state claims pursuant to sections 7 and 8, the regulatory provisions of chapters 60A and 60B, and sections 79.28 to 79.32 shall not apply.

*Subd. 3. [PREMIUMS.] The board shall charge the lowest insurance premiums possible, including any dividend plans, which are consistent with the maintenance of adequate reserves, the solvency of the fund and the ability of the fund to meet the anticipated demand from employers for insurance coverage.*

*Subd. 4. [STATE LIABILITY.] The insurance operation of the board shall be supported entirely out of the assets of the fund. Except as otherwise provided for state claims pursuant to section 8, subdivision 5, the state is not liable for any obligations of the board.*

**Sec. 11. [176A.11] [WORKERS' COMPENSATION INSURANCE FUND.]**

*Subdivision 1. [CONTENTS OF FUND; EXPENDITURES.] The workers' compensation insurance fund consists of all insurance premiums paid to the board, all money, securities and property owned by the board and all interest and investment income earned on money, securities and property owned by the board. All claims paid pursuant to policies of insurance written by the board shall be paid from the fund. All expenses of administration related to the insurance operations of the board, including taxes and fees payable by the board and the expense of audits, surveys and reports required by law, shall be paid from the fund. Except as provided in this subdivision, no other expenditures shall be made from the fund.*

*Subd. 2. [CUSTODIAN.] The board shall be the custodian of the fund. No assets belonging to the fund shall be required to be deposited in any fund in the state treasury.*

*Subd. 3. [INVESTMENT.] The board may invest and reinvest the assets of the fund which are in excess of current operating requirements in the same manner and to the same extent as provided in chapter 60A for a stock company writing workers' compensation insurance.*

*Subd. 4. [DEPOSITS.] Any money in the fund which is in excess of current operating requirements and not otherwise in-*

*vested, may be deposited by the board from time to time in financial institutions authorized by law to accept deposit of public money.*

**Sec. 12. [176A.12] [FEES AND TAXES.]**

*Subdivision 1. [FEE IN LIEU OF PREMIUM TAX.] The board shall pay a fee in the amount that would have been due if the board were subject to the tax imposed in section 60A.15. The fee shall be paid in the same manner as the tax imposed in section 60A.15 is paid by a domestic stock insurance company.*

*Subd. 2. [PROPERTY TAX.] The board shall not rent, lease or otherwise locate in any property which is not subject to local property taxation. Any real property owned by the board is subject to local property taxation.*

*Subd. 3. [TAX EXEMPTION.] Except as provided in subdivision 2, the board and the corporation are exempt from all state and local taxes.*

*Subd. 4. [FEDERAL TAXES.] The board shall take all steps necessary and proper to qualify the corporation for exemption from federal taxation.*

**Sec. 13. [176A.13] [REPAYMENT TO GENERAL FUND.]**

*The board shall repay, over a period of five years beginning January 1, 1986, to the general fund in equal installments, any amount appropriated to it. The first payment shall be due on January 1, 1987. The amount to be repaid shall include interest at the average rate as is earned by the state board of investment for all investments.*

**Sec. 14. [176A.14] [AUDIT, SURVEY AND REPORTS.]**

*Subdivision 1. [AUDIT AND SURVEY.] The financial affairs of the corporation shall be audited annually by an independent auditor selected by the commissioner of insurance. An actuarial survey shall be conducted annually on the insurance operations of the corporation by an independent actuary selected by the commissioner of insurance.*

*Subd. 2. [REPORTS.] The board shall prepare and submit an annual report to the governor and the legislature not later than November 15 of each year, beginning November 15, 1983, concerning the financial status of the corporation, progress in implementing the legal powers and duties of the board and recommendations for legislative action.*

**Sec. 15. Minnesota Statutes 1980, Section 176.591, Subdivision 1, is amended to read:**

Subdivision 1. [ESTABLISHMENT.] To facilitate the discharge by the state of its obligations under this chapter, there is established a revolving fund to be known as the state compensation revolving fund.

This fund is comprised of the unexpended balance in the fund on (JULY 1, 1935) *July 1, 1984*, and the sums which the (SEVERAL) departments of the state pay to the fund.

Sec. 16. Minnesota Statutes 1980, Section 176.591, Subdivision 3, is amended to read:

Subd. 3. [COMPENSATION PAYMENTS UPON WARRANTS.] The state treasurer shall make compensation payments from the fund only as authorized by this chapter upon warrants of the (COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY) *workers' compensation insurance board*.

Sec. 17. [IMPLEMENTATION.]

*The first members of the board of directors of the workers' compensation insurance corporation shall be appointed not later than February 1, 1983. The board shall act promptly to select a manager, hire necessary employees and acquire necessary facilities and supplies to begin operation as required by section 7 on July 1, 1983. The board shall begin the study required under section 9 not later than July 1, 1983.*

Sec. 18. Minnesota Statutes 1981 Supplement, Section 15.052, Subdivision 5, as amended by Laws 1981, Third Special Session Chapter 2, Article I, Section 10, is amended to read:

Subd. 5. [COURT REPORTERS; AUDIO RECORDINGS.] The office of administrative hearings may maintain a court reporter system and in addition to or in lieu thereof may contract with nongovernmental 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. In cases arising under chapter 176, the chief hearing examiner shall use audio magnetic recording devices to keep the record of hearings except when there are more than two primary parties in a case and the chief hearing examiner determines that the use of a court reporter is more appropriate. If the chief hearing examiner determines that the use of a court reporter is more appropriate, the cost of the court reporter shall be paid by the state. If the chief hearing examiner determines that the use of an audio magnetic recording device is more appropriate in a hearing under chapter 176, any party to that hearing may pro-

vide a court reporter at the party's expense. Court reporters provided by a party shall be selected from court reporters employed by the office of administrative hearings or, if not available, from the chief hearing examiner's list of non-governmental sources.

The fee charged by a non-governmental court reporter to a party shall not exceed the fee which would be charged to the state pursuant to the court reporter's contract with the state. Fees charged for the services of a court reporter employed by the office of administrative hearings shall be determined by the chief hearing examiner with the approval of the commissioner of finance.

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."

Page 2, after line 7, insert :

"Sec. 22. Minnesota Statutes 1980, Section 79.211, Subdivision 1, is amended to read :

Subdivision 1. [CERTAIN WAGES EXCLUDED FOR RATE MAKING.] The rating association or an insurer shall not include wages paid for a vacation, holiday, or sick leave in the determination of a workers' compensation insurance premium except that on and after January 1, 1983, this exclusion shall not be made unless the wages paid for a vacation, holiday, or sick leave are in excess of ten percent of the payroll base of an employer and only to the extent of the amount in excess of ten percent."

Page 15, line 17, before "Compensation" insert "Except as may be otherwise provided in subdivision 3a,"

Page 15, line 19, reinstate the stricken language and after "pending" insert "completion of"

Page 15, line 20, reinstate the stricken "compensation for" and before the stricken comma, insert "rehabilitation" and before "when" insert "or"

Page 15, line 23, after "plan" delete the new language

Page 15, delete lines 24 and 25

Page 15, line 26, delete everything before the period

Page 16, line 17, before the comma, insert "or is in an approved rehabilitation plan pursuant to section 176.102"

Page 16, line 22, after "employee" insert "has completed a rehabilitation plan pursuant to section 176.102 or"

Page 20, line 12, after "If" insert "within 180 days after a determination has been made that an employee is medically recovered"

Page 20, line 13, delete "after the employee has medically recovered"

Page 20, line 19, after "layoff" insert "or the 180 day period has elapsed,"

Page 27, after line 22, insert:

*"If an employee suffers permanent functional disability of more than one scheduled body part due to personal injury incurred in a single occurrence or as the result of an occupational disease, the total number of weeks of benefit to which the employee is entitled shall be determined by the following formula so as to ensure that the maximum number of weeks payable for all functional disability combined shall not exceed 500 weeks:*

$$A + [1.0 - (A/500)]B$$

where:

*A = the number of weeks awardable for the permanent partial disability to the first body part, and*

*B = the number of weeks otherwise awardable for the second body part.*

*For permanent partial disabilities to three body parts due to personal injury incurred in a single occurrence or as the result of an occupational disease, the above formula shall be applied, providing that A will equal the result obtained from application of the formula to the first two body parts and B will equal the number of weeks awardable for the third body part. For permanent partial disabilities to four or more body parts incurred as described above, A will equal the result obtained from the prior application of the formula, and B will equal the number of weeks awardable for the fourth body part or more in arithmetic progressions."*

Page 27, delete section 24

Page 36, delete lines 20 to 29

Page 36, line 30, delete everything before the period

Page 38, line 32, delete "*July 1, 1983,*" and insert "*April 1, 1984,*"

Page 39, line 2, after "[FINANCING.]" insert "*Commencing July 1, 1983,*"

Page 39, after line 12, insert:

*"The commissioner shall administer the fund and make the payments required by subdivision 2, pursuant to the rules adopted in subdivision 4."*

Page 39, after line 27, insert:

*"The accounting, investigation, and legal costs necessary for the administration of the rehabilitation fund shall be paid from the fund during each biennium commencing July 1, 1983. Staffing and expenditures related to the administration of the rehabilitation fund shall be approved through the regular budget and appropriations process."*

Page 42, delete lines 3 to 19

Page 50, line 7, after "*supreme court.*" insert:

*"The commissioner shall be the administrator for the special compensation fund and shall determine the liability of the special compensation fund in each claim within the jurisdiction of the workers' compensation division, enter into stipulations of settlement on behalf of the special compensation fund, and make payment as required by this section. The commissioner shall consider the advice and recommendations of the attorney general as the legal advisor for the special compensation fund in the administration of the special compensation fund."*

Page 59, line 33, delete "*to the special compensation fund*" and before "*an*" insert "*a penalty in*"

Page 59, line 36, after "*amount*" insert "*shall be divided in half and equal amounts paid in a single installment to the employee and the special compensation fund within 30 days of a determination by the commissioner of a violation of this section. This penalty*"

Page 60, after line 7, insert:

*"Subd. 6. [LIMITATIONS.] This section shall not create any liabilities or other requirements for the payment of benefits under chapter 176 than are specifically contained within the section."*

Page 62, after line 18, insert:

"Sec. 91. Laws 1981, Third Special Session Chapter 2, Article I, Section 2, Subdivision 1, Paragraph (k), is amended to read:

(k) Administrative Hearings . . . . . (66,600) (161,000)

The appropriation reductions in this item are made after the appropriation transfers authorized by Laws 1981, Chapter 346, Section 144.

The office of administrative hearings shall station a compensation judge and necessary support staff in an office in Duluth during the biennium ending June 30, 1983.

(THE CHIEF HEARING EXAMINER SHALL DISCONTINUE THE USE OF COURT REPORTERS WHO ARE STATE EMPLOYEES AS SOON AS EXISTING LABOR AGREEMENTS ALLOW. WHILE THERE CONTINUE TO BE COURT REPORTERS EMPLOYED IN THE OFFICE OF HEARING EXAMINERS, THE REPORTERS SHALL BE USED PRIMARILY TO PROVIDE COURT REPORTER SERVICES.)

(AFTER SEPTEMBER 30, 1982, ALL RECEIPTS FROM TRANSCRIPT FEES SHALL BE DEPOSITED IN THE GENERAL FUND.)

*When a court reporter position becomes vacant, the position shall not be filled but shall be canceled.*

*The chief hearing examiner shall report to the chairmen of the house appropriations and senate finance committees by February 15, 1983. The report shall contain both a fiscal breakdown of the court reporter costs that have been financed through transcript fees, court reporter fees, and general fund appropriations and a management recommendation concerning continuation of a court reporter system in the workers compensation division of the office of administrative hearings."*

Page 62, line 26, delete "ten" and insert "11.1"

Page 62, line 27, delete "repeal of" and insert "amendment to"

Page 63, line 30, delete "and"

Page 64, line 4, delete the period and insert “; and

*(e) Chapter 176 for the purpose of recodifying and re-writing that chapter to assure that it is readable and understandable to a person of average intelligence, experience, and education. The commission shall develop legislation to fulfill the purposes of this clause for presentation to the 1984 legislature.”*

Page 64, line 11, delete “December” and insert “October”

Page 65, after line 14, insert:

“Sec. 96. [APPROPRIATION.]

*The sum of \$359,000 is appropriated to the legislative advisory commission for the purposes of transferring funds to the department of labor and industry in order to fulfill the duties required of the workers’ compensation division by chapter 176 and this act.”*

Page 65, line 16, delete everything after “Sections”

Page 65, line 17, after “18;” insert “176.061, Subdivisions 8 and 9;”

Page 65, line 18, after the last semicolon, insert “176.541, Subdivisions 2, 3, 4, 5, 6 and 8; 176.551; 176.561; 176.571; 176.603; 176.611;”

Page 65, line 23, after “section” delete “23” and insert “24”

Page 65, delete lines 26 to 29 and insert:

*“Sections 15 and 16 are effective July 1, 1983. Sections 1 to 14, 17, 19 to 29, 31, 32, 35 to 57, 59, 61 to 69, and 71 to 90 are effective January 1, 1983. Sections 18, 30, 33, 34, 58, 60 and 91 to 97 are effective the day after final enactment. Section 70 is effective retroactive to January 1, 1982.”*

Page 67, line 1, delete “66 2/3” and insert “60”

Page 70, line 24, delete “1983” and insert “1984”

Page 71, line 4, delete “1982” and insert “1983”

Page 71, line 5, delete “1984” and insert “1985”

Page 71, line 9, delete “1982” and insert “1983”

Page 71, line 11, delete “1983” and insert “1984”



Page 71, line 17, delete "1982" and insert "1983"

Page 71, line 21, delete "1982" and insert "1983"

Page 71, line 24, delete "1983" and insert "1984"

Page 71, line 28, delete "1983" and insert "1984"

Page 71, line 31, delete "1984" and insert "1985"

Page 71, line 36, delete "1983" and insert "1984"

Page 72, line 10, delete "1983" and insert "1984"

Page 72, line 15, delete "1983" and insert "1984"

Page 72, line 29, delete "1982" and insert "1983"

Page 73, line 10, delete "1982" and insert "1983"

Page 73, line 10, delete "1983" and insert "1984"

Page 73, line 16, delete "1982" and insert "1983"

Page 73, line 21, delete "1982" and insert "1983"

Page 73, line 23, delete "1982" and insert "1983"

Page 73, line 26, delete "1984" and insert "1985"

Page 74, line 2, delete "1984" and insert "1985"

Page 74, line 15, after "1982;" insert "and"

Page 74, line 15, after the first "two" insert "and one-half"

Page 74, line 15, delete "; two" at end of line

Page 74, delete line 16

Page 74, line 17, delete "points for 1985"

Page 74, line 19, after "1982;" insert "and"

Page 74, line 19, after the first "two" insert "and one-half"

Page 74, line 19, delete "; two and" at end of line

Page 74, delete line 20

Page 74, line 21, delete "for 1985"

Page 74, line 21, after "thereafter" insert "*, provided that the limitation for a small business employer, as defined in section 645.455, shall be one and one-half percentage points for 1983 and each year thereafter*"

Page 75, line 8, after "1982;" insert "and"

Page 75, line 8, after the first "two" insert "and one-half"

Page 75, line 8, delete "; two and" at end of line

Page 75, delete line 9

Page 75, line 10, delete "for 1985"

Page 75, line 12, after "\$a" insert "*, provided that the limitation for a small business employer, as defined in section 645.455, shall be one and one-half percentage points for 1983 and each year thereafter*"

Page 82, after line 2, insert:

*"The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1984, and prior to July 1, 1985, shall be \$198."*

Page 95, line 3, after "school" insert a comma

Page 95, line 4, strike the comma

Page 95, line 25, after "school" insert a comma

Page 95, line 26, strike the comma

Page 128, after line 21, insert:

"Sec. 42. [WAGE REPORTING.]

*Beginning on April 1, 1984, each employer subject to chapter 268 shall provide the commissioner with a quarterly report of wages, as defined in section 268.04, subdivision 25, paid to each employee of that employer covered by chapter 268. The commissioner shall provide the legislature with his recommendations for statutory changes to fully implement this section no later than January 1, 1983."*

Page 128, line 34, delete "4" and insert "14"

Page 128, line 34, delete "January 1" and insert "July 4, 1982"

Page 128, line 35, delete "1983"

Further amend the amendment as follows :

Page 4, line 16, strike "\$300,000" and insert "\$200,000"

Renumber the sections in sequence

Correct internal cross references

Amend the title accordingly

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

House Conferees: WAYNE A. SIMONEAU, JAMES I. RICE and JOSEPH R. BEGICH.

Senate Conferees: COLLIN C. PETERSON, TOM A. NELSON, JAMES C. PEHLER and FLORIAN CHMIELEWSKI.

Simoneau moved that the report of the Conference Committee on H. F. No. 1220 be adopted and that the bill be repassed as amended by the Conference Committee.

#### POINT OF ORDER

Jennings raised a point of order relating to subject matter contained in the Conference Committee report on H. F. No. 1220 pursuant to rule 6.11, paragraph 2. The Speaker ruled the point of order not well taken.

Stadum moved that the House refuse to adopt the report of the Conference Committee on H. F. No. 1220, that the House Conference Committee be discharged, that the Speaker appoint a new Conference Committee of 5 members, and that the Senate be informed of the House action by message.

A roll call was requested and properly seconded.

The question was taken on the Stadum motion and the roll was called.

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

There were 53 yeas and 69 nays as follows :

Those who voted in the affirmative were:

Aasness	Anderson, R.	Carlson, D.	Drew	Esau
Ainley	Blatz	Den Ouden	Erickson	Evans

Fjoslien	Johnson, D.	McDonald	Redalen	Stadum
Forsythe	Kaley	Mehrkens	Rees	Stowell
Gruenes	Knickerbocker	Nelsen, B.	Reif	Svigum
Haukoos	Kvam	Niehaus	Rose	Valento
Heap	Laidig	Nysether	Rothenberg	Weaver
Heinitz	Lemen	Olsen	Schafer	Welker
Himle	Levi	Onnen	Schreiber	Wigley
Hokr	Ludeman	Peterson, B.	Sherman	
Jennings	Marsh	Piepho	Sherwood	

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.

The question recurred on the Simoneau motion. The motion prevailed.

Anderson, R.; Dean and Wieser were excused for the remainder of today's session.

H. F. No. 1220, A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harrasment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, 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 69 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clawson	Jacobs	McEachern	Otis
Anderson, G.	Dahlvang	Johnson, C.	Metzen	Peterson, D.
Anderson, I.	Eken	Jude	Minne	Pogemiller
Battaglia	Elioff	Kahn	Munger	Reding
Begich	Ellingson	Kalis	Murphy	Rice
Berkelman	Greenfield	Kelly	Nelson, K.	Rodriguez, C.
Brandl	Gustafson	Kostohryz	Norton	Rodriguez, F.
Byrne	Hanson	Lehto	Novak	Samuelson
Carlson, L.	Harens	Long	O'Connor	Sarna
Clark, J.	Hauge	Mann	Ogren	Schoenfeld
Clark, K.	Hokanson	McCarron	Osthoff	Shea

Sieben, M.	Staten	Tomlinson	Voss	Wynia
Simoneau	Stumpf	Vanasek	Welch	Spkr. Sieben, H.
Skoglund	Swanson	Vellenga	Wenzel	

Those who voted in the negative were:

Aasness	Gruenes	Kvam	Olsen	Sherman
Ainley	Halberg	Laidig	Onnen	Sherwood
Blatz	Haukoos	Lemen	Peterson, B.	Stadum
Carlson, D.	Heap	Levi	Piepho	Stowell
Den Ouden	Heinitz	Ludeman	Redalen	Sviggum
Drew	Himle	Marsh	Rees	Valento
Erickson	Hokr	McDonald	Reif	Weaver
Esau	Jennings	Mehrkens	Rose	Welker
Evans	Johnson, D.	Nelsen, B.	Rothenberg	Wigley
Fjoslien	Kaley	Niehaus	Schafer	
Forsythe	Knickerbocker	Nysether	Schreiber	

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

#### ANNOUNCEMENT

Vanasek for the Committee to notify the Senate, announced that the Senate had been notified that the House of Representatives is ready to adjourn sine die.

#### MOTION TO ADJOURN SINE DIE

Eken moved that the House adjourn sine die. The motion prevailed and the Speaker declared the House adjourned sine die.

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED  
SUBSEQUENT TO ADJOURNMENT SINE DIE

## MESSAGES FROM THE SENATE

The following message was received:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1220, A bill for an act relating to unemployment compensation; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; amending Minnesota Statutes 1980, Section 268.09, Subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 12, 1982

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. 1336, relating to retirement; highway patrol benefits and refunds; providing annual benefit increases to pre-1973 retirees and surviving spouses; appropriating funds;

H. F. No. 1139, relating to courts; providing for certain reorganization of the court system in the state; providing that the second and fourth judicial district courts shall also be probate courts; changing the jurisdiction of county courts, county municipal courts, and conciliation courts in Hennepin and Ramsey Counties; changing the jurisdiction of county conciliation courts;

creating certain judicial positions; abolishing certain judicial positions by attrition; appropriating money;

Sincerely,

ALBERT H. QUIE  
Governor

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

March 12, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
	1336	397	March 12	March 12
	1139	398	March 12	March 12
1455		399	March 12	March 12
1510		400	March 12	March 12
1567		401	March 12	March 12
2103		402	March 12	March 12
1727		403	March 12	March 12
1547		404	March 12	March 12

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 15, 1982

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. 1920, relating to economic development; excepting motor carriers from the definition of "business license;"

H. F. No. 2068, relating to intoxicating liquor; authorizing the city of International Falls to issue one short term on-sale liquor license.

H. F. No. 2116, relating to Blue Earth County; permitting county board members to serve on the county housing and re-development authority.

H. F. No. 1948, relating to retirement; Richfield firefighters relief association; eliminating various obsolete special law provisions; validating certain prior payments for actions;

H. F. No. 1747, relating to the city of Minneapolis; providing for the security for certain rehabilitation loans;

H. F. No. 1725, relating to the military; increasing the minimum pay for enlisted personnel called into active service;

H. F. No. 1700, relating to the military; prohibiting entry to Camp Ripley without authorization of the adjutant general; imposing a penalty;

H. F. No. 1646, relating to retirement; Buhl school district; altering the effective date of retirement for the payment of the post-retirement increase; requiring payment of necessary reserves.

H. F. No. 12, relating to public utilities; revising the process for approval of rate changes; abolishing "rates under bond"; providing for interim rates;

Sincerely,

ALBERT H. QUIE  
Governor



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

March 15, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
2095		405	March 15	March 15
	1948	406	March 15	March 15
	1747	407	March 15	March 15
	1700	408	March 15	March 15
	1725	409	March 15	March 15
	1646	410	March 15	March 15
	2116	411	March 15	March 15
	2068	412	March 15	March 15
	1920	413	March 15	March 15
	12	414	March 15	March 15
860		415	March 15	March 15
1879		416	March 15	March 15
1878		417	March 15	March 15
1687		418	March 15	March 15
1673		419	March 15	March 15

<i>S.F.</i> No.	<i>H.F.</i> No.	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> 1982	<i>Date Filed</i> 1982
1648		420	March 15	March 15
786		421	March 15	March 15
1613		422	March 15	March 15

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 18, 1982

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. 2098, relating to retirement; teachers retirement association, extending the time limit for the purchase of service credit for military service leaves of absence for certain veterans.

H. F. No. 2077, relating to insurance; increasing the percentage of the state comprehensive health plan premium that may be used to pay certain fees and expenses;

H. F. No. 2073, relating to resource recovery; permitting the use of waste oil burners in certain gasoline stations and garages; proposing new law coded in Minnesota Statutes, Chapter 299F.

H. F. No. 2021, relating to local government; creating the Morrison County rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

H. F. No. 2011, relating to commerce; motor vehicle sale and distribution; providing for the termination or cancellation of franchise agreements and certain payments to be made by manufacturers in the event thereof, specifying certain circum-

stances establishing good cause for entering into or relocating an additional franchise for the same line make;

H. F. No. 1955, relating to the city of Waconia, authorizing the sale of certain revenue bonds at a price less than par value and in an amount and with a maturity date to be determined by the governing body.

H. F. No. 1906, relating to local government; allowing the city of Orr and the town of Leiding to assess the cost of maintenance of television relay service.

H. F. No. 1863, relating to credit unions; providing for approval of amendments to certificates of organization and bylaws; authorizing the board of directors to appoint a credit committee or a credit manager; prescribing the powers of a credit committee and credit manager; allowing certain nonmembers to establish individual retirement accounts.

H. F. No. 1795, relating to the city of Minneapolis; changing limitations on housing programs in two Minneapolis development districts;

H. F. No. 1794, relating to health; providing for an advisory task force to make recommendations on the distribution of funds for maternal and child health care needs; proposing new law coded in Minnesota Statutes, Chapter 145.

H. F. No. 1786, relating to agriculture; changing certain procedures relating to fertilizers and soil plant amendments; requiring adoption of rules concerning analysis of sewage sludge; imposing a penalty;

H. F. No. 1735, relating to retirement; Hennepin county supplemental retirement program; providing for a phase out of the program; authorizing current participants to withdraw from the program; providing for an increased withdrawal benefit option in certain instances;

H. F. No. 1720, relating to retirement; recognizing service covered by multiple retirement funds for entitlement to a disability benefit; proposing new law coded in Minnesota Statutes, Chapter 356.

H. F. No. 1713, relating to St. Louis county; providing for the calculation of vacation and sick leave allowances of certain employees.

H. F. No. 1231, relating to state lands; directing conveyance of certain lands in Washington County.

H. F. No. 2050, relating to crimes; establishing the crime of commercial bribery; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 609.

H. F. No. 1707, relating to transportation; allowing certain vehicles to cross certain railroad crossings without stopping; removing certain geographical limitations on passenger motor buses; removing the requirement for designated routes for inter-city buses; modifying the public transit capital grant assistance program; modifying certain public transit contract procedures;

H. F. No. 1701, relating to the city of Hibbing, authorizing increases in certain firefighters service pensions and survivor benefits;

H. F. No. 2078, relating to state government; authorizing the commissioner of the department of economic security to delegate certain powers;

H. F. No. 1622, relating to state lands; providing for the transfer of ownership of certain state land to the Mankato State University Foundation.

H. F. No. 1603, relating to education; requiring the board of teaching and the state board of education to accept completion of certain training programs in lieu of human relations components required for licensure;

H. F. No. 1602, relating to counties; providing for meetings of the county board of commissioners;

H. F. No. 1580, relating to state lands; providing for the conveyance of certain tax forfeited lands.

H. F. No. 1366, relating to liens for improvements made to real property; prescribing notice requirements to owners by subcontractors; defining owner;

H. F. No. 1283, relating to crimes; lengthening the statute of limitations for prosecutions for certain crimes;

H. F. No. 1235, relating to state lands; authorizing the conveyance by the state of its interest in certain lands in Lyon County and Wright County.

H. F. No. 1120, relating to public safety; authorizing the sale to and use by engineers of fireworks;

H. F. No. 773, relating to marriage dissolution; adopting the revised uniform reciprocal enforcement of support act; proposing new law coded as Minnesota Statutes, Chapter 518C; repealing Minnesota Statutes 1980, Sections 518.41 to 518.53.

H. F. No. 2175, relating to housekeeping bill; technical amendments;

Sincerely,

ALBERT H. QUIE  
Governor

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

March 19, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
	1484	423	March 19	March 19
	2175	424	March 18	March 18
	1786	425	March 18	March 18
	2077	426	March 18	March 18
	2098	427	March 18	March 18
	1906	428	March 18	March 18
	1863	429	March 18	March 18
	1235	430	March 18	March 18
	1794	431	March 18	March 18
	1283	432	March 18	March 18
	1366	433	March 18	March 18

## JOURNAL OF THE HOUSE

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<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
	1580	434	March 18	March 18
	1602	435	March 18	March 18
	773	436	March 18	March 18
	2021	437	March 18	March 18
	1713	438	March 18	March 18
	1795	439	March 18	March 18
	1120	440	March 18	March 18
	1231	441	March 18	March 18
	2050	442	March 18	March 18
	1701	443	March 18	March 18
	1707	444	March 18	March 18
	2078	445	March 18	March 18
	1622	446	March 18	March 18
	2073	447	March 18	March 18
	1603	448	March 18	March 18
	1720	449	March 18	March 18
	1735	450	March 18	March 18
	1955	451	March 18	March 18
	2011	452	March 18	March 18
1837		453	March 19	March 19
1853		454	March 18	March 18
1910		455	March 18	March 18
1256		456	March 18	March 18
1364		457	March 18	March 18

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
1566		458	March 18	March 18
1539		459	March 18	March 18
1591		460	March 18	March 18
412		461	March 18	March 18
411		462	March 18	March 18
85		463	March 18	March 18
1641		464	March 18	March 18
787		465	March 18	March 18
1231		466	March 18	March 18
1398		467	March 18	March 18
1967		468	March 18	March 18
1589		469	March 18	March 18
1888		470	March 18	March 18
1691		471	March 18	March 18
1670		472	March 18	March 18
1684		473	March 18	March 18
1631		474	March 18	March 18
1644		475	March 18	March 18
1605		476	March 18	March 18
2048		477	March 18	March 18

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 19, 1982

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. 1852, relating to waters; making the water well contractors and exploratory borers advisory council permanent;

H. F. No. 1484, relating to highway traffic regulations providing for arrest without a warrant; defining admissible evidence; providing for alcohol problem assessments; providing alternative testing procedures; 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; prescribing penalties; providing for detoxification of drivers;

H. F. No. 1685, relating to the military; providing for the administration of oaths and acknowledgements by a member of the armed forces of the United States;

H. F. No. 1579, relating to state lands; providing for the conveyance of certain land to the city of Brainerd.

H. F. No. 1523, relating to driver licensing; allowing certain reports to be made to the commissioner of public safety; proposing new law coded in Minnesota Statutes, Chapter 171.

H. F. No. 1455, relating to real estate brokers and salespersons; providing for the automatic transfer of a salesperson's license under certain circumstances;

H. F. No. 2156, relating to education; authorizing the state university board to lease land on Mankato state university campus; permitting Mankato state university to lease a building; transferring title for a building to the state; proposing new law coded in Minnesota Statutes, Chapter 136.



H. F. No. 1789, relating to the environment; limiting and reducing emissions of sulphur dioxide in the state; requiring adoption of an acid deposition control standard and plan by the pollution control agency; requiring reports; imposing an assessment on utilities, appropriating money;

H. F. No. 2170, relating to state lands; authorizing sale and conveyance of a certain tract in order to correct a survey error.

H. F. No. 2066, relating to local government; providing for city facilities related to armories; authorizing issuance of bonds; proposing new law coded in Minnesota Statutes, Chapter 193.

Sincerely,

ALBERT H. QUIE  
Governor

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

March 19, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
	1455	478	March 19	March 19
	1523	479	March 19	March 19
	1579	480	March 19	March 19
	1685	481	March 19	March 19
	1789	482	March 19	March 19
	1852	483	March 19	March 19

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
	2066	484	March 19	March 19
	2156	485	March 19	March 19
	2170	486	March 19	March 19
1078		487	March 19	March 19
1561		488	March 19	March 19
1666		489	March 19	March 19
1677		490	March 19	March 19
1715		491	March 19	March 19
1740		492	March 19	March 19
1765		493	March 19	March 19
1818		494	March 19	March 19
1840		495	March 19	March 19
1949		496	March 19	March 19
1950		497	March 19	March 19
2051		498	March 19	March 19
2062		499	March 19	March 19
2125		500	March 19	March 19

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 22, 1982

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. 1727, relating to courts; proposing an amendment to the Minnesota Constitution, Article VI, Sections 1, 2, 5 and 6; and Article VIII, Section 2; providing for a court of appeals; providing for election of judges; conferring certain powers and duties on the court of appeals; amending Minnesota Statutes 1980, Sections 480.01; 484.63; 487.39, Subdivisions 1 and 2; 488A.01, Subdivision 14; and Minnesota Statutes 1981 Supplement, Sections 204B.06, Subdivision 6; 204B.34, Subdivision 3; proposing new law coded as Minnesota Statutes, Chapters 480A and 632; repealing Minnesota Statutes 1980, Sections 80A.24, Subdivision 3; 363.10; 473.597; and 525.74.

H. F. No. 1430, relating to the city of Hibbing; fixing the amount of the mayor's contingent fund;

H. F. No. 1702, relating to veterans; providing for the furnishing of chiropractic care to the residents of the Minnesota veterans home; proposing new law coded in Minnesota Statutes, Chapter 198.

H. F. No. 1492, relating to natural resources; authorizing an addition to Split Rock Creek Recreation Area and authorizing land acquisition in relation thereto.

H. F. No. 1550, relating to the city of Big Falls, authorizing the establishment of detached banking facilities.

H. F. No. 1572, relating to health; establishing the right to complete information on all alternative treatments for patients with breast cancer;

Sincerely,

ALBERT H. QUIE  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 22, 1982

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 have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1919, relating to agriculture; formulating a state agricultural land preservation and conservation policy; imposing duties on state agencies regarding agency actions adversely affecting agricultural land; continuing the existence of the joint legislative committee on agricultural land preservation; allocating certain state cost-sharing funds for high priority soil erosion, sedimentation and water control problems identified by local soil and water conservation districts; raising the petitioners' bond in certain drainage project cases and the appellant's bond in the case of certain appeals; clarifying the responsibility imposed on certain water project contractors; imposing duties on state and local soil and water conservation boards; providing technical and administrative assistance grants to local districts; requiring coordination of state soil and water conservation programs with other public agencies; establishing a conservation tillage demonstration program;

Sincerely,

ALBERT H. QUIE  
Governor

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

March 22, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
	1727	501	March 22	March 22
	1492	502	March 22	March 22

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
	1702	503	March 22	March 22
	1572	504	March 22	March 22
	1550	505	March 22	March 22
	1430	506	March 22	March 22
1522		507	March 22	March 22
1962		508	March 22	March 22
1451		509	March 22	March 22
588		510	March 22	March 22
1859		511	March 22	March 22
	1919	512	March 22	March 22
1508		513	March 22	March 22

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 22, 1982

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 have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 612, relating to cable communications; changing the definition of cable communications system; reducing the number of days available to the metropolitan council for review of cable service territory proposals; conforming the certificate of con-

firmation term to the franchise term; authorizing rules preventing obstruction of service to multiple unit dwellings and tracts of multiple dwelling units; providing to municipalities the option concerning cable service rates information included in a franchise;

H. F. No. 552, relating to commerce; prohibiting fraud in the use of recreational camping areas; providing a penalty;

H. F. No. 1469, 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;

H. F. No. 1625, relating to retirement; public employees retirement association; changing the reduction factors for early retirement;

H. F. No. 1532, 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.

H. F. No. 1872, relating to the financing of government in this state; providing for the collection of taxes; providing for distribution of campaign funds after reapportionment; providing a formula for determining limitations on interest rates on municipal bonds;

H. F. No. 1704, relating to public safety; making it a felony to use or possess metal-penetrating bullets in the commission of a crime; prescribing penalties; proposing new law coded in Minnesota Statutes, Chapter 624.

H. F. No. 1668, relating to manufactured homes; requiring manufacturers and dealers of manufactured homes to be licensed and regulated by the commissioner of administration; providing for the rights and duties of owners and residents of manufactured home parks; making certain changes in the procedure for titling manufactured homes; requiring park owners to adopt storm safety plans for the protection of residents;

H. F. No. 1115, relating to transportation; modifying the purpose of certain programs relating to public transit assistance and transportation management; defining certain terms applicable to certain public transit assistance and transportation management programs; requiring the commissioner of transportation to define by rule total operating costs; providing for the administration of certain programs; providing for the distribution of assistance under the public transit participation program; changing eligibility requirements for replacement transit service;

H. F. No. 1278, relating to public employment labor relations; clarifying the definition of "employer";

H. F. No. 1365, relating to cities; authorizing city rehabilitation loan programs for small and medium sized commercial buildings; and providing for the issuance of revenue bonds to finance the programs; authorizing a housing and commercial rehabilitation interest reduction program;

H. F. No. 1456, relating to probate; changing certain records-keeping requirements;

H. F. No. 1546, relating to juveniles; providing for the detention of juveniles for whom a motion to refer for prosecution is pending before the court;

H. F. No. 1547, relating to intoxicating liquor; town board approval of certain county liquor licenses;

H. F. No. 1553, relating to drivers licenses; requiring the suspension of licenses of certain uninsured persons; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 171.

H. F. No. 1573, relating to crimes; prohibiting the manufacture, sale, transfer and delivery of simulated controlled substances; prohibiting their manufacture, sale, transfer and delivery; providing penalties;

H. F. No. 1017, relating to railroads; proposing an amendment to the Minnesota Constitution, Article XI, Section 5; providing for the improvement and rehabilitation of certain railroad facilities;

H. F. No. 560, relating to courts; authorizing the awarding of costs and disbursements, and attorney's fees in certain actions or proceedings; restoring a right of action for law enforcement officers;

H. F. No. 534, relating to the collection and dissemination of data; administration of the state archives and state and local government records; classifying data; providing a penalty;

H. F. No. 1697, relating to retirement; validating a certain post retirement adjustment granted by the Virginia firefighters relief association; authorizing increases in benefits payable by the Eveleth police and fire trust fund; Virginia police relief association; defining certain terms; providing for the governance of separate and distinct general and special funds; providing benefit improvements for certain participants and benefit recipients; validating past payments; clarifying the authority

to approve alternative benefit increases; repealing Laws 1935, Chapters 92 and 259; Laws 1937, Chapter 197; and Laws 1949, Chapter 235.

H. F. No. 917, relating to retirement; authorizing special coverage for members of the Minnesota state retirement system prohibited from performing specified duties after age 60; clarifying various aspects of the special retirement program for certain employees of the department of military affairs; extending deferred compensation option to Little Falls city administrator;

H. F. No. 1663, relating to law libraries; recodifying the laws governing county law libraries;

H. F. No. 438, relating to retirement; clarifying the retirement service credit for certain participants in the Minnesota demonstration job-sharing program; Minnesota state retirement system; imposing liability for certain omitted employee contributions on the employing unit; elective state officers retirement plan;

H. F. No. 1542, relating to metropolitan government; regulating the organization, duties and powers of the metropolitan mosquito control district and commission; increasing size of commission; increasing size of commission membership; increasing certain commission expenditure amounts; authorizing taxes;

H. F. No. 1477, relating to snowmobiles; increasing the registration fee and appropriating the proceeds thereof for stated purposes; registration of collectors' snowmobiles; requiring a study; creating a snowmobile trails and enforcement account in the state treasury; appropriating money;

H. F. No. 1499, relating to the commitment of persons who are mentally ill, mentally ill and dangerous, mentally retarded, or chemically dependent; providing for informal institutionalization by consent, involuntary emergency institutionalization 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; providing for commitment hearings and procedures in conformance with due process; requiring a final hearing before final determination of commitment; providing for commitment for determinate periods; providing for provisional discharge and partial institutionalization; 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 as Minnesota Statutes, Chapter 253B; repealing Minnesota Statutes 1980, Sections 253A.01 to 253A.23.



H. F. No. 1018, relating to agriculture; consolidating existing laws; providing for agricultural commodity research and promotion councils; establishing procedures; providing penalties;

H. F. No. 1025, relating to safety; imposing an additional fee for two-wheeled vehicle endorsements for motorcycle safety programs; providing for the disposition of the proceeds of the additional fee; exempting from the motor vehicle excise tax certain purchasers of motorized bicycles for resale; prescribing duties of the commissioners of public safety and education; establishing a fund; appropriating money;

H. F. No. 1068, relating to adoption; providing for record retention; providing for services by adoption agencies; recodifying law relating to access to adoption records in another chapter;

H. F. No. 1092, relating to charitable organizations; providing for registration and reporting requirements applicable to certain charitable organizations;

H. F. No. 253, relating to state bonds and tax-forfeited land sales; changing the interest rate on unpaid sale balances; repealing an obsolete provision;

H. F. No. 353, relating to agriculture; protecting agricultural operations from nuisance suits under certain circumstances; proposing new law coded in Minnesota Statutes, Chapter 561.

H. F. No. 356, relating to crimes; specifying offenses relating to computers; providing penalties; proposing new law coded in Minnesota Statutes 1980, Chapter 609.

H. F. No. 492, relating to crimes; adding a peace officer and a parole or probation officer to the sentencing guidelines commission; correcting a statutory reference; authorizing counties to expend money for the purpose of investigating criminal activity relating to selling or receiving stolen property;

H. F. No. 522, relating to family; clarifying circumstances in which parent with custody of child may move to another state;

H. F. No. 623, relating to commerce; lowering the organizational membership requirement for the conducting of bingo occasions, operation of gambling devices, and conducting of raffles by organizations;

H. F. No. 685, relating to crimes; providing photographic records of evidence shall be admissible as evidence; providing for the return of stolen property; proposing new law coded in Minnesota Statutes, Chapter 609.

H. F. No. 776, relating to insurance; requiring private passenger vehicle insurers to disclose surcharge plans; proposing new law coded in Minnesota Statutes, Chapter 65B.

H. F. No. 788, 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; revising various time limits;

H. F. No. 879, relating to juveniles; removing certain children from definition of "delinquent child"; defining "runaway," "habitual truant," "juvenile petty offender," "juvenile alcohol or controlled substance offender"; simplifying certain pleading and notice procedures; providing hearing rights and dispositional alternatives;

H. F. No. 930, relating to the collection and dissemination of data; classifying data as private, confidential, nonpublic, and protected nonpublic;

H. F. No. 1576, relating to commerce; regulated loans; applying the statutory provisions relating to conventional loan defaults to regulated loans; clarifying the methods for the computation of interest; allowing the combination of loans of different maturities and interest rates; prohibiting attorney's fees except in connection with mortgage foreclosures; placing certain restrictions on the procurement of insurance in connection with a loan; providing miscellaneous technical and clarifying amendments;

H. F. No. 1555, relating to education; providing for aids to education, aids to libraries, tax levies, and the distribution of tax revenues; governing the recognition of school district property tax revenues; granting certain powers and duties to school boards, school districts, the state board of education, and others; altering the method of distribution of transportation aid; altering aids for summer school; reducing certain appropriations; appropriating money;

H. F. No. 1589, relating to motor vehicles; authorizing the operation of motorized golf carts by certain persons on designated roadways of city streets; regulating the operation thereof;

H. F. No. 1611, relating to garnishment; authorizing an employer to recover expenses incurred for administering garnishment of an employee's wages;

H. F. No. 1635, relating to state lands; authorizing sale and conveyance of certain tract of state lands to Bethlehem Lutheran Church of Waskish, Minnesota; directing conveyances of the state's right, title and interest in certain lands to Lake of the Woods County and Beltrami County, directing the conveyance

of the state's interest in certain real property in McLeod County to the city of Hutchinson;

H. F. No. 1652, relating to game and fish; authorizing special permits to take deer with a crossbow under certain circumstances;

H. F. No. 1690, relating to public welfare; establishing foster care maintenance payments by the state; requiring the commissioner of public welfare to promulgate rules which establish a state goal for the reduction of the number of children in residential facilities for more than 24 months; requiring the commissioner of public welfare to comply with the requirements of Title IV-E of the federal Social Security Act in order to obtain adoption assistance funds for eligible children; expanding the eligibility for medical assistance to include children receiving foster care maintenance payments or adoption assistance under Title IV-E of the federal Social Security Act; authorizing the transfer of funds;

H. F. No. 1698, relating to public welfare; delaying the duty of the commissioner of administration to sell certain land and buildings;

Sincerely,

ALBERT H. QUIE  
Governor

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

March 23, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
536		514	March 22	March 22
	612	515	March 22	March 22

JOURNAL OF THE HOUSE

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<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
	552	516	March 22	March 22
	1469	517	March 22	March 22
303		518	March 22	March 22
	1625	519	March 22	March 22
1621		520	March 22	March 22
	1532	521	March 22	March 22
1481		522	March 22	March 22
	1872	523	March 22	March 22
1671		524	March 22	March 22
	1704	525	March 22	March 22
	1668	526	March 22	March 22
1702		527	March 22	March 22
358		528	March 22	March 22
16		529	March 22	March 22
155		530	March 22	March 22
	253	531	March 22	March 22
276		532	March 22	March 22
	353	533	March 22	March 22
	356	534	March 22	March 22
378		535	March 22	March 22
	492	536	March 22	March 22
	522	537	March 22	March 22
	623	538	March 22	March 22
	685	539	March 22	March 22

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
744		540	March 22	March 22
	776	541	March 22	March 22
	788	542	March 22	March 22
818		543	March 22	March 22
	879	544	March 22	March 22
	930	545	March 22	March 22
1015		546	March 22	March 22
	1576	547	March 22	March 22
	1555	548	March 22	March 22
	1589	549	March 22	March 22
	1611	550	March 22	March 22
	1635	551	March 22	March 22
	1652	552	March 22	March 22
	1690	553	March 22	March 22
	1698	554	March 22	March 22
1706		555	March 22	March 22
1713		556	March 22	March 22
1758		557	March 22	March 22
1809		558	March 22	March 22
1821		559	March 22	March 22
1856		560	March 22	March 22
1886		561	March 22	March 22
1838		562	March 22	March 22
1894		563	March 22	March 22

JOURNAL OF THE HOUSE

8277

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
1907		564	March 22	March 22
1908		565	March 22	March 22
1948		566	March 22	March 22
1955		567	March 22	March 22
1964		568	March 22	March 22
1965		569	March 22	March 22
2006		570	March 22	March 22
2054		571	March 22	March 22
2141		572	March 22	March 22
	534	573	March 22	March 22
	1697	574	March 22	March 22
	917	575	March 22	March 22
	1663	576	March 22	March 22
2000		577	March 22	March 22
	438	578	March 22	March 22
	1542	579	March 22	March 22
	1477	580	March 22	March 22
	1499	581	March 22	March 22
	1018	582	March 22	March 22
	1025	583	March 22	March 22
	1068	584	March 22	March 22
	1092	585	March 22	March 22
	1115	586	March 22	March 22
1239		587	March 22	March 22

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
	1278	588	March 22	March 22
1424		589	March 22	March 22
	1365	590	March 22	March 22
1443		591	March 22	March 22
	1456	592	March 22	March 22
1499		593	March 22	March 22
1503		594	March 22	March 22
1538		595	March 22	March 22
	1546	596	March 22	March 22
	1547	597	March 22	March 22
	1553	598	March 22	March 22
	1573	599	March 22	March 22
	1017	600	March 22	March 22
	560	601	March 22	March 22
1957		Resolution 6	March 22	March 22
2127		Resolution 7	March 22	March 22

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

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

March 23, 1982

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 1982 Session of the State Legislature, the objections

of the Governor notwithstanding, have been received from the office of the Revisor of Statutes, 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 1982</i>	<i>Date Filed 1982</i>
	1234	602		March 22
	1726	603		March 22

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 23, 1982

Honorable Harry Sieben  
Speaker of the House  
276 State Office Building  
St. Paul, Minnesota 55155

Dear Mr. Speaker:

By not signing or filing H. F. No. 2080, I am vetoing this legislation.

While I can appreciate the good intentions behind this effort, there are no new appropriations and no executive agency oversight, both necessary ingredients to the success of such a conference. In addition, the conference idea is duplicative of many efforts in current and past public and private sectors.

Therefore, for the above mentioned reasons, I am vetoing H. F. No. 2080.

Sincerely,

ALBERT H. QUIE  
Governor



STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 23, 1982

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 have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1699, relating to education; requiring all public elementary schools to provide instruction in chemical dependency prevention;

H. F. No. 1710, relating to commerce; petroleum products; providing specifications for fuel oil sold as kerosene;

H. F. No. 1712, relating to public welfare; amending the community social services act; designating the commissioner of public welfare as the state authority for federal mental health, alcohol and drug abuse block grants; prescribing a formula for distribution of certain federal funds to counties and defining duties of counties in the use of the funds; removing certain requirements related to biennial plans and the sliding fee for child care; providing for identification of certain rules; exempting the commissioner from certain rulemaking procedures; providing for notice and comment procedures with respect to proposals to amend or repeal certain rules; providing for parental responsibility for the cost of care of mentally retarded, epileptic, or emotionally handicapped children based on ability to pay; providing for allocation of funds to counties;

H. F. No. 1719, relating to courts; authorizing the chief judge of the judicial district to fill vacancies in the office of judicial officer in St. Louis, Steele, and Carlton counties; prescribing powers for certain judges;

H. F. No. 1734, relating to courts; authorizing the continuance of the office of court referee in the second and fourth judicial districts;

H. F. No. 1737, relating to employee benefits; permitting political subdivisions to provide additional benefits to those provided under workers' compensation law; local police and salaried firefighters relief associations; providing minimum disability benefit coverage for police officers and firefighters in certain local relief associations; providing for the recomputation of a disability benefit as a service pension upon the attainment of a

certain age; providing service credit for periods of disability in certain instances; requiring the provision of less hazardous duty employment positions for marginally disabled police officers and firefighters; requiring offsets from disability benefits in certain instances; authorizing the establishment and operation of the West St. Paul firefighters relief association, validating prior actions by the West St. Paul firefighters relief association;

H. F. No. 1743, relating to courts; authorizing courts to obtain the presence of persons confined in state institutions for court appearances; proposing new law coded in Minnesota Statutes, Chapter 589.

H. F. No. 1751, relating to alcoholic beverages; increasing the maximum dollar value of equipment furnished to beer retailers by brewers and wholesalers; deleting obsolete language;

H. F. No. 1760, relating to crimes; expanding criminal responsibility of certain recipients of stolen property; modifying penalties for receiving stolen property; expanding definition of "burglary"; providing for interception of certain wire or oral communications;

H. F. No. 1799, relating to health; allowing certain nursing homes and hospitals to share an administrator; providing for evaluation of certain changes in certificate of need review; requiring certain price information to be reported and disseminated; requiring monitoring; amending the thresholds of review; providing for additional waivers; requiring reports;

H. F. No. 1803, relating to juveniles; designating a juvenile justice agency; providing for termination of jurisdiction over juveniles; providing for the apprehension of juvenile absconders and escapees;

H. F. No. 1804, relating to partition fences; exempting certain lands from the provisions of chapter 344; proposing new law coded in Minnesota Statutes, Chapter 344.

H. F. No. 1834, relating to claims against the state; providing for payment of various claims; providing for cancellation of old claims; appropriating money.

H. F. No. 1817, relating to transportation; redefining "resort" for purposes of advertising device authorization; adding a new route to the trunk highway system in substitution of an existing route; discontinuing and removing a route from the trunk highway system; providing for the disposal of surplus property; limiting the liability of the department of transportation for the cost of fighting certain fires; making certain accident reports available to governmental agencies for specified purposes and authorizing a fee for copies of these accident reports; gov-

erning the movement of certain vehicles on certain highways; establishing a height limitation for certain vehicles and providing for an annual permit fee for certain buses; expanding the definition of advertising devices; exempting the state transportation plan from the administrative procedure act; expanding the definition of exempt carrier; requiring driver qualifications and safety requirements for certain motor carriers; regulating building movers and requiring fees; allowing expenditures from the state airports fund for educational programs to promote interest and safety in aeronautics; permitting additional uses of certain moneys appropriated for construction and reconstruction of bridges; limiting the authority of the commissioner of transportation to establish new divisions in the department of transportation; allowing the use of certain combinations of vehicles; allowing certain axle weight combinations; establishing allowable axle weight combinations; establishing allowable axle weights on restricted routes; modifying the distribution of receipts collected as fines; providing for seasonal load restrictions; requiring certain exterior markings on vehicles carrying liquified petroleum gas fuel in concealed tanks and prohibiting the dispensing of those fuels in unmarked vehicles;

H. F. No. 1819, relating to education; authorizing school districts to develop programs enabling secondary students to attend courses at post secondary institutions; permitting the granting and transfer of credits for students; allowing reimbursement for instruction; proposing new law coded in Minnesota Statutes, Chapter 123.

H. F. No. 1831, relating to human rights; clarifying that quitting work due to sexual harassment does not result in benefit disqualification; including sexual harassment as a form of unfair discriminatory practices for certain purposes.

H. F. No. 1840, relating to public welfare; allowing payment of claims for medical assistance to be made against homestead property which is part of an estate;

H. F. No. 1867, relating to insurance; exempting captive insurers from certain investment limitations; eliminating certain mandatory filings with the commissioner of insurance; authorizing the commissioner to enjoin violations of chapter 60A; providing certain exceptions to variable contract license requirements;

H. F. No. 1885, relating to public welfare; providing for approval of mental health clinics and centers pending promulgation of permanent rules; allowing payment for day treatment services provided by certain mental health centers through general assistance;

H. F. No. 1894, relating to municipal housing; authorizing the planning, implementation, and financing of rehabilitation

and energy improvement loans; providing for the allocation of mortgage bonds;

H. F. No. 1897, relating to fairs, carnivals and circuses; clarifying the food handling license requirement applicable to fairs, carnivals and circuses; changing the exclusion from minimum wage coverage for certain fair, carnival or circus workers; updating and clarifying certain powers and duties of the state agricultural society; prescribing additional qualifications for metropolitan sports facilities commission members;

H. F. No. 1902, relating to local government; providing for a Ramsey county small business set-aside program; authorizing Ramsey county commissioners to set fees for removal to municipal court; allowing Ramsey county to issue bonds or levy taxes for medical facility water system; permitting a Maplewood bond issue;

H. F. No. 1915, relating to local government; establishing a board to implement and administer a plan for a segment of the Minnesota river in Blue Earth, Brown, LeSueur, Nicollet, Redwood and Renville counties.

H. F. No. 1939, relating to transportation; directing the commissioner of transportation to construct a parkway along a certain route in the city of St. Paul;

H. F. No. 1941, relating to agriculture; setting a standard of proof and procedures for decision and appeal for claims of damage to livestock by endangered species;

H. F. No. 1975, relating to local government; permitting towns to issue off-sale liquor licenses;

H. F. No. 1993, relating to intoxicating liquor; veterans' organization licenses in first class cities; amending Minnesota Statutes 1980, Section 340.11, Subdivision 11.

H. F. No. 1994, relating to financial institutions; authorizing bank or trust company investment in community welfare projects; permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer;

H. F. No. 2000, relating to state government; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; enhancing the state's ability to fund health and welfare programs by strengthening tax col-

lection efforts; supplementing appropriations for the department of revenue; reappropriating money;

H. F. No. 2005, relating to employment; providing for equitable compensation relationships among certain government employees;

H. F. No. 2033, relating to agriculture; providing for the licensing and regulation of certain grain buyers; providing a penalty; appropriating money; proposing new law coded in Minnesota Statutes, Chapter 223; repealing Minnesota Statutes 1980, Chapter 223, as amended; and Sections 232.01; 232.02; as amended; 232.04; and 232.06, Subdivision 5.

H. F. No. 2058, relating to public welfare; providing for classification, access, and destruction of certain child abuse report records; clarifying the classification of reports regarding vulnerable adults; prescribing penalties;

H. F. No. 2065, relating to public welfare; providing for regulation of aversive or deprivation procedures for behavior modification of mentally retarded individuals; proposing new law coded in Minnesota Statutes, Chapter 245.

H. F. No. 2134, relating to intoxicating liquor; providing that on-sale licenses issued to certain nonprofit corporations shall authorize sales on all days of the week;

H. F. No. 2136, 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; authorizing inter-fund borrowing in anticipation of bond proceeds; providing for bond sale expenses; authorizing covenants to secure certificates of indebtedness; fixing the boundaries of state parks and trails; postponing the deadline for fencing certain open pit mines; appropriating money;

H. F. No. 2188, relating to public welfare; providing for a mechanism in the program of aid to families with dependent children to minimize certain recipients; incentives to quit work; modifying certain provisions relating to medical assistance; allowing a cause of action against responsible relatives; providing for payments to health maintenance organizations; appropriating money;

H. F. No. 2271, a Resolution memorializing the President of the United States and the Administrator of the Federal Aviation Administration against any attempt to prohibit local governments from restricting aircraft noise.

Sincerely,

ALBERT H. QUIE  
Governor

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

March 23, 1982

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 1982 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 1982</i>	<i>Date Filed 1982</i>
1738		604	March 23	March 23
	1699	605	March 23	March 23
	1710	606	March 23	March 23
	1712	607	March 23	March 23
	1719	608	March 23	March 23
	1734	609	March 23	March 23
	1737	610	March 23	March 23
	1743	611	March 23	March 23
	1751	612	March 23	March 23
	1760	613	March 23	March 23
	1799	614	March 23	March 23
	1803	615	March 23	March 23
	1804	616	March 23	March 23
	1817	617	March 23	March 23
	1819	618	March 23	March 23

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
	1831	619	March 23	March 23
	1834	620	March 23	March 23
	1840	621	March 23	March 23
	1867	622	March 23	March 23
	1885	623	March 23	March 23
	1894	624	March 23	March 23
	1897	625	March 23	March 23
	1902	626	March 23	March 23
	1915	627	March 23	March 23
	1939	628	March 23	March 23
	1941	629	March 23	March 23
	1975	630	March 23	March 23
	1993	631	March 23	March 23
	1994	632	March 23	March 23
	2000	633	March 23	March 23
	2005	634	March 23	March 23
	2033	635	March 23	March 23
	2058	636	March 23	March 23
	2065	637	March 23	March 23
	2134	638	March 23	March 23
	2136	639	March 23	March 23
	2188	640	March 23	March 23
	2271	Resolution 8	March 23	March 23

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 25, 1982

The Honorable Harry Sieben  
Speaker of the House  
276 State Office Building  
St. Paul, Minnesota 55155

Dear Speaker Sieben :

After a careful review of the provisions of H. F. No. 1220, I am vetoing the bill. In accordance with the provisions of Article IV, Section 23 of the Constitution of the State of Minnesota, I shall not be depositing this bill in the office of Secretary of State within 14 days after adjournment of the Legislature.

The high cost of workers' compensation in Minnesota is the most important issue which we can control affecting Minnesota's economic well-being. The significantly higher costs of workers' compensation in Minnesota compared with our neighboring states causes very major competitive problems for Minnesota business. This hurts all Minnesotans, employers and employees alike.

While H. F. No. 1220 nominally addresses the cost issue by mandating a 16% rate reduction, I cannot accept this bill. There is no clear evidence that the savings in the bill will even approach 16% and, in fact, I am advised that the overall impact will be little or no reduction in real workers' compensation costs. An artificial reduction in workers' compensation rates, one which cannot be substantiated, is simply unacceptable.

In early January, the Commissioner of Insurance issued a report summarizing months of study of the workers' compensation system. This report included 44 recommendations to implement changes designed to accomplish four purposes:

1. Return workers to productive employment sooner.
2. Reduce the number of claims resulting in extremely large payments where injuries are not severe.
3. Reduce the significance of secondary benefits in order to return balance to the system and to eliminate the inefficiency associated with their delivery.
4. Bring features of equity to the system and to the benefits paid to injured workers.



To a significant extent, the bill does not achieve, and in some specifics actually impairs the achievement of, these purposes. Many of the incentives for return to work were removed from the bill. Nothing has been done to limit the number of permanent partial disability claims in spite of the fact that many more of these claims are paid in Minnesota than in almost any other state. All benefits continue to be paid based upon gross wages, which continues to discriminate against those workers with families. In short, the bill simply ignores those problems which plague the workers' compensation system.

In addition to these overall shortcomings, the bill reflects the hastiness and lack of consideration with which it was put together.

The bill is drafted so hastily as to create significant problems for employers, employees, and insurers, while virtually ensuring the continuance of undesirable litigation. Many of these changes were made without ever having been considered in a hearing or otherwise receiving the benefit of public input. For example, a new rehabilitation fund is created in spite of the fact that such a fund was never proposed or discussed prior to the passage of the bill nor has the need for the fund ever been suggested. The bill also reverses changes made during the 1981 legislative session without any demonstration of the existence of a problem. For example, while permanent partial benefits were payable only when an injured employee returned to work, the bill provides these benefits at the start of rehabilitation. The need for or potential impact of such a change was never publicly discussed or examined.

The bill contains provisions for a competitive state fund to insure workers' compensation liability. This fund, which for the first two years of operation would be limited to coverage of state employees, is totally unnecessary for this purpose. The state is not now, nor has it ever been, insured for workers' compensation. The fund is of no benefit to the state, yet a substantial administrative system would be necessary to develop and charge premiums to the state agencies and perform the other functions of an insurance system, apparently to make the system the testing ground for the new fund. While no competitive workers' compensation fund has been initiated in any state for nearly 50 years, workers' compensation insurance problems and complexities have changed dramatically during this time. Given this circumstance, I do not believe that the state fund aspect of the bill holds reasonable promise of offering a legitimate cost saving alternative to the insurance and self-insurance options that already exist.

The recommendations I initially made in January as part of my job creation initiatives were a well-developed, comprehensive approach to this issue. Yet the bill falls far short of this goal. We cannot allow ourselves to be satisfied with substantially less

than a complete solution to this serious problem if we are going to continue to be able to provide a growing, healthy economy for our citizens.

Unfortunately, H. F. No. 1220 also contains language which would make necessary and overdue changes to our unemployment insurance laws. These changes are essential if the state is to continue paying benefits on a timely basis to unemployed workers.

Sincerely,

ALBERT H. QUIG  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 31, 1982

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

Dear Speaker Sieben:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, the following House Files:

H. F. No. 2190, relating to the financing of government in this state; reducing appropriations for the biennium ending June 30, 1983, with certain conditions; imposing various cost-saving measures; authorizing collection of debts related to trunk highways; clarifying certain provisions for determination of cost of care at state hospitals; directing the commissioner of public welfare to promulgate rules; altering the method of charging for outpatient care; reducing employer and employee contributions to the Minnesota state retirement system; authorizing a certified state development company; making certain changes in the small business finance agency to provide for small business loans; giving claims against estates of deceased patients preferred status; allowing certain claims against estates for medical assistance in some instances; altering the date on which certain property tax refunds are paid; making technical corrections; imposing a tax on on-sales of liquor; delaying the 60 percent exclusion on capital gains for individuals; reducing certain payments to governmental subdivisions; altering the payment date of certain aids to school districts; imposing

the sales tax on sales of candy and soft drinks, cable television services, and certain property transported outside Minnesota;

Sincerely,

ALBERT H. QUIE  
Governor

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

March 31, 1982

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 1982 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> 1982	<i>Date Filed</i> 1982
	2190	641	March 31	March 31
2169		642	March 31	March 31

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

**CERTIFICATE**

I certify that the Journal of the House for Friday, March 19, 1982, 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**

**1982**

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**RAMALEY PRINTING COMPANY**

THE STATE OF TEXAS

COUNTY OF DALLAS

Know all men by these presents, that

JOHN A. SMITH, of the County of Dallas, State of Texas, do hereby certify that

the within and foregoing is a true and correct copy of the

same

WITNESSED my hand and seal of office this 1st day of January, 1901.

JOHN A. SMITH, County Clerk

END

RECORDED IN BOOK 10 PAGE 100

## STATE OF MINNESOTA

## FIRST SPECIAL SESSION - 1982

## FIRST DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 30, 1982

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 House chamber at the Capitol in Saint Paul on Tuesday, the thirtieth day of March, 1982, at 10:00 a.m.

A copy of the proclamation for the First Special Session 1982 is on file in the office of the Chief Clerk. The proclamation is dated March 25, 1982.

Pursuant to the proclamation and 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 Reverend Herbert Kohl, First Christian Church, St. Paul, Minnesota.

The Chief Clerk called the roll by legislative district 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	
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	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	J. R. "Dick" Kaley
District 33B	
District 34A	Warren "Tom" Stowell
District 34B	Tim Sherman
District 35A	Elton R. Redalen
District 35B	Al Wieser, Jr.
District 36A	

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	
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	
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	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	
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.

Evans, Frerichs, Hanson, McDonald, Searles, Sieben, M. and Zubay were excused.

The roll was called in alphabetical order and the following members were present:

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

A quorum was present.

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 pursuant to law for the First Special Session 1982. The motion prevailed.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Simoneau, Jennings, Eken, Heinitz and Sieben, H., introduced :

H. F. No. 1, A bill for an act relating to unemployment compensation; establishing a credit week as a percentage of average weekly wages; defining the employing unit for certain homeworkers and personal care attendants; defining wages; altering provisions as to advance of federal funds; altering "triggers" related to extended benefits; altering eligibility requirements for extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the Federal Trade Act of 1974; providing for the interception of unemployment benefits to satisfy child support obligations; providing for rate notices; regulating eligibility for compensation; providing for determination of claims; providing for collection of contributions, reimbursements, and overpayments; modifying employer contribution provisions; altering tax rates; regulating the data practices of the department of economic security; modifying the deduction of military retirement payments and secondary social security benefits; providing increased penalties for individuals who quit employment or who are discharged for misconduct; providing for the charging of extended benefits, in part, to base period employers; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 268.04, Subdivisions 9, 25, and 29; 268.05, Subdivision 6; 268.06, Subdivisions 2, 3a, 6, 8, 19, 22, 25, and 28; 268.07, Subdivisions 2, 3, and by adding a subdivision; 268.071, Subdivisions 1, 3, 5, 6, and by adding subdivisions; 268.08, Subdivisions 1, 3, and 6; 268.09, Subdivisions 1, 2, and by adding a subdivision; 268.10, Subdivisions 1 and 2; 268.12, Subdivisions 12 and 13; 268.15, Subdivision 3; 268.16, Subdivisions 1 and 2; 268.18, Subdivisions 1, 2, 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 268; repealing Minnesota Statutes 1980, Sections 268.07, Subdivision 4; 268.16, Subdivision 3, as amended.

The bill was read for the first time.

Long introduced :

H. F. No. 2, A bill for an act relating to the environment; establishing an environmental response, compensation and compliance fund to pay for removal and remedial action associated with certain hazardous substances released into the environment and for other purposes; providing for liability for cleanup costs, personal injury and economic loss resulting from releases of hazardous substances; imposing taxes, fees, and penalties; appropriating money; amending Minnesota Statutes 1980, Sections 466.01, by adding a subdivision; and 466.04, Subdivision 1; Minnesota Statutes 1981 Supplement, Section 115A.24, Subdivision 1; proposing new law coded in Minnesota Statutes, Chapter 116; proposing new law coded as Minnesota Statutes, Chapter 115B; repealing Minnesota Statutes 1981 Supplement, Section 115A.24, Subdivision 2.

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

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.

#### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Simoneau 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 prevailed.

Simoneau 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.

H. F. No. 1, A bill for an act relating to unemployment compensation; establishing a credit week as a percentage of average weekly wages; defining the employing unit for certain home-workers and personal care attendants; defining wages; altering provisions as to advance of federal funds; altering "triggers" related to extended benefits; altering eligibility requirements for extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the Federal Trade Act of 1974; providing for the interception of unemployment benefits to satisfy child support obligations; providing for rate notices; regulating eligibility for compensation; providing for determination of claims; providing for collection of contributions, reimbursements, and overpayments; modifying employer contribution provisions; altering tax rates; regulating the data practices of the department of economic security; modifying the deduction of military retirement payments and secondary social security benefits; providing increased penalties for individuals who quit employment or who are discharged for misconduct; providing for the charging of extended benefits, in part, to base period employers; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 268.04, Subdivisions 9, 25, and 29; 268.05, Subdivision 6; 268.06, Subdivisions 2, 3a, 6, 8, 19, 22, 25, and 28; 268.07, Subdivisions 2, 3, and by adding a subdivision; 268.071, Subdivisions 1, 3, 5, 6, and by adding subdivisions; 268.08, Subdivisions 1, 3, and 6; 268.09,

Subdivisions 1, 2, and by adding a subdivision; 268.10, Subdivisions 1 and 2; 268.12, Subdivisions 12 and 13; 268.15, Subdivision 3; 268.16, Subdivisions 1 and 2; 268.18, Subdivisions 1, 2, 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 268; repealing Minnesota Statutes 1980, Sections 268.07, Subdivision 4; 268.16, Subdivision 3, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Aasness	Erickson	Kelly	O'Connor	Simoneau
Ainley	Esau	Knickerbocker	Ogren	Skoglund
Anderson, B.	Ewald	Kostohryz	Olsen	Stadum
Anderson, G.	Fjoslien	Kvam	Omnen	Staten
Anderson, I.	Forsythe	Laidig	Osthoff	Stowell
Anderson, R.	Greenfield	Lehto	Otis	Stumpf
Battaglia	Gruenes	Lemen	Peterson, B.	Sviggum
Begich	Gustafson	Levi	Peterson, D.	Swanson
Berkelman	Halberg	Long	Piepho	Tomlinson
Blatz	Harens	Ludeman	Redalen	Valan
Brandl	Hauge	Luknic	Reding	Valento
Brinkman	Haukoos	Mann	Rees	Vanasek
Byrne	Heap	Marsh	Reif	Vellenga
Carlson, D.	Heinitz	McCarron	Rice	Voss
Carlson, L.	Himle	McEachern	Rodriguez, C.	Weaver
Clark, J.	Hoberg	Mehrkens	Rodriguez, F.	Welch
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	Spkr. Sieben, H.
Drew	Jude	Niehaus	Schreiber	
Eken	Kahn	Norton	Shea	
Elioff	Kaley	Novak	Sherman	
Ellingson	Kalis	Nysether	Sherwood	

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.

#### MESSAGES FROM THE SENATE

The following messages were 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

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 unemployment compensation; establishing a credit week as a percentage of average weekly wages; defining the employing unit for certain home-workers and personal care attendants; defining wages; altering provisions as to advance of federal funds; altering "triggers" related to extended benefits; altering eligibility requirements for extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the Federal Trade Act of 1974; providing for the interception of unemployment benefits to satisfy child support obligations; providing for rate notices; regulating eligibility for compensation; providing for determination of claims; providing for collection of contributions, reimbursements, and overpayments; modifying employer contribution provisions; altering tax rates; regulating the data practices of the department of economic security; modifying the deduction of military retirement payments and secondary social security benefits; providing increased penalties for individuals who quit employment or who are discharged for misconduct; providing for the charging of extended benefits, in part, to base period employers; providing penalties; appropriating money; amending Minnesota Statutes 1980, Sections 268.04, Subdivisions 9, 25, and 29; 268.05, Subdivision 6; 268.06, Subdivisions 2, 3a, 6, 8, 19, 22, 25, and 28; 268.07, Subdivisions 2, 3, and by adding a subdivision; 268.071, Subdivisions 1, 3, 5, 6, and by adding subdivisions; 268.08, Subdivisions 1, 3, and 6; 268.09, Subdivisions 1, 2, and by adding a subdivision; 268.10, Subdivisions 1 and 2; 268.12, Subdivisions 12 and 13; 268.15, Subdivision 3; 268.16, Subdivisions 1 and 2; 268.18, Subdivisions 1, 2, 4, and by adding subdivisions; proposing new law coded in Minnesota Statutes, Chapter 268; repealing Minnesota Statutes 1980, Sections 268.07, Subdivision 4; 268.16, Subdivision 3, as amended.

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. 3.

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. 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 3, A bill for an act relating to corrections; authorizing the commissioner of corrections to contract with the United States attorney general and local county officials for temporary detention of persons in custody pursuant to lawful process issued by federal courts and the state district court; providing for disposition of proceeds; amending Minnesota Statutes 1980, Section 243.51, 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, Samuelson moved that the rule therein be suspended and an urgency be declared so that S. F. No. 3 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. 3 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 3 was read for the second time.

S. F. No. 3, A bill for an act relating to corrections; authorizing the commissioner of corrections to contract with the United States attorney general and local county officials for temporary detention of persons in custody pursuant to lawful process issued by federal courts and the state district court; providing for disposition of proceeds; amending Minnesota Statutes 1980, Section 243.51, 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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

#### FIRST READING OF SENATE BILLS, Continued

S. F. No. 4, A bill for an act relating to the operation of state government; authorizing individuals to bring suits against the state regarding contracts for state debt; clarifying provisions relating to the sale of certificates of indebtedness; amending Minnesota Statutes 1980, Section 3.751, Subdivision 1; and Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivisions 5, as amended, and 9.

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 S. F. No. 4 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Eken moved that the rules of the House be so far suspended that S. F. No. 4 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 4 was read for the second time.

S. F. No. 4, A bill for an act relating to the operation of state government; authorizing individuals to bring suits against the state regarding contracts for state debt; clarifying provisions relating to the sale of certificates of indebtedness; amending Minnesota Statutes 1980, Section 3.751, Subdivision 1; and Minnesota Statutes 1981 Supplement, Section 16A.671, Subdivisions 5, as amended, 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 92 yeas and 31 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Gruenes	Lehto	Onnen	Skoglund
Anderson, G.	Gustafson	Lemen	Otis	Stadum
Berkelman	Halberg	Levi	Peterson, B.	Staten
Blatz	Harens	Long	Peterson, D.	Stowell
Brandl	Hauge	Luknic	Piepho	Stumpf
Brinkman	Haukoos	Mann	Pogemiller	Sviggum
Byrne	Heap	Marsh	Redalen	Swanson
Carlson, D.	Heinitz	McEachern	Reding	Tomlinson
Carlson, L.	Himle	Mehrkens	Rees	Vellenga
Clark, J.	Hokanson	Minne	Reif	Voss
Clark, K.	Jacobs	Munger	Rice	Weaver
Dean	Johnson, C.	Murphy	Rodriguez, C.	Welch
Dempsey	Johnson, D.	Nelsen, B.	Rodriguez, F.	Wenzel
Drew	Kahn	Nelson, K.	Rose	Wieser
Eken	Kaley	Norton	Rothenberg	Wynia
Elihoff	Kelly	Novak	Sarna	Spkr. Sieben, H.
Ellingson	Knickerbocker	O'Connor	Schoenfeld	
Forsythe	Kostohryz	Ogren	Schreiber	
Greenfield	Laidig	Olsen	Simoneau	

Those who voted in the negative were:

Aasness	Erickson	Kvam	Samuelson	Vanasek
Ainley	Esau	Ludeman	Schafer	Welker
Anderson, I.	Fjoslien	McCarron	Shea	Wigley
Anderson, R.	Hoberg	Metzen	Sherman	
Battaglia	Jennings	Niehaus	Sherwood	
Begich	Jude	Nysether	Valan	
Den Ouden	Kalis	Osthoff	Valento	

The bill was passed and its title agreed to.

## MOTIONS AND RESOLUTIONS

Eken moved that the Chief Clerk be and he is hereby authorized to correct and approve the Journal of the House, 1982 First Special Session, for today, Tuesday, March 30, 1982, 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.

Eken 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 1982 First Special Session sine die. The motion prevailed.

**MOTION TO ADJOURN FIRST SPECIAL SESSION SINE DIE**

Eken moved that the House adjourn sine die for the 1982 First Special Session.

A roll call was requested and properly seconded.

The question was taken on the Eken motion and the roll was called. There were 69 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Aasness	Eken	Kostohryz	Ogren	Skoglund
Anderson, B.	Elioff	Lehto	Osthoff	Staten
Anderson, G.	Ellingson	Ludeman	Otis	Swanson
Anderson, I.	Greenfield	Mann	Peterson, D.	Tomlinson
Battaglia	Gustafson	McCarron	Pogemiller	Vanasek
Begich	Harens	McEachern	Reding	Vellenga
Berkelman	Hauge	Metzen	Rice	Voss
Brandl	Hokanson	Minne	Rodriguez, C.	Welch
Brinkman	Jacobs	Munger	Rodriguez, F.	Welker
Byrne	Johnson, C.	Murphy	Samuelson	Wenzel
Carlson, L.	Jude	Nelson, K.	Sarna	Wigley
Clark, J.	Kahn	Norton	Schoenfeld	Wynia
Clark, K.	Kalis	Novak	Shea	Spkr. Sieben, H.
Dahlvang	Kelly	O'Connor	Simoneau	

Those who voted in the negative were:

Ainley	Gruenes	Knickerbocker	Onnen	Sherwood
Anderson, R.	Halberg	Kvam	Peterson, B.	Stadum
Blatz	Haukoos	Laidig	Piepho	Stowell
Carlson, D.	Heap	Lemen	Redalen	Sviggum
Dempsey	Heinitz	Levi	Rees	Valento
Den Ouden	Himle	Luknic	Reif	Weaver
Drew	Hoberg	Marsh	Rose	Wieser
Erickson	Hokr	Mehrkens	Rothenberg	
Esau	Jennings	Nelsen, B.	Schafer	
Fjoslien	Johnson, D.	Nysether	Schreiber	
Forsythe	Kaley	Olsen	Sherman	

The motion prevailed and the Speaker declared the House stands adjourned sine die for the 1982 First Special Session.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED  
SUBSEQUENT TO ADJOURNMENT OF 1982 FIRST SPECIAL SESSION

MESSAGES FROM THE SENATE

The following message was received from the Senate :

Mr. Speaker :

This is to notify you that the Senate is about to adjourn the First Special Session sine die.

PATRICK E. FLAHAVEN, Secretary of the Senate

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 31, 1982

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

Dear Speaker Sieben :

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, the following House File :

First Special Session—1982, H. F. No. 1, relating to unemployment compensation; establishing a credit week as a percentage of average weekly wages; defining the employing unit for certain homeworkers and personal care attendants; defining wages; altering provisions as to advance of federal funds; altering “triggers” related to extended benefits; altering eligibility and disqualifying provisions for individuals whose training is approved under the Federal Trade Act of 1972; providing for the interception of unemployment benefits to satisfy child support obligations; providing for rate notices; regulating eligibility for compensation; providing for determination of claims; providing for collection of contributions, reimbursements, and overpayments; modifying employer contribution provisions; altering tax rates; regulating the data practices of the department of economic security; modifying the deduction of military retirement payments and secondary social security benefits; providing increased penalties for individuals who quit employment or who are discharged for misconduct; providing for the charging of extended benefits, in part, to base period employers; providing penalties; appropriating money.

Sincerely,

ALBERT H. QUIE  
Governor

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

March 31, 1982

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 1982 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 1982 Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
	1	1	March 31	March 31
3		2	March 31	March 31
4		3	March 31	March 31

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

CERTIFICATE

I certify that the 1982 First Special Session Journal of the House for Tuesday, March 30, 1982, 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**

**1982**

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**RAMALEY PRINTING COMPANY**



STATE OF MINNESOTA

SECOND SPECIAL SESSION - 1982

FIRST DAY

SAINT PAUL, MINNESOTA, FRIDAY, JULY 9, 1982

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 House chamber at the Capitol in Saint Paul on Friday, the ninth day of July, 1982, at 10:00 a.m.

A copy of the proclamation for the 1982 Second Special Session is on file in the office of the Chief Clerk. The proclamation is dated July 2, 1982.

Pursuant to the proclamation and 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 Dr. Earl F. Miller, Pastor of Pilgrim Baptist Church, St. Paul, Minnesota.

The Chief Clerk called the roll by legislative district 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	
District 12B	Stephen G. Wenzel
District 13A	
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	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	Don Frerichs
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	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	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	
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	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, Jr.
District 67B	John Tomlinson

131 members answered to the call by legislative district.

Dahlvang; Nelsen, B., and Samuelson were excused.

The roll was called in alphabetical order and the following members were present:

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

A quorum was present.

Eken 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 now duly organized pursuant to law for the 1982 Second Special Session. The motion prevailed.

Eken moved that the Chief Clerk be and he is hereby authorized to correct and approve the Journal of the House, 1982 Second Special Session, for today, Friday, July 9, 1982, and that he be authorized to include in the Journal for today any subse-

quent proceedings and any appointments to legislative interim committees or commissions created by legislative action or by law. The motion prevailed.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Begich, Battaglia, Elioff, Lemen and Minne introduced:

H. F. No. 1, A bill for an act relating to the northeast Minnesota economic protection fund; designating the fund as a trust fund; authorizing the expenditure of money from the fund to finance a distressed area emergency job program and alternative energy source projects; establishing a trust board; appropriating money; amending Minnesota Statutes 1980, sections 298.291; 298.292; 298.293; and 298.294, as amended; Minnesota Statutes 1981 Supplement, sections 298.225, as amended; and 298.28, subdivisions 1, as amended, and 2; and Laws 1982, chapter 523, article XXX, section 4, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 298.

The bill was read for the first time.

Rees and Knickerbocker introduced:

H. F. No. 2, A bill for an act relating to metropolitan government; apportioning metropolitan council districts; requiring that metropolitan council boundaries be redrawn from each federal census; amending Minnesota Statutes 1980, sections 473.123, subdivisions 2 and 3; and 473.141, subdivisions 2 and 5.

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

### HOUSE ADVISORIES

The following House Advisory was introduced:

Staten, Ogren, Norton, Stumpf, and Clark, K., introduced:

H. A. No. 1, A proposal to assist Minnesotans without unemployment compensation or other forms of relief.

The advisory was referred to the Committee on Governmental Operations.

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.

## SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Begich 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 prevailed.

Begich 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.

Stadum and Valan offered an amendment to H. F. No. 1.

## POINT OF ORDER

Eken 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.

Valan, Stadum, Welker and Redalen moved to amend H. F. No. 1, as follows:

Pages 14 to 16, delete sections 10, 11 and 12 and insert:

**"Sec. 10. [DISTRESSED AREA EMERGENCY LOAN PROGRAM.]**

*Subdivision 1. [APPROPRIATION.] Notwithstanding Minnesota Statutes, section 298.293 or any other law, there is appropriated to the commissioner of iron range resources and rehabilitation from the northeast Minnesota economic protection trust fund the sum of \$7,500,000 for the purpose of subdivision 2.*

*Subd. 2. [LOAN PROGRAM.] The commissioner shall expend the money appropriated by subdivision 1 solely to make loans to residents of the tax relief area defined in Minnesota Statutes, section 273.134 over the age of 19 who receive unemployment benefits from the state of Minnesota at any time in 1982. A person may be extended only one loan. The maximum loan amount shall be \$750. A loan shall bear simple interest at the rate of ten percent per annum and shall have a term of one*

year. No loan shall be made after June 30, 1983. Any part of the appropriation and interest earned thereon not loaned by June 30, 1983 shall be paid back to the trust fund. All loan repayments shall also be paid to the trust fund within one month of receipt."

Renumber the remaining section

Amend the title as follows:

Page 1, line 5, delete "job" and insert "loan"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 38 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Aasness	Evans	Hokr	Olsen	Valan
Ainley	Fjoslien	Kaley	Piepho	Valento
Dean	Forsythe	Knickerbocker	Rothenberg	Welker
Dempsey	Frerichs	Kvam	Schafer	Wieser
Den Ouden	Halberg	Ludeman	Searles	Wigley
Drew	Heap	McDonald	Stadum	Zubay
Erickson	Heinitz	Niehaus	Stowell	
Esau	Himle	Nysether	Sviggum	

Those who voted in the negative were:

Anderson, B.	Ewald	Lehto	Onnen	Skoglund
Anderson, G.	Greenfield	Lemen	Osthoff	Staten
Anderson, I.	Gruenes	Long	Otis	Stumpf
Anderson, R.	Gustafson	Luknic	Peterson, B.	Swanson
Battaglia	Hanson	Mann	Pogemiller	Tomlinson
Begich	Hauge	Marsh	Reding	Vanasek
Berkelman	Haukoos	McCarron	Rees	Vellenga
Blatz	Hokanson	McEachern	Reif	Voss
Brandl	Jacobs	Mehrkens	Rice	Weaver
Brinkman	Jennings	Minne	Rodriguez, F.	Welch
Byrne	Johnson, D.	Munger	Sarna	Wenzel
Carlson, L.	Jude	Murphy	Schoenfeld	Wynia
Clark, J.	Kahn	Nelson, K.	Schreiber	Spkr. Sieben, H.
Clawson	Kalis	Norton	Shea	
Eken	Kelly	Novak	Sherwood	
Elioff	Kostohryz	O'Connor	Sieben, M.	
Ellingson	Laidig	Ogren	Simoneau	

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

Stowell moved to amend H. F. No. 1, as follows:

Page 17, line 22, after the period insert "The northeast Minnesota economic protection trust fund shall pay all of the costs of employing persons under this section including the cost of wages, benefits, workers' compensation benefits or premiums, unem-

*ployment taxes or benefits and social security taxes. If the amount appropriated by sections 12 and 14 is not sufficient to pay all of the employment costs then there is appropriated when necessary to the commissioner of iron range resources and rehabilitation such further sums as are sufficient to pay those costs."*

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called. There were 61 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Aasness	Fjoslien	Knickerbocker	Peterson, B.	Stowell
Ainley	Forsythe	Kvam	Piepho	Sviggum
Blatz	Frerichs	Laidig	Redalen	Valan
Carlson, D.	Gruenes	Levi	Rees	Valento
Clawson	Halberg	Ludeman	Reif	Weaver
Dean	Haukoos	Luknic	Rose	Welker
Dempsey	Heap	Marsh	Rothenberg	Wieser
Den Ouden	Heinitz	McDonald	Schafer	Wigley
Drew	Himle	Mehrkens	Schoenfeld	Zubay
Erickson	Hokr	Niehaus	Schreiber	
Esau	Johnson, D.	Nysether	Searles	
Evans	Kaley	Olsen	Sherman	
Ewald	Kalis	Onnen	Stadum	

Those who voted in the negative were:

Anderson, G.	Greenfield	Lemen	Otis	Staten
Anderson, I.	Gustafson	Long	Peterson, D.	Stumpf
Battaglia	Hanson	Mann	Pogemiller	Tomlinson
Begich	Harens	McCarron	Reding	Vanasek
Berkelman	Hauge	Minne	Rice	Vellenga
Brandl	Hokanson	Munger	Rodriguez, C.	Voss
Brinkman	Jennings	Murphy	Rodriguez, F.	Welch
Byrne	Johnson, C.	Nelson, K.	Sarna	Wenzel
Carlson, L.	Jude	Norton	Shea	Wynia
Clark, J.	Kahn	Novak	Sherwood	Spkr. Sieben, H.
Eken	Kelly	O'Connor	Sieben, M.	
Elioff	Kostohryz	Ogren	Simoneau	
Ellingson	Lehto	Osthoff	Skoglund	

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

Stadum, Valan and Rees offered an amendment to H. F. No. 1.

#### POINT OF ORDER

Simoneau raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

H. F. No. 1, A bill for an act relating to the northeast Minnesota economic protection fund; designating the fund as a trust fund; authorizing the expenditure of money from the fund to finance a distressed area emergency job program and alternative energy source projects; establishing a trust board; appropriating money; amending Minnesota Statutes 1980, sections 298.291; 298.292; 298.293; and 298.294, as amended; Minnesota Statutes 1981 Supplement, sections 298.225, as amended; and 298.28, subdivisions 1, as amended, and 2; and Laws 1982, chapter 523, article XXX, section 4, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 298.

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 25 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ainley	Forsythe	Kaley	Nysether	Valento
Blatz	Frerichs	Kalis	Reif	Welker
Den Ouden	Halberg	Kvam	Schafer	Wieser
Erickson	Heinitz	Ludeman	Schreiber	Wigley
Esau	Jennings	McDonald	Searles	Zubay

The bill was passed and its title agreed to.

## MESSAGES FROM THE SENATE

The following messages were 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

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 city of Albert Lea; authorizing the city to expend certain federal revenue sharing funds for certain purposes.

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, Haukoos 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.

Haukoos 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.

Stowell moved to amend S. F. No. 2, as follows:

Page 1, delete lines 15 to 17 and insert:

*“Section 1 is effective only with the approval of a majority of 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 642.021, Subd. 2.”*

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

McDonald and Rees offered an amendment to S. F. No. 2.

POINT OF ORDER

Eken 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. 2, A bill for an act relating to the city of Albert Lea; authorizing the city to expend certain federal revenue sharing funds for certain 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 114 yeas and 13 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Den Ouden	Ludeman	Niehaus	Stowell	Wieser
Drew	McDonald	Nysether	Valento	
Kvam	McEachern	Osthoff	Welker	

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 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 northeast Minnesota economic protection fund; designating the fund as a trust fund; authorizing the expenditure of money from the fund to finance a distressed area emergency job program and alternative energy source projects; establishing a trust board; appropriating money; amending Minnesota Statutes 1980, sections 298.291; 298.292; 298.293; and 298.294, as amended; Minnesota Statutes 1981 Supplement, sections 298.225, as amended; and 298.28, subdivisions 1, as amended, and 2; and Laws 1982, chapter 523, article XXX, section 4, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 298.

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

### MOTIONS AND RESOLUTIONS

Eken 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 1982 Second Special Session sine die. The motion prevailed.

#### MOTION TO ADJOURN SECOND SPECIAL SESSION SINE DIE

Eken moved that the House adjourn sine die for the 1982 Second Special Session. The motion prevailed and the Speaker declared the House stands adjourned sine die for the 1982 Second Special Session.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED SUBSEQUENT  
TO ADJOURNMENT OF THE 1982 SECOND SPECIAL SESSION

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

July 12, 1982

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 have received, approved, signed and deposited in the Office of the Secretary of State, the following House File:

Second Special Session—1982 H. F. No. 1, relating to the northeast Minnesota economic protection fund as a trust fund; authorizing the expenditure of money from the fund to finance a distressed area emergency job program and alternative energy source projects; establishing a trust board; appropriating money;

Sincerely,

ALBERT H. QUIE  
Governor

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

July 15, 1982

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 1982 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 the State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> No.	<i>H.F.</i> No.	<i>Second Special Session Laws 1982 Chapter No.</i>	<i>Date Approved 1982</i>	<i>Date Filed 1982</i>
2		1	July 9	July 12
	1	2	July 12	July 13

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

CERTIFICATE

I certify that the 1982 Second Special Session Journal of the House for Friday, July 9, 1982, including subsequent proceedings, has been corrected and is hereby approved.

EDWARD A. BURDICK, Chief Clerk, House of Representatives